

RESOLUTION NO. MS2025-01

**A RESOLUTION OF THE CRESCENT CITY MEASURE S OVERSIGHT COMMITTEE
APPROVING A REPORT ON MEASURE S FUNDS FOR FISCAL YEAR 2023-2024**

WHEREAS, the voters of the City of Crescent City passed Measure S in November 2020 imposing a 1.0% transactions and use tax ("sales tax") to be imposed within the City limits; and

WHEREAS, Measure S requires that the City have an oversight committee made up of two-non-voting staff members and five voting city residents, appointed by the Mayor and confirmed by the City Council; and

WHEREAS, Measure S also requires that the oversight committee report publicly on an annual basis regarding the expenditure of Measure S revenues; and

WHEREAS, the City's independent auditor, Badawi & Associates, has completed a separate audit of Measure S funds for FY 2023-2024; and

WHEREAS, the auditor's report has been provided to the Measure S Oversight Committee; and

WHEREAS, City staff have also provided the Measure S Oversight Committee with detailed information on the revenues and expenditures of Measure S funds for FY 2023-2024; and

WHEREAS, the Measure S Oversight Committee has met in a duly noticed public meeting and considered the information presented thereat.

NOW, THEREFORE, BE IT RESOLVED by the Crescent City Measure S Oversight Committee that the attached Measure S Committee Report for FY 2023-2024 is hereby approved.

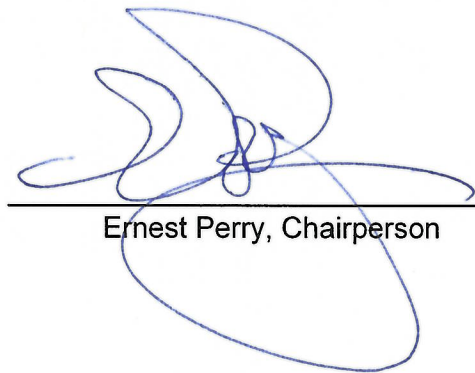
APPROVED and ADOPTED and made effective the same day by the Crescent City Measure S Oversight Committee at a meeting thereof held on this 11th day of February 2025 by the following polled vote:

AYES: Committee Members Hyatt, Reno, Shamblin, and Chair Perry

NOES: None

ABSENT: None

ABSTAIN: None



Ernest Perry, Chairperson

ATTEST:



Robin Altman, City Clerk

Crescent City Measure S Oversight Committee

Fiscal Year 2023-2024

Annual Report

Voting Committee Members:

- Ernest Perry, Chair (24-25)
- Dana Reno, Vice Chair (24-25)
- Shawna Hyatt (25-26)
- Steve Shamblin (25-26)
- Vacant

Non-Voting Committee Members:

- Eric Wier, City Manager
- Linda Leaver, Finance Director

Dear City Council and Residents of Crescent City:

The Crescent City Measure S Oversight Committee makes this report pursuant to Crescent City Municipal Code 3.30.140.

1. PERIOD COVERED

This report covers Fiscal Year 2023-2024 (July 1, 2023 through June 30, 2024).

2. MEASURE S REVENUES

During FY 2023-2024, the City received \$2,345,019 in Measure S tax revenue. The approved budget included a tax revenue estimate of \$2,300,000. Some additional revenue is received as reimbursement from the Fire District when Measure S funds are spent on items that are shared with the District. When the District reimburses the City for its share of those items, the reimbursement revenue is returned to the Measure S balance.

	Original Budget	Final Budget	Actual	Variance
Measure S sales tax	2,300,000	2,300,000	2,345,019	45,019
Charges for service (Fire District reimbursement)	414,652	401,260	347,958	(53,302)
Total revenues	2,714,652	2,701,260	2,692,977	(8,283)

3. MEASURE S EXPENDITURES

Measure S funds are intended to fund public safety (Police and Fire), streets, the swimming pool, and financial oversight of the Measure S funds. The committee met several times to develop recommendations for the FY 2023-24 budget:

- April 10, 2023 (recommendation for FY 23-24 budget – Resolution No. MS 2023-03)
- November 14, 2023 (update recommendations for FY 23-24 budget – Resolution No. MS

2023-04)

- April 30, 2024 (update recommendations for FY 23-24 budget – Resolution No. MS 2024-02)

The committee maintains a five-year spending plan for Measure S funds, which is updated each time the committee reviews the budget and makes recommendations.

All recommendations of the Measure S committee were approved by the City Council and incorporated into the City budget, with some slight variations due to updated cost calculations (such as benefits).

Total Measure S budgeted expenditures for FY 23-24 were \$3,257,813 and the total actual expenditures were \$2,771,394.

	Original Budget	Final Budget	Actual	Variance
Fire (total expense before reimbursement)	1,044,360	1,096,829	920,879	(175,950)
Police	418,435	489,811	463,279	(26,532)
Streets	935,000	1,088,673	836,453	(252,220)
Pool	575,000	575,000	545,466	(29,534)
Finance	7,500	7,500	5,317	(2,183)
Total expenses	2,980,295	3,257,813	2,771,394	(486,419)

Some of the unspent funds were recommended to be re-budgeted / reallocated to Measure S priorities in the FY 2024-25 budget, and those recommendations were approved by the City Council and incorporated into the City's budget.

Some of the Measure S expenditures are transfers to capital improvement funds for long-term projects. The transfer is an expenditure in the Measure S fund (and therefore no longer part of the ending Measure S fund balance), although the specific project or purchase may not be completed in the same year. The ongoing funds are tracked to ensure they are ultimately spent on the Measure S recommended priorities.

- Fire Vehicle and Equipment Replacements: annual funding set aside for future replacement of fire apparatus, vehicles, SCBA, and other large equipment purchases; balance at June 30, 2023 of \$136,000 (to be reserved for future replacement of Fire Engine #10)
- Police Vehicle Replacements: annual funding set aside for replacement of police vehicles; balance at June 30, 2023 of \$21,066 (fully expended in FY 23-24)
- Capital improvements
 - Front Street: balance at June 30, 2024 of \$100,051
 - Street preservation project: balance at June 30, 2024 of \$537,286
 - Pool HVAC: balance at June 30, 2024 of \$537,286
 - Pool flooring (locker room): balance at June 30, 2024 of \$65,829
 - Pool deck: balance at June 30, 2024 of \$219,009
 - Fire Hall improvements: balance at June 30, 2024 of \$34,439
 - Police facility improvements: balance at June 30, 2024 of \$107,911
 - Fire vehicle and equipment replacements: balance at June 30, 2024 of \$381,500

- Police vehicle replacements: balance at June 30, 2024 of \$2,235

4. MEASURE S FUNDS REMAINING

The ending fund balance of Measure S at June 30, 2024 was \$1,063,093. The Committee regularly updates the 5-year Measure S Spending Plan, and all of the projected funds are currently allocated to fund priorities within the police, fire, streets, swimming pool, and financial oversight departments.

5. AUDIT REPORT

The Measure S revenues, expenditures, and fund balance have been audited by an independent auditing firm (Badawi & Associates) for the year ended June 30, 2024. The auditor's report is available on the City's website.

Respectfully,

Ernest Perry, Chairperson
Measure S Oversight Committee