

FY 2023

**Measure L and Measure V
Annual Report**



CITY OF RIDGECREST CA

**Citizen's Oversight
Committee**

August 14, 2024

Committee Members:

Chair: Holly Staab

Vice Chair: Chris Hill

Chip Holloway

Nicole Harper

Gurpreet Badrain

Spotlight!

This year marks the 11th oversight committee report. We can conclusively say this Council, and all previous Councils, have held to the promise made to taxpayers.

1. Introduction

The fiscal year 2022-2023 (FY23) report is the eleventh annual report prepared by the Oversight Committee regarding the use of revenue from Measure L and Measure V sales taxes. City of Ridgecrest Ordinance 12-02 Chapter 3 Article 2 (2012), and the City of Ridgecrest Ordinance 16-02 Chapter 3, Article 2 (2016) requires a report be generated annually by the Oversight Committee.

2. What are Measure L and Measure V?

Measure L was a local sales and use tax measure approved in 2012 for the City of Ridgecrest to adopt a 1 cent tax on general sales. Measure L's five-year term expired in 2017; but funds continue to trickle in due to previously unpaid tax bills.

Measure V, also a 1 cent sales and use tax, was voted in by the citizens of Ridgecrest in 2016 with an eight-year term (expiring March 30, 2025).

Funds collected under both measures are considered General Fund Taxes, which means there is no legal obligation for the monies to be allocated to any specific department. However, both were approved based on a commitment from the City Council to use the funds to retain city services for streets and public safety.

The Citizen's Oversight Committee reviews spending data from the previous fiscal year to verify Measure L and V funding was spent as promised. Data reviewed by the committee can be referenced on the City of Ridgecrest's website, specifically the Finance Department's section. The three duties of the Citizen's Oversight Committee are listed in Chapter 3 Section 2.117 of the Ridgecrest Municipal Code:

- Review all appropriations of revenues received by the City from the sales and use tax
- Review the City's Annual Comprehensive Financial Report (ACFR)
- Prepare and issue the committee's report on their findings

3. Tracking Measure L and Measure V Funds

As a General Fund Tax, all Measure L and V funds are initially deposited in the General Fund. Measure L and V funds are tracked separately to provide visibility within the financial system. Public Safety (police) and Public Works (street maintenance) expenditures from Measure L and V funding have unique tracking accounts. For FY 23, Public Safety funds were used for equipment and labor. Public Works expenditures included equipment, labor, material, and contract services.

Spotlight!

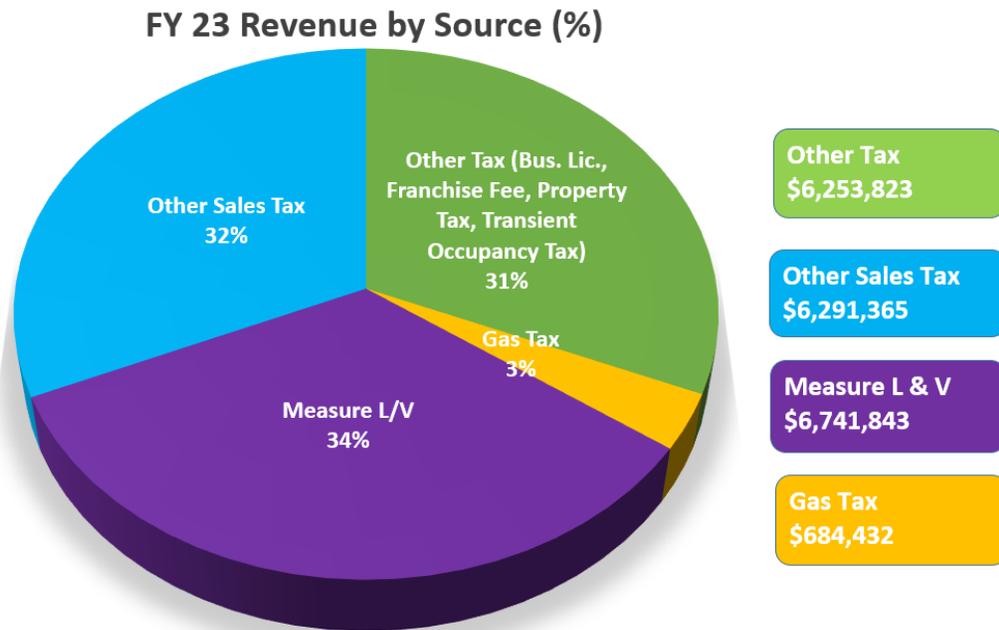
Citizens can learn more about how Measure V revenues and other city funds are expended by reading the ACFR or watching the annual Budget Workshop.

Spotlight!

Measure V is a general fund 1 cent sales and use tax, voted in by Ridgecrest citizens, approved on the commitment that funds would be used to retain city services for streets and public safety.

4. Executive Summary for FY 23

- Total Tax Revenue for FY23: \$19,971,462
- Total from Measure V: \$6,739,483
- Total from Measure L: \$2,359



Measures L and V generated 34% of the City of Ridgecrest's tax revenue for FY 23.

The Committee's expectation was that the Measure L and V funds would be spent as promised on Public Safety and Public Works. Thanks to Measure V, Ridgecrest has felt less of an impact from the ever-decreasing availability of funding streams. Measure V accounts for 43% of Ridgecrest Police Department's budget and 61% of Public Works' streets budget with the remainder primarily being gas tax, SB1, Road Maintenance and Rehabilitation Account (RMRA), and Transportation Development Act (TDA) Article 3 funding.

Due to the multitude of recent legislative measures that reclassified felonies as misdemeanors, mandated early release, and reduced the enforcement powers of public safety officers, California cities are faced with a growing burden on municipal budgets to maintain public safety. Measure V continues to fund a large portion of the Ridgecrest Police Department's budget, lessening this burden on the City of Ridgecrest and its residents.

A majority of the City's General Fund (roughly 60%) pays for salaries, electricity for street lights, and street sign maintenance. That leaves only 40% to cover nearly 90% of Public Works costs to maintain all of Ridgecrest's streets.

Spotlight!

Oversite Committees ensure funds are spent exactly how the public proposed.

Spotlight!

Ridgecrest residents, through community feedback, continue to prioritize maintenance and improvements to local streets and roads.

For Public Works, the city’s current Five-Year Pavement Rehabilitation Plan laid a road map to resurface 99.2 centerline miles of the city’s 126.1-mile street infrastructure (77% of the city’s streets). With the conclusion of FY23, the city is ahead of schedule, and has successfully rehabilitated approximately 72% of the aging road infrastructure. The latest Five-Year Pavement Rehabilitation Plan projects road rehab projects into 2030, and will touch nearly 99% of Ridgecrest’s Street infrastructure. With 99% of the infrastructure rehabbed at the conclusion of 2030, Public Works will shift its focus to maintenance and improvements.

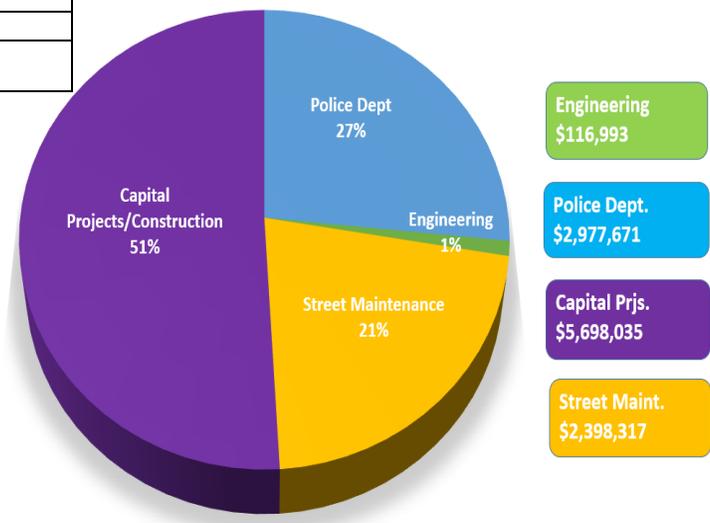
5. Findings for Fiscal Year 2023

FY23 began with a carryover of \$7,695,246 from the prior year. Sales tax revenue from Measure L was \$2,359.00, and Measure V was \$6,739,483.00. These combined for a total of \$14,437,088 available for expenditures. Revenue unspent at the end of FY23, \$3,246,072.00, is already budgeted or spent on future/ongoing City projects, and will be spent in FY24. Measure V continues to provide a stable and increasing funding source each year and is heavily relied upon by both Public Works and Public Safety.

Financial data and details of expenditures were readily provided to the committee to support review of the types of efforts Measure L/V funded. A detailed breakdown of expenditures can be seen below.

<i>11th Year</i>	<i>FY 2022-2023 Actual Amounts</i>
Prior Year Carry Over	\$7,695,246
Sales Tax – Measure L	\$2,359
Sales Tax – Measure V	\$6,7639,483
Expenditures:	
Police Department	\$2,977,671
Engineering	\$116,993
Street Maintenance	\$2,398,317
Capital Projects	\$5,698,034
Total Expenditures	\$11,191,016
Revenue Over Expenditure	\$(4,449,174)
Amount to Carry Over	\$3,246,072

6.



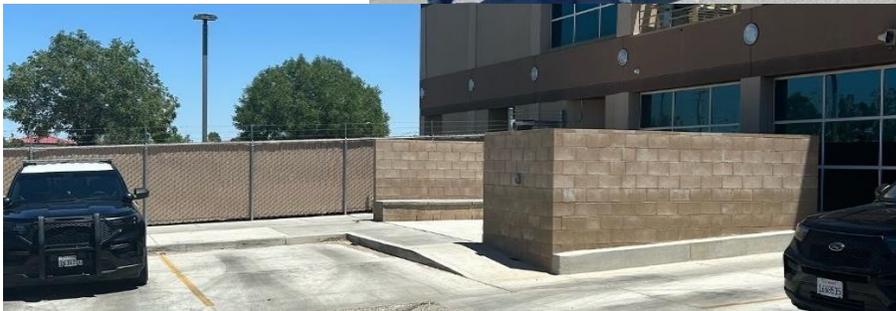
Spotlight!

Maintaining local funding is imperative to the future of maintaining police services, local streets, and quality of life. Without Measure V, considerable cuts will be required.

Spotlight!
Measure V funds approximately 43% of Ridgecrest's public safety budget.

6. Public Safety (Ridgecrest Police Department) Expenditures Summary

In covering approximately 43% of the entire public safety budget, Measure V expenditures of \$2,977,671 funded multiple positions within the Department, officer training, entry level training, the purchase of a new Animal Control Van, and a secure parking upgrade for the police Holding Facility.

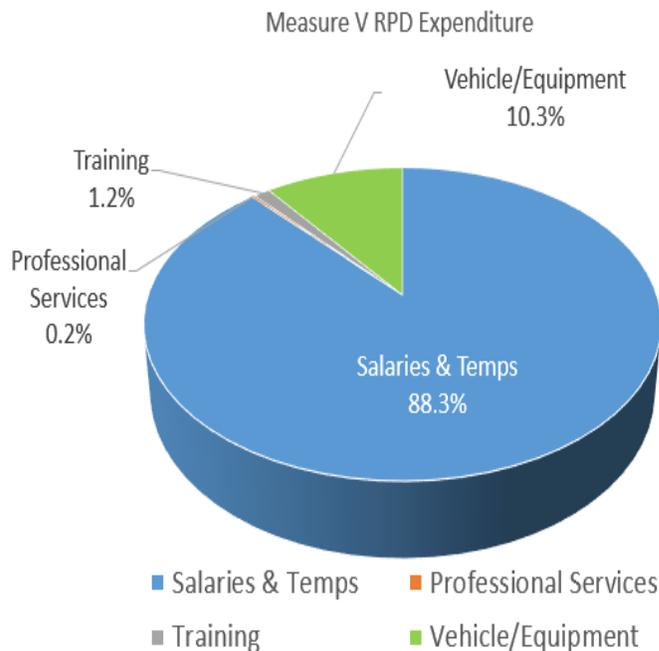


FY23 Measure V Funds allowed for the acquisition of a new Animal Control Van and a secure parking upgrade at RPD's Holding Facility.

RPD also used Measure V funds to convert the rear seats of eight patrol vehicles to hard plastic. This improvement not only helps prevent the spread of hazardous fluids, but substantially reduces the amount of valuable time officers spend cleaning patrol vehicles. Measure V also funded the purchase of radio system components to comply with new State encryption mandates.

During FY23, the Police Department received 25,384 calls for services, which averaged 69 calls per day (a slight increase from FY22's 66 calls per day).

Recent changes in mandated reporting requirements have had detrimental effects on officer's time, causing them to spend significantly more time completing and processing crime reports. This takes away valuable time from an officer's shift, which otherwise could be directed to patrolling our streets and responding to calls.



Spotlight!
During FY23, RPD received 25,384 calls for services, averaging 69 calls per day.

Spotlight!

Thanks to Measure V funds and increased staff, Ridgecrest Police Officer initiated incidents increased by 15%, resulting in an average of 30 incidents per day.

Despite this added burden, officer initiated incidents increased by 15% to 30 incidents per day average. This increase is directly attributed to increased staffing levels made possible by Measure V funding.

The Ridgecrest Police Department continues to monitor crime trends while adjusting their focus and priorities to best address public safety in the City of Ridgecrest. The Department utilized Measure V funds to meet the community’s public safety needs by maintaining the number of sworn officers and support staff necessary to proactively patrol neighborhoods, respond quickly to 9-1-1 calls, and continued crime prevention programs.

7. Public Works Department Expenditures Summary

For the Public Works Department, Measure L and V funds continue to provide matching funds for numerous Federal and State Capital Improvement projects. In FY23, Measure V provided matching and contract funds for more than 2.5 million dollars of competitive grant funding. These funds were expended for the completion of the FY22 Measure V paving project (17 streets), West Ward Avenue Phase I Rehab Project, West Ward Avenue Phase II Rehab Project, and three additional streets.

Measure V also continues to fund the majority of the City’s Hot Mix Asphalt (HMA) paving projects and slurry program. In FY23 alone, approximately six centerline miles of roads were replaced/repared/maintained. This work maintained the current Pavement Condition Index (PCI), an objective and repeatable method for



The trucks above, and polymer modified crack sealer on the left were purchased using FY23 Measure V funds. This modernized equipment saves the Public Works Department an enormous amount of time and money.

assessing pavement conditions, at 65. However, in FY23 the City utilized new technology for PCI scoring to better assess the condition of our pavements. The new technology effectively eliminated the human error aspect from the rating, resetting our score to 58. This score has Ridgecrest firmly in the Fair range, up from 23.5 in 2011.

With every year a mile of street is not maintained, the maintenance costs increase roughly \$252,000.00 due to inflation of material and labor costs. This does not account for the worsening condition of the

Spotlight!

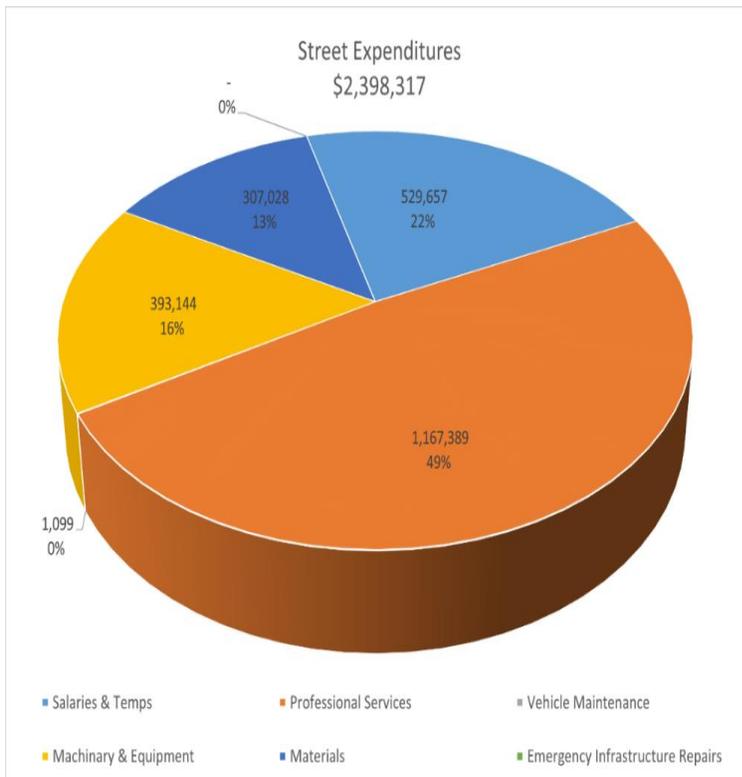
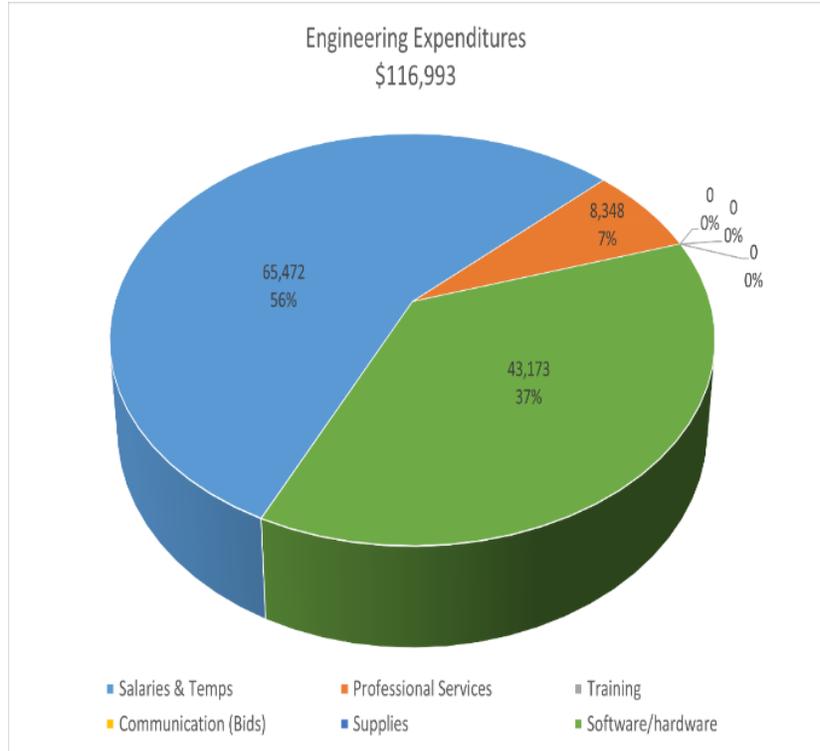
Public Works improved six center-line miles during FY23, with another 9 planned for FY24.

Spotlight!

In 2017, the estimated total cost to repair Ridgecrest's aging streets was \$145 million. Today, it's closer to \$215 million.

street. Measure V funds are imperative in the City's goal to not undo progress made, and to reach the sustainability point where each City Street is maintained once every seven years.

The City's Fiscal Year is July 1 through June 30. However, the paving year is approximately April through October. Consequently, paving contracts often overlap fiscal years and final expenditures are subject to adjustment in the subsequent year's ACFR. Due to the overlap of fiscal year and paving season, it is common to see a carryover of Measure V funds budgeted to Public Works. Multiple other factors drive this situation, but



Public Works uses an aggressive, forward-looking strategy, to bid projects so no paving season passes without substantial street improvements. With the conclusion of FY23, the City has completed all of the Current 2020-2025 Five-Year Pavement Rehabilitation Plan HMA paving and chip seal projects. With the newly developed 2025-2030 Five-Year Pavement Rehabilitation Plan, the City is already hard at work on the next wave of street rehab projects to sustain their \$210 million dollar transportation infrastructure.

Measure L and Measure V have fulfilled the commitment made to the citizens of Ridgecrest for the past 11 years. The proceeding map shows how much has been accomplished during this time.

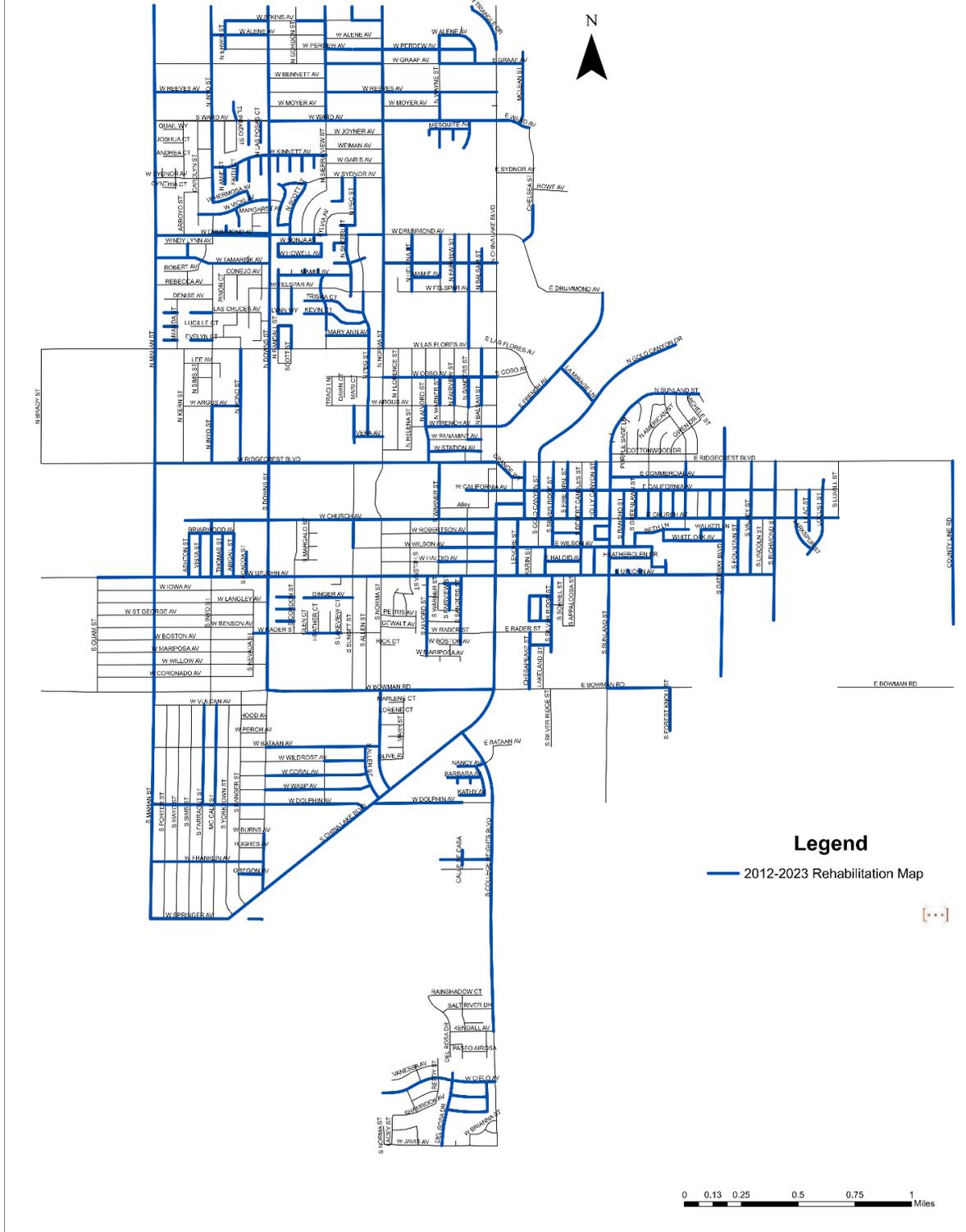
Spotlight!

Measure V funds approximately 61% of Ridgecrest's public works budget.

Spotlight!

As of the end of FY23, Measure L and V funds have enabled Public Works to successfully rehabilitate approximately 72% of the city's aging road infrastructure.

City of Ridgecrest Pavement Management 2012-2023



Spotlight!

Measure V is essential to maintaining streets, as road rehabilitation is always an uphill battle, due to street infrastructure degrading as fast or faster than we can maintain at current funding levels.

Spotlight!

Measure V has grown from 14% of total revenues to 34%; further illustrating how Federal, State and County revenues continue to be a less reliable source of funding.

8. Conclusion and Recommendations

The Measure V Committee has analyzed all relevant expenditures from FY23 and concludes that the intentions as expressed in the original compact with the citizens of Ridgecrest have been fulfilled in the best manner possible.

The Committee applauds the proactive and diligent way the Public Works department continues to utilize Measure V funds to effectively improve the City of Ridgecrest's streets. The Committee also applauds the manner in which the Ridgecrest Police Department utilizes Measure V funds to maintain public safety and position the department to serve the community in years to come.

Measure V funding has been utilized to address our local public safety and public works services including:

- ✓ Maintaining City streets and pothole repair
- ✓ Retaining Ridgecrest police officers and maintaining neighborhood police patrols
- ✓ Reducing 9-1-1 emergency response times
- ✓ Maintaining crime prevention and investigations

The Measure V Committee encourages the City Council to continue to educate the community on the increasing demands and costs of not only maintaining, but growing our Public Works and Public Safety resources to best meet the needs of our growing community. City events, such as the recently held Budget Workshop, are excellent ways of communicating current status and future needs to concerned citizens.

Based on the Measure V Oversight Committee's analysis, the City of Ridgecrest has utilized Measure V funds as promised, validating that this Measure is an imperative lifeline to preserve and improve city services and infrastructure. Without Measure V, or other version of a revenue measure in place, the City of Ridgecrest would not be able to maintain current or develop future public works or public safety resources.

The Bottom Line _____

Measures L and V have significantly contributed to Ridgecrest's quality of life and City services. The two measures are a successful example of citizens taking control of their tax dollars and focusing revenue toward needs within the city. The funds have been essential to the maintenance of public safety and public works services and have allowed our City to thrive and be self-reliant, even in the toughest economic conditions.

The City continues to be a prudent fiscal steward of taxpayer dollars and manages the use of these funds transparently and responsibly.

Maintaining our own source of local funding is imperative maintaining and growing the quality of life in Ridgecrest.

Ridgecrest's City Council committed to use Measure L, and now Measure V revenue specifically for streets and public safety. This year marks the 11th oversight committee report and we can conclusively say this council, and all previous councils, have held to that commitment. The City of Ridgecrest's citizens and visitors continue to benefit greatly from the maintenance and improvements made possible by these funds.

Spotlight!

Measure V is a successful example of citizens taking control and focusing revenue toward city needs and self-reliance.