



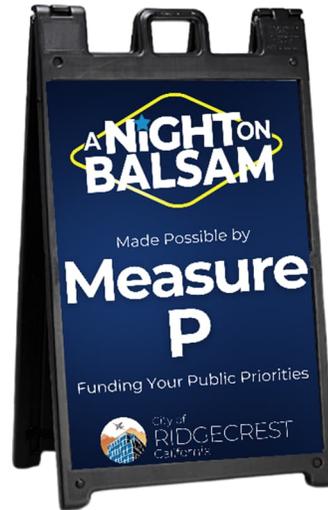
MEASURE P ANNUAL REPORT

For Fiscal Year Ending June 30, 2024

CITIZEN'S OVERSIGHT COMMITTEE

INTRODUCTION

The fiscal year 2023-2024 (FY24) report is the second annual report prepared by the Oversight Committee regarding the use of revenue from Measure P sales tax. City of Ridgecrest Ordinance 22-06 Chapter 9, Article 86 (2022) requires that a report be generated annually by the Oversight Committee regarding the usage of Measure P funds. The committee is dedicated to the oversight of these funds and will maintain reporting standards as outlined in the Ridgecrest Municipal Code (9.3.2.79-83).



WHAT IS MEASURE P?

Measure P is a local sales and use tax measure approved in 2022 for the City of Ridgecrest to adopt a one cent tax on general sales for a nine-year term, expiring in 2032. This measure was approved based on a commitment from the City Council that the funds would be used to address priorities identified by the public such as:

- ✓ Fire Service Contract Costs
- ✓ Reinstatement of 4 Police Officer positions
- ✓ Rebuilding Pinney Pool
- ✓ Recruitment and Retention of City service providers
- ✓ Public Outreach and Events
- ✓ Additional Projects contingent on available funding

TRACKING MEASURE P FUNDS

Despite Measure P being a General Fund tax, a distinct fund has been established to segregate the funds, facilitating their separate tracking within the City's financial system to enhance transparency and accountability. Fund 101, designated as the Measure P fund, serves as the sole repository for Measure P funds, ensuring a clear delineation of resources. The majority of Measure P expenses originate from Fund 101, aligning with its dedicated purpose. However, it's noteworthy that one exception exists, where a transfer to the General Fund 100 is made specifically for recruitment and retention purposes, emphasizing the strategic allocation of resources to address critical needs within the community.

SOURCE OF REPORT DATA

The Committee reviewed financial data from the City of Ridgecrest ACFR (Annual Comprehensive Financial Report) and the City of Ridgecrest Finance Department. The ACFR includes the results of the City's annual independent audit. This report and the audit results are available to the public by visiting: <https://www.ridgecrest-ca.gov>.

PURPOSE OF THE CITIZEN'S OVERSIGHT COMMITTEE

Measure P was passed by voters in 2022. As mandated by City of Ridgecrest Ordinance 22-06 Chapter 9, Article 86, this report serves as a crucial mechanism for ensuring accountability and adherence to the priorities outlined by the public.

The Committee regularly met every third Monday after the initial meeting in March 2025 to review and ensure that Fiscal Year 2024 Measure P expenditures were aligned with the City Council's commitments.

CITIZEN'S OVERSIGHT COMMITTEE MEMBERS

The three duties of the Committee are listed in Chapter 9, Article 3, Division 2, Section 9.83 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

The second annual report for fiscal year 2023-2024 reaffirms the Measure P Citizen's Oversight Committee's ongoing commitment to transparent review and oversight of the revenue generated by the Measure P sales tax. The Committee continues to fulfill its responsibilities as outlined in the Ridgecrest Municipal Code, maintaining the community's trust and supporting the city's continued growth and well-being.

THE 2025 COMMITTEE MEMBERS ARE:

Todd St. Laurent
Chair, Program Manager

Bradley Patin
Vice Chair, Business Owner

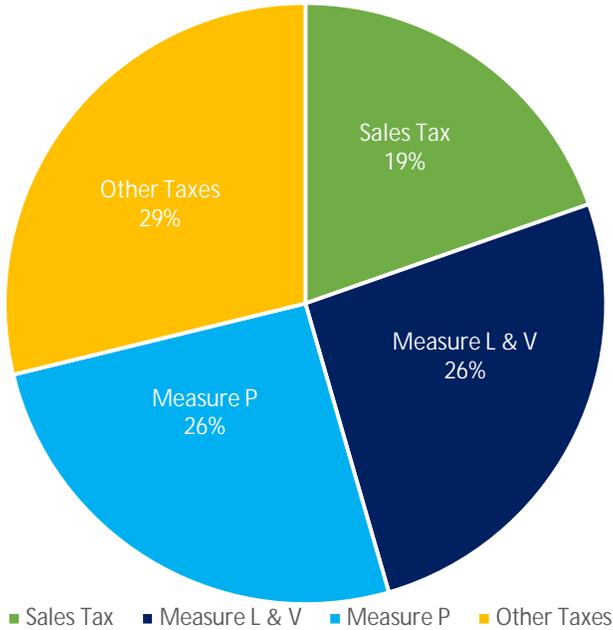
Holly Staab
Configuration and Data Manager

Denise Gorman
Ranch Manager

Elidia Dixon
Real Time Telemetry

EXECUTIVE SUMMARY FOR FISCAL YEAR 2024

Total Tax Revenue for Fiscal Year 2024	\$	23,574,160
Total From Sales Tax	\$	4,625,811
Total From Measure L & V	\$	6,103,738
Total From Measure P	\$	6,057,751
Other Taxes	\$	6,786,860



Measure P revenue accounted for 26% of the city's total tax revenue in FY24 (the Measure's first full year). As Measure P funding becomes a more prominent pillar of the City's revenue structure, the Citizen's Oversight Committee remains steadfast in its responsibility to provide oversight in reporting how Measure P funds are expended by the city.

FINDINGS FOR FISCAL YEAR 2024

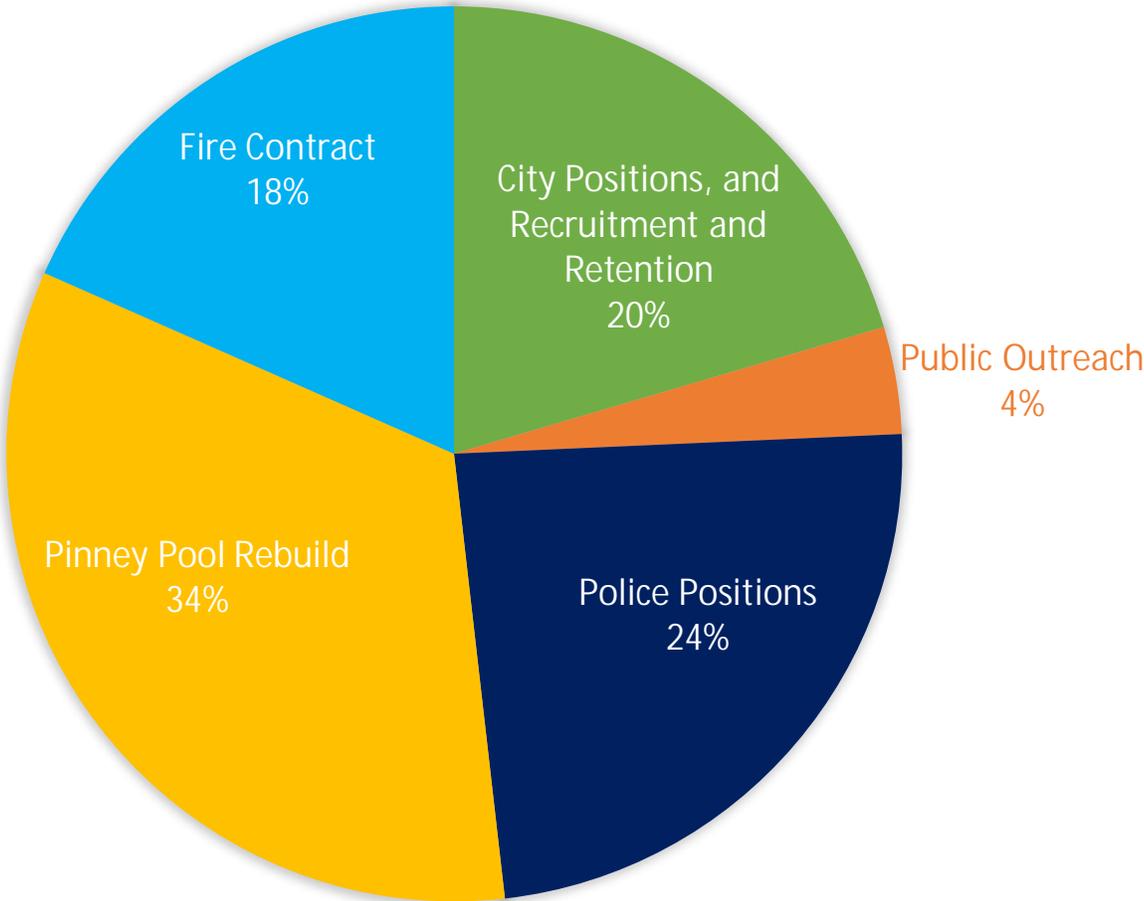
GENERAL

Actual FY24 Measure P revenues totaled \$6,078,017, slightly below the amended budget of \$6,476,250. Despite this slight shortfall in projected revenue, expenditures also came in below the budgeted amount. There were no expenditures recorded for the Pool Bond or Pool Operations and Maintenance, due to the project is still being in its design and engineering phase. As a result, \$2,902,528 FY24 revenue is carried over into the next fiscal year. When added to the carryover amount of \$935,065 from FY23, the total carryover (~\$3.8 million) provides flexibility to accommodate pool construction expenses and increasing Fire Services Contract costs.

2ND YEAR - 2023/2024	AMENDED BUDGET	ACTUAL AMOUNTS
<i>CARRY OVER FROM FY 2023</i>		\$ 935,065
REVENUES:		
SALES TAX - MEASURE P	\$ 6,466,000	\$ 6,057,751
REVENUE - INVESTMENT EARNINGS	\$ 250	\$ 11,231
REVENUE - COMMUNITY EVENTS	\$ 10,000	\$ 9,035
TOTAL REVENUES	\$ 6,476,250	\$ 6,078,017
EXPENDITURES:		
FIRE CONTRACT	\$ 583,232	\$ 583,232
POLICE POSITIONS	\$ 603,568	\$ 758,997
CITY POSITIONS	\$ 180,734	\$ 193,237
RECRUITMENT AND RETENTION	\$ 350,000	\$ 455,000
POOL DESIGN AND ENGINEERING COSTS	\$ 2,648,670	\$ 1,061,929
POOL BOND	\$ -	\$ -
POOL OPERATIONS AND MAINTENANCE	\$ -	\$ -
PUBLIC OUTREACH	\$ 162,189	\$ 123,094
TOTAL EXPENDITURES	\$ 4,528,393	\$ 3,175,489
REVENUE OVER EXPENDITURE	\$ 1,947,857	\$ 2,902,528
<i>AMOUNT TO CARRY OVER TO FY 2025</i>		\$ 3,837,593

The FY 2024 Measure P expenditures demonstrate disciplined financial management and strategic allocation of resources by the City of Ridgecrest. Out of the \$4.53 million in amended budgeted expenditures, only \$3.18 million was actually spent, reflecting an underspend of over \$1.35 million. This variance was driven largely by the phased implementation of key projects, most notably the Pinney Pool.

FISCAL YEAR 2024 MEASURE P EXPENDITURES



FIRE SERVICE CONTRACT COSTS

<u>Expenditures</u>	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Expensed</u>	<u>% Utilized</u>
KC Fire Services	\$ 583,232	\$ 583,232	\$ 583,232	100%

The combination of the revised fire services contract and the implementation of Measure P reflects the City’s proactive approach to ensuring adequate funding for essential services, including fire protection, emergency medical response, and infrastructure maintenance. Application of these resources effectively demonstrate the growing costs of maintaining the fire services contract in Ridgecrest, as the city aims to enhance public safety and sustain the quality of services to its residents.

The FY23 Oversight Committee report stated that the \$415,183 budgeted/expensed for the FY23 fire services contract was paid out of the General Fund, and the Measure P funds would reimburse that amount during FY24. An accounting error resulted in that reimbursement showing as expensed in FY23. As a result, the reported carryover from FY23 of \$1,354,705 was reduced to \$935,065. This did not result in any shortfalls for FY24 expenditures, and the City is well prepared to cover future fire service contract costs, despite projections for significant cost growth, from \$583,232 in FY24 to \$1,486,711 by FY28.

POLICE POSITIONS

Police Positions Funded by Measure P

- Police Officer x4
- Kennel Attendant
- Police Dispatcher
- Police Clerk

<u>Expenditures</u>	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Expensed</u>	<u>% Utilized</u>
Police Positions	\$ 603,568	\$ 603,568	\$ 758,997	126%
- Salary & Benefits				

In FY 2024, Measure P funds continued to play a critical role in supporting public safety staffing for the Ridgecrest Police Department. The reinstatement of 4 officer positions in FY23 was important in supporting public safety and reducing 911 response times. The city continued to budget for additional support staff (dispatcher, clerk, kennel attendant) in FY24 helping ensure the department can meet administrative and operational demands. Although the police positions exceeded their specific budget allocation, the overall Measure P fund remained in surplus, primarily due to underspending in other areas (e.g., delayed pool project expenditures). The availability of carryover funds from prior years and underspending in other projects allowed the City to absorb the police budget overage without requiring adjustments to the broader financial plan.

CITY POSITIONS, RECRUITMENT AND RETENTION

Positions Funded by Measure P

Human Resources Administrator
 Admin Analyst II - CED
 Admin Analyst - CED P/T

Expenditures	Adopted Budget	Amended Budget	Expensed	% Utilized
Measure P Positions - Salary & Benefits	\$ 180,734	\$ 180,734	\$ 193,237	107%
Transfer Out to Fund 100	\$ 350,000	\$ 350,000	\$ 455,000	130%

Efforts to recruit and retain city service providers remained a cornerstone in ensuring the delivery of essential services to Ridgecrest residents during the fiscal year ending June 30, 2024. Over the course of FY24, Recruiting and Retention expenditure totaled \$648,247.

Measure P paid for full-time positions described as Human Resources Administrator, Admin Analyst II – CED; and a single part-time position described as Admin Analyst – CED. Total expenditure, covering salaries and benefits was \$193,237, against a budgeted cost of \$180,734, or 107% of the Amended Budget. Note that the two new Admin Analysts discussed in this section were hired to support Public Outreach, as discussed under the Public Outreach subheading.

Measure P funds were additionally used for recruitment and retention of employees not paid directly by Measure P. Funding totaling \$455,000 was transferred to Fund 100 for that stated purpose during FY24 against the budgeted amount totaling \$350,000. The amount over the budget is explainable as a prior fiscal year transfer of \$105,000, that was completed in FY24. Those FY23 funds were used to facilitate adjustments to salary schedules and cover increases in medical insurance contributions, as described in the FY23 Annual Report.

REBUILDING PINNEY POOL

Expenditures	Adopted Budget	Amended Budget	Expensed	% Utilized
Professional Services - Design & Engineering	\$ 250,000	\$ 2,648,670	\$ 1,061,929	40%

In Fiscal Year 2024, the City of Ridgecrest made substantial progress on the Pinney Pool Rebuild Project, a top-priority initiative funded through Measure P. The year focused heavily on advancing the design and engineering phase of the pool, with detailed plans developed to meet the community's demand for a modern aquatic facility. Features under development include competitive swim lanes, children's splash areas, shaded spectator seating, and ADA-accessible infrastructure. The City adopted an amended budget of \$2,648,670 for professional

services related to the project, reflecting both the expanded scope of planning and a rollover of unspent funds from FY23. By the close of FY24, a total of \$1,061,929 had been expended—representing 40% utilization of the amended project budget.

The Pinney Pool project accounted for 34% of all Measure P expenditures in FY24, the largest share among all initiatives funded by the measure. This significant investment highlights the City’s continued commitment to delivering a long-promised recreational facility that enhances public health, youth engagement, and community wellness. Revenues from Measure P totaled \$6,057,751 in FY24, with sufficient funds carried over to support the next phase of the pool project, including preparations for future construction. The Oversight Committee can confidently report that the City is demonstrating sound fiscal management and alignment with Measure P’s objectives, ensuring that the Pinney Pool remains a well-funded and progressing capital project.

PUBLIC OUTREACH

Revenue	Adopted Budget	Amended Budget	Received	% Utilized
Community Events	\$ 10,000	\$ 10,000	\$ 9,035	90%

Expenditures	Adopted Budget	Amended Budget	Expensed	% Utilized
Professional Services	\$ 10,000	\$ 12,189	\$ 1,938	16%
Operating Supplies	\$ 150,000	\$ 150,000	\$ 121,156	81%
TOTAL	\$ 160,000	\$ 162,189	\$ 123,094	76%

The City of Ridgecrest hosted seven special events during FY24 to include City Nights on and off Balsam and the Christmas Tree Lighting. These events were all very well attended, on average drawing more than 3000, with an estimated 5400 attending the Tree Lighting. Additionally, numerous Farmers Markets were hosted, each drawing hundreds of attendees. Community feedback for these events is very positive, and City Staff to citizen suggestions and feedback.

Expenditures included, but were not limited to, consumable supplies, items that are reused for multiple events, event insurance, health permits and emergency services. The revenue in this category was generated by vendor fees collected at community events. Although the City’s goal is not to make money from these events, vendors are charged to help cover event costs.

The City also used Measure P funds in this category to sponsor community events the City is not responsible for. In FY24 Measure P contributed \$15,000 to the community’s Fourth of July fireworks show put on by the Desert Empire Fair, \$5,000 to the Desert Empire Fair for the Tunnel to Towers attraction, and \$3,000 to High Sierra Cyclists in support of the Ridgecrest Desert Classic Bike Race. Like the City’s hosted events, all of the events that benefited from Measure P funding were well-attended, popular events benefiting Ridgecrest citizens and bettering our community.

CONCLUSION AND RECOMMENDATIONS

The Oversight Committee can confidently report that the City is administering Measure P funding expenditures according to the Measure P priorities identified by the public, such as:

- Fire Service Contract Costs
- Public Outreach and Events
- Reinstatement of four Police Officer Positions
- Recruitment and Retention of City Service Providers
- Rebuilding Pinney Pool

In FY24 the Fire Service Contract was fully funded according to the budgeted amount. Public Outreach and Events were also fully funded and came in slightly under budget. Additionally, four (4) Police Officers were reinstated, and the City hired a Kennel Attendant, Police Dispatcher and Police Clerk, bolstering public safety and reducing response times. The City also relied on Measure P funding in support of Recruitment and Retention. The City additionally hired a Human Resources Administrator, Admin Analyst II and part-time Admin Analyst. Costs for hiring in the categories of Police and City Service Providers each exceeded amended budget amounts, yet the over-budget amounts were small when evaluated against the City's total budget and total Measure P revenue which resulted in an FY24 surplus of \$2,902,528 (total surplus including FY23 surplus grew to \$3,837,593.) The surplus generated by Measure P easily paid for these overages, yet the Committee believes it remains important that Measure P funds continue to be conservatively managed to fund bond-related impounds and costs, and to address project risks that could be encountered during pool complex construction. If construction bids come in higher than budgeted or costly construction issues are encountered, the Measure P Oversight Committee learned that the City would plan to reduce project scope by reducing supportive infrastructure spending on things like signaled crosswalks and interior building finishes. Therefore, it is the recommendation of the committee that Measure P funds be safeguarded for pool complex completion and that further spending to grow the City's workforce under any of the respective Measure P subheadings be closely scrutinized. Doing so will prevent labor costs from infringing on the Pinney Pool budget before final bids have been received and construction and sustainment costs are fully understood. Also, while only 40% of the budget for Design & Engineering was expended in FY24, additional project costs in Design & Engineering are likely in FY25. The total Pinney Pool project cost was still only an estimated amount at the time this report was generated, and the final project schedule is still to be determined against the City's completion objectives. The Committee observes that each of these factors will influence future budget requirements.

Finally, the Committee noted that FY24 annual revenue generated by Measure P was less than the projected amount. While this is to be expected with variations in the sales tax base, the Committee learned that some portions of reduced collections are purportedly due to a lack of collections implementations with corresponding reduced payments to the City. Thus, the Oversight Committee recommends that the City act to increase awareness and collections implementations as required to ensure the integrity of Measure P revenue into the future.

In summary, the Oversight Committee found that Measure P revenues are being appropriated in accordance with Ridgecrest Citizens' priorities. In 2024 progress was made in advancing Public Safety and enhancing the City's staff to better support the needs of Ridgecrest residents. Further, the design and engineering of Pinney Pool complex, which holds significant public interest and the interest of the Oversight Committee, continued to make steady progress. Therefore, we encourage City officials to continue their diligent management of Measure P allocations to maintain excellent city services, and to above all ensure timely and successful delivery of a state-of-the-art Pinney Pool complex for the enjoyment of current and future Ridgecrest residents.

Recommendations Summary

1. It is the recommendation of the Oversight Committee that Measure P funds be safeguarded for Pinney Pool complex completion and that further spending to grow the City's workforce under any of the respective Measure P subheadings be closely scrutinized.
2. The Oversight Committee recommends that the City act to increase awareness and collections implementations as required to ensure the integrity of Measure P revenue collections.
3. Although Public Outreach accounts for less than 5% of Measure P spending, attention to detail in this category will leave less room for questioning what counts as Public Outreach. Estimated attendance and overall spending is tracked, but the Committee would like to see reports in coming years that break down expenditures by event with categories for consumable goods, services and reusable goods.