

April 21, 2026

Dear Chair Wilson and Board of Supervisors,

The Citizens' Advisory Committee on Measure Z has completed its task to review Measure Z expenditures and funding proposals, and this letter, along with the report prepared by your staff provides our recommendations for the coming fiscal year. The Committee has also prepared a recommendation for a new spending plan spanning Fiscal Years 2027-28 through 2029-30, which staff will bring back to your Board at a later date. Our Committee membership has remained stable over the last year, making our processes more efficient and productive. Due to these factors and support from your Board, I believe the Committee remains confident that this tax measure is continuing to serve the voters' intent, and we look forward to further improving the effectiveness of this tax measure.

Fiscal Year (FY) 2026-27 Applications

The total amount of funding available for the Committee to recommend for FY 2026-27 is \$1.65 million. The initial amount requested from applications was just over \$2.6 million, which was reduced to \$2,027,197 after revisions. The amount in reserve is \$864,000, while our Committee maintains a stance that it would like to see the reserve equal 16% of revenues, or \$2.08 million in order to protect against years when sales tax does not perform as expected.

In total, 14 applications were received from various county departments and community partners this year, which is three more than last year, but still fewer than in prior years when more funding was available. The Committee determined that three of the applications received did not meet the spirit of Measure Z, and were therefore eliminated from consideration. Two meetings were held in March to evaluate the various proposals received.

Due to limited funding our Committee is only able to recommend your Board funds five applications, leaving just over \$1,000 available. These remaining applications all had merit but are not recommended for funding at this time.

Next 3-Year Spending Plan

The 3-year spending plan adopted by your Board, upon recommendation by the Measure Z Committee, continues to be effective in maintaining the most essential public safety services that have come before this Committee. This plan provides guaranteed funding for the Sheriff's Office, District Attorney, Probation, Public Defender, Fire, Ambulance Services, Fortuna Police and other agencies. Over the last 11 years, our Committee has consistently rated the programs in the 3-year spending plan as the highest-ranking applications. As Chair, I believe the spending plan has established itself as a cornerstone of this Measure Z and protects these services from increasing costs and volatility in sales tax performance.

With this in mind, the spending plan will come to an end after FY 2026-27 and, as your Board directed back in January, 2024, our Committee set about developing a new spending plan for the following three years. Our intent was to re-evaluate current investments, knowing that growth in Measure Z is unlikely for the planning period, and determine whether we should recommend changes that would maintain or improve public safety in Humboldt. We also needed to determine how to evaluate an ongoing \$400,000 allocation previously provided to Public Works for its brush cutter project.

After evaluating all of the factors, the Committee is proposing a new plan that increases allocations for most large county departments (those with Measure Z projects including more than 4 employees) and provides additional guaranteed funding for community partners whose applications rank highly each year and consistently receive Board support. Staff can provide more details, but our recommendation would provide:

- Increased allocations for the Sheriff, District Attorney and Probation departments in the first year of the plan, while reducing the allocation to the Department of Health & Human Services. Projecting cost increases out for the next three years is difficult, but this recommendation would provide these departments with funding that is 5% below their projected need for FY 2027-28. As with the current spending plan, we are proposing to keep those allocations flat for the following two years. We believe this balances the need to address increased costs of services, with maintaining sustainability of this funding source.
- An additional \$200,000 ongoing to the Fortuna Police Department to fund their School Resource Officer (SRO). This recommendation provides stable funding for the SRO position, which has been funded 8 of the last 9 years; and
- Requiring that the Humboldt County Fire Chiefs' Association receive any remaining available funding, up to \$1.5 million, before any funding is made available for applications. This recommendation further prioritizes our county's 40-plus fire departments, which has received \$1.9 million per year on average from Measure Z.
- The remaining allocations would remain unchanged, meaning small departments (Public Defender and Human Resources) would continue to receive full funding, Kimaw Medical Center would receive \$325,000 per year and Southern Trinity would receive \$137,500 annually.

Staff will bring the new 3-year spending plan for your Board's approval at a later date.

County, Community Partner Allocations

Last year I wrote to your Board voicing our Committee's continued concern about the overall split in funding between county departments and community partners. To reiterate, the Committee recommended that in order to retain the voters' intent that Measure Z provide the broad range of services included in the measure, the annual allocations should be split at

roughly 70% for county departments and 30% for community partners, after factoring in the spending plan and application process.

Again, the spending plan has helped us move closer to our goals. The County back in FY 2023-24 received more than 90.5% of Measure Z funding, and in FY 2025-26 that number is down to 77.9%, which is an achievement your Board deserves a lot of credit for. If your Board follows our recommendation for FY 2026-27, County departments will receive 76.74% of total funding available.

If adopted, the new spending plan would provide 82% of funding to County departments as a base, and would go down to 78% if there is enough funding in future years to provide the Fire Chiefs' with \$1.5 million, which appears achievable based on prior years. We could move even closer to our goal as additional funding becomes available.

In Closing

Our Committee understands there is a lot being presented to you with this recommendation, but we believe this is required to fulfill our charge as a body that provides a space for the public to express their views on this measure, and to recommend actions to your Board regarding expenditure of these precious local tax dollars. When staff brings the new spending plan for you Board, and if it is adopted, we also understand that there will be fewer funds available each year for discretionary, one-time applications. We balanced this by knowing our proposal would not only provide certainty for the agencies mentioned above and give them back many hours they typically spend preparing the application and attending meetings, but it would also alleviate some of the local competitiveness and pitting our public agencies against each other as they seek Measure Z funds.

Our Committee thanks you for entrusting us with this work, and for your Board's unwavering commitment to ensuring the will of the people of Humboldt County continues to be served by this Measure.

Respectfully submitted,

Tami Trent, Chair, Measure Z