



COUNTY OF HUMBOLDT

For the meeting of: 4/22/2025

File #: 25-373

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Departmental

Vote Requirement: 4/5th

SUBJECT:

Fiscal Year 2025-2026 Measure Z Recommendations (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Review and provide direction on the priority list from the Citizens' Advisory Committee on Measure Z Expenditures for Fiscal Year (FY) 2025-2026 (4/5 Vote Required); and
2. Direct staff to fund the Public Works' Measure Z allocation expenditures with Measure O funds for FY 2025-2026 and future years (4/5 Vote Required); and
3. Consider how to re-allocate the Public Works Measure Z allocation in the amount of \$407,670 (4/5 Vote Required); and
4. Provide other direction as needed.

STRATEGIC PLAN:

The recommended actions support the following areas of the Board of Supervisors' Strategic Plan:

Area of Focus: Safe & Healthy Communities

Strategic Plan Category: 1001 -Support and sustain partnerships between public safety and partner agencies to enhance public safety in our communities

DISCUSSION:

Executive Summary

The Citizens' Advisory Committee on Measure Z Expenditures has provided its prioritized list of projects it recommends the Board of Supervisors funds in FY 2025-2026 with the \$1.3 million in discretionary funding that is available. This list, if followed, would fully fund two projects and require the Board to decide how to deal with a shortfall of \$39,794 as there is not enough funding available to fully fund the next two projects, which ended up tied in the committee's rankings.

A second decision for the Board to consider is whether it should redistribute among county departments an allocation that was meant for the Public Works brush cutting crew, as that project is anticipated to be funded out of Measure O.

FY 2025-26 Applications

The Citizens' Advisory Committee on Measure Z Expenditures is tasked with receiving public input and recommending projects, programs or activities to be funded by the Board with revenue from Measure Z. The committee uses an application process to develop recommendations and this year it received 11 applications requesting more than \$3.0 million in funding. There is a total of \$1.3 million available to be allocated in the upcoming FY 2025-2026 budget cycle. The committee met in March to develop a prioritized list of recommendations (Attachment 1.2) and its finalized list recommends funding four applications as follows, in order of priority:

- | | |
|----------|---|
| 1 | \$31,950 City of Eureka: Enhanced safety equipment |
| 2 | \$197,901 City of Fortuna: School Resource Officer for Eel River Valley campuses |
| 3 (Tied) | \$116,156 City of Rio Dell: Community Services Officer |
| 3 (Tied) | \$993,787 Humboldt County Fire Chiefs' Association: Apparatus, equipment, dispatch fees, training, planning |

The total amount requested in these four applications is \$1,339,794, which is \$39,794 more than is proposed to be available for allocation in FY 2025-2026. The committee's list includes two applications (City of Rio Dell, and the Humboldt County Fire Chiefs' Association) that are tied in its ranking, and these two projects are at the cutoff line of available funding, and the committee is forwarding the list in its current form for your Board to consider.

Public Works Measure Z Allocation - Ongoing Allocation

Now that voters have passed Measure O, the county's roads/911 emergency response measure, staff recommend that your Board provide direction on how to handle the ongoing Measure Z allocation for the Public Works brush cutter project. In FY 2025-2026, Public Works is set to be allocated \$407,670 to fund this project, however, the Board and Public Works have both expressed a desire to move this project to be funded from Measure O, making this funding available for allocation.

When the 3-year spending plan was adopted in December, 2023, it was done as a result of the county receiving roughly 95% of Measure Z and partner agencies being unable to access a meaningful amount of funding. At that time, the Measure Z Committee expressed a desire to limit the total amount of Measure Z funding each year going to county departments to roughly 70% of available funding. In addition, the committee took a stance of no longer recommending new funding for personnel in county departments. The decision on where to apply the Public Works allocation will have a lasting impact on the agencies who will eventually receive that allocation.

Staff are proposing the Board choose one of three options regarding this funding (see Fig. 1 for financial breakdown of each option):

Option 1: Allocate the full amount of the Public Works project (\$407,670) proportionally to large county departments (those with 5 or more Full-Time Equivalent staff) as detailed below in the 3-year spending plan adopted in December, 2023.

Funding Increase	
DHHS	38,219
District Attorney	68,794
Probation	25,479
Sheriff	275,178
	407,670

- This option would bring county departments the closest to having the full funding needed for FY 2025-2026. Based on cost projections developed in FY 2023-2024, if this option is selected departments would still be between 2.1% and 4.9% short of funding needed, or \$253,449.
- This option would allocate 78.49% of funding to the county in FY 2025-2026 and 21.51% to partner agencies.

Option 2: Allocate \$39,794 ongoing to the Fire Chiefs' Association, redistribute the remaining \$367,876 as detailed below.

Funding Increase	
Fire	39,794
DHHS	34,488
District Attorney	62,079
Probation	22,992
Sheriff	248,317
	407,670

- Based on cost projections developed in FY 2023-2024, departments would still be between 2.4% and 5.2% short of funding needed, or \$293,243.
- This option would allocate 78.2% of funding to the county in FY 2025-2026 and 21.8% to partner agencies.
- This option would raise the Fire Chiefs' baseline funding level for both FY 2025-2026 and 2026-2027 by \$39,794. Assuming your Board approves the Measure Z Committee's recommendation, this option would allow the Fire Chiefs to reach their desired budget amount of \$2 million and fully fund the City of Rio Dell application.

Option 3: Designate this amount to be allocated through the application process for the remainder of the current 3-year spending plan as detailed below.

Funding Increase	
Fire	39,794
Public Defender	166,920
Bear River	100,408
Rural Response	21,984
Trinidad	57,450
Wild Souls Ranch	21,114
	407,670

- This option would provide the least amount of relief for county departments in terms of having full funding needed for FY 2025-2026. Based on cost projections developed in FY 2023-2024, departments would be between 5.9% and 8.6% short of funding needed, or \$661,119.
- This option would allocate 75.53% of funding to the county in FY 2025-2026 and 24.47% to partner agencies.
- Assuming your Board approves the Measure Z Committee's recommendation, this option would fully fund the City of Rio Dell, Fire Chiefs and four more applications, leaving \$21,114 in partial funding available for Wild Souls Ranch.
- This would fund a new application from the Public Defender to add a position, which goes against the committee stance not to add additional positions to county departments.

Figure 1

Measure Z Base Funding				
		Redistribute to County	Fire & County Mix	Move to applications
COMMUNITY PARTNERS	25-26 (Base)	25-26 (Option #1)	25-26 (Option #2)	25-26 (Option #3)
Kimaw	\$ 325,000	\$ 325,000	\$ 325,000	\$ 325,000
Rio Dell	\$ -	\$ -	\$ -	\$ -
Fortuna	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Arcata	\$ -	\$ -	\$ -	\$ -
Eureka	\$ -	\$ -	\$ -	\$ -
Fire	\$ 1,006,213	\$ 1,006,213	\$ 1,046,007	\$ 1,006,213
STAR	\$ 137,500	\$ 137,500	\$ 137,500	\$ 137,500
Applications		\$ 1,300,000	\$ 1,300,000	\$ 1,707,670
COUNTY DEPT'S	25-26 (Base)	25-26 (Scenario 1)		25-26 (Scenario 2)
Public Defender	\$ 316,424	\$ 316,424	\$ 316,424	\$ 316,424
DHHS	\$ 937,500	\$ 975,719	\$ 971,988	\$ 937,500
District Attorney	\$ 1,687,500	\$ 1,756,294	\$ 1,749,579	\$ 1,687,500
Probation	\$ 625,000	\$ 650,479	\$ 647,992	\$ 625,000
Sheriff	\$ 6,750,000	\$ 7,025,177	\$ 6,998,316	\$ 6,750,000
Public Works	\$ 407,670			
Admin/HR	\$ 107,193	\$ 107,193	\$ 107,193	\$ 107,193
PARTNERS TOTAL	\$ 1,668,713	\$ 2,968,713	\$ 3,008,507	\$ 3,376,383
COUNTY TOTAL	\$ 10,831,287	\$ 10,831,287	\$ 10,791,493	\$ 10,423,617
Total Funding Available	\$ 12,500,000	\$ 13,800,000	\$ 13,800,000	\$ 13,800,000
% Partners	13.35%	21.51%	21.80%	24.47%
% County	86.65%	78.49%	78.20%	75.53%

SOURCE OF FUNDING:

Measure Z (1103-889)

FINANCIAL IMPACT:

Expenditures (1103-Various MZ budget units)	FY25-26 Projected*	FY26-27 Projected*
3-Year Spending Plan	\$12,500,000	\$12,500,000
Available for Applications	\$1,300,000	\$250,000
Total Expenditures	\$13,800,000	\$12,750,000
Funding Sources (1103-889)	FY25-26 Projected*	FY26-27 Projected*
Base Revenue	\$12,500,000	\$12,500,000
Revenue Projection Above Base	\$500,000	\$250,000
Fund Balance	\$800,000	\$0
Total Funding Sources	\$13,800,000	\$12,750,000

*Projected amounts are estimates and are subject to change.

The 3-year spending plan approved by your Board was based on \$12.5 million per year in appropriations. Staff are estimating \$13 million in Measure Z revenue in FY 2025-26, and an additional \$800,000 is available in fund balance as a result of prior year savings.

There is \$1.3 million in one-time funding available for allocation through the application process. There is an additional \$407,670 in

ongoing funding available to be redistributed to agencies as part of the 3-year spending plan.

There is currently \$864,000 set aside in contingencies for Measure Z, which is intended to be used when revenues do not meet projections. As discussed in the mid-year budget report, FY 2024-2025 Measure Z revenues are trending at least \$100,000 short of projections and the contingencies may be needed to fund current year expenditures. Because staff have already set revenue projections for FY 2025-2026 there is a possibility that the contingencies will be required to finance the upcoming year's operations in order to keep the General Fund from having the pressure to backfill planned expenditures. Staff are reducing its initial projections for FY 2026-2027 revenue by \$250,000 as a result of recent sales tax performance.

STAFFING IMPACT:

There is an application from the Public Defender's Office requesting to add 1.0 full-time equivalent (FTE) Deputy Public Defender position. If this request is approved, it will require funding not only for salaries and benefits, but also equipment and central service costs. In addition, because this would keep the Public Defender's Office below 4.0 FTE in Measure Z, funding for this position would be guaranteed for future years, decreasing the base amount of funding available for the Fire Chiefs' Association.

OTHER AGENCY INVOLVEMENT:

Agencies applying for Measure Z funding

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion

ATTACHMENTS:

- 1.1 Letter from the Chair
- 1.2 Final Rankings from Measure Z Committee
- 2.1 Fortuna PD Application
- 2.2 Rio Dell PD Application
- 2.3 Wild Souls Ranch Application
- 2.4 Eureka PD Application
- 2.5 Bear River Band Application #1
- 2.6 City of Trinidad
- 2.7 Bear River Band Application #2 (Withdrawn)
- 2.8 Humboldt County Fire Chiefs Application
- 2.9 Kimaw Medical Center Application (Withdrawn)
- 2.10 Public Defender Application
- 2.11 Rural Response Application
- 3.0 Letters of Support

PREVIOUS ACTION/REFERRAL:

Meeting of: None

File No.: None