



# Craig City School District

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## Memorandum Item 10c

TO: CCSD School Board Members  
FROM: Jackie Hanson, Superintendent  
DATE: May 22, 2025  
SUBJECT: City of Craig Proposition 2 Revenue (Quarter 1)

Attached is the final first quarter tally of the City of Craig's Proposition 2 sales tax collections, including the portion (1/6th) dedicated to school funding. The total amount to be received by Craig City Schools (Q1) is \$70,426.94.

It is important to note that this amount wasn't included in the FY25 or FY26 budgets and thus represents **unanticipated revenue** for CCSD. These funds may be allocated to support a range of District needs, including but not limited to:

- CCSD's General Operating Fund
- CCSD's Capital Improvement Fund
- City of Craig's School Reserve Account

I recommend that the Board publicly discuss and determine the preferred use of these additional funds during the Board Meeting. Moving forward, the City of Craig will continue to provide quarterly reports and transfers of additional sales tax revenue during the months of: August, November, February, and May. However, please note that beginning in FY 2026 (July 1<sup>st</sup>), projected sales tax revenue has been incorporated into the General Operating Budget. As such, future quarterly deposits will be directed to the General Operating Fund unless otherwise specified.

Suggested Motion(s):

### **Motion to Allocate Funds to CCSD's FY25 General Operating Fund**

Move to approve designating the City of Craig's first quarter sales tax revenue of \$70,426.94 for deposit into CCSD's General Operating Budget for fiscal year 2025.

### **Motion to Allocate Funds to CCSD's Capital Projects Fund:**

Move to approve designating the City of Craig's first quarter sales tax revenue of \$70,426.94 for deposit into the CCSD's Capital Projects Fund, to be used to pay back 70K of the remaining 300K owed to Capital Projects Fund **(OR)** to replace CHS's PA system **(OR)** for CCSD facility upgrades to be determined in the future.

**Motion to Allocate Funds to the City of Craig's School Reserve Account**

Move to approve designating the City of Craig's first quarter sales tax revenue of \$70,426.94 for deposit into the City of Craig's school reserve account at APCM for future use.

As always, Board Members are welcome to present a motion for consideration.