Measure V: Topics

- Measure V: Quality of Life Improvements for San Jacinto Residents
- Measure V: Community Needs Survey
- Where Your Sales Tax Dollars Go
- Why Sales Tax Instead of Another Tax?
- What has the City Done to Cut its Budget?
- How Will the Funds be Calculated?
- How Will the Funds be Spent?
Measure V: Quality of Life Improvements for San Jacinto Residents

Quality of Life Issue for the Future of San Jacinto

- 1¢ Local Additional Revenue Measure
  - Sales Tax Rate in San Jacinto is 7.75%
  - Riverside County average rate is 8.75%
  - Proposed San Jacinto rate would be 8.75%
    - With 2% coming to San Jacinto that cannot be taken away by County or State

- Sales Tax funds Police, Fire, Parks, Public Works, Economic Development/Business Community, infrastructure needs (streets, sidewalks, tree trimming), and general operations of the City

- If approved by registered voters in San Jacinto, Measure V generates a minimum of $3.2M annually
  - Not applied to grocery food or prescription medication(s)
  - Not a property tax
  - Until ended by voters
  - No State or County take-aways

- All funds spent in San Jacinto for San Jacinto improvements
San Jacinto has been struggling financially over the past decade and cutting general services to insure it is able to sustain the current level of police and fire service to its growing population.

The current level of service continues to increase at a rate of $4-7% annually, which forces the City to reduce or cut other expenses to insure the same level of public safety.

The previous service increase to SJPD was in 2017 (The City Council added two Deputies on 7/21/2020, which cost the City $786K and came in the form of cuts across the board to City departments), which cost the City some $999K then, but now costs $1,179,048 for the same service. The City has been unable to increase its Fire/Paramedic Services to proper levels, due to the rising cost of everything else.

The Chart to the right shows how the City’s revenue has not been growing at the same rate as its expenses and public safety has increased in the budget each year – totaling some 70% of all expenditures.

With so many needs to improve the quality of life in San Jacinto an alternative revenue source must be generated.
Measure V: Quality of Life Improvements for San Jacinto Residents

<table>
<thead>
<tr>
<th>City</th>
<th>Population</th>
<th>Sales Tax %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Riverside*</td>
<td>328,155</td>
<td>8.75</td>
</tr>
<tr>
<td>Murrieta*</td>
<td>115,561</td>
<td>8.75</td>
</tr>
<tr>
<td>Temecula</td>
<td>111,970</td>
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<td>Indio</td>
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</tr>
<tr>
<td>Hemet*</td>
<td>85,175</td>
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</tr>
<tr>
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<td>53,580</td>
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<td><strong>51,028</strong></td>
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*Denotes City Police vs. Sheriff’s Department contract cities

As the Chart depicts, population is not a discriminating factor as to the need for additional revenue.

City’s with populations of all sizes show a need in some way to increase revenue to pay for on-going and increasing costs of providing public services.

[SAN JACINTO EMERGENCY RESPONSE, PUBLIC SAFETY, LOCAL CITY SERVICES MEASURE: To maintain San Jacinto’s finances; 911 emergency, medical, fire protection/public safety response rates; support local businesses/retain jobs; improve local drinking water; address homelessness; investigate/prevent property crimes; clean and maintain public areas; repair roads/potholes; other general services, shall the measure establishing a 1¢ sales tax providing approximately $3,200,000 annually until ended by voters be adopted, requiring public disclosure, all funds used in San Jacinto?]

Yes

No
Measure V:
Community Needs Survey of Registered Voters in SJ

Registered Voters in San Jacinto Responded to a Community Needs Survey – Identifying Top Concerns:

- Protecting local drinking water
- Requiring public disclosure of all spending
- Maintaining 911 emergency, medical, and public safety response rates
- Maintaining the long-term financial stability of the City
- Supporting local businesses and retaining jobs
- Requiring all funds used in San Jacinto
- Addressing homelessness
- Investigating and preventing property crimes
- Preparing for and recovering from public health emergencies

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### Measure V:
One Penny on the Dollar to Make a Difference

#### EXAMPLES OF SALES TAX

<table>
<thead>
<tr>
<th>City</th>
<th>Pop</th>
<th>Sales Tax %</th>
<th>Item</th>
<th>Average Cost</th>
<th>Sales Tax @ 7.75%</th>
<th>Sales Tax @ 8.75%</th>
<th>Difference</th>
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<tr>
<td>Riverside*</td>
<td>328,155</td>
<td>8.75</td>
<td>Coffee</td>
<td>$4.15</td>
<td>0.32¢</td>
<td>.36¢</td>
<td>.04¢</td>
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<tr>
<td>Murrieta*</td>
<td>115,561</td>
<td>8.75</td>
<td>Fast Food</td>
<td>$8.99</td>
<td>0.69¢</td>
<td>.79¢</td>
<td>.10¢</td>
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<tr>
<td>Temecula</td>
<td>111,970</td>
<td>8.75</td>
<td>Groceries</td>
<td>-</td>
<td>NO TAX</td>
<td>NO TAX</td>
<td></td>
</tr>
<tr>
<td>Menifee*</td>
<td>97,093</td>
<td>8.75</td>
<td>Medicine</td>
<td>-</td>
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*City Police Department
Where Do Your Property Taxes Go?

Example:

- SJUSD: $1,260
- Special Districts: $120
- City of San Jacinto: $390
- Riverside County: $630
- MSJC: $120
- EMWD: $90

If your home in San Jacinto has an assessed value of $300,000, your 1% Ad Valorem property tax is $3,000. Of this $3,000 the City of San Jacinto receives roughly 13% or $390 on an annual basis. As you can see, most of your property taxes go to other agencies & not the City.

CFD’s, or Community Facilities Districts, which show up on your property tax bill are paid back to the developer for tract improvements, paid to the School District as a bond, or go to on-going maintenance or your tracts streets, parks, streetlights, sidewalks, etc.
Why is Measure V Important?

- The City’s 10 Year Financial Model (sanjacintoca.gov) depicts a looming structural deficit in roughly 32 months
  - Expenditures have outpaced revenues for the past decade (10 years)
  - For FY 2020/2021, San Jacinto is operating with a $1.8M deficit (expenditures ~$21M over revenue ~$19M) – deficit spending for roughly a decade

- Rising annual cost of everything including Public Safety services & lack of ability to generate increased revenue – public safety is nearly 70% of the overall city budget

- The City has a myriad of needs:
  - Deputy to population ratios are under 1/1000 (.74 at present)
  - Property crime and violent crime on the rise and response times must be quicker
  - 911 Emergency medical/Fire calls for service increase – must reduce response time
  - New fire engine and 24/7 crew needed to protect public health
  - The population of those affected by homelessness is on the rise & need professional programming to address their needs
  - San Jacinto businesses need help to stay open & get back on track
  - Economic Development functions for new business attraction & job creation
  - Financial stability of the City to attract new development, jobs, housing, etc
  - Ability to
  - Long-term Financial Stability of the City
FY 2020-2021 General Fund Budget

GF Revenue $19.18M

- $3.07M Property Tax (16%)
- $3.2M Sales Tax (17%)
- $4.07M VLF (21%)
- $3.4M Admin OH Allocation (18%)
- $1.59M Other (10%)
- $2.49M Franchise Fees & Licenses (13%)
- $1.34M Development Fees (7%)
FY 2020-2021
General Fund Budget

GF Expenditures $21.3M

- Public Safety: $13M (64%)
- Code Enforcement: $1.36M (6%)
- Economic Development: $263K (2%)
- Public Works: $955K (5%)
- City Council: $152K (1%)
- Development Services: $2.23M (10%)
- Administration: $2.29M (5%)
- Other: $955K (1%)

Total Expenditures: $21.3M
Why Sales Tax?

- The City Council explored the impacts of other alternative revenue sources and found them insufficient to meet revenue demands and put 100% of the burden on residents. 33% of spending inside the City is by non-residents!

- Sales Tax is paid by residents, businesses, & non-residents
  - Local control without State or County takeaways
  - 171,617 population within 15 minutes of city center Cottonwood & State Street
    - 99,240 vehicle trips per day on Sanderson between Esplanade & Ramona Expressway
    - 58,000 vehicle trips on State Street between Esplanade Ave. and Ramona Expressway
    - 93,739 vehicle trip on Ramona Expressway, between Sanderson and Soboba Casino.
    - 21,500 monthly vehicle trips on San Jacinto Avenue, between Esplanade Ave. and Main Street.
    - 250,000 monthly visitors to the Soboba Casino Resort & golf Course
  - 33%, and growing, of funding would be paid by non-residents
  - Check out the HdL EconSolutions report at sanjacintoca.gov/Measure V
How Will Revenue Be Generated?

- Registered voters in San Jacinto will have a choice to vote for or against Measure V on November 3rd
  - Simple majority needed for approval (>50% + 1)
- 1¢ added to each dollar spent to purchase goods in San Jacinto
  - Exempts prescription medicines and grocery food sales
  - Not a tax on property
- Merchants remit quarterly tax to the State
- Expected generation = $3.2M
How Will Funds Be Used?

- Protect local drinking water
- Improve/Maintain 911 emergency response times
- New Fire Engine & 24/7 Crew = quicker response times
- Add patrol deputies for increased public safety
- Maintain long-term City financial stability
- Support Local Businesses and Jobs
  - Attract New Business/Jobs to San Jacinto
- Address needs of growing homeless population
- Prepare for & Recover from Public Health Emergencies
- Repair streets, roads, and potholes
- Provide for other general City services
- Requires All Money to be Spent in San Jacinto
How Will Funds Be Spent?

- **Improve/Maintain Public Safety Services**
  - Hire deputies for patrol to increase .75/1000 ratio
  - Purchase New Fire Engine & Add 24/7 Crew

- **Improve/Maintain Aging Infrastructure**
  - Roads, parks, sidewalks, rights-of-way
  - Improvements to Main Street

- **Preserve Fiscal Stability & High Quality of Life**

Should Measure V pass, the City Council will be asked to create an Oversight Board to insure the funding is allocated according to the Community Needs Survey and the Ballot Measure Language.
<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
<th>Ongoing/ One Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Budget</td>
<td>$1,030,000</td>
<td>One Time</td>
</tr>
<tr>
<td>Purchase of a new fire engine</td>
<td>$600,000</td>
<td>One Time Cost / Development Impact Fee (DIF) Funded</td>
</tr>
<tr>
<td>Staff the new fire engine</td>
<td>$640,000</td>
<td>Annual, Ongoing</td>
</tr>
<tr>
<td>Increase Patrol Deputies</td>
<td>2 @ $393,016</td>
<td>$786,032</td>
</tr>
<tr>
<td>Partner with Homeless Outreach Organization (SWAG or City Net)</td>
<td>$12,000 p/mo</td>
<td>$144,000</td>
</tr>
<tr>
<td>RESTORE, Small bus. grant program</td>
<td>$150,000</td>
<td>One Time</td>
</tr>
<tr>
<td>Main Street Façade Program</td>
<td>$150,000</td>
<td>One Time</td>
</tr>
<tr>
<td>Rancho San Jacinto Walking Trail Lighting Project</td>
<td>$300,000</td>
<td>One Time</td>
</tr>
</tbody>
</table>

One Time Project Total: $1.63M  
Ongoing Costs: $1.57M  
Total: $3.2M
Be Informed & Inform Us

Send us your thoughts and questions

- For additional information/questions please visit http://www.sanjacintoca.gov Measure V Tab on main page

- Or email questions to MeasureVQuestions@sanjacintoca.gov