Measure V proposes to add one penny on the dollar to each good and service purchased inside the City limits of San Jacinto. The measure provides for registered voters to determine if they want to increase sales tax in San Jacinto from 7.75% to 8.75%, with the additional 1% going to services inside San Jacinto. Moving to 8.75% would generate an estimated $3.2M annually and match the following other local cities sales tax percentage (8.75%): Temecula, Murrieta, Menifee, Hemet, Riverside, Norco, Wildomar, Indio, Cathedral City, La Quinta, and Coachella. Palm Springs has a sales tax of 9.25%.

In a community needs survey in which 75% of respondents stated that San Jacinto has great and/or some need for additional revenue. Registered voters of San Jacinto outlined the following as top ways the funds should be spent:

- Protecting Local Drinking Water
- Maintaining/Improving 911 emergency, medical and public safety response times
- Increasing public safety to include a new fire engine/crew
- Increasing the number of deputies on patrol
- Maintaining the long term financial stability of the City
- Supporting local businesses and jobs
- Addressing homelessness
- Preparing for and recovering from public health emergencies
- Repairing streets, roads, and potholes
- Providing for other general services
- Requiring that all funds be used in San Jacinto

Measure V would generate the necessary revenue to increase the City’s response to 911 emergency medical, fire, and public safety needs, as well support local businesses (save jobs), attract new business (new jobs), new amenities entertainment, restaurant, clothing stores, child care, etc.), and allow the City to remain on strong financial footing for future years to come.

What is San Jacinto’s Budget Outlook?

The City’s Fiscal Year (FY) 2000-2001 approved budget is $1.8M expenditure over revenue. The trend over the past decade has been the rising cost of expenditures verse the City’s ability to attract new retail to make up the difference. Public Safety costs of the City’s Fire Department (CALFIRE) and Police Department (Riverside County Sheriff’s) are some 65% of the total budget expenses, leaving 35% to address the remaining needs of the community.

For the past decade, expenditure over revenue budgets have plagued the City and are draining the unallocated fund balance, or reserve funds, which has made up the gap. Since 2017, the City Manager has been able to increase revenue through retail sales outlets to close the annual budget gap, but revenue generation is not keeping pace with the annual rising cost of providing emergency life-saving services and public safety to the community.

As an example, the City has increased its revenue through new business and sales tax generation by some $600,000 from 3rd Quarter 2016 to 4th Quarter 2019, which is great news. However, adding one new Deputy costs the City $393,000 annually, adding a new fire crew costs $624,000 annually. Just these two examples alone show that the City cannot increase revenue fast enough to cover new on-going expenses.

The City performed a 10-Year Financial Model, which projects the City’s financial health 10 years into the future. The model shows a structural deficit looming in roughly 36 months, due the depletion of the City’s unallocated fund balance.
The City has many needs that it is unable to provide for. Most notable is public safety. Even though the current FY2020/2021 budget spends 66%, or $13M, of its general fund expenditures on public safety, the City has had an underfunded police department for the majority of the past decade. Most cities strive for a 1 officer per 1,000 residents, which is a suggested ratio to provide for public safety. In the past years, the City has keep pace and been able to financially support a .65/1000 to .70/1000 ratio. At the suggestion of the Mayor, the City Council directed the City Manager to cut additional programs and services in this FY2020/2021 budget to add two additional police officers. The addition of the two officers, to start in September, has increased the ratio in San Jacinto to .74/1000 residents. More deputies equal faster response 911 response times and the ability to perform community policing strategies instead of the current non-stop call to call happening for the past several years.

The City has one of the most active fire stations, No. 25, in the entire state. It is routinely the first or second in call response on an annual basis. As the City grows with more housing, retail and commercial, the traffic volumes rise and 911 emergency response times rise. The City desires to reduce that call time and has been working to add a new fire engine to the line of life saving equipment and emergency response to the community. With the one time purchase of the fire engine, a new 24 hour crew is needed to operate the engine. The one-time cost of the fire engine would come from development impact fees collected over the past decade, but the cost to outfit the engine in personnel costs, is something that the City has not been able to obtain. The current budget for fire is roughly $1.6M, which would rise to $2.2M with the new engine company.

The City has been working to reach out to those affected by homelessness and match them with services provided by the County. The City also has a Problem Oriented Policing Team, or POP Team, that assists with this as well. However, most effective programs assist with items that the City is unable to provide for, like: wrap around services, including case management, mental health, drug/alcohol treatment programs, job training, housing and much more. Programs like these are available in other cities and have contracted with agencies like SWAG and CityNet, but those costs are in the neighborhood of $12,000 per month, and need to be on-going when started to be effective.

Small business assistance is needed to help our local business owners keep their doors open during these difficult times. Business owner’s need grants (not loans), assistance finding local talent, help writing and adjusting business plans, marketing and publicity assistance, and a partnership with the City to help their business thrive and grow.

New business attraction is needed to increase our jobs/housing balance. Enabling our growing community to work local instead of driving out to work is a community strength that we are striving to make a reality.

For more information please visit: www.sanjacintoca.gov

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