

MEASURE G, From page 1

The chart below summarizes how community and neighborhood parks, open space, street trees and other amenities are funded.

Why is Measure G on the June 2006 Ballot for renewal?

The Parks Maintenance Tax sunsets in June 2006. The City Council has placed Measure G on the ballot to ask residents to continue to pay the Parks Maintenance Tax. Loss of the Parks Maintenance Tax would have a \$1.3 million impact on the City's budget starting in July 2006.

Why isn't the City seeking an increase over the current amount of \$49/year?

The City continues to seek a long-term solution to address its structural budget shortfalls. The City Council decided that, until a more comprehensive solution can be developed and implemented, continuation of the Parks Maintenance Tax at its current level of \$49/year is a prudent interim solution to sustain city services.

The City Council is interested in working with the community to develop a viable long-term strategy to sustain and enhance vital services for Davis residents. This long-term strategy could include economic development, continuing efforts to improve efficiencies, improving non-tax revenues and exploring other revenues such as taxes. If the long-term strategy includes different tax measures, then those will be brought before the voters at the earliest possible date. The City Council must evaluate the different types of tax measures and other strategies to determine what makes the most sense to the community. Until such time, the City Council believes that the renewal of \$49 parcel tax is an appropriate interim mechanism to use.

Why can't the Parks Maintenance Tax be applied based on assessed value of the property?

By law, the City of Davis is not allowed to assess a parcel tax based on the value of the property. The California State Constitution provides that property tax is the only tax that is legally allowed to be levied based on the assessed value of a parcel.

Why doesn't the City use the General Fund reserve instead of renewing the Parks Maintenance Tax?



The City maintains a "reserve" much like an individual or household would keep a savings account accessible for an emergency. The City Council has adopted a policy to have a General Fund reserve equal to 15% of the City's General Fund revenues. This is a contingency reserve for general operations to help mitigate the effects of unanticipated situations such as recession, man-made or natural disasters, variances in financial forecasting, or costs imposed by other governmental agencies. The City does not use the reserve to fund ongoing services, such as those funded by the current Parks Maintenance Tax.

The General Fund reserve can fluctuate from year to year, and although it is currently above the required 15% minimum, the reserve level is forecasted to decrease as early as fiscal year 2006-07 based on the City's current budget forecast. The long-range forecast indicates that city expenditures for the current levels of service will continue to exceed revenues, depleting the reserve by \$1.6 million per year.

How does the renewal of the Parks Maintenance Tax fit into the City's overall financial strategy?

The City Council has been looking at a multi-faceted approach to stabilizing the City's budget. The major features of this approach are (1) increased efficiencies and cost savings, (2) economic development, and (3) determination of appropriate user fees and other revenue enhancement. The City Council proposes renewal of the Parks Maintenance Tax as one component of the current base revenue.

Since the last renewal of the Parks Maintenance Tax in 2002, the City Council has worked with the community to address each of the elements of the City's overall financial strategy:

Increased Efficiencies and Cost Savings: The City constantly seeks ways to deliver services more efficiently and effectively such as the following:

- Performing audits of departments to seek potential streamlining measures
- Increasing use of volunteers to provide city services (examples: Fire Corps, Police Volunteers, Graffiti Abatement, Tree Planting, Mediation)
- Implementing technology and web-based services, which can decrease staff costs (examples: online crime reporting, recreation registration, and utility bill payments; public safety radio system to improve public safety services, wireless field reporting by police officers)
- Extending the life of equipment (examples: delaying purchase of new fleet vehicles.)
- Leasing city-owned facilities to generate revenue (examples: long-term leasing of Varsity Theatre and Historic City Hall)
- Using reduced staffing levels while work load demands and infrastructure steadily increased.
- Reducing program expenditures in order to balance the operating budget

Economic Development: Council has approved several projects aimed at expanding and diversifying the City's sales tax base. The City Council continues to make improvements to the downtown, which is the City's central business district, and to provide an atmosphere where local businesses can thrive and expand, thus contributing to the City's tax base.

Equitable and Reasonable Fees: The Council has reviewed and revised fees in some areas of city programming to ensure that fees reflect both the costs to the City

and the benefit to the community. Development fees are also under review so that any growth in the City pays its fair share of development-related expenses.

Sustained and Enhanced Revenues: In 2004, voters passed Measure P, a half-cent sales tax, which contributes approximately \$2.9 million per year to the City's General Fund. This additional sales tax revenue is used to pay for some of the City's general services. However, service demands and costs to provide city services have continued to rise, and sales tax revenues can vary with the economy. Sales tax revenues provided 24.7% of the City's General Fund revenue in fiscal year 2004-05.

The City Council will work with the community to consider broad-based revenue strategies. If the Council, in partnership with the community, envisions other revenue strategies for providing and enhancing necessary city services, these new measures will be presented to the voters in future elections.

What will happen if the Parks Maintenance Tax is not renewed?

If the Parks Maintenance Tax is not renewed in June 2006, the City will need to determine how to reduce services and costs in response to the loss of \$1.3 million. Although the \$1.3 million is dedicated to assisting with the maintenance of parks, greenbelts, open space, street trees and pool complexes, reductions could come from any city service or program that is funded by the General Fund, including parks, greenbelts, pools, police, fire, and other recreation and community services and programs. The City Council is currently reviewing budget reduction options should Measure G fail. Such program reductions could be implemented as early as July of 2006.

Voter information for June 6 ballot

Last day to register to vote: May 22

In order to vote, you must be registered at your current address. Obtain a voter registration form on-line from the Secretary of State's Web site at www.ss.ca.gov.

Last day to apply for absentee ballot: May 30

To vote by mail, apply for an absentee ballot by using the form on the back of your "sample ballot." This will be mailed to you three or four weeks before the election. Absentee ballots must be received by the elections office no later than May 30.

Learn about candidates and issues

You will receive an official voter information guide from the Secretary of State along with non-partisan information about each state proposition. A shorter "Easy Voter Guide" is available at www.easyvoter.org. You can find information about candidates at www.smartvoter.org or from the various candidates and their campaigns.

Finding your polling place

You will find the address of your designated polling place printed on the back of your sample ballot. You can also go to www.smartvoter.org or www.ss.ca.gov on Election Day (or the day before) to find your polling place. Polls are open from 7 a.m. until 8 p.m.

Don't forget to vote on June 6!

Use of current Parks Maintenance Tax

	Total cost	General Fund costs	Parks Maintenance Tax funding	Fee/other funding	Percent funded by parks tax
Parks	\$1,898,869	\$1,536,869	\$350,000	\$12,000	18%
Greenbelts	\$1,047,819	\$697,819	\$350,000	\$0	33%
Streetscapes	\$444,410	\$344,410	\$100,000	\$0	23%
Street trees	\$746,958	\$540,958	\$200,000	\$6,000	27%
Open space	\$272,229	\$222,229	\$50,000	\$0	18%
Vandalism/graffiti	\$128,510	\$66,310	\$62,200	\$0	48%
Pool complexes	\$774,958	\$479,858	\$200,000	\$95,100	26%
Total	\$5,313,753	\$3,888,453	\$1,312,200	\$113,100	25%