

Essential Services

REVENUES

Local choices

Local Action

REVENUES

GOAL:

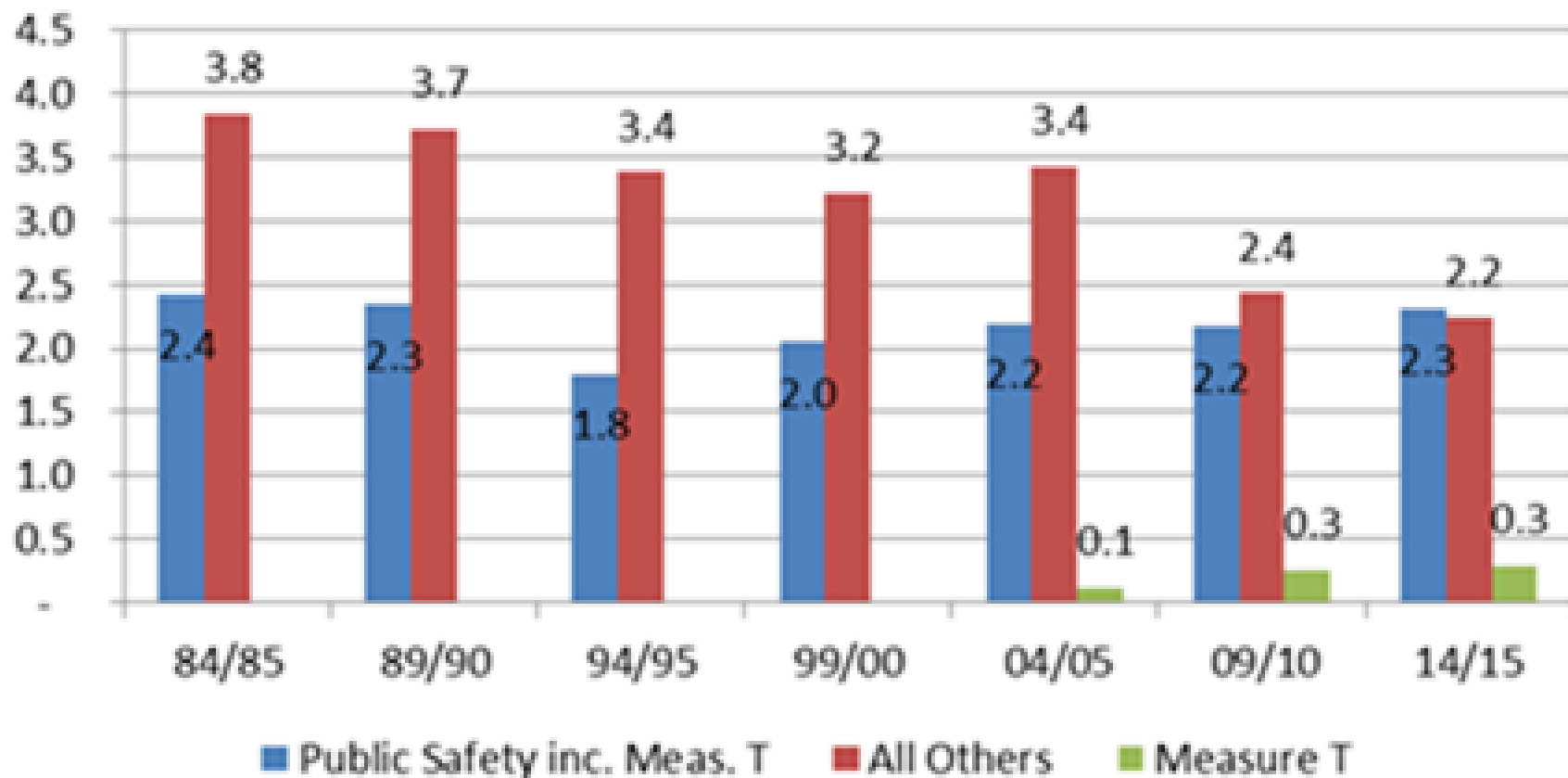
Sufficient revenues to maintain services

CONCERN:

Narrow tax base, not adequate for demand

Breakdown of Employee Types

Employees Per Thousand Population



Trends – California Sales Tax

Percent of Personal Income Spent on Taxable sales



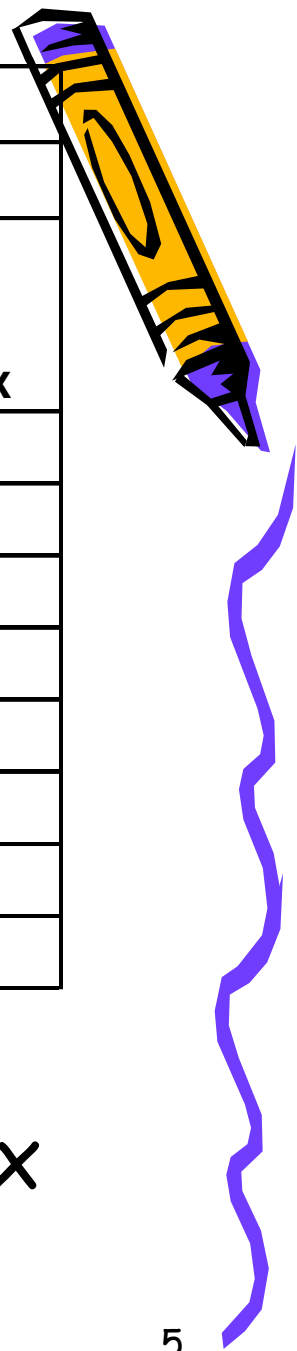
Shaded areas represent years during which recessions took place.

Information provided by State Legislative Analyst Office

Cities in Tulare County

Varied Tax Bases

	Share of 1% Property Tax Rate	Sales Tax Override	Utility Users Tax Rate	TOT tax
Dinuba	18.79%	0.75%	7%	10%
Exeter	15.32%	<u>None</u>	5%	4%
Farmersville	11.81%	0.50%	<u>None</u>	<u>None</u>
Lindsay	14.79%	0.50%	6%	15%
Porterville	11.80%	0.50%	6%	8%
Tulare	14.09%	0.50%	6%	10%
Visalia	<u>11.57%</u>	0.25%	<u>None</u>	10%
Woodlake	15.76%	<u>None</u>	6%	<u>None</u>



Visalia has a more narrow tax base than other cities



Visalia vs Tulare



Average General Fund Spending Per Captia FY 2011/12

	Population		GF Revenues		Per Capita
Tulare	59,089		33,379,000		565
Visalia	125,770		54,660,000		435
			Difference		130



Local Options

Ongoing maintenance needs:

public safety,
roads,
parks, trails,
buildings,
parking lots,
Rec. programs

• General Revenue Measure

A general revenue measure could be:

- a sales,
- utility, or
- property tax.



50% voter approval,
except for property
tax which requires
2/3 voter approval

Things to remember

-Local Sales Tax Measure Would Help Maintain Visalia:

- Police *\$6.2 mm*

- Fire *\$1.5*

- Roads *\$5.6*

- Rec and other services *\$0.5*

Total *\$13.8 mm*

1/2 Cent Sales Tax cost \$0.50 per \$100 yields \$10.8 mm/yr₈

Questions

Local Level	Governing Body Approval	Voter Approval
City or county "general" taxes (revenues used for unrestricted purposes)	<p>If consolidated with a regularly scheduled election of members of the legislative body:</p> <ul style="list-style-type: none"> • 2/3 for transactions & use taxes • Other taxes: 2/3 for general law cities; majority for charter cities. <p>If not consolidated, unanimous declaration of "emergency" required.</p>	Majority
City or county "special" taxes (revenues used for specific purposes)	Majority (2/3 for transactions & use taxes)	2/3
All school or special district taxes	Majority	2/3
General obligation bonds	Majority	2/3 ^b
Other debt	Majority	None
Property assessments	Majority	Majority of affected property owners. Votes weighted by assessment liability
Property—related fees	Majority	2/3 of voters or majority of affected property owners ^c
Fees—all other	Majority	None

^a Includes revenue and lease-revenue bonds and certificates of participation.

^b Exception: The Constitution specifies that a majority of voters can approve bonds used for repairing or replacing unsafe public school buildings and 55 percent of voters can approve bonds for new school facilities under certain conditions.

^c No vote required for gas, electric, water, sewer, refuse, or developer fees.

Cost of Living Comparison

Local tax Burden For Family of 3 - 2013



	<u>Visalia</u>	<u>Tulare</u>	
Ave. Median Income	54,019	46,274	
Median Home Value	212,500	183,700	
			Why
Taxes Received by the City			
Property Tax Portion	238	249	Tulare's rate higher portion of 1%
Property Tax Override	153	325	Tulare more overrides
Sales Tax Portion	180	159	Visalia higher incomes
Sales Tax Override	45	77	Tulare 2x Visalia's rate
Utiltiy Taxes	-	220	Tulare has UTT
Total	616	1,030	

40,000 Household Comparison

Revenue	Visalia	Tulare	Difference
Taxes Received by City	24,649,364	41,194,001	16,544,637

