

City of Brawley
Utility Users' Tax Ballot Measure

Ballot Question

Shall the City of Brawley ("City") adopt an ordinance extending the Utility Users' Tax until otherwise repealed by voters at a rate of 4%, which is less than surrounding municipalities, upon the use of telecommunications services, natural gas, water, sewer, and solid waste to maintain city services, including, but not limited to, police, fire, City administration services, library, parks, recreation, and senior center, which is projected to raise approximately \$2.5 million per year?

Yes/No

Impartial analysis

The following impartial analysis of the measure was prepared by the office of the City Attorney:

In 2013, the voters of the City approved the renewal of the City's four percent (4%) utility users' tax on persons in the City that use utilities such as landline telephone communication, electricity, natural gas, cable television service, water, sewage, and garbage collection.

The tax has been in place since 1991 and has been repeatedly supported by the citizens because it funds essential services provided to citizens by the City. It is currently due by law to expire on May 31, 2022.

The City's Utility Users' Tax is a general tax. The revenue generated by the tax is used by the City to fund vital existing municipal services such as police, fire, library, parks and recreation, animal control, city planning & development, building maintenance and development, and city administration. Continuing the current rate of four percent (4%), the tax currently provides general fund revenue of approximately \$1,900,000 per year, and comprises 19% of the City's annual general fund tax revenues.

This ballot measure was placed on the ballot by the City Council. The City's utility tax language has not been updated since 1998 and/or 1992 and therefore many entities escape the tax. Renewing it to allow modern language is estimated to increase the annual amount generated to \$2.5 million. The issue before the voters is whether to extend the utility users' tax, so it will apply to modern telecommunication services, and do away with a sunset. The rate of the tax would remain the same.

The City has prepared a Contingency Plan that will take effect if the Utility Users' Tax expires and is not renewed. The changes will result in significant cuts to City services: including but not limited to the elimination of approximately twenty-five full-time positions throughout multiple departments; elimination of graffiti abatement services; closure of Fire Station No. 2 and the City's Senior Center; a major reduction and transition of Parks & Recreation offerings to fee for service programs that are based on full cost recovery; reductions in Library services and community events; and the possibly of additional impacts.

Information about the utility user tax is on the City's website at www.brawley-ca.gov or available by contacting the Finance Department at (760)344-8941.

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