



City of
Santa Rosa

Revenue Options Study Session
March 10, 2009

Revenue Options Overview

- Types of Revenues
 - Items of significant financial benefit
 - Voter approved measures
 - Emergency Medical Subscription Fee
- City-wide fee study is underway to determine if current fees are accurate
 - Results integrated into FY 2009/10 budget process and brought forward at Budget Hearings in June

Voter Approval Election Options

- Mailed ballot election could be held on 8/25/09 contingent upon the following:
 - Requires Council to authorize the use of mailed ballots for the election
 - Must be held on an established mailed ballot election date
 - The Council must **unanimously** declare an emergency
- Polling place election could be held 11/3/09 at the earliest

Sales Tax

- A ¼¢ tax added to the cost of most purchases
- Voter approval required
 - General sales tax requires majority approval
 - Specialized tax requires 2/3 approval
- Approximately \$7 million annual revenue
- General tax could be used for all General Fund services; specialized tax would be earmarked for specific services

\$50.00 Parcel Tax

- A flat amount levied on each parcel of property, charged on homeowners' tax bills
- Voter approval required
- Approximately \$2.5 million annual revenue
- General tax could be used to fund all services funded by the General Fund; special tax could be earmarked for specific programs, for example: landscaping, median maintenance, public safety

Utility Users Tax Modernization

- A tax currently added to electric, natural gas, refuse and land line telephone (for calls originating in the city) charges
- Tax is percentage of the bill
- Would be expanded to cell phone, satellite, and internet calls
- Voter approval required
- Approximately \$0.5 million annual revenue
- Could be used to fund all services funded by the General Fund

Transient Occupancy Tax (TOT)

- A tax levied to those occupying hotel/motel rooms for less than 30 days
- Current rate is 9% of room cost
- Would be increased to 12%
- Voter approval required
- Approximately \$1.2 million in annual revenue
- Could be used to fund all services funded by the General Fund

Business License Tax

- Persons or companies doing business in the City of Santa Rosa are required to pay a tax based on gross receipts of the previous year
 - Current maximum tax is \$3,000 and has not been increased in over 20 years
 - Maximum would be raised
- Voter approval required
- \$0.5 million annual revenue
- Could be used to fund all services funded by the General Fund

■ Questions?

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Emergency Medical Services (EMS) Subscription Program

- Fire responded to 12,273 medical emergencies in 2008. Represents 65% of Fire Department calls for service.
- Currently there are no direct recovery charges for EMS responses. Exception - DUI incidents.
- City is authorized to recover costs for basic life support services.

Similar Programs

- Identified 15 jurisdictions that currently have a subscription program for EMS responses.
- Annual Fee's ranged from \$36-\$60
- Direct billings ranged from \$125-\$700 per incident
- 3 jurisdictions provided a reduced subscription rate for low income customers

Program Options

- Voluntary Subscription charge:
 - Residential - \$4 month/\$48 year
 - Business - \$4 month/\$48 year for each 5 employees (Unit) to a maximum of 75 employees or \$720 year.
 - Multi-family - \$4 month/\$48 year for each 3 units.
 - Low Income Households (CARE Program) - \$3 month/\$36 year.

Program Options

- EMS recovery charge for Basic Life Support Services (BLS):
 - \$350 per incident
 - Subscription program subscribers would not receive a charge for any responses during the covered year.