ORDINANCE NO. 2340

AN ORDINANCE OF THE CITY OF REDLANDS AMENDING CHAPTER 3.64 OF THE REDLANDS MUNICIPAL CODE RELATING TO UTILITY USERS' TAXES

THE PEOPLE OF THE CITY OF REDLANDS DO ORDAIN AS FOLLOWS:

Section 1. The text of Chapter 3.64 of the Redlands Municipal Code as enacted by Ordinance No. 2242 of the City of Redlands shall be deleted in its entirety and a new Chapter 3.64 is added to read as follows:

"Chapter 3.64
UTILITY USERS' TAX

Sections:

3.64.010 DEFINITIONS

The following words and phrases used in this Chapter shall have the meanings ascribed to them:

A. "City" shall mean the City of Redlands.

B. "Director" shall mean the City's Director of Finance, or his or her designee.

C. "Equivalent charges" shall mean taxing any energy using a value for that energy equivalent to the value in the published tariffs of the utility(ies) franchised to serve the City (or portion thereof) in which the end use customer is located.

D. "Gas" shall mean natural or manufactured gas or any alternate hydrocarbon fuel which may be substituted therefor.

E. "Month" shall mean a calendar month.

F. "Non-utility supplier" shall mean a service supplier, other than an electrical corporation franchise to serve the City, which generates electrical energy in capacities of at least 50 kilowatts for its own use or for sale to others.

G. "Person" shall mean any domestic or foreign corporation, firm, association, syndicate, joint stock company, partnership of any kind, joint venture, club, Massachusetts business or common law trust, society or individual.

H. "Service supplier" shall mean a person required to collect, or self-impose, and remit a tax as imposed by this Chapter.

I. "Service user" shall mean a person required to pay a tax imposed by this Chapter.

J. "Telephone corporation," "electrical corporation," "gas corporation," "water corporation" and "cable television corporation" shall have the same meanings as defined in Sections 234, 218, 222, 241 and 215.5, respectively of the California Public Utilities Code except, "electrical corporation," "gas corporation" and "water corporation" shall also be construed to include any municipality or public agency engaged in the selling or supplying of electrical power, gas or water to a service user.

K. "Year" shall mean a calendar year.

3.64.020 TELEPHONE USERS' TAX.

A. There is hereby imposed a tax on the amounts paid for any intrastate telephone service by every person in the City using such services. The tax imposed by this section shall be at the rate of four percent (4%) of the charges made for such services and shall be paid by the person paying for such services.

B. As used in this section, the term "charges" shall not include charges for services paid for by inserting coins in coin-operated telephones except where such coin-operated telephone service is furnished for a guaranteed amount, in which case the amounts paid under such guarantee plus any fixed monthly or other periodic charge shall be included in the base for computing the amount of tax due; nor shall the term "charges" include charges for any type of service or equipment furnished by a service supplied subject to Public Utility regulation during any period in which the same or similar services or equipment are also available for sale or lease from persons other than a service supplier subject to Public Utility regulation; nor shall the words "telephone communication services" include land mobile services or maritime mobile services as defined in Section 2.1 of Title 47 of the Code of Federal Regulations. The term "telephone communication services" refers to that service which provides access to a telephone system and the privilege of telephone quality communication with substantially all persons having telephone stations which are part of such system. The Telephone Users' Tax is intended to, and does, apply to all charges billed to a telephone account having a situs in the City, irrespective of whether a particular communication service originates and/or terminates within the City.

C. The tax imposed by this section shall be collected from the service user by the person providing the intrastate telephone communication services, or the person receiving payment for such services. The amount of tax collected in one month shall be remitted by the service supplier to the Director on or before the twentieth (20th) day of the following month; or at the option of the person required to collect and remit the tax, an estimated amount of tax collected, measured by the tax bill in the previous month, shall be remitted to the Director on or before the last day of the following month.

D. Notwithstanding the provisions of subsection A of this section, the tax imposed under this section shall not be imposed upon any person for using intrastate telephone communication services to the extent that the amounts paid for such services are exempt from or not subject to the tax imposed under Division 2, Part 20 of the California Revenue and Taxation Code, or the tax imposed under Section 4251 of the Internal Revenue Code.

3.64.030 CATV USERS' TAX.

A. There is hereby imposed a tax upon every person in the City using cable television services. The tax imposed by this section shall be at the rate of four percent (4%) of the charges made for such services and shall be paid by the person paying for such services.

B. The tax imposed by this section shall be collected from the service user by the person furnishing the cable television services. The amount of tax collected in one month shall be remitted by the service provider to the Director on or before the twentieth (20th) day of the following month.

3.64.040 ELECTRICITY USERS' TAX.

A. A tax is imposed upon every person in the City using electrical energy in the City. The tax imposed by this section shall be at the rate of four percent (4%) of the charges made for such energy, and shall be paid by the person paying for such energy. The tax applicable to electrical energy provided by a non-utility supplier shall be determined by applying the tax rate to the equivalent charges the service user would have incurred if the energy used had been provided by the electrical corporation franchised by the City. Rate schedules for this purpose shall be available from the City. Non-utility suppliers shall install and maintain an appropriate utility-type metering system which will enable compliance with this section. "Charges" as used in this section shall include charges made for (1) metered energy and (2) services, including customer charges, service charges, demand charges, standby charges and annual and monthly charges, fuel and cost adjustments.

B. As used in this section, the phrase "using electrical energy" shall not include the storage of electrical energy by a person in a battery owned or possessed by that person for use in an automobile or other machinery or devise apart from the premises upon which the energy was received; provided, however, that the phrase shall include the receiving of such energy for the purpose of using it in the charging of batteries; nor shall the phrase include electricity used and consumed by an electric utility supplier in the conduct of its business as an electric public utility; nor shall the phrase include the mere receiving of such energy by an electrical public utility or governmental agency at a point within the City for resale; or the use of such energy in a production or distribution of water by a public utility or a governmental agency.

C. The tax imposed by this section shall be collected from the service user by any energy service supplier of a non-utility supplier. The tax shall be self-imposed by non-utility suppliers as to their own use. The amount of tax collected or self-imposed in one (1) month shall be remitted by U.S. Mail, to the Director, postmarked on or before the twentieth (20th) day of the following month; or at the option of the person required to collect and remit the tax, an estimated amount of tax, measured by the tax billed in the previous month, shall be remitted by U.S. Mail, to the Director, postmarked on or before the last day of each month. Remittance of tax may be predicted on a formula based upon the payment pattern of the service supplier's customers.

D. If the amount paid by a service user is less than the full amount of the energy charge in tax which has accrued for the billing period, such amount and any subsequent payments by a service user shall be applied to the energy charge first until such charge has been fully satisfied. Any remaining balance shall be applied to taxes due.

3.64.050 GAS USERS' TAX.

A. There is hereby imposed a tax upon every person in the City using gas in the City. The tax imposed by this section shall be at the rate of four percent (4%) of the charges made for such gas, and shall be paid by the person paying for such gas.

B. There shall be excluded from the tax imposed by this section charges for gas energy used to propel a motor vehicle, as may be defined from time to time in the Vehicle Code of the State of California, and charges for gas energy used by a cogenerator.

C. The tax imposed by this section shall be collected from the service user by the service supplier. A person selling only transportation services to a user for delivery of gas through mains or pipes shall collect the tax from the service user based on the transportation charges. The amount of tax collected or self-imposed in one (1) month shall be remitted by U. S. Mail, to the Director, postmarked on or before the twentieth (20th) day of the following month. At the time such returns are filed, the person selling or transporting the gas shall remit the payments to the Director in accordance with schedules established or approved by the Director. The amount collected by the service supplier in one month shall be remitted to the Director on or before the twentieth day of the following month.

3.64.060 MAXIMUM ANNUAL TAX.

A. The City Council of the City of Redlands has found and determined that certain public agencies, institutional and non-profit entities provide, on an annual basis, direct and indirect monetary benefits, services and other difficult to quantify, benefits to the City and its citizens. As a result of the City's and its citizens' receiving such benefits, the City Council has further determined that for purposes of equity, provision should be made to establish a maximum annual tax that such public agencies, institutions and non-profit entities should pay pursuant to this Chapter. The specific entities which the City Council has determined shall be subject to the maximum annual tax limitation established by this section are the Redlands Unified School District, Redlands Community Hospital and the University of Redlands.

B. The maximum annual tax payable pursuant to this Chapter by any of the service users listed in subsection A of this section for any one year shall be $30,000. Prior to each year during which a tax will be imposed under this Chapter, the Director shall determine from a review of those service users' utility records, and with the assistance of the service suppliers, whether a service user's utility use will likely result in tax payments in excess of the maximum annual tax. Each service user identified in subsection A of this section as likely exceeding the maximum annual tax shall be notified of the same by the Director by first-class mail, postage prepaid. A copy of such notice shall also be mailed to service suppliers.

C. Any service user identified as likely exceeding the maximum annual tax payment for any year shall pay $30,000 for such year directly to the City. Such payments shall be made in equal quarterly installments and shall be due and payable upon receipt of an invoice from the Director.

D. In the event any service user identified as likely exceeding the maximum annual tax payment for any year fails to actually use sufficient utility services to equal such payment, the City shall reimburse the service user for the amount of overpayment.

3.64.070 CONSTITUTIONAL EXEMPTION

Nothing in this Chapter shall be constructed as imposing a tax upon any person if imposition of such tax upon that person would be in violation of the Constitution of the United States or the Constitution of the State. At the request of a service supplier, the Director shall prepare a list of the persons exempt from the provisions of this Chapter by virtue of this section and furnish a copy to the service supplier.

3.64.080 DELINQUENT TAXES.

A. Taxes collected from a service user which are not remitted to the Director on or before the due dates provided in this Chapter are delinquent. Should the due date occur on a weekend or legal holiday, the return may be postmarked on the first regular working day following a Saturday, Sunday or legal holiday.

B. Penalties for delinquency in remittance of any tax collected or any deficiency determination shall attach and be paid by the person required to collect and remit at the rate of twenty-five percent (25%) per annum of the total tax collected or imposed in this Chapter and not remitted to the City.

C. Every penalty imposed under the provisions of this section shall become a part of the tax required to be remitted.

3.64.090 EXEMPTIONS - DEFINED ENTITIES.

An entity defined in Section 3.64.010(J) of this Chapter may obtain an exemption from the payment of taxes imposed by this Chapter by entering into and executing a written agreement with the City providing for, among other things, administration and collection of the tax by the entity at the entity's sole cost, and such other provisions required by the City to ensure effective collection and accounting for the tax.

3.64.100 DUTY TO COLLECT - PROCEDURES.

The duty to collect and remit the taxes imposed by this Chapter shall be performed as follows:

A. The tax shall be collected insofar as practicable at the same time as and along with the charges made in accordance with the regular billing practices of the service supplier. Where the amount paid by a service user to a service supplier is less than the full amount of the energy charge and tax which has accrued for the billing period, such amount and any subsequent payments by a service user shall be applied to the utility charge first until such charge has been fully satisfied. Any remaining balance shall be applied to taxes due. In those cases where a service user has notified the service supplier of his refusal to pay the tax imposed on said energy charges, or whenever a service supplier becomes or is made aware that a service user has failed to pay all or any portion of a tax owed pursuant to this Chapter, the service supplier shall provide the City with prompt written notice of the amounts refused and/or unpaid along with the names and addresses of the service users neglecting to pay the tax imposed under the provisions of this Chapter.

B. The duty to collect the tax from a service user shall commence with the beginning of the first full regular billing period applicable to the service user where all charges normally included in such billing are subject to the provisions of this Chapter. Where a service user receives more than one billing, one or more being for different periods than another, the duty to collect shall arise separately for each billing.

3.64.110 POWERS AND DUTIES OF THE DIRECTOR

A. The Director shall have the power and duty and is directed to reasonably enforce each and all of the provisions of this Chapter.

B. The Director may recommend administrative agreements subject to approval of the City Council of the City, to vary the strict requirements of this Chapter so that collection of any tax imposed herein may be made in conformance with the billing procedures of a particular service supplier so long as said agreements result in collection of the tax in conformance with the general purpose and scope of this Chapter. A copy of each such agreement shall be on file in the Director's and City Clerk's offices.

3.64.120 ASSESSMENT - ADMINISTRATIVE REMEDY.

A. The Director may make an assessment for taxes not remitted by a person required to remit. Whenever the Director determines that a service user has deliberately withheld the amount of the tax owed by the service user from the amounts remitted to a person required to collect the tax, or that a service user has refused to pay the amount of tax, or whenever the Director deems it in the best interest of the City, the Director may relieve such person of the obligation to collect taxes due under this Chapter from certain named service users for specified billing periods.

B. The service supplier shall provide the City with prompt written notice of the amounts refused and/or unpaid along with the names and addresses of the service users neglecting to pay the tax imposed under the provisions of this Chapter. Whenever the service user has failed to pay the amount of tax for a period of two or more billing periods, the service supplier may make written request of the Director to be relieved of the obligation to collect the amounts due.

C. When applicable, the Director shall notify the service user that the Director has assumed responsibility to collect the taxes due for the stated periods and demand payment for such taxes. The notice shall be served on a service user by handing it to him personally or by deposit of the notice in the U. S. Mail, postage prepaid thereon, addressed to the service user at the address to which billing was made by the person required to collect the tax; or, should the service user have changed addresses, to the last known address. If a service user fails to remit the tax to the Director within fifteen (15) days from the date of the service of the notice, which shall be the date of mailing if service is not accomplished in person, a penalty of twenty-five (25%) percent of the amount of the tax set forth in the notice shall be imposed, but not less than five dollars ($5.00). The penalty shall become part of the tax herein to be required to be paid.

D. The service supplier and every person self-imposing or collecting a tax pursuant to this Chapter shall provide written monthly lists to the Director which identify each service user who has not paid a tax and the cumulative amount owed by such service user up to and including a period of ninety (90) days. The service supplier and every person self-imposing or collecting a tax pursuant to this Chapter shall also provide the Director with a written monthly listing of all exemptions.

3.64.130 RECORDS.

A. It shall be the duty of every person required to collect and remit to the City, to keep and preserve, for a period of four (4) years, all records as may be necessary to determine the amount of such tax that such person has had a duty to collect and remit to the Director. The Director shall have the right to inspect such records at all reasonable times.

B. A non-utility supplier providing services to a gas and/or electric user shall make available to the Director records of the names and addresses of service users to whom services are provided. All information provided to the Director pursuant to this section shall be used solely for the purposes of this Chapter.

3.64.140 REFUNDS.

A. Whenever the amount of any tax has been overpaid, or paid more than once, or has been erroneously or illegally collected or received by the Director under this Chapter, such tax may be refunded as provided by law.

B. A service supplier may claim a refund, or take as credit against taxes remitted, the amount overpaid, paid more than once or erroneously or illegally collected or received when it is established that the service user from whom the tax has been collected did not owe the tax; provided, however, that neither a refund or a credit shall be allowed unless the amount of the tax so collected has either been refunded to the service user or credited to charges subsequently payable by the service user to the person required to collect and remit. A service supplier that has collected any amount of tax imposed in excess of the amount of tax by this Chapter and actually due from the service user, may refund such amount to the service user and claim credit for such overpayment against the amount of tax which is due upon any other monthly returns, provided such credit is claimed in a return dated no later than three (3) years from the date of overpayment.

C. No refund shall be paid under the provisions of this section unless the claimant establishes his right thereto by written records showing entitlement thereto.

D. Notwithstanding other provisions of this section, whenever a service supplier, pursuant to an order of the California Public Utilities Commission or a court of competent jurisdiction, makes a refund to service users of charges for past utility service, the taxes paid pursuant to this Chapter on the amount of such refunded charges shall also be refunded to service users, and the service suppliers shall be entitled to claim a credit for refunded taxes against the amount of tax which is due upon the next monthly returns. In the event this Chapter is repealed, the amounts of any refundable taxes will be borne by the City.

E. A service supplier may refund the taxes collected to the service user in accordance with this section or by service supplier's customary practice.

3.64.150 EXEMPTION FOR VERY LOW INCOME FAMILIES AND PERSONS.

A. The tax imposed by this Chapter shall not apply to any individual who uses telephone, electric, natural gas, water or cable television services in or upon any premises occupied by such individual if the following conditions are satisfied:

1. If the individual lives alone, the individual's annual gross income is less than twelve thousand dollars ($12,000.00), as shown on the individual's federal personal income tax or a copy of Form SSA-1099 for the preceding reporting period; or

2. If the individual is married or lives as part of a family unit, the annual gross income of the individual's household is less than fifteen thousand dollars ($15,000.00) for all household occupants as shown on the federal personal income tax or a copy of Form SSA-1099 for the preceding reporting period. Income of the household means all income of the individual's household from all members living in such household who are related to the individual as a spouse or as a dependent as defined in Section 17056 of the Revenue and Taxation Code of California; and

3. The individual is the person in whose name the bills for utilities services were rendered; and

4. The individual makes an application and files a verified claim in writing (including the documents required by this Section) with the Director for such exemption upon a form provided by the Director; and

5. The claim is approved by the Director as being in conformance with this section.

B. As used in subsection A, "Gross income" means the sum of adjusted gross income as used for purposes of the California personal income tax law, together with the net income from all sources of all kinds, including but not limited to alimony, support money, cash public assistance and relief, pensions, annuities, social security, interest on securities (including tax free interest on governmental securities), realized capital gains, worker's compensation (not including medical benefits), unemployment insurance income, insurance benefits of all kinds (other than medical), and gifts, except that income shall not include Medicare benefits, MediCal benefits, gifts between members of the household, the receipt of surplus food or other relief in kind supplied by a governmental agency.

C. Any person claiming exemption pursuant to this section may file a claim for such exemption at any time in order to qualify for an exemption or until a current exemption is scheduled to expire. An application for exemption or renewal shall be made upon forms supplied by the Director and shall declare facts under penalty of perjury which qualify the applicant for the exemption.

D. The Director shall review all applications for exemption of renewal, certify as exempt those applicants who qualify, and notify all service suppliers affected that such exemptions have been approved, stating the name of the exempt applicant, the account number shown on the utility bill, the address to which exempt service is being supplied, and any other information necessary for the service provider to remove the exempt service user from this tax billing procedure. Upon receipt of notice from the Director, the service provider shall not be required to collect any further tax imposed by this Chapter from such exempt service user until further notice from the Director.

E. Each exemption shall expire twelve (12) months after the date it was issued or on June 30th, whichever occurs earlier. The Director shall notify each service supplier to resume collection of taxes on the accounts of those service users who have not applied for renewal of their exempt status or whose applications for renewal have been denied. Upon receipt of the written notification, these service suppliers shall resume such collection on those accounts affected commencing with the first billing period beginning after the exemption expires.

F. Notwithstanding any of the provisions of this section, any service supplier who determines during any calendar year by any means readily available to it that a nonexempt service user is receiving services through a meter or connection exempt by virtue of an exemption issued to a previous user of the same meter or connection, the service supplier shall forthwith resume the collection of taxes imposed by this Chapter upon the nonexempt service user.

G. Any individual who has been exempted from the tax shall notify the Director within ten (10) days of any change of address or any other change in fact or circumstance which might disqualify that individual from receiving the exemption. If it is determined by the Director that the individual is no longer qualified, the Director shall give notice to the service supplier who shall resume collection of the tax imposed by this Chapter commencing with the next billing period. If the user is entitled to exemption at a new address, the Director shall notify affected service suppliers of that fact.

H. The Director may from time to time, demand evidence of continued eligibility of a service user for exemption under the provisions of this section. Such evidence may include copies of business records, letters or statements from the Social Security Administration, copies of income tax returns, and other evidence concerning the service user or members of his household which may tend to prove or disprove eligibility. Failure to provide sufficient evidence to establish eligibility when requested by the Director shall be grounds for denial or discontinuance of the service users' exemption, but evidence voluntarily provided to the Director may only be used as grounds for termination of the exemption and not as evidence of violation of the provisions of this section.

I. If the Director determines that an application for exemption is faulty or untruthful, the application shall be denied in writing and the applicant may file an amended application or appeal the decision of the Director to the City Manger, whose decision shall be final.

3.64.160 USE OF TAX REVENUES.

A. The tax revenues collected pursuant to this Chapter shall be used for the following purposes:

<u>Police</u>	
Substations	$250,000
Multiple Enforcement Team (MET)	50,000
4-Officer Traffic Unit (with vehicles)	300,000
DARE Program	71,000
Volunteer Police Services	10,000
Crossing Guards	90,000
Vehicle Replacement (Annual Lease Payment)	50,000
Animal Control	50,000
<u>Fire</u>	
Restore Paramedic Funding to General Fund	200,000
Disaster Preparedness	119,000
Cost Recovery Officer	75,000
New Ladder Truck (Annual Lease Payment)	175,000
Training	10,000
<u>Public Works</u>	
Street Resurfacing	450,000
2 Tree Trimming Crews ($100,000 for contract trimming)	225,000
Park and Ballfield Lighting and Maintenance	150,000
Cemetery Maintenance	50,000
Litter Abatement/Graffiti Removal	30,000
Weed Control	40,000
Roof Repair-Police Dept/Fire Dept/City Hall	50,000
Parks - Centennial and Barton Ranch	25,000
Open Space-Zanja/San Timoteo Creek/ Live Oak Canyon/Santa Ana River	75,000

Administrative Services	
Joslyn/Senior/Community Center Staffing	75,000
Youth Sports	25,000
Wading Pool/Senior Twinges in Hinges Program	17,000
Sports Complex Development	150,000
Library	
Increase Services over Current Operating Levels	50,000
Library Books	50,000
City Manager	
Economic Development	30,000
Community Develoment	
Code Enforcement Officer	50,000

The dollar amounts allocated herein to the respective categories of usage are estimates only, based upon the possible revenues generated by the taxes established by this Chapter based upon estimates of utility usage in the City. To the extent revenues are generated by the taxes which are lesser or greater than the estimated dollar amounts set forth herein, such estimated dollar amounts shall be increased or decreased on a percentage basis, proportionately.

3.64.170 EFFECTIVE DATE.

This Chapter shall become effective on the date the results of the election at which the ordinance codified in this Chapter was presented to the voters of the City of Redlands are certified in accordance with law, and the provisions of this Chapter shall end and be of no further force or effect four (4) years after this Chapter's effective date. The taxes imposed under this Chapter shall apply to charges appearing on bills rendered on or after such effective date, or as soon thereafter as the respective service suppliers are physically and mechanically able to get "on line" for the imposition of the taxes (within 30 days but not more than 60 days after the effective date).

3.64.180 ACCOUNTABILITY

Each quarter of every year during which this Chapter is in effect, the City shall prepare and make available for public review an accounting of the revenues received by the City as a result of imposition of the taxes described herein and the amount and purposes of the expenditures made by City of the proceeds of such taxes."

Section 2. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance or the application thereof to any person or circumstance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining portions of this Ordinance. The People of Redlands hereby declare that they would have enacted each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance hereof, irrespective of the fact that any one section, subsection, subdivision, paragraph, sentence, clause or phrase may be declared invalid and, to this end, the provisions of this Ordinance are hereby declared to be severable.

Section 3. This Ordinance shall be in force and take effect as provided by law.

City of Redlands California

Special Municipal Election

March 4, 1997

Measure I

(287 words)

Measure "I"
Analysis by City Attorney*

Ordinance No. 2340, if approved by the voters, will impose a four percent (4%) special tax on utility use within the City. The proceeds of the special tax must be used to fund thirty-one specific, enumerated City services described in Ordinance No. 2340 under the categories of Police, Fire, Public Works, Administrative Services, Library, City Manager and Community Development. Imposition of the special tax will end four (4) years after the effective date of Ordinance No. 2340.

The special tax will be imposed on the use of telephone, cable television, electric and natural gas services and will be collected on the utility providers' utility bills and will be paid by the utility users. The special tax will be remitted to the utility provider, which in turn will make periodic disbursements to the City. The City Council is obligated to make public quarterly reports each year describing the revenues received from the special tax, and the amounts and purposes of the expenditures made of the proceeds of the special tax.

Very low income persons and families may apply for an exemption from payment of the special tax. These utility users must file yearly exemption claims with the City demonstrating the basis for the exemption. Three institutional utility users, the Redlands Unified School District, Redlands Community Hospital and the University of Redlands are subject to a maximum annual tax of $30,000.

Ordinance No. 2340 will become effective upon a "yes" vote of two-thirds of the eligible voters of the City of Redlands casting votes in this election.

*Section 9280 of the Elections Code requires the City Attorney to prepare an impartial analysis of measures appearing on the ballot.

DJM2035LE

ARGUMENT IN FAVOR OF BALLOT MEASURE I

The City of Redlands needs your help!

In the past five years, the California State Assembly, by a variety of mechanisms, has removed over $9,601,000 from our general fund budget. This has been done to balance the State budget at the expense of ours.

For the past three years, the citizens of Redlands have been paying a four percent utility tax. A partial list of the benefits we have received are as follows:

- Three community policing substations
- Two new fire engines
- Continued support of our school DARE program.
- Creation of paramedic unit at Fire Station #2.
- Activated a functioning disaster preparedness program.
- Added a second tree trimming crew to maintain the 60,000 street trees in Redlands.
- Re-surfaced streets in the past three years exceed thirteen miles.
- Purchased four new black and white patrol cars.
- Hired part-time library clerk.

Without your continued support most of the funding for these services will probably disappear.

SL\1296

A twenty-five member citizens tax advisory committee has carefully reviewed our City concerns. They unanimously agreed to support the ballot measure before you and the 4% tax rate and the revenue allocations as outlined on Ordinance No. 2340. A low income provision is included that will exempt families earning less than $15,000 annually.

A City left to decline can never recover, and property values go down. Let all of us, as citizens, demonstrate the pride we have in Redlands - the Smiley Library, Redlands Bowl, Lincoln Shrine and our 108 years of heritage. Let us recognize that the responsibility for the maintenance of this heritage and an acceptable level of public safety is now ours.

(278 words)

SL\1296

STATEMENT TO BE FILED BY AUTHOR(S) OF ARGUMENT

All arguments concerning measures filed pursuant to Division 9, Chapter 3 (beginning with Section 9200) of the California Elections Code shall be accompanied by the following form statement to be signed by each proponent and by each author, if different, of the argument:

> The undersigned proponent(s) or author(s) of the primary argument in favor of the ballot measure relating to the Utility User's Tax at the Special Municipal election for the City of Redlands to be held on March 4, 1997, hereby state that such argument is true and correct to the best of his/her/their knowledge and belief.

Signature [signature] Date 12/5/96

Print Name SWEN LARSON

Signature [signature] Date 12/5/96

Print Name PAT GILBREATH

Signature [signature] Date 12/09/96

Print Name GILBERTO GIL

Signature [signature] Date 12-9-96

Print Name CHAR BURGESS

Signature [signature] Date 12/5/96

Print Name ROLLAND MOORE