

City of Tracy

Measure V – Frequently Asked Questions

1. What is Measure V?

Measure V is a local City of Tracy measure on the November 8, 2016 ballot. Approval of this measure would increase the local sales tax, from 8% to 8.5%. On July 19, 2016, Tracy City Council voted to place Measure V on the November 2016 ballot. If approved, Measure V would provide funding to maintain local services and improve facilities, including police, fire protection, emergency services; street, median, and park repair/maintenance; senior/youth services; planning and business retention/attraction; building facilities (such as parks/sports fields).

2. Why is there a sales tax measure on the ballot?

The City of Tracy is currently operating within a structural deficit but has an adequate level of reserves. The voters previously approved a local sales tax measure in 2011 (Measure E). Upon expiration of the measure in March 2016, the City realized a decrease of approximately seven-million-dollars in annual general fund revenue. If approved, revenue from Measure V will help close the City's structural deficit and provide funding support for local services and facilities.

3. How much revenue is it anticipated to draw?

If Measure V is approved by a majority of the voters (50% plus one or more voters), the proposed sales tax increase would start being collected in 2017 and will expire twenty (20) years after it starts being collected. The proposed increased City of Tracy sales tax would generate approximately seven-million-dollars annually.

4. Can the funds be earmarked for special projects?

No. Because Measure V is a general sales tax, it cannot be earmarked to fund a specific operational area or capital project. The revenue raised from the tax would go into the City's general fund and could be used for any municipal governmental purpose. Municipal governmental purposes include but are not limited to: police (patrol, 911, command, gang and narcotics enforcement, crime investigations, other police services); fire protection, emergency services, and other fire services; support services, street median, and park repair and maintenance; senior and youth services; planning and business retention and attraction; building facilities (such as parks and sports fields); and other general services.

5. If passed, will there be oversight of the funds collected through Measure V?

If Measure V is approved, the City's independent auditors will be required to complete a financial audit report, by no later than December 31st of each year, which will include the revenue raised and expended by this tax. Also, if Measure V is approved, the Tracy City Council will establish a Residents' Oversight Committee to review the expenditure of the revenue from this tax prior to any collection of the tax. The terms of the Committee members and their specific duties will be established by resolution of the City Council.

6. What happens if Measure V does not pass?

Should Measure V not pass, and City revenues remain the same, the Council may need to take action to prevent depletion of the City's General Fund reserves within the next five years, which would likely include City service reductions.

7. Who decides how the revenue from Measure V is to be spent?

Through the budget process, the City Council will decide (based on community need) how Measure V funding will be earmarked for specific operational or capital needs.

8. What types of services or resources will this tax apply to?

If approved, Measure V would provide funding to maintain local services and improve facilities, including police, fire protection, emergency services, street, median and park repair/maintenance, senior/youth services, planning and business retention/attraction, and building facilities (such as parks/sports fields).

9. Is the City of Tracy advocating for Measure V?

No, the City is prohibited by law from advocating in favor of the measure. Providing information about the Measure, its intended uses, and other factual information is permissible.

10. Why is the City putting a half-cent sales tax measure on the ballot if the City has a healthy reserve level?

The City is operating at a deficit and reserves are being used to maintain the City's budget balance.