



Add-On Sales Tax Measure Options

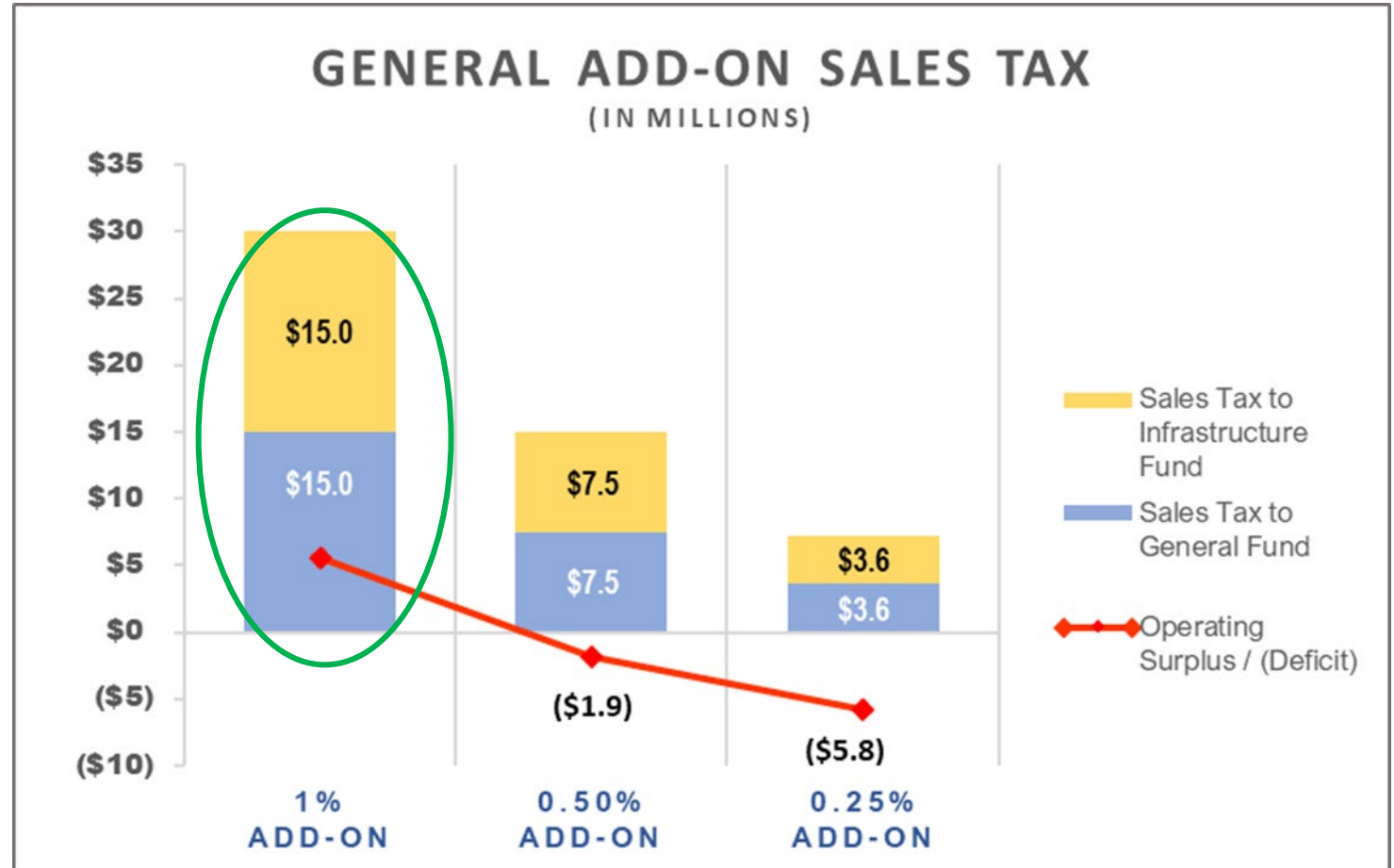
City of Fullerton, CA

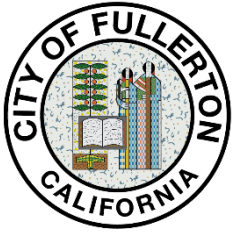
May 20, 2025



2 Add-On Sales Tax Measures Option – 0.5% Dedicated Streets & Infrastructure & 0.5% Public Safety

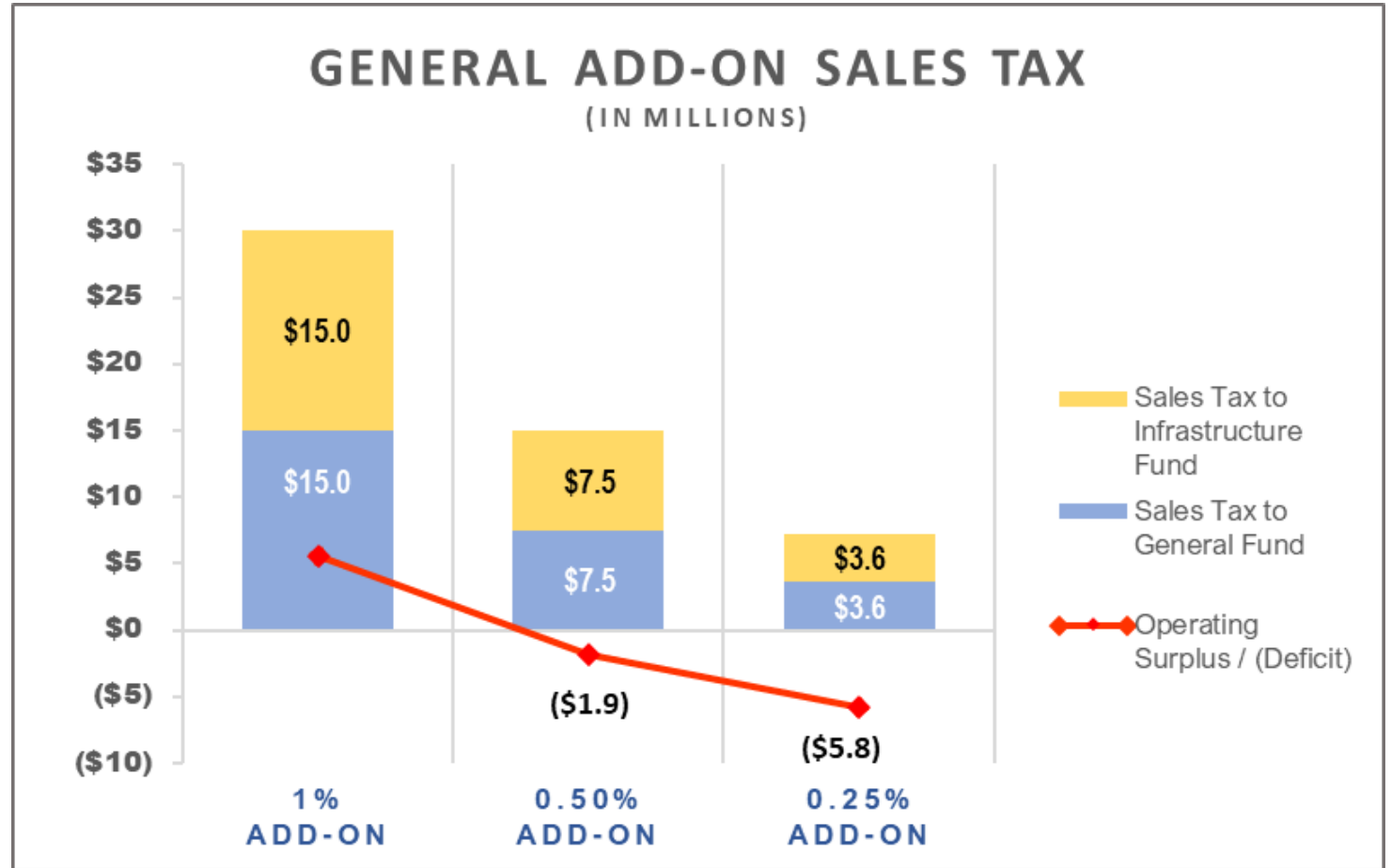
- *Must Pass 2 Ballot Measures at 66.7%*
- **50% to Special Purpose** (i.e. Streets / Infrastructure): *\$15 million for Streets*
- **50% to Public Safety:** *\$15 million to General Fund for Public Safety*
- Operating Position ~ \$5 million operating surplus.





Add-On Sales Tax – 1% General Purpose

- 1 Ballot Measure at 50% + 1 Voter Approval
- **50% to General Fund / 50% to Infrastructure** (per Infrastructure Fund Ordinance No. 3284)
- Operating Position ~ \$5 million surplus in General Fund.
- This option supports City Financial Position and Infrastructure (*not earmarked*).





Projected Sales Tax Revenue

- Sales Tax Revenue Overview w/ Add-On Sales Tax Options

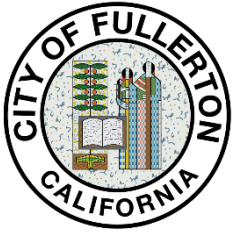
Sales Tax by Type	FY 24-25 Adopted / Current	Current + 1% Add-On Tax	Current + 0.50% Add-On Tax	Current + 0.25% Add-On Tax
Sales and Use Bradley Burns Sales Ta	30,500,000	30,500,000	30,500,000	30,500,000
Add-On Transaction & Use Tax *	-	30,500,000	15,250,000	7,625,000
Total Annual Sales Tax Revenues	\$30,500,000	\$61,000,000	\$45,750,000	\$38,125,000

** Add-On sales tax are estimated and ballpark figures for context.*



Ad Hoc Committee Recommendations

- Add-On Sales Tax Measure Options – Pursue a ‘Dedicated’ or ‘General’ Add-On Sales Tax Ballot Measure at 0.5% or 1% to generate \$15 million ~ \$30 million in annual revenue.
 - **2 Add-On Sales Tax Measures – 0.5% Dedicated for “Streets/Infrastructure” and 0.5% Add-On for Public Safety:** 66.7% or 2/3 Voter Approval for each
 - Committee Vote: **“Split” 2-2-1 vote (Yes: Bushala, Dean; No: Duong, Smith, Absent: Brown).**
 - **1% Add-On General Sales Tax Measure:** 50% +1 Voter Approval
 - Committee Vote: **“Split” 2-2-1 vote (Yes: Duong, Smith; No: Bushala, Dean, Absent: Brown).**



Recommendation

- Provide direction on Add-On Sales Tax Measure ballot options.