



# Community Priorities Presentation 2022

# Overview of Monterey Park Services

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## Monterey Park is a “Full-Service” city



# Infrastructure

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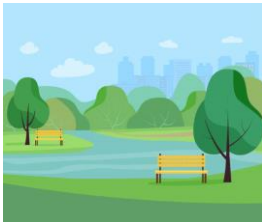
119 miles  
of Streets



3 stations  
62 employees



1 station  
110 employees



14 Parks  
100+ acres



1 Swimming Pool



1 Library

# Fiscal Outlook

What has the City been doing?

# Financial Forecast Meetings Summary

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## Recap of City's recent actions:

- City hosted a series 13 of virtual and in-person Financial Forecast Meetings.
- Meetings provided an overview of the City's Budget Process and described how funding is allocated or appropriated to various City services.
- Meetings provided a financial forecast of the funding needs over the next 5 years.
- Community members shared and provided input about various priorities and expectations for upcoming years.
- In addition, a community survey was conducted to hear and understand what the community's priorities are.... And here are the results.

What priorities are important to  
Monterey Park Community  
Members?



# Community Priorities Survey

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The City of Monterey Park is conducting community outreach around its City Budget and identify its priorities. Our City, like most California cities, is facing rising demands for service and must make informed choices about what to prioritize and the City would like to hear from many residents as possible about their most important issues. Please rate the importance of following city services as Very High, High, Medium or Low Priority.

It's okay to give the same rating to multiple items.

- Maintaining 911 emergency response services**  
 Very High Priority  High Priority  Medium Priority  Low Priority
- Improving the City's cyber security to protect resident's private information**  
 Very High Priority  High Priority  Medium Priority  Low Priority
- Addressing homelessness**  
 Very High Priority  High Priority  Medium Priority  Low Priority
- Protecting neighborhoods from hillside fires**  
 Very High Priority  High Priority  Medium Priority  Low Priority
- Keeping public areas safe and clean**  
 Very High Priority  High Priority  Medium Priority  Low Priority
- Retaining and attracting local businesses and jobs**  
 Very High Priority  High Priority  Medium Priority  Low Priority

Please Turn Over  
Survey Continues on other side



La ciudad de Monterey Park está llevando a cabo un programa de divulgación comunitario en torno a su presupuesto municipal y las prioridades de los residentes. Nuestra Ciudad, como la mayoría de las ciudades de California, se enfrenta a una demanda creciente de servicios y debe tomar decisiones informadas sobre qué priorizar y la Ciudad quisiera escuchar a residentes como sea posible sobre sus problemas más importantes.

Califique la importancia de los siguientes servicios de la ciudad: prioridad alta, prioridad media, prioridad baja (Está bien dar la misma calificación a varios elementos)

- Proteger el agua potable local y mejorar la planta de tratamiento de agua para mantener un suministro confiable de agua potable limpia y segura**  
 Prioridad muy alta  Prioridad alta  Prioridad media  Prioridad baja
- Mantener las áreas públicas limpias y seguras**  
 Prioridad muy alta  Prioridad alta  Prioridad media  Prioridad baja
- Mantener los servicios de respuesta de emergencia 911**  
 Prioridad muy alta  Prioridad alta  Prioridad media  Prioridad baja
- Prevención de robos y delitos contra la propiedad**  
 Prioridad muy alta  Prioridad alta  Prioridad media  Prioridad baja
- Retener y atraer empresas y empleos locales**  
 Prioridad muy alta  Prioridad alta  Prioridad media  Prioridad baja

Pasar de Página



蒙市市政府正在进行与本市财务预算有关的民意调查。像大多数加州的城市一样，蒙市也面临着对市政服务的更多需求并需要做出明智的选择。市政府希望听到更多本市居民对这些重要问题的反馈。请用于重要、比较重要、很重要或非常重要来评估以下市政服务的重要性。每项服务都可以选择同样的评分。

- 保障本地饮用水，升级换代本市水处理厂设备来保障安全可靠的清洁饮用水**  
 非常重要  很重要  比较重要  不重要
- 保持公共区域安全清洁**  
 非常重要  很重要  比较重要  不重要
- 保障911紧急应变服务**  
 非常重要  很重要  比较重要  不重要
- 防止偷盗及财产犯罪**  
 非常重要  很重要  比较重要  不重要
- 保留并吸引本市商业和工作机会**  
 非常重要  很重要  比较重要  不重要
- 改善本市的网络安全以保护居民的私人信息**  
 非常重要  很重要  比较重要  不重要

翻页

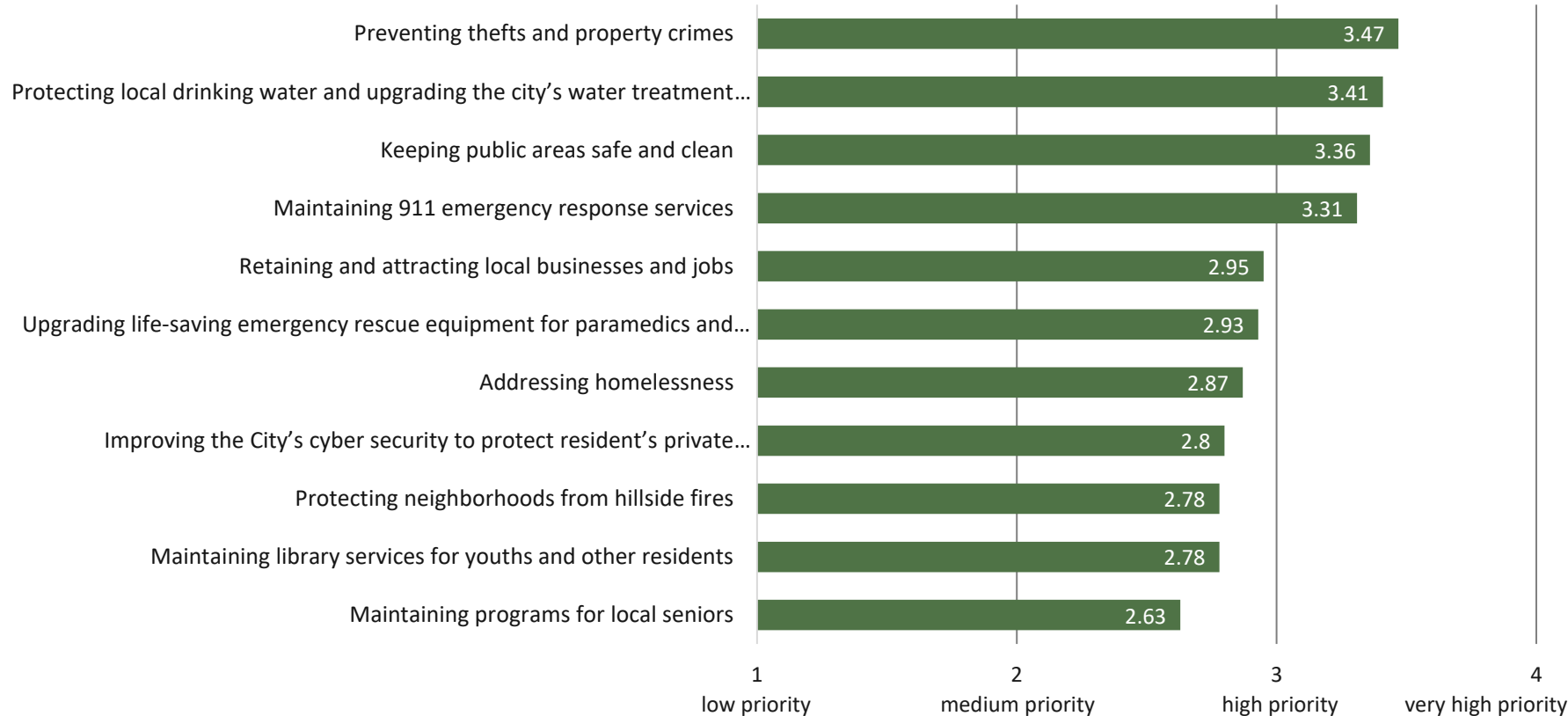
- Translated into three community languages: English, Spanish and Chinese
- Available to complete online or hard copy

# Community Priorities Survey

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- **407 responses collected from residents  
March to June 2022**
- Promoted via multiple channels: Cascades newspaper, City's website, social media, during City Council meetings
- Paper copies were available at each of the in person Financial Forecast workshops
- Residents were asked to rank the importance of 12 various City services from 1 (low priority) to 4 (very high priority)

# Community Priorities Survey Results



What is the City's Budget and  
how are priorities funded?

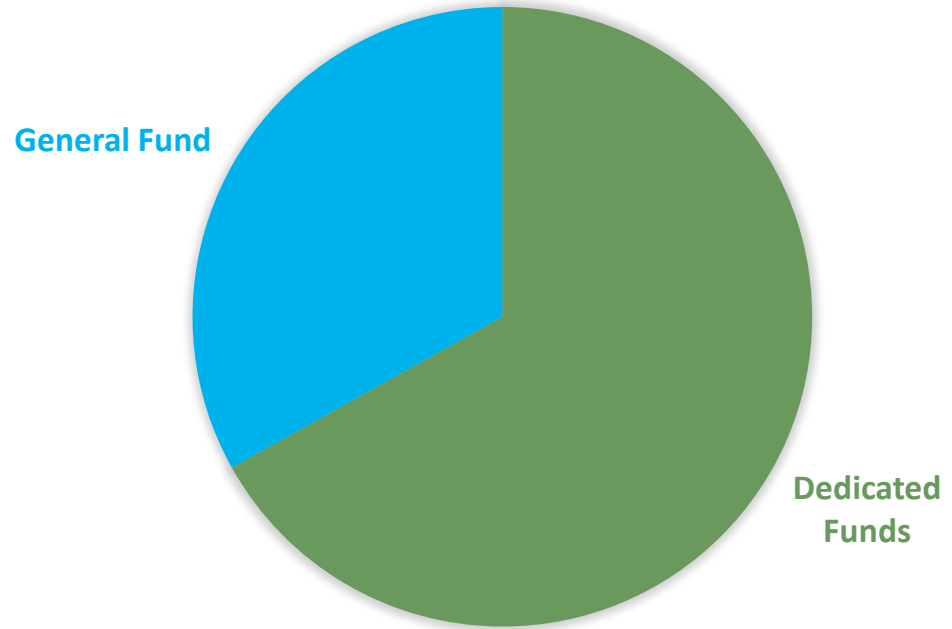


# What is our City's Budget?

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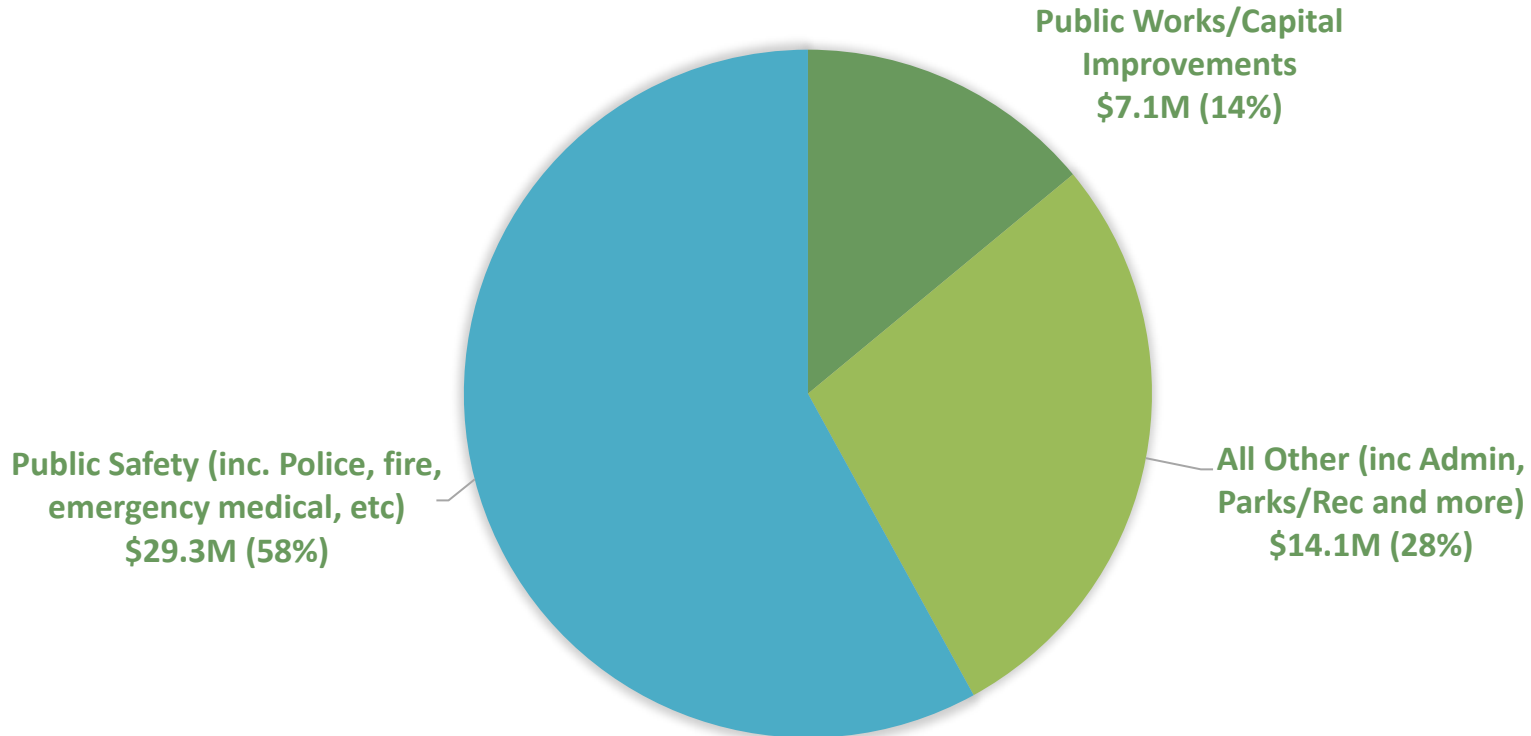
City operating budget for fiscal year 2022-23 is \$123.9 million.

- Nearly 2/3 spent in dedicated funds.
- The “General Fund” budget, which funds many core services, is roughly \$50.5 million (41%).



# General Fund Revenues

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# One-Time Funds Supporting the General Fund

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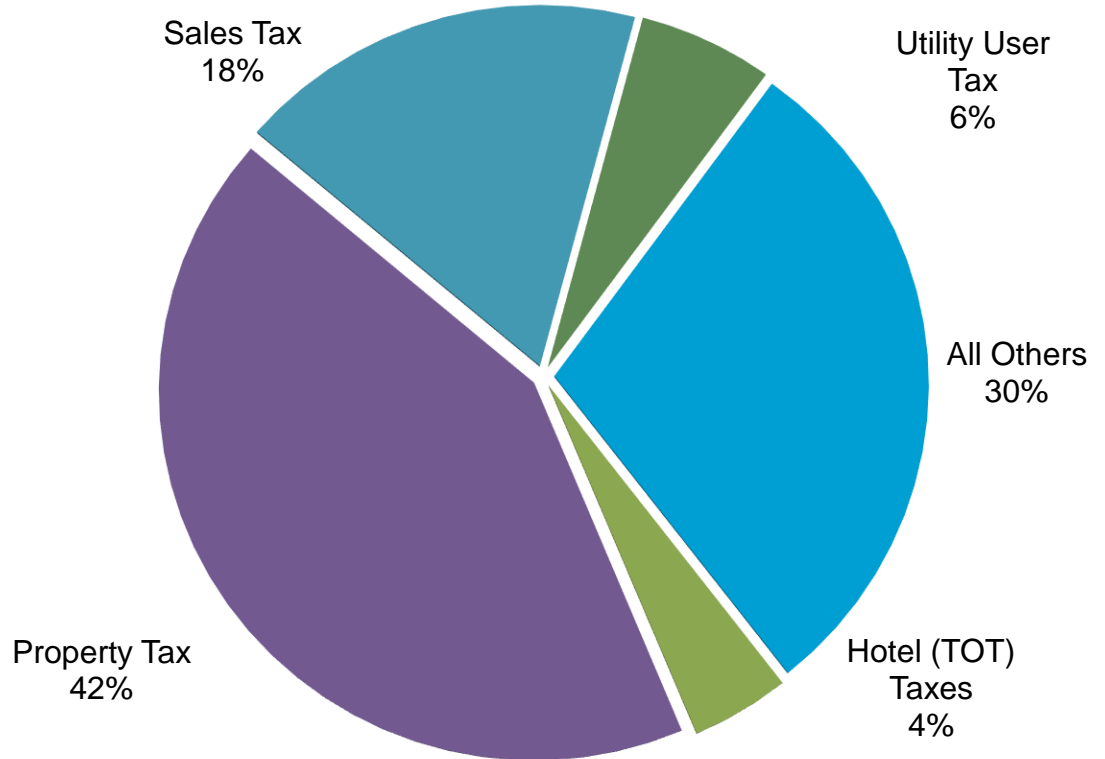
Cities across the U.S. received funding from the America Rescue Plan Act (ARPA) to assist in COVID 19 Recovery.

These Funds currently support \$5.4 million (10%) of the General Fund, and will expire by 2024.

# How The City Is Funded

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- 60% of the City's General Fund revenues come from sales and property taxes.
- Property Taxes grow very slowly (capped by Prop 13).



How about Grants?

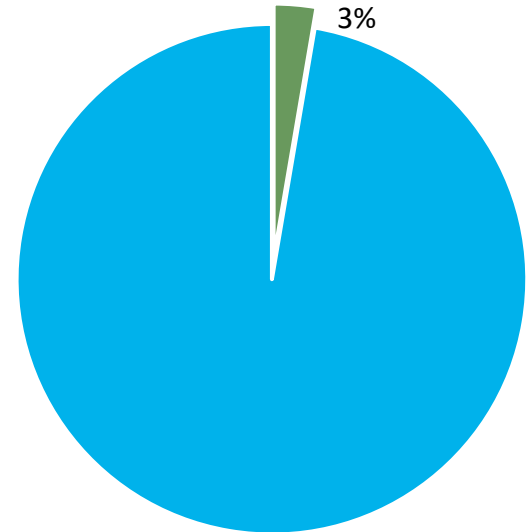


# Grants

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- Transportation, Traffic Safety and Streets: \$268,000
- Community Development: \$988,000
- Recycling: \$86,000
- Literacy: \$80,000
- Water: \$11 million for 2018-2023
- *An Additional \$200,000 in grants have been applied for.*

Grant Funding as Percentage of Total Budget: 2022-23



So what has changed and what  
are the challenges?



# Changes in Service Needs: Calls for Service

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Demands for emergency services are growing.

- On average, each year more than 4,300 calls to 911 in Monterey Park for medical emergencies like heart attacks, strokes, car accidents and others.
- In 2021, there were more than 1,461 emergency calls in Monterey Park related to homeless individuals and more than 1,100 calls for service related to mentally ill individuals.
- Last year, there were more than 220 robberies and burglaries in Monterey Park and a 5-year high of more than 255 car thefts.

# Aging Infrastructure & Repair Needs:

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Some of this infrastructure is need of repair or modernization.

- Road engineers recently rated the condition of one-third of Monterey Park's streets and roads as just "fair," "poor," or "very poor."
- City must comply with the Clean Water Act to maintain aging pipes, some of which may be several decades old.
- Many local buildings including fire stations, community centers, the library and neighborhood parks need essential health and safety repairs.

# Challenges have resulted in Tough Decisions



# Tough Decisions



# Ongoing Challenges

The City is monitoring numerous issues that could further strain City revenues.

- Global economic pressures
- Strained Water Resources / Drought
- Hot/Dry Conditions / Brushfires
- Re-emergence of COVID-19 / New Variants
- Rising costs of critical services including public safety, homeless services and materials for infrastructure maintenance/repairs.

What else is being done?

# What has Monterey Park done to manage its budget?

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- **Slowed replacement of staffing losses from 2008 financial crisis**
  - Includes both permanent and part-time reductions
  - Furloughed part-time workers
- Implemented Pension bond
  - Saved the city \$50M
- Implemented a Street Bond
- Removed one playground
- Investments in technology/cyber security
- Fundraising and sponsorships to support city services
- Strategically prioritized infrastructure needs

# Possible Revenue Measure

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City is considering a 3/4 cent sales tax increase ballot measure, to preserve funding for services including:

- 911 response for police/fire/paramedic
- Local drinking water
- Keeping public areas safe and clean

# Key Fact:

There is Limit on How High  
Sales Taxes Can Be: 10.25%

# How does Monterey Park compare to neighbors?

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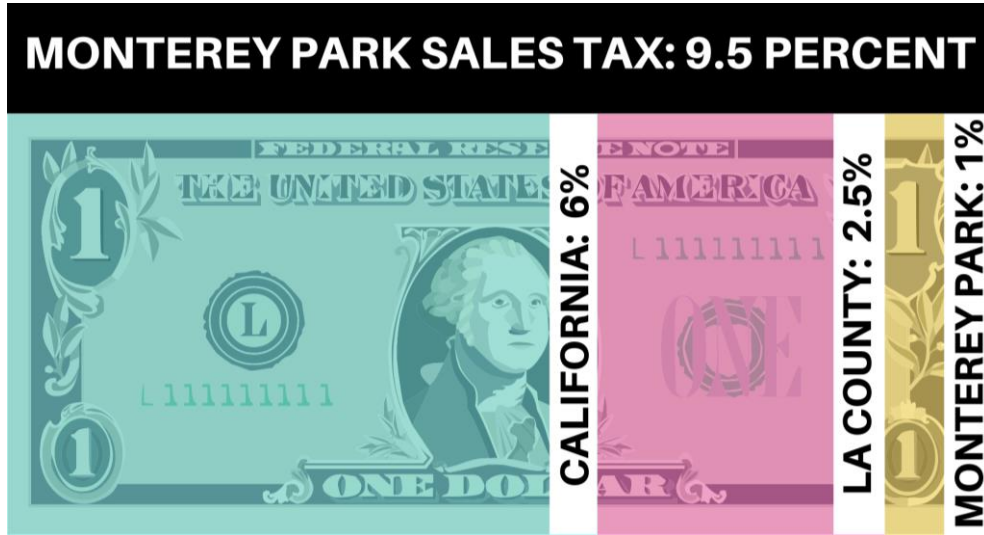
City	Sales Tax Rate
Alhambra	10.25%
Arcadia	10.25%
Azusa	10.25%
Burbank	10.25%
Covina	10.25%
Duarte	10.25%
Glendora	10.25%
Monrovia	10.25%
Montebello	10.25%
Pasadena	10.25%
Pico Rivera	10.25%
San Gabriel	10.25%
South El Monte	10.25%
<b>Monterey Park</b>	<b>9.50%</b>
Rosemead	9.50%

Monterey Park's sales tax rate is tied for the lowest in LA County, at 9.5%.

- 50 cities+ in County charge a higher rate.
- Monterey Park receives just a small fraction of these dollars.

# Sales Tax

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The County can increase sales tax in Monterey Park with NO requirement that the majority of revenue is spent directly improving the City

# Key Fact:

The City Keeps Only A Fraction  
Of Sales Tax Collected

*Of the \$7.3 million Measures R & M are estimated to  
generate in 2022,  
the City is estimated to only see \$1.6M in return*

# Monterey Park's Share of County Taxes

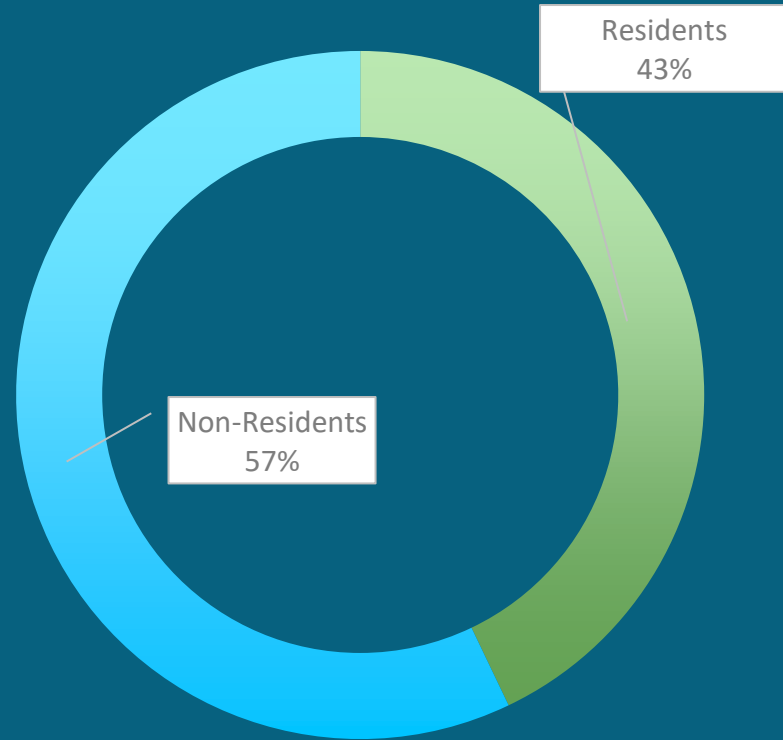
30

When LA County passes a sales Tax Measure, such as for Transportation and/or Homeless Services, Monterey Park generally pays far more in taxes than it receives in benefits.

<b>Tax Measures</b>	<b>Year</b>	<b>Taxes Generated in Monterey Park</b>	<b>Revenues Returned to Monterey Park by LA County</b>	<b>Percent Returned to Monterey Park by LA County</b>
<b>LA County Transportation Measures R &amp; M</b>	<b>2022</b>	<b>\$7.3 Million</b>	<b>\$1.6 Million</b>	<b>21.9%</b>

# Key Fact:

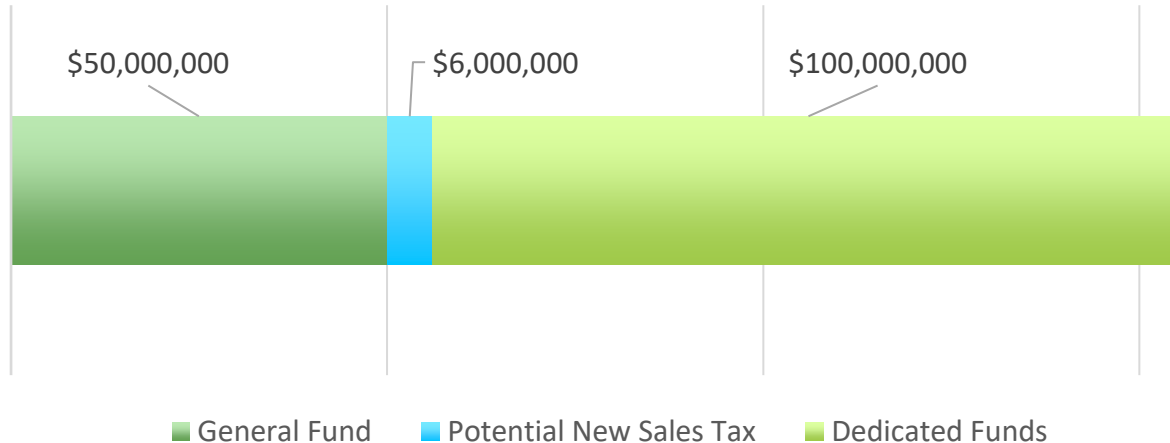
While a city-approved 3/4 sales tax increase would be invested directly back into Monterey Park communities, 57.1% of sales tax is estimated to be paid by VISITORS – Not Residents.



# A $\frac{3}{4}$ cent additional tax would...

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- Equal rates in neighboring cities, like Pasadena, Montebello and Alhambra.
- Generate an estimated \$6 million annually.



# Sales Tax

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**MONTEREY PARK SALES TAX: 9.5 PERCENT**



**MONTEREY PARK SALES TAX:  
Scenario at 10.25 PERCENT**



The Potential add-on would go 100% to support City of Monterey Park services, and would NOT be split with the County or State.

# What would $\frac{3}{4}$ cent increase mean?

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## \$12 Laundry Detergent



SALES TAX

Before: \$1.14

After: \$1.23

*9 cent increase*

## \$20 Tee



SALES TAX

Before: \$1.90

After: \$2.05

*15 Cent Increase*

## \$130 Sneakers



SALES TAX

Before: \$12.35

After: \$13.33

*98 cent increase*

# Exemptions

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Certain essentials are exempt from sales tax:

- Most groceries
- Prescriptions/many medical supplies
- Items bought with CalFresh benefits
- Utilities

*\*\*No additional taxes would be levied on these items.*

What about transparency and  
accountability?



# Accountability Measures

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This measure being considered would include strict accountability provisions, including:

- Annual independent audits
- Expenditure reports available for public review
- All funds raised must be used for Monterey Park services

# Thank You!

## Questions?

