



Yucaipa Launches Financial Engagement Tool and Transparent Online Budget Book

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Yucaipa, CA – Four years ago, the Yucaipa City Council brought before the voters a proposal to establish a half-cent city sales tax to fund critical services. With costs—especially in public safety—rising, the City Council saw the need for additional revenue.

The measure failed, and the City did not reduce its service level delivery. Following years of hefty inflation, the problem is now much worse.

“When I delivered our annual budget to you last year, just three months into my job as City Manager, I shared that the City was operating in a structural deficit and had been doing so since 2019,” said City Manager Chris Mann in his budget transmittal letter to the City Council. “Operating in a structural deficit is unsustainable, and we must develop a long-term solution to avoid eventual insolvency.”

The City’s structural deficit is about 15 years in the making. Starting around 2009, the City began building projects, including stormwater basins and community facilities. While these projects have brought tremendous benefits to the community, the cost of operating and maintaining them has taken a toll on the City’s General Fund.

For the last few years, the City relied on one-time federal Covid relief funds and withdrawals from its reserves in order to balance its budget. However, if the City does not act now, its structural deficit threatens to deplete those reserves.

A Long-Term Solution

Ultimately, the City must close a structural gap of approximately \$10 million. Closing the gap can happen by raising revenue and/or making cuts. Decisions of this magnitude require significant public input.

The City just launched an online tool to engage the public in the process of developing a long-term solution. Using the tool, residents can see the problem from a high level and test different solutions. Some residents may prefer raising revenue to protect current service levels. Others may choose to make significant cuts.

Residents can access the tool by visiting Yucaipa.gov/financial-fix. There they can read more about the situation and submit their ideas.

The City Council will be holding a townhall-style special meeting to discuss the City’s financial strategy on Monday, June 17, at 6:00 p.m., at the Yucaipa Performing Arts Center (12062 California St, Yucaipa, CA 92399). Residents are encouraged to attend and share their thoughts.

Online Budget Book

As part of its commitment to transparency, the City is also launching an online budget book. Using the ClearGov platform, residents may now review the budget using interactive charts and graphics. Providing more transparent and better analytical budget tools to the public will help lead to stronger understanding of the City's finances and services.

Residents may visit <https://yucaipa.gov/finance-annual-operating-budget-and-capital-improvement-program/> to learn more.

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