



MEASURE S
Your Measure S
Dollars at Work



City of Cotati



ANNUAL REPORT ON MEASURE S FISCAL YEAR JULY 1, 2022–JUNE 30, 2023

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City Officials and Staff

City Council Members

Calendar Year 2023

Susan Harvey-Mayor

Laura Sparks-Vice Mayor

Ben Ford-Councilmember

Kay Rivers-Councilmember

Sylvia Lemus-Councilmember

Calendar Year 2024

Laura Sparks-Mayor

Ben Ford-Vice Mayor

Susan Harvey-Councilmember

Kay Rivers-Councilmember

Sylvia Lemus-Councilmember

Measure S Oversight Board

Arianne Eskew

Marjorie Crump-Shears

Kenneth Savano

Carmen Garcia

Amy Lyman

City Management

Damien O'Bid - City Manager

Chris Simmons - Chief of Police

Angela Courter - Director of Administrative Services

Noah Housh - Director of Community Development

Craig Scott - Director of Public Works/City Engineering

Kevin Patterson - Deputy City Clerk



GET TO KNOW YOUR VOTER APPROVED TAX MEASURE

WHY DID THE CITY COUNCIL PLACE MEASURE S ON THE BALLOT IN 2020?

In response to the severe economic recession and the State redistribution of funding through the Redevelopment Dissolution, the City aggressively cut expenses, including a 28% reduction in staffing, elimination of the Recreation Department, voluntary staff salary cut of 14%, cut back or elimination of all contract services, and a general 11% reduction in General Fund expenditures. At that time, the City also was a leader in the state in establishing a new benefit and pension tier for new employees, to reduce future expenses.



In addition to the cuts in expenses, in 2009 the voters of Cotati also approved Measure A, a ½-cent sales tax for 5 years to maintain basic City services through the recession. Even with the additional revenue from Measure A and the City cuts in expenses, the unexpected loss of funding because of the State dissolution of Redevelopment, coupled with a much slower than expected economic recovery, resulted in the City being able to only maintain basic services with no capacity for non-emergency projects. As Measure A was nearing its expiration, the City was again facing the possibility of losing our locally controlled Police Department, and the very viability to continue as a city separate from Rohnert Park or the County was a deep concern.

In response, the City Council declared a State of Emergency on February 11, 2014, putting Measure G on the ballot. On June 3, 2014, the voters of Cotati passed Measure G, the *Cotati Essential City Services Measure*.

At the time Measure G was placed on the ballot, the State had taken hundreds of thousands of dollars in funds from Cotati's budget, which directly affected the General Fund. The General Fund supports all the basic functions of a city including police services, road maintenance, park maintenance, and other essential city services. Just like most cities in California, the economic downturn and declining property values dramatically reduced sales tax and property tax revenues in Cotati.

In 2020 the City once again took the same Measure to the community. This new Measure S continued existing, voter-approved locally controlled funding with no increase in tax rate. Measure S funding would continue to stay local for our community.



Cotati City Hall

HOW MUCH DOES A 1-PERCENT SALES TAX COST ME?

A 1-percent sales tax adds \$1 on a \$100 purchase for some purchases. Purchases such as food and medicine are exempted from the sales tax. Some of the largest sales tax sources in Cotati include Lowes, Oliver's Market, and our gas stations, collect a significant portion of their sales taxes from visitors to Cotati, which benefits our residents and the visitors who use the City services and infrastructure. The revenue from Measure S is used to protect the essential services Cotati residents rely on and assist in the implementation of key improvements desired by the community.

DO FUNDS FROM MEASURE S STAY IN COTATI?

Yes. Measure S funds stay local. Measure S Sales Tax dollars cannot be taken by the State and can only be spent for Cotati and its residents.

WHAT DOES THIS LOCAL SOURCE OF FUNDING PROVIDE FOR COTATI?

The City of Cotati uses the funds from Measure S to maintain essential City services for our community. Essential City services include the core services needed to run a City, including improved community services, preserving our local police department, recreational opportunities, and maintenance of public infrastructure, including streets and pothole repair. With the additional public safety funding, it also increased the number of officers on duty to help maintain crime prevention and investigation services. Measure S can also be used to leverage grant funds and key infrastructure projects such as street maintenance, storm drain maintenance, and improvements to parks and other City facilities.



Cotati Police Department

WHAT OVERSIGHT PROVISIONS ARE IN PLACE?

The City has established an independent Citizens' Oversight Committee that meets annually to review expenditures for Measure S and help make sure that every penny supports voter-approved priorities. This committee is an advisory body comprised of five members that are appointed by the City Council in a public process. Their involvement will help ensure that funds will continue to be spent responsibly on services provided by the City for purposes that benefit the citizens of Cotati.

Additionally, all receipts of funds and expenditures are subject to audit by an independent auditing firm. The audited statements of revenues and uses are included within the City's Annual Comprehensive Financial Report and the excerpted statement is included within this annual report.

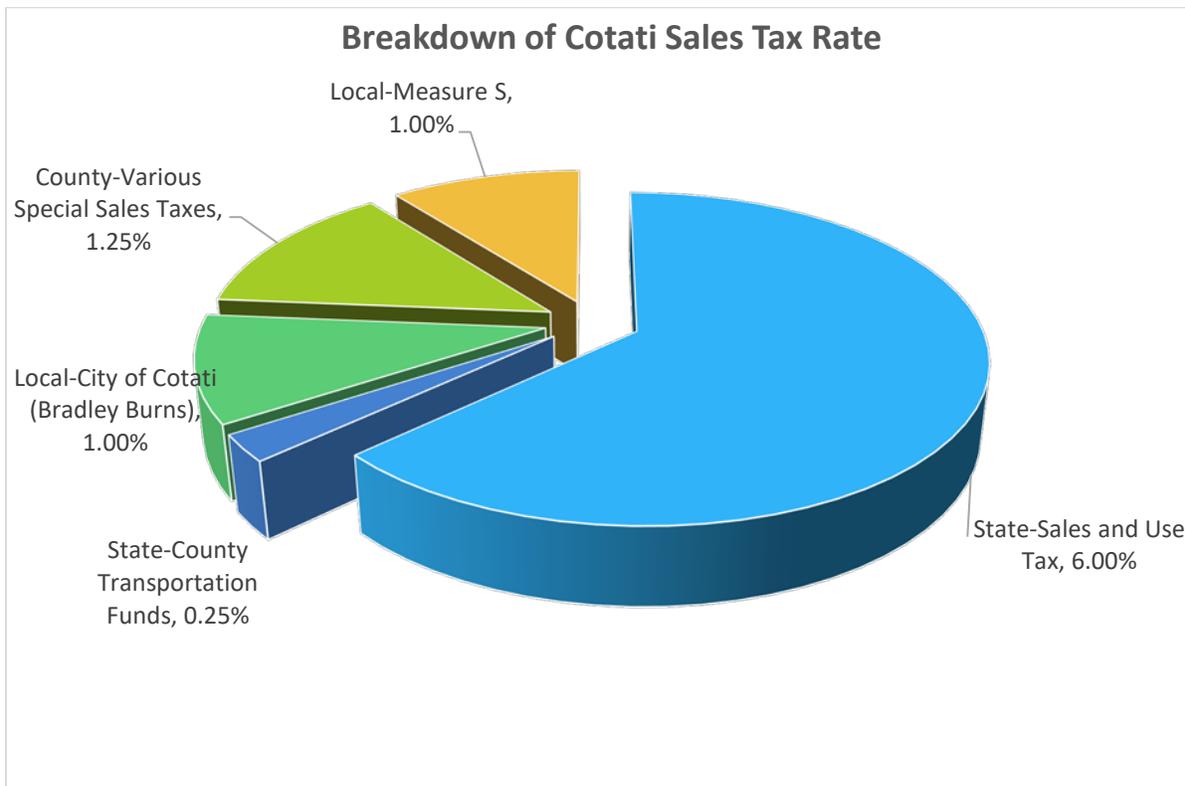
WHAT MAKES UP THE TOTAL SALES TAX RATE?

As of June 30, 2022, the total sales tax rate in Cotati was 9.50% and is broken by recipients as follows:

California Sales and Use Tax Rates as of April 1, 2022	
State	6.000%
County Transportation Funds	0.250%
Local-City of Cotati (Bradley Burns)	1.000%
Total State-Wide Sales and Use Tax Rate	7.250%
County*	1.250%
Measure S (formally Measure G)	1.000%
Total Sales Tax Rate in Cotati	9.500%

Detail of County Special Taxes

Sonoma County Library Maintenance Restoration Enhancement Act (SCLM)	0.125%
Sonoma County Parks & Safety TT (SCPS)	0.125%
Sonoma County Mental Health & Homeless Services (SOMT)	0.250%
Sonoma County Transportation Authority (SCTA)	0.250%
Fractional Code - SMART in Sonoma County (SMRT)	0.250%
Sonoma County Agricultural Preservation & Open Space District (SAPD)	0.250%
Total	1.500%



SUMMARY OF PUBLIC BENEFIT

In 2022/23 the City received \$3,082,161 in Measure S funding. The passage of Measure S continues to stabilize the City budget and allows the City to deliver on the expectations and desires of our community. This includes enhanced services in public safety and infrastructure maintenance, as well as continuing Recreation department and all their programming, which was made possible by Measure G, and is the reason the City can make significant investments in streets repaving, traffic safety, and building and park improvements.

PUBLIC SAFETY

Without a positive sense of public safety in our community, it can be difficult to bring in new business or families. Measure S continues to enable the City to preserve our own Police Department by funding core operations and enabling key improvements to public safety, including hiring a full-time police officer and adding a traffic officer assignment starting in FY 2014/15. The City also added a Police Services Aide and a full-time dispatcher, as well as continuing to fund ongoing departmental operations. Maintaining the local police department also opened the opportunity to provide emergency dispatch services to Sonoma State University. The revenue from this shared services agreement has also allowed the hiring and continuation of an additional police officer and a part time dispatcher since FY 2017/18. The City additionally leveraged Measure S to support the 24/7 operations of the Mobile Crisis teams called Specialized Assistance for Everyone (SAFE).

Other elements of the public safety program are intended to improve community safety. This includes things such as street safety and lighting projects.

The City Council's primary focus during FY 2022/23 was to continue to improve the overall level of public safety services in the City. The following is a summary of Measure S expenditures under the Public Safety Program:

1. The City continued to fund ongoing operations to preserve our local Police Department.
2. Continued replacement of aged vehicles with purchases and upfitting of three all-electric police vehicles.
3. Collaborated with Rohnert Park and Petaluma People Services to move to 24/7 operations for the Specialized Assistance For Everyone (SAFE) Team services which provide emergency crisis response to our community.
4. Utilizing the City's Local Road Safety Program (LRSP) process, the crosswalk at Lund Hill and Valparaiso was reconfigured to improve the safety for residents to include no parking signs on both sides of the street between W Sierra Ave and Nina Ct, and reconfiguring East bound and West bound flashing pedestrian crossing beacons.



STREET, SIDEWALK, AND STORM DRAINAGE

The community expects and depends on well-maintained city streets, streetlights, traffic signals, sidewalks, and storm drains. Well-maintained roadways are safer and improve the visual appeal of our city. It is critical to be able to leverage available grants to bring in additional funds to benefit our community. In addition, to save money overall, it is critical to fund road maintenance early to prevent expensive repairs and reconstruction of our streets later.

The City Council's primary focus during FY 2022/23 was to complete outstanding projects while continuing to invest in new improvements, all of which benefit the City with improved levels of maintenance in the streets, sidewalks, and storm drain systems. In any given fiscal year, construction projects will often carry across fiscal years, as the June 30 fiscal year end is in the middle of the construction season. Therefore, it is expected that each year the ratio of services and capital projects/equipment will fluctuate with the timing of project construction.

The following is a summary of Measure S expenditures under the Street, Sidewalk, and Storm Drain Program:

1. Continued funding of ongoing and improved services, including the full-time civil engineer, and continuing enhanced traffic signal, streetlight, and roadway landscape maintenance.
2. Completed design for the 2023 Street Construction and Improvement Project (Redwood Drive) to be completed in 2024.
3. Initiated construction on the 2024 Street improvement Project which included rehabilitation and preservation of streets consisting of Ahlstrom Circle, Christensen Court, East School Street, Gilbert Court, Gilbert Way, Gravenstein Way, Wilford Lane, and Woodland Hill Drive. The Project consists of approximately 2 centerline miles of streets to receive preservation treatment (crack seal, dugouts, and slurry seal).
4. Street Construction and Improvements (Quick Strike) Project and consists of rehabilitating La Plaza and West Sierra Avenue and bicycle and pedestrian safety improvements. This project is available for grant funds due to matching contributions available due to Measure S.
5. Continued design on the City signage for wayfinding and City Welcome Signs.



PARKS AND LANDSCAPING

The City operates and maintains many public parks, including La Plaza Park, Falletti Park, Draper Park, Kotate Park, Sunflower Park, Delano Park, Putnam Park, Mini Park, and the Santero Way Park. Parks provide key recreational opportunities for our residents, are local landmarks, and provide a venue for numerous community events.

The City Council's focus during FY 2022/22 was to continue to improve the overall level of maintenance; improve existing facilities; and add high impact/low-cost safety improvements and amenities. The following is a summary of Measure S expenditures under the Park/Landscape Program:

1. Funded ongoing operations, including the cost of a full-time maintenance worker.
2. Construction of the Kotate Park playground, picnic areas and restroom. Project was completed early fiscal year 2023/24.
3. Completion of the Mosaic Wall benches at the corner of Old Redwood Highway and Hwy 116.
4. Funding Operations and Maintenance as well as programs at the Veronda-Falletti Ranch.
5. Continued maintenance of parks and clearing vegetation including the revitalization of Pocket Park replacing the hardscape, placing lighting for safety, and coordinating a volunteer planting day where new landscaping was installed.
6. Continued work on design for the park master plan including Civic Center Park, Sunflower Park, and Putnam Park.
7. Construction and initiation of public Wi-Fi in La Plaza Park.
8. Continued support of Creek Cleanup and events.

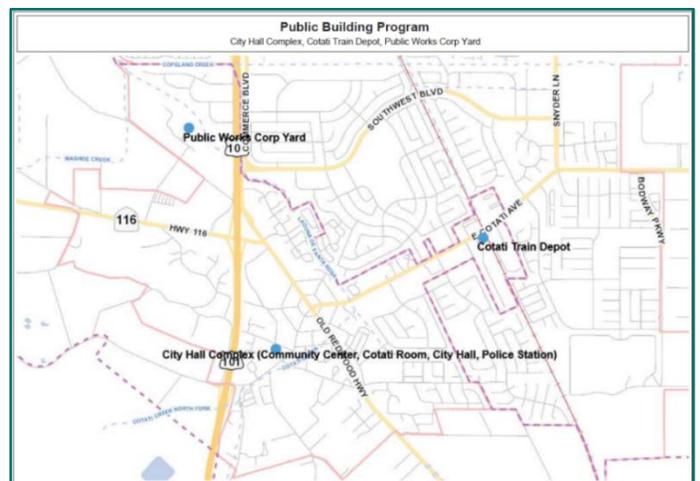


PUBLIC BUILDING

The City operates and maintains several public buildings to conduct public meetings and provide core services to the community, including City Hall, Ray Miller Community Center and Cotati Room, Public Works Corporation Yard, Police Department, and the Cotati Train Depot.

The City Council's primary focus during FY 2022/23 was to continue to improve the overall level of maintenance of the City Buildings. The following is a summary of Measure S expenditures under the Public Building Program:

1. Funded ongoing building operational costs.
2. Continued to fund building official inspection services and code enforcement.
3. Continued maintenance and repairs of building equipment.
4. Finalized reroofing of the Community Center as a part of the Civic Center refurbishment project.
5. Finalized the window replacement project which included corresponding siding repairs and then repainting for both City Hall and the Civic Center.



RECREATION

During the recession and the ensuing budget cuts, the City's Recreation Programs were eliminated. Since then, City Council has prioritized bringing back the Recreation Department with the use of Measure S funds. The Recreation Department includes a variety of classes, workshops, camps and events for all ages, as well as management of city facilities and parks for public use. The Recreation Department provides an opportunity to bring the public together for positive, healthy activities and provide a sense of community. The following is a summary of Measure S expenditures under Recreation for FY 2022/23:

1. Funded full-time Recreation Manager, Recreation and Facilities Coordinator as well as seasonal employment for up to six part-time camp staff to assist with special recreation programs.
2. Continued expansion and support of community communication through social network services and in person community outreach.
3. Funded all services and supplies needed to support the growing programs. In Fiscal Year 2022/23 , the following is a summary of Recreation programming and events:
 - a. Bunny Brunch
 - b. Staffed Free Children's Summer Lunch Program
 - c. Cotati Candyland downtown trick or treating event
 - d. Promote & support Cotati Shop & Stroll
 - e. Promote & support Cotati Farmers Market
 - f. Bunny Grams
 - g. Valentine Grams
 - h. Counselor in Training Program
 - i. Community Yard Sale
 - j. Return of Movies in the Park
 - k. Promote & Support National Night Out
 - l. Holiday Tree Lighting
 - m. Breakfast with Santa
 - n. Promote & support the bike-to-work day.
 - o. Contracted camps including Several Farmster and Ammamattati Camp Programs at Falletti Ranch



SUMMARY

In FY 2022/23 , the City undertook a total of \$1,619,179 in ongoing and improved services and \$1,551,328 in capital improvements and equipment. During this fiscal year, the focus was on continued preparation for continued significant capital projects for construction, as well as completion of key projects which started during fiscal year 2022/23. The City is proud of the safety improvements both planned and implemented as well as the street revitalization investments made and in design during the fiscal year. The City looks forward to using Measure S to continue to provide many more critical infrastructure projects as well as continued improved services to our citizens.

Measure S continues to be critical for funding essential city services and infrastructure projects. The City is actively working to promote economic development within Cotati to expand and diversify the tax base to provide more long-term revenue stability. The combination of dedicated local revenue from Measure S and a growing local economy provides the local revenue to deliver the services and infrastructure that the citizens of Cotati desire.



Breakfast With Santa



Bunny Brunch

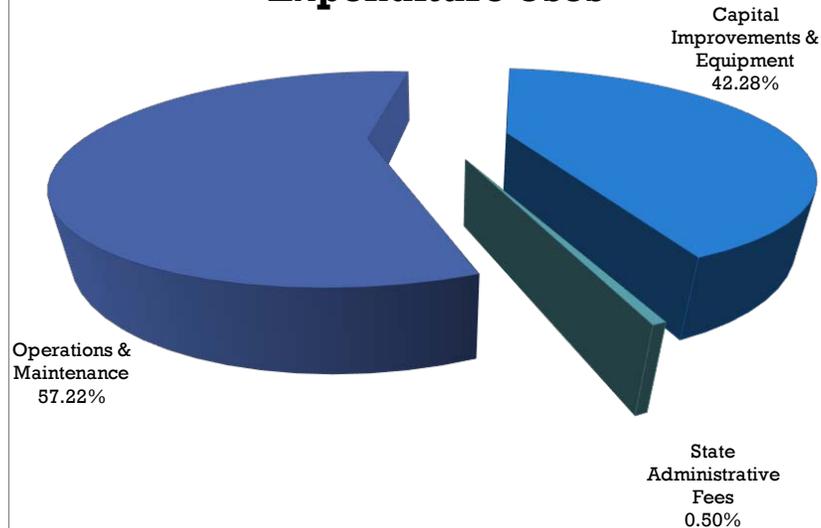


Bike to Anywhere Day

**Inception to Date
Essential Services & Improvements Summary**

	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	Combined FY	Cumulative Percentage Usage
GROSS MEASURE G/S REVENUE	\$ 1,344,594	\$ 1,991,285	\$ 2,120,557	\$ 2,148,886	\$ 2,557,335	\$ 2,558,612	\$ 2,954,366	\$ 3,184,677	\$ 3,097,031	\$ 21,957,343	100.00%
Less: State Administration Fees Expense	(4,650)	(12,900)	(14,230)	(12,550)	(12,670)	(12,750)	(11,820)	(14,170)	(14,870)	(110,610)	0.50%
NET TOTAL REVENUES	\$ 1,339,944	\$ 1,978,385	\$ 2,106,327	\$ 2,136,336	\$ 2,544,665	\$ 2,545,862	\$ 2,942,546	\$ 3,170,507	\$ 3,082,161	\$ 21,846,733	99.50%
Street, Sidewalk, and Stormdrain Program	\$ 492,860	\$ 855,352	\$ 754,349	\$ 566,980	\$ 834,890	\$ 962,870	\$ 1,061,585	\$ 1,328,868	\$ 730,589	\$ 7,588,342	34.17%
Operations & Maintenance	144,415	121,663	152,067	324,765	262,772	78,123	137,191	154,478	154,563	1,530,037	6.89%
Capital Improvements & Equipment	348,445	733,689	602,282	242,215	572,118	884,747	924,393	1,174,390	576,026	6,058,305	27.28%
Public Safety Program	\$ 559,443	\$ 685,633	\$ 729,034	\$ 952,363	\$ 784,420	\$ 906,786	\$ 1,020,913	\$ 1,020,889	\$ 1,030,898	\$ 7,690,379	34.63%
Operations & Maintenance	518,426	641,610	717,556	896,550	740,094	755,849	835,908	858,950	890,447	6,855,391	30.87%
Capital Improvements & Equipment	41,017	44,023	11,478	55,813	44,326	150,936	185,004	161,939	140,451	834,987	3.76%
Recreation Program	\$ -	\$ 52,487	\$ 123,773	\$ 328,008	\$ 396,530	\$ 264,464	\$ 278,732	\$ 333,066	\$ 394,148	\$ 2,171,208	9.78%
Operations & Maintenance	-	52,487	123,773	187,557	256,079	264,464	278,732	333,066	394,148	1,890,306	8.51%
Capital Improvements & Equipment	-	-	-	140,451	140,451	-	-	-	-	280,902	1.27%
Park/Landscape Program	\$ 118,283	\$ 161,271	\$ 258,347	\$ 232,637	\$ 438,921	\$ 316,228	\$ 233,889	\$ 176,964	\$ 527,561	\$ 2,464,101	11.10%
Operations & Maintenance	87,260	164,327	156,526	183,399	161,395	66,228	24,065	111,964	117,998	1,073,162	4.83%
Capital Improvements & Equipment	31,023	6,944	101,821	49,238	277,526	250,000	209,824	65,000	409,563	1,400,939	6.31%
Public Building Program	\$ 169,358	\$ 213,642	\$ 240,824	\$ 196,799	\$ 230,355	\$ 62,114	\$ 347,427	\$ 310,720	\$ 398,964	\$ 2,170,204	9.77%
Operations & Maintenance	80,998	185,963	222,863	146,481	191,594	58,052	188,637	160,720	121,366	1,356,673	6.11%
Capital Improvements & Equipment	88,360	27,679	17,961	50,318	38,761	4,062	158,791	150,000	277,599	813,531	3.66%
TOTAL EXPENSES	\$ 1,344,594	\$ 1,991,285	\$ 2,120,557	\$ 2,289,337	\$ 2,697,786	\$ 2,525,211	\$ 2,954,366	\$ 3,184,677	\$ 3,097,031	\$ 22,204,844	100.00%
Operations & Maintenance	831,099	1,166,050	1,372,785	1,738,752	1,611,934	1,222,715	1,464,534	1,619,179	1,678,522	12,705,569	57.22%
Capital Improvements & Equipment	508,845	812,335	733,542	538,035	1,073,182	1,289,746	1,478,012	1,551,328	1,403,639	9,388,665	42.28%
State Administrative Fees	4,650	12,900	14,230	12,550	12,670	12,750	11,820	14,170	14,870	110,610	0.50%

**Measure G/S - Inception To Date
Expenditure Uses**



REVENUE AND EXPENSES

FY 2022/23

	Measure S	% of Measure S*
NET TOTAL MEASURE S REVENUE	\$ 3,082,161	100.0%
OPERATIONS AND MAINTENANCE EXPENSE DETAIL		
Street, Sidewalk, and Stormdrain Program		
Materials & Supplies	1,007	0.0%
Contract Services	17,855	0.6%
Utilities	11,327	0.4%
Repairs & Maintenance	2,709	0.1%
Salaries and Benefits	121,664	3.9%
Subtotal	\$ 154,563	5.0%
Public Safety Program		
Materials & Supplies	3,091	0.1%
Contract Services	339,944	11.0%
Utilities	10,065	0.3%
Repairs & Maintenance	7,566	0.2%
Salaries and Benefits	529,782	17.2%
Subtotal	\$ 890,447	28.9%
Recreation Program		
Salaries and Benefits	249,616	8.1%
Recreation Programs Expenses	144,532	4.7%
Subtotal	\$ 394,148	12.8%
Park/Landscape Program		
Materials & Supplies	3,691	0.1%
Contract Services	24,683	0.8%
Utilities	7,639	0.2%
Repairs & Maintenance	876	0.0%
Salaries and Benefits	81,109	2.6%
Subtotal	\$ 117,998	3.8%
Public Building Program		
Materials & Supplies	1,722	0.1%
Contract Services	111,410	3.6%
Utilities	4,476	0.1%
Repairs & Maintenance	1,183	0.0%
Salaries and Benefits	2,575	0.1%
Subtotal	\$ 121,366	3.9%
Total Operations and Maintenance Expenses	\$ 1,678,522	54.5%

* Percentages rounded to the nearest 0.1%.

**MEASURE S SALES TAX
REVENUE AND EXPENSES
FY 2022/23**

Measure S	% of Measure S*
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CAPITAL IMPROVEMENTS AND EQUIPMENT EXPENSE DETAIL

Street, Sidewalk, and Stormdrain Improvements

Fed-Quick Strike Project	164,548	5.3%
Street Improvements	397,338	12.9%
Gateway Signage/Bulletin Board	4,690	0.2%
Wayfinding Signage Phase 2	9,450	0.3%
SubTotal	\$ 576,026	18.7%

Public Safety Improvements

County - Mobile Response Grant	36,326	1.2%
Public Safety Wellness Grant	-	0.0%
PD Tesla & Upfit Charges	45,649	1.5%
Mustang Mach-E (2)	58,476	1.9%
SubTotal	\$ 140,481	4.6%

Park/Landscape Improvements

Kotate Park Improvements (Prop 68)	271,082	8.8%
Mosaic Wall Benches	25,084	0.8%
Park Master Planning	105,378	3.4%
Public Parking - La Plaza Park EV	8,018	0.3%
SubTotal	\$ 409,563	13.3%

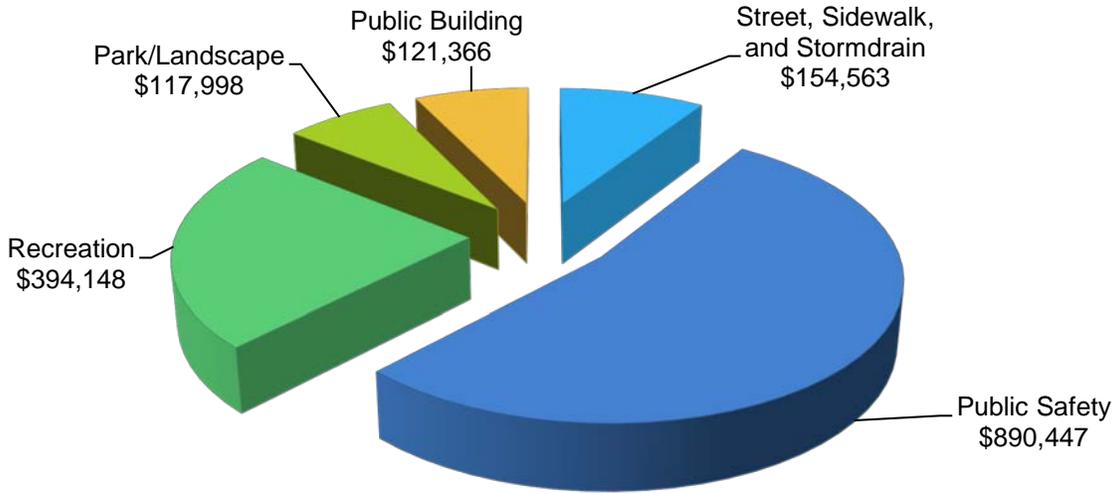
Public Building Improvements

Falletti Building Improvements	-	0.0%
Civic Center Misc. Improvements	277,599	9.0%
SubTotal	\$ 277,599	9.0%

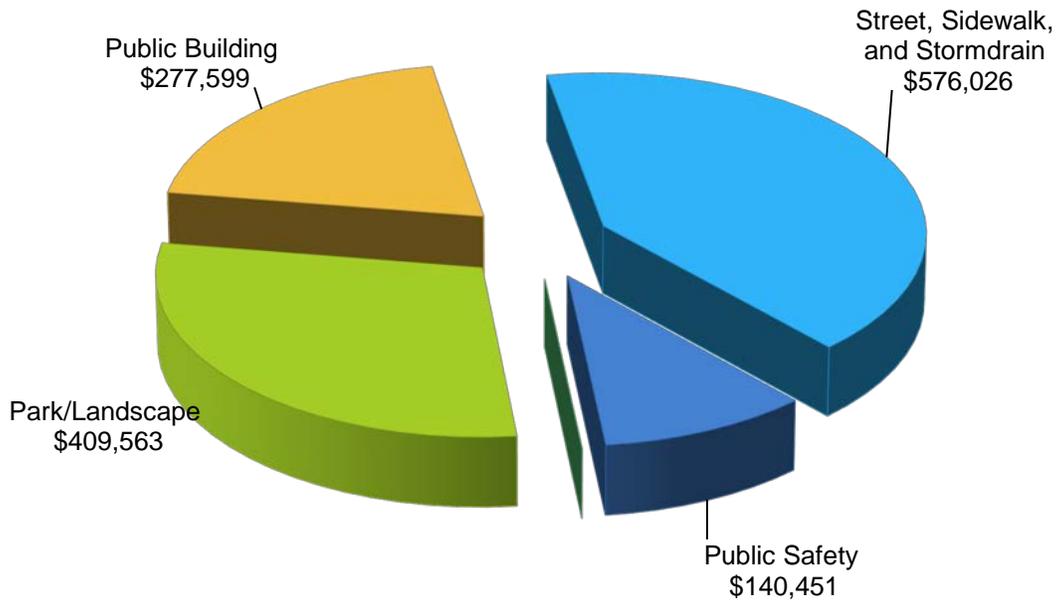
Total CIP and Equipment Expenses	\$ 1,403,639	45.5%
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* Percentages rounded to the nearest 0.1%.

Operations and Maintenance Expenditure Detail



Capital Improvement and Equipment Expenditure Detail



STATEMENT OF REVENUE AND USES
FOR THE FISCAL YEAR ENDING
JUNE 30, 2023

The following statements are developed for presentation within the audited financial statement for the City of Cotati for the Fiscal year ending June 30, 2023. Audit fieldwork was completed by Badawi and Associates on January 26, 2024, and the Comprehensive Annual Financial Report was presented for final approval by the City Council on February 13, 2024.

For more information about the City's historical financial activities, you can view the City's audited basic financial statements at City Hall or online at: <https://www.cotaticity.org/195/Financial-Statements>

City of Cotati
Schedule of Measure S Revenues and Uses
For the year ended June 30, 2023

REVENUES:

Measure S revenues	\$ 3,097,031
Total Measure S revenues	3,097,031

USES:

Operations and maintenance:	
Street, sidewalk and storm drain	154,563
Public safety program	890,447
Recreation program	394,148
Park and landscape program	117,998
Public building program	121,366
Capital improvements and equipment:	
Street, sidewalk and storm drain	576,026
Public safety program	140,451
Park and landscape program	409,563
Public building program	277,599
State administrative fees	14,870
Total Measure S uses	\$ 3,097,031

Voter Pamphlets



VOTER'S PAMPHLET
MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)

Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

FULL TEXT OF MEASURE G

AN ORDINANCE OF THE VOTERS OF THE CITY OF COTATI AMENDING CHAPTER 3.05 OF THE MUNICIPAL CODE TO EXTEND AND INCREASE A TRANSACTIONS AND USE TAX ADMINISTERED BY THE STATE BOARD OF EQUALIZATION

BE IT ORDAINED BY THE VOTERS OF THE CITY OF COTATI:

SECTION 1. FINDINGS. The voters of the City of Cotati hereby find and declare as follows:

- a. Cotati voters adopted Measure A in 2010, which imposed a transactions and use ("sales") tax of .05% and which sunsets in 2015.
- b. Measure A has provided the City with a guaranteed source of local funding for local City services that cannot be taken by the state and has helped maintain the financial viability of the City. Since voters enacted Measure A, the City has maintained a full-service Police Department, with the ability to prevent and investigate property, domestic violence and other types of crime.
- c. External costs beyond the City's control have increased faster than the City's revenue sources, including Measure A, and the State has continued to raid the City's coffers, taking \$2.3 million from the City, including \$600,000 from the general fund.
- d. The City is experiencing an existing and immediate funding crisis, which is the result of factors largely outside of its control, including national economic trends, rapid increases in the cost of employee retirement and health insurance benefits, decreases in revenue from existing taxes and fees, increases in charges by the County of Sonoma, and unpredictable State takeaways of local revenue.
- e. The City has taken significant steps to reduce its operational costs. It has reduced staffing by 28%, reduced employee benefits and reduced its overall general fund budget by 11% while inflation has increased 20%.
- f. The City has used its available General Fund balance to bridge the structural budget deficit, meaning it has used all available financial resources and will have none available to maintain services.
- g. Because of changes in State law, particularly the approval of Propositions 62 and 218, the City has very few means available for increasing General Fund revenue.
- h. Absent an extension and enhancement of the funds provided by Measure A, the City Council would have no choice other than to implement severe reductions in City services and potential elimination of the Police Department. Just extending Measure A would be inadequate to address the returned emergency that faced the City in 2010. The Measure must be expanded for nine years at one cent to protect our local, high-quality services and ensure our Police Department has the resources it needs to keep Cotati safe.
- i. Without further action, the revenue measure will expire in 2015, resulting in the loss of over \$900,000 of funding for essential City services.
- j. Unless Measure A funds are enhanced and extended, public facilities and property will not be properly maintained, public safety standards will degrade, crime and violence will increase, the community will not have adequate and safe recreational opportunities, businesses and families will be discouraged from moving to or remaining in Cotati, and the health, safety, and welfare of the residents of Cotati will be endangered.
- k. Because of that threat to the public health, safety, and welfare, The City Council, at its Regular meeting on February 11, 2014 unanimously adopted Resolution No. 2014-04, declaring that an emergency exists in the City, as the term "emergency" is used in Article XIII C, section 2(b) of the California Constitution. The City must immediately address that emergency by ensuring that the City has the resources necessary to preserve the public health, safety, and welfare.

- l. The identified emergency necessitates that the City Council submit a tax measure to the voters of Cotati at the June 3, 2014 election, even though such an election would not be consolidated with a general election for a member of the Council.
- m. Article XIII C, section 2(b) of the California Constitution permits the City, in emergency situations unanimously declared by the Council, to seek voter approval for a general tax at an election that is not consolidated with an election for a member of the Council.

SECTION 2. AMENDMENT OF CODE. "Chapter 3.05 Transactions and Use Tax" of the Cotati Municipal Code is hereby amended to read as follows:

Section 3.05.010. TITLE. This ordinance shall be known as the City of Cotati Transactions and Use Tax Ordinance. The City of Cotati hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the City.

Section 3.05.020. OPERATIVE DATE. "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below. The operative date is anticipated to be October 1, 2014.

Section 3.05.030. PURPOSE. This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.
- B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.
- C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.
- D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

Section 3.05.040. CONTRACT WITH STATE. Prior to the operative date, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 3.05.050. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of 1% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

CONT. NEXT PAGE



VOTER'S PAMPHLET

MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)

Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

FULL TEXT OF MEASURE G, CONT.

Section 3.05.060. PLACE OF SALE. For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

Section 3.05.070. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of 1% of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

Section 3.05.080. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

Section 3.05.090. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefore. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

Section 3.05.100. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

Section 3.05.110. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California

or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

CONT. NEXT PAGE



VOTER'S PAMPHLET
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(whichever is applicable to your ballot)

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FULL TEXT OF MEASURE G, CONT.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

Section 3.05.120. **AMENDMENTS.** All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

The foregoing amendments shall not require voter approval.

The following amendments to this ordinance must be approved by the voters of the City of Cotati: increasing the tax rate or revising the methodology for calculating the tax such that a tax increase would result; imposing the tax on transactions and uses not previously subject to the tax (unless such amendment occurs automatically by operation of the preceding paragraph); or extending the tax beyond the ninth anniversary of the operative date. The City Council may otherwise amend this ordinance without submitting the amendment to the voters for approval.

Section 3.05.130. **ENJOINING COLLECTION FORBIDDEN.** No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 3.05.140. **ANNUAL AUDIT AND PUBLIC REPORT.** Annually the City Council retains an independent auditor to conduct an audit of and provide audited financial statements for all of the City's financial activities. The auditor shall include an accounting of the revenue received from the tax and expenditures thereof in the audited financial statements. The auditor's report shall be presented to the Council and made available to the public. Additionally, the Director of Administrative Services shall annually prepare and present to the Council and the public a report in conjunction with the audit that reviews the status and performance of the programs and services funded wholly or partially with proceeds of the tax.

Section 3.05.150. **TERMINATION DATE.** The authority to levy the tax imposed by this ordinance shall expire on the ninth anniversary of the operative date, unless extended by a majority vote of the voters of the City.

SECTION 3. SEVERABILITY. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 4. EFFECTIVE DATE. This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately.

SECTION 5. PUBLICATION. The Clerk of the City of Cotati is hereby directed to cause the following summary of the ordinance to be published by one (1) insertion in The Community Voice, a newspaper of general circulation, circulated in the City of Cotati:

Contingent upon majority voter approval, this ordinance adopts a one cent (1%) transactions and use tax on the sale or consumption of tangible personal property within the City of Cotati. The tax shall terminate automatically upon the ninth anniversary of the State beginning to collect it, unless extended by the voters.



Resolution Establishing

Measure G Citizens
Oversight Committee

As Adopted September 2015



RESOLUTION NO. 2015 - 64

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COTATI ESTABLISHING
THE MEASURE G CITIZEN OVERSIGHT COMMITTEE**

WHEREAS, On June 3, 2014, Cotati voters approved Measure G, the Cotati Essential Services Measure, which extended the City's existing Measure A sales tax and set the rate at one cent for nine years, with annual audits and independent citizens' oversight of Measure G revenue and expenses; and

WHEREAS, the City Council desires to establish the Measure G Citizens' Oversight Committee ("Committee") and institute the Committee's appointment process and responsibilities so that the appropriate oversight of Measure G revenue and expenditure is provided; and

WHEREAS, the City Council desires that the Committee membership is established as follows:

1. Shall be residents of the City of Cotati, and
2. Shall be appointed and shall serve in accordance with the process for Planning Commissioners as outlined in Cotati Municipal Code Sections 2.16.015 (Appointment process) and 2.16.020 (Terms); and
3. Shall not be current City of Cotati employees or vendors of the City; and
4. If past employees or vendors of the City, may be eligible to serve on the Committee, provided that no conflicts of interest exist; and
5. May concurrently serve as Planning Commissioners and/or Design Review Committee members; and
6. Position is a volunteer, non-paid position; and

WHEREAS, the City Council further desires that the Committee's responsibilities include:

1. To serve in an advisory-only capacity to the City Council; and
2. To provide oversight of the revenues and expenses pertaining to the portion of the sales tax generated by Measure G in the prior fiscal year; and
3. To review the annual independent financial audit of the City performed by an independent auditor on sections pertaining to the revenue and expenses related to the portion of the sales tax generated by Measure G; and
4. Providing Council with an annual written report, as approved by a majority of the Committee members; and
5. Additional reports to Council may be provided to Council at the Committee's and/or Council's discretion, as approved by a majority of the committee members. All reports must be in provided in writing concurrent with the annual report, pursuant to the

- oversight committee duties, and agendized pursuant to the Brown Act; and
6. Providing input to City staff on community education on fiscal issues and outreach pursuant to the oversight committce duties; and

WHEREAS, the City Council further desires that Committee roles and responsibilities shall not include the following:

1. Oversight or review of the Enterprise and other funds generated independent of Measure G; and
2. Decision-making on spending priorities; and

WHEREAS, the City Council further desires that the Committee shall meet at Cotati City Hall on an annual basis, no later than two (2) months following the prior fiscal year audit being accepted by the City Council. Additional meetings may be scheduled by the Committee at its discretion. Meetings are subject to, and shall be noticed and conducted in accordance with, the Ralph M. Brown Act, California Government Code Section 54950 et seq.; and

WHEREAS, the City Council further desires that the Committee shall continue to meet until the final reporting period following the sunset of Measure G.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cotati as follows:

Section 1. The above Recitals are true and correct and are incorporated herein by reference.

Section 2. The Committee is hereby established.

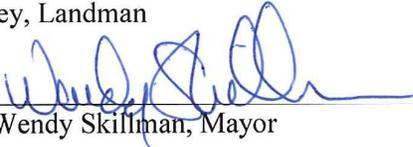
IT IS HEREBY CERTIFIED that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Cotati held on the 8th day of September, 2015 by the following vote, to wit:

RESULT: ADOPTED [UNANIMOUS]

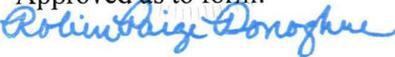
MOVER: Mark Landman, Council Member

SECONDER: John A. Dell'Osso, Council Member

AYES: Skillman, Moore, Dell'Osso, Harvey, Landman

Approved: 
Wendy Skillman, Mayor

Attest: 
Tamara Taylor, CMC
City Clerk

Approved as to form:

Robin Donoghue, City Attorney