

## **ORDINANCE NO. 1385**

### **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ARCATA AMENDING THE ARCATA MUNICIPAL CODE TO CREATE A TRANSACTIONS AND USE TAX OVERSIGHT COMMITTEE**

#### **TITLE II—ADMINISTRATION CHAPTER 3—BOARDS AND COMMISSIONS ARTICLE 15—TRANSACTIONS AND USE TAX OVERSIGHT COMMITTEE**

The City Council of the City of Arcata does ordain as follows:

Section 1: Title II—Administration, Chapter 3—Boards and Commissions, Article 15—General Fund Oversight Committee is hereby added to Title II—Administration, Chapter 3—Boards and Commissions of the Arcata Municipal Code as follows:

#### **ARTICLE 15 – TRANSACTIONS AND USE TAX OVERSIGHT COMMITTEE**

##### **SEC. 2270 Findings.**

The City Council for the City of Arcata makes the following findings:

- A. Limited revenue has led to the inability of the City to adequately maintain much of the City's road infrastructure as well as provide police services commensurate with community need.
- B. On November 4, 2008, the voters approved a ballot measure imposing a three-quarter cent general transactions and use tax (referred to as "sales tax") in the City of Arcata for 20 years.
- C. As a general tax, state law requires that all money received from the sales tax be paid to the City's general fund from which the City Council may authorize expenditures for any and all governmental purposes. The City may commit the increased general fund revenue attributable to the sales tax to improving the City's road infrastructure and public safety services only through its appropriation of the general fund.
- D. Based on this, the City Council finds that its annual budget process and determination of general fund expenditures in regard to the public works (streets) and public safety activities, can be greatly improved by input from a citizen's committee.
- E. The purpose of this ordinance is to create an oversight committee to review prior year general fund support of activity budgets for public works (streets) and public safety relative to historical expenditures in those activities.

## **SEC. 2271. Creation, Powers and Duties.**

The Transactions and Use Tax Oversight Committee is hereby created. Its powers and duties shall be as follows:

- A. To review the City of Arcata general fund public works (streets) and public safety activity budgets based on historical data and need.
- B. In November of each year, to report to the City Council the result of the review conducted in Section 2271(A), and make recommendations for general fund expenditures for the following fiscal year in the public works (streets) and public safety activity budgets.
- C. To review and make recommendations on other general fund matters as the City Council may direct through resolution.

## **SEC. 2272. Meetings.**

The Transactions and Use Tax Oversight Committee shall meet as necessary on call of the Chair.

## **SEC. 2273. Membership.**

The Transactions and Use Tax Oversight Committee members may simultaneously serve on other City of Arcata Boards, Commissions, Committees and Task Forces, subject to eligibility criteria in Section 2202(B). The Transactions and Use Tax Oversight Committee shall be established to consist of seven members who shall be selected as follows: One member shall be from the Transportation Safety Committee recommended by the Public Works Director; one member shall be a community member recommended by the Police Chief; and one member shall be selected by each of the City Council members, and shall have experience with budgetary and fiscal processes and an understanding of relevant community issues. Future vacancies of the five City Council selected members shall be appointed by a majority of the Council, and such members shall have experience with budgetary and fiscal processes and an understanding of relevant community issues.

## **SEC. 2274. Term.**

The terms of the Committee members shall be four years and will not be staggered.

## **SEC. 2275. Secretary.**

The Director of Finance or his/her designee shall serve as the Secretary to the Transactions and Use Tax Oversight Committee.

**SEC. 2276. Committee Sunset Date.**

The Transaction and Use Tax Oversight Committee will automatically sunset in November 2028 when the sales tax is no longer imposed.

Section 2: This ordinance will take effect thirty (30) days after the date of its adoption.

DATE: December 3, 2008

ATTEST:

/s/ Randal J. Mendosa  
Acting City Clerk, City of Arcata

APPROVED:

/s/ Mark E. Wheetley  
Mayor, City of Arcata

**CLERK'S CERTIFICATE**

I hereby certify that the foregoing is a true and correct copy of **Ordinance No. 1385**, passed and adopted at a regular meeting of the City Council of the City of Arcata, Humboldt County, California on the 3rd day of December, 2008, by the following vote:

AYES: **WHEETLEY, STILLMAN, MACHI, GROVES, PITINO**

NOES: **NONE**

ABSENT: **NONE**

ABSTENTIONS: **NONE**

/s/ Randal J. Mendosa  
Acting City Clerk, City of Arcata