



SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Finance

Prepared by: Nadine Atieh Hade,
Finance Director

City Manager Approval: _____

TOPIC: ANNUAL MEASURE E TUT OVERSIGHT COMMITTEE REPORT

SUBJECT: MEASURE E TRANSACTIONS AND USE TAX OVERSIGHT COMMITTEE REPORT FOR FISCAL YEAR 2020-2021

RECOMMENDATION: ACCEPT REPORT

BACKGROUND: On August 5, 2013, the San Rafael City Council passed [Ordinance No. 1913](#), establishing a new Transactions and Use Tax (TUT) subject to voter approval. On November 5, 2013, San Rafael voters approved Measure E. This twenty-year San Rafael three-quarter percent TUT became effective April 1, 2014, and supplanted the former Measure S one-half percent TUT, which had been in effect since April 1, 2006, and was originally scheduled to terminate on March 31, 2016.

Similar to the previous (Measure S) TUT, the enabling TUT ordinance for Measure E called for the creation of an independent oversight committee to review the collection and expenditure of this tax revenue. This committee was established on April 7, 2014 by City Council [Resolution No. 13704](#) which also set forth the roles, responsibilities and duties of the committee. On [October 6, 2014](#), the City Council appointed five members of the public to the committee. The current members are:

- Jacqueline Schmidt - December 1, 2018 to November 30, 2022
- Larry Luckham - December 1, 2018 to November 30, 2022
- John Erdmann - April 1, 2021 to November 30, 2024
- Camille Harris - April 1, 2021 to November 30, 2024
- Braydan Young - April 1, 2021 to November 30, 2024

The purpose of this report is to present and recommend acceptance of the Measure E TUT Oversight Committee report of December 7, 2021 (Exhibit A).

FOR CITY CLERK ONLY

Council Meeting:

Disposition:

ANALYSIS: The Measure E Oversight Committee met virtually on December 7, 2021, to review the actual Measure E TUT revenues and expenditures for fiscal year 2020-2021.

Staff reported that during the fiscal year 2020-2021, \$2,223,021 of Measure E TUT proceeds were expended. Per direction from City Council given to Staff in early 2014 which was to set aside one-quarter percent provided by Measure E to begin to address the aging essential facilities, \$4,564,854 was assigned to the Public Safety Facilities Fund this fiscal year. These funds were added to \$12,474,928 of prior year proceeds. Interest income of \$8,854 supplemented the City's funds dedicated to the active public safety facilities projects.

The Measure E TUT Oversight Committee's report provides the Committee's conclusions that Measure E TUT revenues received during fiscal year 2020-2021, the eighth year that TUT was in effect, were "properly allocated in accordance with Measure E and approved guidelines."

FISCAL IMPACT: There is no fiscal impact associated with the acceptance of the Measure E TUT Oversight Committee report.

RECOMMENDED ACTION: Accept the Measure E Transactions and Use Tax Oversight Committee Report for Fiscal Year 2020-2021.

ATTACHMENT:

Exhibit A: Measure E Oversight Committee Report

City of San Rafael
Measure E Oversight Committee Report
December 13, 2021

The City of San Rafael Measure E Oversight Committee met on December 7, 2021, and received a detailed report from the City of San Rafael Finance Director, Nadine Atieh Hade on the receipt and expenditure of funds during the fiscal year July 1, 2020 to June 30, 2021 pursuant to voter approved Measure E (San Rafael Ordinance 1913).

The Measure E Oversight Committee is required to review the collection, expenditure, and prioritization of the use of these funds, and report to the City Council and the community annually on the expenditures under Guidelines and Policy adopted by the San Rafael City Council.

After review, the Measure E Oversight Committee finds that these funds were properly allocated in accordance with the Measure and approved guidelines.

The Committee would like to commend the City Council and the Finance and Public Works Departments for their excellent fiscal and project management during the on-going COVID emergency, as well as all City staff who have cooperated and worked so hard under difficult circumstances.

Respectfully Submitted:

Jacqueline Schmidt

Jacqueline Schmidt

Jacqueline Schmidt

For: Larry Luckham

Jacqueline Schmidt

For: John Erdmann

Jacqueline Schmidt

For: Camille Harris

Braydan Young