

MINUTES OF FEBRUARY 27, 2018

MEETING OF THE  
SALES TAX CITIZENS OVERSIGHT COMMITTEE

Chair Gerbosi called the Regular Meeting to order at Town Hall Council Chambers, 300 Tamalpais Drive, Corte Madera, CA on February 27, 2018 at 4:01 p.m.

**1. CALL TO ORDER, ROLL CALL**

The Town Clerk informed the Committee members that Committee Member Deanne Morton has submitted a letter of resignation and that applications will be accepted to fill the vacant seat.

Committee members Present: Chair Gerbosi, Vice Chair Flahive and Committee members Greenbaum and Howard. Town Councilmember liaison James Andrews

Committee members Absent: None

Staff Present: Town Manager Todd Cusimano, Director of Public Works Peter Brown, Town Clerk/Assistant to the Town Manager Rebecca Vaughn

**SALUTE TO THE FLAG:** Chair Gerbosi led in the Pledge of Allegiance.

**2. OPEN TIME FOR PUBLIC COMMENT REGARDING NON-AGENDA ITEMS**

There was no public comment

**3. GENERAL BUSINESS**

A. Update Regarding Potential Renewal Of Measure B Sales Tax Override

Town Manager Cusimano stated that the Town has had a series of public meetings dating back to January 16<sup>th</sup> regarding the potential renewal of the Sales Tax Measure, and following the recent meetings with the Sale Tax Citizens' Oversight Committee, the Town Council on February 6<sup>th</sup> directly staff to return at the February 20<sup>th</sup> Town Council meeting with an action item to place the Sales Tax Measure on the June ballot. There is a staff report available for review on the website. He shared that the Town Council unanimously approved placing the item on the ballot. There were four items approved:

1. Place the renewal of Measure B on the June ballot.
2. Increase the Sales Tax override from ½ cent to ¾ cent effective August 1, 20189
3. Include in the renewal a stipulation that the measure will remain in effect until voters repeal the measure
4. Include as part of measure that upon voter approval of the measure, the \$98 storm drainage special tax will sunset

Public Works Director Peter Brown explained that the provision of a Citizens Oversight Committee is included in the Ordinance language, and all provisions included in the prior measure would be included in the new measure. General Purpose revenue is the eligible expenditure. It is open to any decision the Council wants to make regarding what to spend the revenue on, but we choose to focus it on certain things. The question came up about the Sales Tax Committee and it was stated that the Oversight Committee would continue if the measure was approved by voters.

Town Manager Cusimano explained that there was some discussion about how knowing that there is a dedicated revenue stream for an extended period of time affects budgeting and decision making and how we look at fire prevention, senior and youth programs, etc. A number of items were documented in the staff report to note where the Oversight Committee would be asked to provide feedback before budget hearings. There will be discussions about how we fund specific needs and if the sales tax override funds are the correct source.

Chair Gerbosi asked Town Manager Cusimano for clarification as to whether staff is looking at changing the role of the committee? Town Manager Cusimano replied that, while the group is advisory, the Town Council is interested in your input regarding evaluation of how the funds are spent.

Committee Member Howard asked if the role of the Oversight Committee would be re-defined in the ballot measure. Town Manager Cusimano replied that role of the Committee won't be re-defined in the ballot measure, but will add the roles of the committee, and the advisory component, to the description of the committee. It will be updated by resolution if the measure is approved by voters. One example provided by Town Manager Cusimano would be a discussion of the various types of funding available in the budget. He envisions discussion funding needs with the Committee, here is what we plan to spend the sales tax measure restricted funds on and does the committee agree with that rationale. Staff would take your feedback and incorporate it into the budget staff report for presentation to the Town Council.

Committee Member Greenbaum asked if the Committee is representing the citizens, what are our qualifications aside from being members of the community? Will there be more outreach to get input from the public? Town Manager Cusimano explained that when we get to the budget process, the other boards and commissions provide feedback, as well. It is important to have feedback from all parties involved, and Council will ask if budget recommendations have been vetted through the boards and commissions. Input from the Oversight Committee has been missing from this process in the past, and we need to expand that component.

Upon completion of the discussion, the committee moved on to Item B.

**B. Review, Discussion And Possible Direction To Approve The Draft FY 2016-2017 Annual Report On The Revenue And Expenditures Of The Transactions And Use Tax And Direction To Forward The Report To The Town Council For Review**

Chair Gerbosi thanked staff for their assistance in preparing the document and asked for any questions from the Committee members.

Committee Member Howard referred to the second paragraph and stated that the wording suggested that the prioritizations there, those six items, came after the measure was passed, but it was actually part of the measure promotion. He felt that this should be re-worded to indicate that fact. Also, in the second to last paragraph, where it talks about a separate fund, to him that suggests that it is restricted in its use. But in this case, this is misleading about the controls on this fund, since it is general fund money that are just tracked differently. Possibly state that for a separate account was created in the general fund for ease of tracking the expenditures related to the sales tax override funds.

Public Works Director Brown stated that regarding paragraph two, it can be word-smithed but we want to be careful about what a general purpose sales tax is versus what a specific tax like a transportation improvement tax or special tax would be. We learned that we should err on the side of caution, we don't want to be accused of misleading voters into thinking that while this is a general purpose tax, we're only using it on these things.

Town Manager Cusimano added that the Town Council made the decision to prioritize but ultimately it was voted on by the public, and we will add this language to the report.

Regarding the penultimate paragraph, "A separate fund has been established for this tax," this is more of an accounting issues and perhaps this sentence could be stricken. The Committee members agreed.

Chair Gerbosi asked if the Committee wished to say anything about the ending balance in the fund and if it made sense to state that these funds would remain available until spent.

Public Works Director Brown said that it would make sense for the Committee to make a recommendation that encouraged staff to expend the funds. What staff has heard from the Committee and the public is that you would like to see the funds spent on enhancements, projects, infrastructure, flood control, transportation, etc. and your committee has the discretion to put language into your report that states that in the next reporting period, you would like to see the ending balance better expended.

Committee Member Greenbaum added, "We hope to see an accelerated expenditure for targeted projects". Public Works Director Brown stated that he would work to come up with a statement in line with what the Committee members suggested.

Chair Gerbosi stated that she likes the format of the report, she understands the numbers, where they came from, has confirmed that it balances and is satisfied with the report.

Town Clerk Vaughn stated that the report would be finalized and scheduled for the March 20, 2018 Town Council agenda.

**MOTION:** Moved by Howard, seconded by Greenbaum, and approved as amended by the following vote:  
(4-0 Ayes: Flahive, Gerbosi, Greenbaum, Howard; Noes: None; Absent: None)

To Approve the draft Annual Report, as amended with direction provided to staff.

C. Approval of Minutes of January 30, 2018 Meeting

Chair Gerbosi provided typographical corrections to the Town Clerk.

MOTION: Moved by Flahive, seconded by Howard, and approved as amended by the following vote:

(4-0 Ayes: Flahive, Gerbosi, Greenbaum, Howard; Noes: None; Absent: None)

To Approve the Minutes of the January 30, 2018 meeting as amended.

**4. DISCUSSION OF NEXT MEETING AND ADJOURNMENT**

The next meeting will be scheduled in April or May to coincide with the budget review process.

The meeting was adjourned at 4:27p.m. to the next Sales Tax Citizens Oversight Committee meeting, to be tentatively held on February 27, 2018 at 4:00pm.