



SALES TAX CITIZENS' OVERSIGHT COMMITTEE
Antioch Council Chambers
200 "H" Street

JUNE 5, 2014
7:00 P.M.

ROLL CALL

Committee Members: Hansel Ho, Chair
Joseph O. Adebayo, Vice Chair
Melvin Chappel
Ralph Garrow
Barbara Herendeen
Salvatore Sbranti
Catherine Walker

Staff Liaison: Dawn Merchant, Finance Director

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

ITEMS:

1. Minutes from May 8, 2014 meeting

Recommended Action: Motion to approve the Minutes

MINUTES

2. Laws Governing Service on a City Committee and Procedures

Recommended Action: Motion to receive written report from City Attorney dated May 22, 2014 and oral report

STAFF REPORT

3. Review of Sales Tax Ordinance 2068-C-S, Resolution No. 2013/73 and Role and Duties of Sales Tax Citizens' Oversight Committee

Recommended Action: Motion to receive written report from City Attorney dated May 22, 2014 and oral report

STAFF REPORT

4. Background information on General Fund and Measure C Budget

Recommended Action: Motion to receive written report dated May 27, 2014 from Finance Director and oral report

STAFF REPORT

5. Background Information on Police Department Budget and Staffing

Recommended Action: Motion to receive oral report from Police Chief

6. Discussion of the type and frequency of future information to be provided to Committee from City staff

Recommended Action: Motion to receive oral report from Finance Director

7. Future meeting schedule

Recommended Action: Motion to establish meeting dates

8. Discussion of newspaper articles regarding Measure C

No recommended action – item placed on agenda by the Committee

STAFF REPORT

PUBLIC COMMENTS

WRITTEN/ORAL COMMUNICATIONS

ADJOURNMENT

Notice of Availability of Reports

This agenda is a summary of the discussion items/actions proposed to be taken by the Sales Tax Citizens' Oversight Committee. Materials provided regarding the agenda items will be available at the following website: <http://www.ci.antioch.ca.us/CityGov/Agendas/default.asp> or at the City of Antioch Finance Department located on the 1st floor of City Hall, 200 H Street, Antioch, CA 94509, Monday through Thursday, for inspection and copying (for a fee). Copies are also made available at the Antioch Public Library for inspection. The meetings are accessible to those with disabilities. Auxiliary aides will be made available for persons with hearing or vision disabilities upon request in advance at (925) 779-7009 or TDD (925) 779-7081.

Notice of Opportunity to Address the Committee

The public has the opportunity to address the Committee on each agenda item. To address the Committee, fill out a yellow Speaker Request form, available on each side of the entrance doors, and place in the Speaker Card Tray. This will enable us to call upon you to speak. Each speaker is limited to not more than 3 minutes. Comments regarding matters not on this Agenda may be addressed during the "Public Comments" section on the agenda. No one may speak more than once on an agenda item or during "Public Comments".

PLEASE TURN OFF CELL PHONES BEFORE ENTERING COUNCIL CHAMBERS.

SALES TAX CITIZENS' OVERSIGHT COMMITTEE

**Regular Meeting
4:00 P.M.**

**May 8, 2014
Council Chambers**

ROLL CALL

Present: Committee Members Joseph O. Adebayo, Melvin Chappel, Ralph Garrow Jr., Barbara Herendeen, Hansel Ho, Salvatore Sbranti and Catherine Walker

Staff: Steve Duran, City Manager
Dawn Merchant, Finance Director
Michelle Fitzner, Human Resources/Economic Development Director
Kitty Eiden, Minutes Clerk

PLEDGE OF ALLEGIANCE

Finance Director Merchant led Committee Members and audience in the Pledge of Allegiance.

PUBLIC COMMENTS - None

ITEMS

1. Committee Formation and Duties

Finance Director Merchant presented the staff report dated April 30, 2014.

A motion was made by Committee Member Ho and seconded by Committee Member Walker to nominate Committee Member Herendeen as Chair of the Sales Tax Citizens' Oversight Committee. Following discussion the motion was pulled by the maker and the second to allow committee members to introduce themselves and express whether they had an interest in serving as Chair and/or Vice Chair of the Sales Tax Citizens' Oversight Committee.

Each committee member introduced themselves and gave a brief personal and professional history. The following individuals indicated they would be willing to serve as Chair or Vice Chair of the Sales Tax Citizens' Oversight Committee:

- Joseph Adebayo
- Melvin Chappel
- Barbara Herendeen
- Hansel Ho

Actions:

1. Motion to receive and file report

On motion by Committee Member Herendeen, seconded by Committee Member Adebayo the Sales Tax Citizens' Oversight Committee unanimously received and filed the report.

2. Motion to elect a Chair and Vice Chair of the Sales Tax Citizens' Oversight Committee

A motion by Committee Member Garrow, seconded by Committee Member Ho to appoint Committee Member Herendeen as Chair failed by the following vote:

Ayes: Garrow, Herendeen, Ho

Noes: Adebayo, Chappel, Sbranti, Walker

On motion by Committee Member Garrow, seconded by Committee Member Herendeen the Sales Tax Citizens' Oversight Committee appointed Committee Member Ho as Chair of the committee. The motion carried the following vote:

Ayes: Adebayo, Garrow, Herendeen, Ho, Sbranti, Walker

Noes: Chappel

On motion by Committee Member Sbranti, seconded by Committee Member Chappel the Sales Tax Citizens' Oversight Committee unanimously appointed Committee Member Adebayo as Vice Chair of the committee.

3. Motion to establish a meeting schedule, location and any other meeting procedures

Finance Director Merchant reviewed the suggested meeting schedule for the committee.

On motion by Chairperson Ho, seconded by Committee Member Chappel, the Sales Tax Citizens' Oversight Committee unanimously approved scheduling the next oversight committee meeting for June 5, 2014 at 7:00 P.M. in Council Chambers (subject to availability).

Following discussion, committee members suggested the following items be included on the agenda for discussion:

- Discussion of the ordinance establishing the sales tax
- Discussion of materials needed from staff

- Discussion of newspaper articles regarding the number of Police Officers budgeted – Presented to Chairperson Ho from Committee Member Chappel

Finance Director Merchant stated she would check with the City Clerk's office on availability and if there was a conflict with the use of Council Chambers, she would notify Chairperson Ho.

2. Measure C Budget Information

- Informational report only

Finance Director Merchant presented the staff report dated April 29, 2014 and March 13, 2014.

City Manager Duran stated the Chief Cantando would be scheduled for the next committee meeting to answer questions regarding the Police Department budget.

PUBLIC COMMENTS

Mayor Harper welcomed the new Sales Tax Citizens' Oversight Committee members and thanked them for their service.

WRITTEN/ORAL COMMUNICATIONS

City Manager Duran stated the agenda for the next meeting would include the following:

- Discussion of the Sales Tax Ordinance
- Discussion of budget materials needed from staff
- Discussion of the schedule for future meetings
- Discussion of newspaper articles regarding the number of Police Officers budgeted – Presented to Chairperson Ho from Committee Member Chappel

He noted if Committee Members wanted to add to the agenda, they could direct those requests through Chairperson Ho. He stated they would send out a draft agenda in advance and any questions could be directed to staff, prior to the posting of the agenda.

ADJOURNMENT

On motion by Committee Member Adebayo, seconded by Committee Member Herendeen the committee unanimously adjourned the meeting at 5:41 P.M.

Respectfully submitted:

Kitty Eiden
KITTY EIDEN, Minutes Clerk

**REPORT TO THE SALES TAX CITIZENS' OVERSIGHT COMMITTEE
FOR THE JUNE 5, 2014 MEETING**

FROM: Lynn Tracy Nerland, Antioch City Attorney 
DATE: May 22, 2014
SUBJECT: **Laws Governing Service on the Sales Tax Citizens' Oversight Committee and Procedures**

RECOMMENDED ACTION:

1. Motion to receive written and oral report.

BACKGROUND:

As an initial comment, commissioners, board and committee members are required to complete state-mandated ethics training (Assembly Bill 1234) every two years per City Council policy. Newly appointed commissioners, board and committee members have a year to complete the training from assuming office. However, you are strongly encouraged to do so quickly as it is really a "Public Service 101" course. The online course is available at no charge and can be accessed at <http://localethics.fppc.ca.gov>.

This report will highlight the Brown Act and then basic meeting procedures.

The Brown Act

Adopted after revelations of government business taking place at secret meetings statewide, the Brown Act attempts to ensure that deliberations and actions of local government (including commissions and boards) are conducted openly and with the opportunity for public participation. Violations of the Brown Act may result in invalidation of actions taken, and in extreme cases, civil or criminal charges.

Public Noticing

The City has continued to follow the Brown Act's requirements regarding public noticing through agendas despite the State's recent suspension of some of these provisions. Agendas are still prepared and limit the actions that the commission, board or committee may take. The purpose of this prohibition is to provide a mechanism for informing the public of pending actions and the opportunity to comment on the matter before the action is taken. The public also has the right to comment on a matter within the body's jurisdiction even if that particular item is not on the body's agenda (this typically occurs during the initial public comment portion of an agenda).

Open Meetings

The Brown Act prohibits a majority of a governmental body from reaching a decision outside of a regularly scheduled meeting. This issue typically arises when a majority (quorum) of the body discusses an issue that falls within the subject matter of that body, but that discussion occurs outside of a regularly scheduled meeting. For example, a consensus reached among a majority of the members at a holiday party or through an email discussion about a pending matter would violate the Brown Act. A quorum for this Committee of 7 members is 4.

Serial Meetings. A "serial meeting," when a majority of the governmental body participates in a decision without being physically present in one place at one time, is also prohibited under the Brown Act. An example of a serial meeting would be a discussion between members A and B during which a consensus is reached on a matter before the committee, which is then communicated to members C and D in an attempt to convince them to join in the position that A and B reached. Again, this prohibited discussion can occur in person or through electronic means.

Spoke and Wheel Meetings. A "spoke and wheel" meeting, when one person separately contacts a majority of the governmental body to relay opinions among the members to create a consensus on a matter, also violates the Brown Act. In addition, when a public hearing is held or the board or commission is acting in a quasi-judicial role (most typically the Planning Commission and Board of Administrative Appeals), these conversations can also raise "due process" concerns that not all of the information upon which a decision is based has been considered in a public forum.

An example of this situation would be if someone individually contacts members about a matter in the Committee's jurisdiction and relays the opinions of each as opposed to simply providing "one-way" information to each member. Thus, it is best not to engage in these conversations, but if the member chooses to have such a conversation, then he or she should avoid expressing a definitive opinion on the matter and should disclose the fact of the conversation, and any additional information provided, at the public meeting.

Closed Sessions

The Brown Act allows for limited situations in which a public body can meet in private, typically to discuss issues with legal counsel. These situations include certain personnel matters; meetings with legal counsel to discuss pending litigation involving the public entity; certain real property negotiations; meetings with the public entity's labor negotiator; addressing threats to public security; and license applications by persons with criminal records. Generally, closed sessions are not authorized for commissions, boards or committees.

Other Meetings, Conferences and Social Events

The Brown Act acknowledges practical considerations about the role of government officials in their community. Commissioners, board and committee members may attend a meeting of another governmental body or a meeting hosted by a group providing information about local issues, so long as the meeting is publicized and is not used as an opportunity to caucus. All commissioners, board or committee members can attend a conference or social event, again so long as the group is not using the gathering to reach a consensus on a matter within its jurisdiction.

Agenda Procedures

Consistent with the Brown Act and the procedures established for the City Council and other City Boards and Commissions, City staff will prepare agendas and provide a draft to the Chair for review before finalization. A majority of the Committee cannot comment or act on a draft agenda outside of a noticed, public meeting, because that would be an action taken in violation of the Brown Act.

Although the Brown Act requires a 72-hour notice for regular meetings and a 24-hour notice for special meetings, staff strives to have an agenda and any reports or materials available at least a weekend before any meeting. Staff realizes that the volunteer Board, Commission and Committee Members have busy professional and personal lives and often need the weekend to review the materials in order to be prepared for a meeting the following week. If this Committee requires a longer lead-time for agendas and reports, that can be discussed. Staff will certainly attempt to accommodate the Committee's schedule, but hopefully the Committee will also appreciate that staff continues to face 40% reduction in staffing and many competing and important priorities.

Summary (not verbatim) minutes from a prior meeting are typically the first item on the next agenda for approval by the Committee. Until the minutes are approved by the Committee, they are not final and not put on the City's website. However, the draft minutes would be in the agenda packet for the next meeting. Like the agenda, a majority of the Committee cannot comment on the minutes outside of a noticed, public meeting, because that would be an action taken in violation of the Brown Act.

If a Committee member wants to place an item on a future agenda, then that is typically done by the member raising the issue at the end of a noticed, public meeting. The Committee member would ask to be recognized by the Chair and indicate something like: "Chair Ho, at our next meeting, I would like an agenda item to discuss 'x' issue." If that issue is within the purview of the Committee and a majority of the Committee members agree that it should be on the agenda, then it would be placed on the future agenda. The merits or substance of the issue cannot be discussed until it is on the agenda for a noticed, public meeting.

Any materials provided to the Committee are public records and should be distributed at an agendaized and public meeting.

Following City Council direction, the agenda, reports and attached materials will be provided electronically as much as possible to reduce the City's carbon footprint/landfill.

Meeting Procedures

The Antioch Municipal Code says that in the absence of a state law or ordinance on a point of procedure, "Robert's Rules of Order, Revised" shall be used to decide a point of procedure. Robert's Rules were established years ago and with larger groups in mind such as Congress. Therefore, the Rules can be somewhat confusing and arcane. Fundamentally, any rules of order are meant to create an atmosphere in which a meeting can be conducted efficiently, fairly and with full participation. Therefore, the basic concepts are that:

- One person speaks at a time;
- Every speaker is recognized by the Chair before speaking; and
- The Chair is responsible for keeping the discussion on point.

Under Robert's Rules of Order, and consistent with State law, before the Committee can act, it must have a sufficient number of its members present. For this seven-member Committee, a quorum is 4 members present.

A proposed course of action is presented formally as a motion. A motion should be seconded to ensure that more than one Committee Member is interested in discussing it. Debate on a motion can continue as long as the Committee wishes. At some point during the debate, someone may make a motion to limit debate by saying: "I move the question," or "I call for the question." What this motion is really saying is "I've had enough debate. Let's get on with the vote."

Decisions are generally made by majority vote with the caveat of needing 4 affirmative votes (the quorum for a seven-member Committee) pursuant to the Municipal Code. A tie vote means the motion fails. Thus, for this seven-member Committee, a vote of 4-3 passes the motion, but a 3-3 vote with one absence, disqualification or abstention means the motion fails.

**REPORT TO THE SALES TAX CITIZENS' OVERSIGHT COMMITTEE
FOR THE JUNE 5, 2014 MEETING**

FROM: Lynn Tracy Nerland, Antioch City Attorney 
DATE: May 15, 2014
SUBJECT: Sales Tax Citizens' Oversight Committee: Role and Duties

RECOMMENDED ACTION:

1. Motion to receive written and oral report.

BACKGROUND:

Sales Tax Ordinance and Ballot Measure C

On June 25, 2013, the Antioch City Council declared a fiscal emergency, adopted Ordinance No. 2068-C-S, and called for an election for the voters to consider a ballot measure to adopt a temporary one-half cent sales tax (transaction and use tax) to fund all essential Antioch City services including police and code enforcement. The Antioch electorate approved the ballot measure (Measure C) by 68.09% on November 5, 2013.

Ordinance 2068-C-S (Attachment A) followed a standard format from the State Board of Equalization, but included the creation of a Citizens' Oversight Committee:

Section 3-5.416. CITIZENS' OVERSIGHT COMMITTEE. A Citizens' Oversight Committee shall be established to review the receipt and expenditure of the revenue from this transactions and use tax, including the annual auditor's report. The Committee's review shall be completed in conjunction with the City's budget process. The Committee's report on its review, whether oral or written, shall be considered by the City Council at a public meeting. Any written report shall be a matter of public record. The Committee shall consist of seven members who shall be Antioch residents. The terms of the Committee members may be staggered but no term shall be less than two years. The City Council may adopt a resolution regarding the appointment of the Committee members and more specific duties of the Committee.

Resolution No. 2013/73 Establishing the Sales Tax Citizens' Oversight Committee

Once the ballot measure passed, the City Council adopted Resolution 2013/73 (Attachment B) which set forth further direction on the creation and role of the Committee:

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06-05-14

1. Pursuant to Ordinance No. 2068-C-S, the Sales Tax Citizens' Oversight Committee shall be composed of 7 Antioch residents serving staggered terms. Four members of the Committee shall be appointed to 4-year terms and 3 members shall be appointed to 2-year terms.
2. Members of Sales Tax Citizens' Oversight Committee are not prohibited from serving on other City Boards, Commissions or Committees.
3. At least one member of the Sales Tax Citizens' Oversight Committee shall have a financial, accounting or auditing background.
4. The Sales Tax Citizens' Oversight Committee shall review the receipt and expenditures of the increased sales tax amount and report publicly to the City Council as part of the City's budget process. During the Committee's first year, it shall meet at least three times publicly and in subsequent years at least two times publicly to receive information from the Finance Director, including the annual audit, and then shall provide a report, either written or oral, to the City Council by April 1 each year. The report shall indicate how the funds are being used to address the City Council's stated priorities of public safety and code enforcement.
5. The Sales Tax Citizens' Oversight Committee shall be subject to the Brown Act (requiring noticing of its public meetings) and the Committee members shall be subject to the Political Reform Act requiring disclosure of economic interests.
6. The Finance Director shall be the City staff liaison to the Sales Tax Citizens' Oversight Committee.
7. The Mayor and Council Budget Committee Member (or one other Council Member if the Budget Committee Member is not available) shall interview applicants for the Sales Tax Citizens' Oversight Committee. The Mayor shall appoint and the City Council approve by majority vote all appointments to the Sales Tax Citizens' Oversight Committee.

Accordingly, the role of the Sales Tax Citizens' Oversight Committee is to review the expenditures from Measure C and report to the City Council by April 1 each year as part of the City's budget process. The report should indicate "how the funds are being used to address the City Council's stated priorities of public safety and code enforcement."

ATTACHMENTS:

- A. Ordinance No. 2068-C-S
- B. Resolution No. 2013/73
- C. Ballot Measure C materials from November 2013 ballot – this information was requested by a Committee Member

ORDINANCE NO. 2068-C-S

AN ORDINANCE OF THE CITY OF ANTIOCH
IMPOSING A TRANSACTIONS AND USE TAX TO BE
ADMINISTERED BY THE STATE BOARD OF EQUALIZATION

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

SECTION 1. ADDITION TO THE MUNICIPAL CODE. Article 4 is added to Chapter 5 of Title 3 of the Antioch Municipal Code to read as follows:

ARTICLE 4: TRANSACTIONS AND USE TAX

Section 3-5.401. TITLE. This article shall be known as the "Antioch Transactions and Use Tax Ordinance." The city of Antioch hereinafter shall be called "City." This article shall be applicable in the incorporated territory of the City.

Section 3-5.402. OPERATIVE DATE. "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance.

Section 3-5.403. PURPOSE. This article 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 article.

Section 3-5.404. 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 article; 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 3-5.405. 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 one-half of one percent (.50%) 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 article.

Section 3-5.406. PLACE OF SALE. For the purposes of this article, 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 3-5.407. 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 article for storage, use or other consumption in said territory at the rate of one-half of one percent (.50%) 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 3-5.408. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this article 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 article as though fully set forth herein.

Section 3-5.409. 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 therefor. 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 article.

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 3-5.410. 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 article.

Section 3-5.411. 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 article.

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 article.

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 article, 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 article.

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 article.

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 article 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 3-5.412. AMENDMENTS.

A. 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 article, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this article.

B. Pursuant to California Elections Code section 9217 or any successor statute, the City Council of the City of Antioch may amend or repeal this article, but not increase or extend the rate of tax imposed by the article, without the approval of the voters of the City of Antioch voting on such question.

Section 3-5.413. 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 article, 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 3-5.414. USE OF TAX PROCEEDS. All proceeds of the tax levied and imposed under this article shall be paid into the General Fund for use by the City of Antioch.

Section 3-5.415. ANNUAL AUDIT. By no later than December 31st of each year, the City's independent auditors shall complete a financial audit report to include the revenue raised and expended by this tax to be reflected in the City's budget.

Section 3-5.416. CITIZENS' OVERSIGHT COMMITTEE. A Citizens' Oversight Committee shall be established to review the receipt and expenditure of the revenue from this transactions and use tax, including the annual auditor's report. The Committee's review shall be completed in conjunction with the City's budget process. The Committee's report on its review, whether oral or written, shall be considered by the City Council at a public meeting. Any written report shall be a matter of public record. The Committee shall consist of seven members who shall be Antioch residents. The terms of the Committee members may be staggered but no term shall be less than two years. The City Council may adopt a resolution regarding the appointment of the Committee members and more specific duties of the Committee.

Section 3-5.417. TERMINATION DATE. The authority to levy the tax imposed by this article shall expire seven (7) years from the Operative Date.

SECTION 2. 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 3. CEQA. This transactions and use tax to be submitted to the voters is a general tax that can be used for any legitimate governmental purpose. As such, under CEQA Guidelines section 15378(b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant impact on the environment. Therefore, under CEQA Guidelines section 15060, review under CEQA is not required.

SECTION 4. EFFECTIVE DATE. This ordinance relates to the levying and collecting of the City's transactions and use taxes and shall not take effect until approved by the majority of the voters voting at the general municipal election to be held on November 5, 2013.

SECTION 5. CERTIFICATION; PUBLICATION. Upon approval by the voters, the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause it to be published according to law and transmitted to the Board of Equalization.

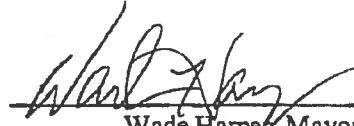
* * * * *


INTRODUCED by the City Council of the City of Antioch on May 28, 2013 and PASSED AND ADOPTED by the City Council of the City of Antioch on June 25, 2013, by the following vote:

AYES: Council Members Wilson, Rocha, Tiscareno, Agopian and Mayor Harper

NOES: None

ABSENT: None


Wade Harper, Mayor

Attest: 
for Arne Simonsen, City Clerk

Ordinance No. 2068-C-S was submitted to the People of the City of Antioch at the November 5, 2013 special municipal election. It is hereby certified that this Ordinance was APPROVED by the following vote of the People of Antioch:

YES: 7,609

NO: 3,566

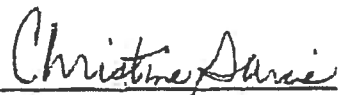
This Ordinance was thereby adopted by the voters at the November 5, 2013 election and took effect upon adoption of a resolution declaring the results of the election at a regular meeting of the City Council held on November 26, 2013 by the following vote:

AYES: Council Members Wilson, Rocha, Tiscareno, Agopian and Mayor Harper

NOES: None

ABSENT: None

I hereby certify that the foregoing is a true and correct copy of an ordinance duly and regularly adopted by the People of the City of Antioch, California.


for Arne Simonsen, City Clerk

RESOLUTION NO. 2013/66

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH
CONFIRMING CANVASS BY THE COUNTY CLERK OF CONTRA COSTA
OF BALLOTS CAST AT THE CONSOLIDATED ELECTION HELD ON
NOVEMBER 5, 2013 FOR BALLOT MEASURE C
"RESTORING ANTIOCH SERVICES SALES TAX"**

WHEREAS, the County Clerk of Contra Costa County, pursuant to the request of the City Clerk for the City of Antioch, has duly canvassed the votes cast in the Consolidated Election held on November 5, 2013 as hereinafter set forth and has certified to this City Council the results of the votes cast, certification of which is now on file in the office of the Antioch City Clerk for the election of the Ballot Measure "Restoring Antioch Services Sales Tax (Measure C)" (Exhibit 1); and

WHEREAS, Ballot Measure C is to adopt a temporary one-half cent transaction and use (sales) tax to fund all essential City services as set forth in the attached Ordinance No. 2068-C-S (Exhibit 2).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Antioch that the canvass of votes by the County Clerk as shown by the certification and the results shown thereby are hereby ratified, confirmed and approved, and the votes cast for the measure as shown in "Exhibit 1".

IT IS THEREFORE, FURTHER RESOLVED as follows:

"Restoring Antioch Services Sales Tax (Measure C)" (Exhibit 2) was approved.

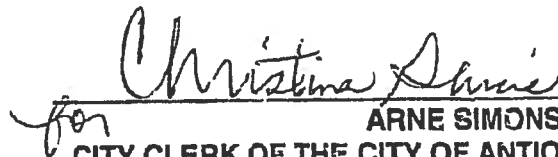
* * * * *

I HEREBY CERTIFY that the foregoing Resolution was duly passed and adopted by the City Council of the City of Antioch at a regular meeting thereof held on the 26th day of November, 2013, by the following vote:

AYES: Council Members Wilson, Rocha, Tiscareno, Agopian and Mayor Harper

NOES: None

ABSENT: None


for **ARNE SIMONSEN**
CITY CLERK OF THE CITY OF ANTIOCH

RESOLUTION NO. 2013/73

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH
ESTABLISHING PROCEDURES FOR THE SALES TAX CITIZENS' OVERSIGHT
COMMITTEE CREATED PURSUANT TO ORDINANCE NO. 2068-C-S**

WHEREAS, given concerns about service levels in light of the City's significant revenue declines due in part to the national economic recession and housing market crisis, the City Council unanimously declared a Fiscal Emergency, adopted Ordinance No. 2068-C-S, and called for an election on November 5, 2013 for the voters to consider a ballot measure to adopt a temporary one-half cent Transactions and Use (Sales) Tax to fund all essential Antioch City services including police and code enforcement; and

WHEREAS, on November 5, 2013, the Antioch electorate approved the ballot measure by 68.09%; and

WHEREAS, the results of the election were certified by the City pursuant to Resolution No. 2013/66 on November 26, 2013; and

WHEREAS, Section 3-5.416 of Ordinance No. 2068-C-S (the Sales Tax Ordinance) adopted by the City Council and approved by the voters requires the creation of a Citizens' Oversight Committee and provides that the City Council may adopt a resolution regarding the appointment of the Committee members and more specific duties of the Committee;

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Antioch that:

1. Pursuant to Ordinance No. 2068-C-S, the Sales Tax Citizens' Oversight Committee shall be composed of 7 Antioch residents serving staggered terms. Four members of the Committee shall be appointed to 4-year terms and 3 members shall be appointed to 2-year terms.
2. Members of Sales Tax Citizens' Oversight Committee are not prohibited from serving on other City Boards, Commissions or Committees.
3. At least one member of the Sales Tax Citizens' Oversight Committee shall have a financial, accounting or auditing background.
4. The Sales Tax Citizens' Oversight Committee shall review the receipt and expenditures of the increased sales tax amount and report publicly to the City Council as part of the City's budget process. During the Committee's first year, it shall meet at least three times publicly and in subsequent years at least two times publicly to receive information from the Finance Director, including the annual audit, and then shall provide a report, either written or oral, to the City Council by April 1 each year.

The report shall indicate how the funds are being used to address the City Council's stated priorities of public safety and code enforcement.

5. The Sales Tax Citizens' Oversight Committee shall be subject to the Brown Act (requiring noticing of its public meetings) and the Committee members shall be subject to the Political Reform Act requiring disclosure of economic interests.
6. The Finance Director shall be the City staff liaison to the Sales Tax Citizens' Oversight Committee.
7. The Mayor and Council Budget Committee Member (or one other Council Member if the Budget Committee Member is not available) shall interview applicants for the Sales Tax Citizens' Oversight Committee. The Mayor shall appoint and the City Council approve by majority vote all appointments to the Sales Tax Citizens' Oversight Committee.

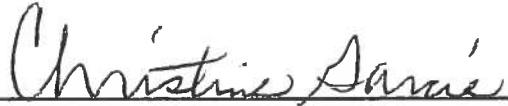
* * * *

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Antioch at a regular meeting thereof, held on the 10th day of December, 2013, by the following vote:

AYES: Council Members Wilson, Rocha, Tiscareno, Agopian and Mayor Harper.

NOES: None.

ABSENT: None.


for Christine Simonson
ARNE SIMONSEN
CITY CLERK OF THE CITY OF ANTIOCH

**CONTRA COSTA COUNTY
OFFICIAL BALLOT
Tuesday, November 5, 2013**


BT001

SAMPLE BALLOT

SAMPLE BALLOT

A		B		C	
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INSTRUCTIONS TO VOTERS:

- To vote, completely fill-in the oval  to the left of the name of the candidate or to the left of the word "Yes" or "No".
- To vote for a write-in candidate, write the candidate's name on the blank line provided and fill in the corresponding oval.
- Voting for more than the authorized amount of choices will invalidate your vote for that office.
- If you mismarked your ballot, and you received it by mail, you may make a correction to your vote in a manner that clearly indicates your intended vote.
- If you need a replacement ballot for any reason, return this ballot to the poll worker that issued it to you and request a new ballot.

CITY OF ANTIOCH	
MEASURE C	
<u>RESTORING ANTIOCH SERVICES SALES TAX.</u>	
To fund all essential city services including increased police staffing to reduce crime and gang activities and improve 911 emergency response time; restored code enforcement to clean up blighted properties; and local economic development and job creation, shall the City of Antioch adopt a one-half cent transactions and use (sales) tax, expiring in seven years, with mandatory annual audits and independent citizens' oversight and for local Antioch use only?	
<input type="radio"/> Yes <input type="radio"/> No	
END OF BALLOT	

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Tear out

Remove this sheet to separate your Sample Ballot from your Voter Information Pamphlet.

Tear out

CITY OF ANTIOCH MEASURE C

MEASURE C CITY OF ANTIOCH

RESTORING ANTIOCH SERVICES SALES TAX. To fund all essential city services including increased police staffing to reduce crime and gang activities and improve 911 emergency response time; restored code enforcement to clean up blighted properties; and local economic development and job creation, shall the City of Antioch adopt a one-half cent transactions and use (sales) tax, expiring in seven years, with mandatory annual audits and independent citizens' oversight and for local Antioch use only?

CITY ATTORNEY'S IMPARTIAL ANALYSIS OF MEASURE C

The City Council of the City of Antioch has declared a fiscal emergency. This is due to the \$13 million reduction in the City's annual general fund revenues; depletion of reserves; and decreased level of essential City services.

The City Council voted unanimously to put Measure C on the ballot to ask voters to approve a temporary one-half of one percent (0.5%) sales (transactions and use) tax. This means one-half of one cent would be added to the price of a taxable item that costs a dollar. The increase would terminate automatically in seven years after collection begins.

Audit and Citizens' Oversight Committee

Each year, an independent auditor would complete a public audit report of the revenue raised and its expenditure. A Citizens' Oversight Committee would review the expenditures and report publicly. The report would be part of the public record. The Committee would be composed of seven Antioch residents appointed by the Mayor and approved by the City Council.

General Revenue for All City Services

The revenue would be deposited in the City's general fund. It could be used for any legal municipal purpose including: police and emergency response; code enforcement; local economic development and job creation; street repair; and any other City program and service.

Allocation and Administration

The City receives 0.75% of the current sales tax, with most of it going to the State of California (7.25%); along with Contra Costa County (0.25%), the Contra Costa Transportation Authority (0.50%), and BART (0.50%).

Measure C would increase the sales tax by .50% for seven years starting April 1, 2014. The temporarily increased amount would only go to the City of Antioch and not the State, County, Transportation Authority or BART.

The existing sales tax is levied on the sale or use of tangible personal property sold at retail, with some exceptions. Retailers collect the tax and forward it to the State Board of Equalization to allocate. The additional amount would be collected in the same way.

Effect of Measure

Measure C, also known as the "Restoring Antioch Services Sales Tax," would add an ordinance to the Antioch Municipal Code to impose the temporary sales tax increase. The State Board of Equalization approved the ordinance language.

A "Yes" vote is a vote to approve the additional half-cent sales tax for seven years. A "No" vote is a vote against the tax. If the Measure receives a majority of "Yes" votes, it will be approved.

Respectfully submitted,

Lynn Tracy Nerland
Antioch City Attorney

The above statement is an Impartial Analysis of Measure C. If you desire a copy of the Full Text of the Measure/ "Ordinance of the City of Antioch Imposing a Transactions and Use Tax to be Administered by the State Board of Equalization," please call the City Clerk of the City of Antioch at 925-779-7009 and a copy will be mailed at no cost to you. You may also view the Full Text of the Measure C at www.ci.antioch.ca.us.

ARGUMENT IN FAVOR OF MEASURE C

A Yes on Measure C will allow us to immediately hire 22 new police officers, decreasing the time it takes to respond to 911 calls. It will also provide funds to reduce the number of gang-related homicides, assaults and robberies.

Our police force has dwindled from 126 officers four years ago to only 89 today. 911 response times have increased and violent crime is up 30%. We feel unsafe in our homes and are in constant fear of becoming victims of crime.

The budget crisis has forced the near-closing of Antioch's Code Enforcement Department. We need to resume inspections on foreclosed and abandoned properties to force absent property owners to clean up blight and evict tenants dealing drugs.

A Yes on Measure C will give us immediate funds to begin cleaning up Antioch's blighted properties. (Go to CleanUpAntioch.com to register the address of a blighted property you would like to add to the cleanup list.)

Measure C would temporarily raise the sales tax by ½ cent for seven years – generating \$4.3 million a year for additional police and cleaning up abandoned properties. To increase accountability, Measure C has a fixed end date and requires independent annual spending audits and strict citizens' review.

Antioch is in a State of Emergency, and we must come together to restore our quality of life. We need immediate funding to "turn Antioch around" – to lower crime and cleanup abandoned properties.

The City workforce has been cut nearly 40%; city employees, including police, have substantially reduced their health/retirement benefits. City services have been scaled down to skeletal levels. Yet we still face a \$3.6 million deficit.

Antioch needs funds now to lower crime and to cleanup dilapidated properties. Your voting Yes on Measure C will give us the financial boost we need to turn Antioch around. Thank you.

Sergeant Tom Fuhrmann
President, Antioch Police
Officers' Association

Brittney Gougeon
Founder, Take Back Antioch

Joyann Motts
President, Antioch Unified
School Board

Hans Ho
Past Chair, Antioch Crime
Prevention Commission/
Neighborhood Watch
Coordinator

Antioch City Council
Wade Harper, Mayor of
Antioch/Retired Police
Lieutenant

ARGUMENT AGAINST MEASURE C

Vote "NO" on increasing your Sales Tax to 9 cents on the \$1 for all taxable items purchased. The State just raised gasoline taxes by 3.5 cents more per gallon! Antioch's proposed tax increase also affects jobs and businesses (it'll drive customers elsewhere)! More taxes doesn't mean better decisions. It'll benefit those favoring its passage and those receiving increased raises, benefits, and extremely generous pensions! Pay more, get less!

Antioch's Police salaries, retirement pay, and benefits have significantly increased again, making the public pay more! Some employees' outrageous estimated salaries' and benefits' costs; City Manager \$350,000; Chief \$330,000; Lts. \$285,000; Sgts. \$240,000; Corporals \$200,000; Officers \$180,000.

APOA always vigorously insisted on pay and benefit increases for themselves, not more manpower! Police recently received 9% in wage increases (and 4% more effective on 9/1/13), more guaranteed yearly increases, costly multi year contracts, keeping their costly "3% at 50" pension package. The public gets far less, some with no retirement at all. It's shameful!

This General Fund tax can be used however any Council majority (3) wants! They haven't listened to you before! You alone are the best "Oversight" on how your money's spent, not their Appointees!

They're again using scare tactics to just tax you more! You shouldn't pay for their uncontrolled overspending and mismanagement! The Council majorities caused this, not you!

Property values are continuing to increase and as adjustments are made the City will receive more tax revenue! This tax increase is unnecessary! We have continuing increases in costs for utilities, sewer, groceries, medical, and unemployment! Antioch's already raised water, garbage rates, business fees, etc. Enough already!

Increasing existing taxes isn't the solution! City officials must do more to cut costs! Stop overspending, and definitely cut back excessive salaries and benefits for those overcompensated employees.

Vote "NO"

Citizens for Democracy
By – Ralph A. Hernandez,
Chairperson and former
Antioch City Council Member

Norma A. Hernandez
CFD's Senior Citizens'
Representative and
former Antioch City
Council Member

REPORT TO THE SALES TAX CITIZENS' OVERSIGHT COMMITTEE FOR THE JUNE 5, 2014 MEETING

Prepared By: Dawn Merchant, Finance Director

Date: May 27, 2014

Subject: Background Information on General Fund and Measure C Budget

DISCUSSION

At the May 8th Oversight Committee meeting, General Fund and Measure C budget information was provided. Since that time, proposed budget figures have been revised and incorporated into the draft budget document being prepared to be presented to the City Council on June 10th. The purpose of this report is to provide the most current budget information to the Committee that is included in the draft budget document. Chart A below shows the Police Department Measure C funding. Measure C revenues are being added on top of General Fund resources to determine the total budget allotment to the Police Department.

Since the prior Oversight Committee meeting, the Police Department figures have been updated to reflect the addition of funding for one CSO position; the addition of funding for the change of a Senior Administrative Assistant to an Administrative Analyst; and the purchase of three police patrol vehicles.

CHART A

Police Department Measure C Funding			
	Police Budget FY15	Police Budget FY16	Police Budget FY17
13/14 Baseline Budget	\$28,447,271	\$28,447,271	\$28,447,271
Measure C projection	4,300,847	4,417,590	4,592,090
Measure C carryover	500,000	1,201,204	0
Budget Allotment	33,248,118	34,066,065	33,039,361
Proposed/projected	32,046,914	34,066,065	37,473,317
Difference under/(over) budget	\$1,201,204	\$0	(\$4,433,956)

In summary, the proposed Fiscal year 2014-15 budget includes funding for 97 sworn positions (which is 15 more sworn positions from the 82 on staff prior to the November 2013 election) and 2.5 additional non-sworn positions. The budget for fiscal year 2015-16 reflects 100 sworn and the budget for fiscal year 2016-17 reflects 104 sworn positions. It is important to note that the ultimate staffing mix will be determined by the Chief of Police. For example, the Chief could decide that the Department should hire a Community Service Officer ("CSO") in lieu of a sworn officer.

Fiscal years 2015-16 and 2016-17 are not being adopted and are only projections at this point. These projections will be re-evaluated next year as we see how actual Measure C revenues are tracking. Police Department expenditures will first be applied to General Fund non-Measure C resources and any additional budget savings incurred from the total proposed Police Department budget (\$32,046,914) will be considered Measure C savings to be allocated to the following year budget as well, however, savings will not be determined until the fiscal year closes.

For Code Enforcement, a total of \$188,900 in Measure C funds is proposed to be allocated in fiscal year 2014-15. The funds are being used to hire one additional contract Code Enforcement Officer (CEO); purchase of a vehicle and equipment for that CEO to use; as well as 20% of staff time of the Deputy Director of Community Development which will be dedicated to code enforcement.

Chart B below provides a summary of the entire General Fund with the amount of Measure C revenue and expenditures highlighted that are being dedicated to Police and Code Enforcement Services.

CHART B

General Fund Summary

	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Projected Fund Balance July 1,	\$10,109,883	\$8,423,257	\$8,426,171	\$7,615,575
Revenues:				
Taxes	28,382,304	29,659,478	30,526,663	31,463,673
Taxes – Measure C	500,000	4,489,747	4,579,540	4,762,722
Licenses & Permits	1,161,006	1,157,500	1,157,500	1,177,500
Fines & Penalties	45,419	35,100	35,100	40,000
Investment Income & Rentals	495,415	498,510	503,410	512,680
Revenue from Other Agencies	349,218	452,000	532,000	580,476
Current Service Charges	1,969,428	2,146,880	2,160,148	2,167,215
Other Revenue	871,312	845,695	865,695	625,695
Transfers In	3,734,473	3,761,471	3,783,898	3,839,376
Total Revenues	\$37,508,575	\$43,046,381	\$44,143,954	\$45,169,337
Expenditures:				
Legislative & Administrative	1,120,731	654,975	652,686	651,972
Finance	36,964	38,700	43,180	38,213
Nondepartmental	586,361	426,257	518,780	543,875
Public Works	6,002,976	6,208,234	6,295,178	6,418,049
Police Services	27,956,371	27,925,706	27,900,169	32,317,712
Police Services – Measure C	0	3,599,643	5,618,794	4,592,090
Police Services – Animal Support	490,900	521,565	547,102	563,515
Recreation/Community Services	799,390	830,040	847,896	873,333
Community Development	2,201,508	2,649,447	2,368,815	2,374,973
Code Enforcement – Measure C	0	188,900	161,950	170,632
Total Expenditures	\$39,195,201	\$43,043,467	\$44,954,550	\$48,544,364
Net	(1,686,626)	\$2,914	(\$810,596)	(\$3,375,027)
Projected Fund Balance June 30,	\$8,423,257	\$8,426,171	\$7,615,575	\$4,240,548
Committed for Police Services –Measure C	500,000	1,201,204	0	0
Committed for Compensated Absences	98,586	115,000	115,000	115,000
Committed for Litigation Reserve	500,000	500,000	500,000	500,000

Unassigned Reserve %	19.53%	15.36%	15.86%	8.03%
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As you can see, we are estimating an amount of Measure C revenues that relate to the April through June 2014 collection period. City staff has met with our sales tax consultants and they are unable to give us an estimate of what the amount will be since we have not started receiving any of the funds and therefore they are not able to collect any data from the State yet. Therefore, we have estimated a conservative amount to be received and therefore are reflecting this amount as a commitment of fund balance to be added to the Measure C budget in fiscal year 2014-15. Another \$50,902 is reflected in the City's vehicle fund for two pending purchases of Police vehicles that City Council authorized the use of Measure C funds at the May 13, 2014 budget study session.

Chart C below is a summary of the Police Department budget as a whole.

CHART C

Police Department Budget

	2013-14 Budget	2013-14 Revised	2014-15 Proposed	2015-16 Projected	2016-17 Projected
SOURCE OF FUNDS:					
Sales Tax - Measure C	\$0	\$500,000	\$4,300,847	\$4,417,590	\$4,592,090
P.O.S.T. Funds	12,000	12,000	12,000	12,000	12,000
Federal Grant	340,761	136,450	240,000	320,000	368,476
Revenue - AB109 Reimbursement	130,000	130,500	130,000	130,000	130,000
Other Service Charges	15,040	22,120	15,000	15,000	15,000
Police Services General	45,000	40,000	45,000	45,000	45,000
False Alarm Permit Fees	25,000	37,500	30,000	30,000	30,000
False Alarm Response	24,000	24,378	24,000	24,000	24,000
Miscellaneous Revenue	25,748	39,199	2,000	2,000	2,000
Donations	0	286	0	0	0
Booking Fee Reimbursements	5,000	5,000	5,000	5,000	5,000
Sales Tax Public Safety	460,000	500,000	500,000	500,000	500,000
Non-Traffic Fines	25,000	119	100	100	5,000
Vehicle Code Fines	25,000	45,300	35,000	35,000	35,000
Abatement Fees	0	100	0	0	0
Police Services 911-Brentwood	762,016	762,016	777,822	824,492	873,961
Transfers in	754,686	753,721	676,000	720,000	768,000
Total Source of Funds	2,649,251	3,008,689	6,792,769	7,080,182	7,405,527
USE OF FUNDS:					
Personnel	23,244,069	22,614,771	25,645,180	27,679,943	30,896,150
Services & Supplies	3,252,572	3,145,982	3,497,309	3,432,495	3,480,007
Transfers Out	588,373	509,600	540,467	566,208	582,417
Internal Services	2,144,682	2,176,918	2,363,958	2,387,419	2,514,743
Total Use of Funds	29,229,696	28,447,271	32,046,914	34,066,065	37,473,317

Finally, updated multi-year projections for the General Fund as a whole are presented in Chart D.

CHART D
General Fund Projections

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Beginning Fund Balance	\$10,109,883	\$8,423,257	8,426,171	\$7,615,575	\$4,240,548	\$1,182,213	(\$1,524,178)	(\$3,840,832)	(\$5,727,260)
Total Revenues	37,508,575	43,046,381	44,143,954	45,169,337	47,427,804	49,799,194	52,289,154	54,903,612	57,648,793
Total Expenditures	39,195,201	43,043,467	44,954,550	48,544,364	50,486,139	52,505,585	54,605,808	56,790,040	59,061,642
Surplus/(Deficit)	(1,686,626)	2,914	(810,596)	(3,375,027)	(3,058,335)	(2,706,391)	(2,316,654)	(1,886,428)	(1,412,849)
Ending Fund Balance	\$8,423,257	\$8,426,171	\$7,615,575	\$4,240,548	\$1,182,213	(\$1,524,178)	(\$3,840,832)	(\$5,727,260)	(\$7,140,109)
Committed	1,098,586	1,816,204	615,000	615,000	615,000	0	0	0	0
Unassigned Fund Balance	\$7,324,671	\$6,609,967	\$7,000,575	\$3,625,548	\$567,213	(\$1,524,178)	(\$3,840,832)	(\$5,727,260)	(\$7,140,109)
Recommended minimum unassigned fund balance*	\$6,532,533	\$7,173,911	\$7,492,425	\$8,090,727	\$8,414,357	\$8,750,931	\$9,100,968	\$9,465,007	\$9,843,607
over/(under)	\$792,138	(\$563,944)	(\$491,850)	(\$4,465,179)	(\$7,847,143)	(\$10,275,109)	(\$12,941,800)	(\$15,192,267)	(\$16,983,716)

*The Government Finance Officers Association recommends cities maintain unassigned fund balance/reserves equal to **at least** two months of operating expenditures.

Friday, March 29, 2014

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ANTIOCH'S MEASURE C

Police hiring questioned

Confusion in city over
how many sworn
officers will be added

By Paul Bugarino

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ANTIOCH — Before the first half penny of a voter-approved sales tax for public safety has even been collected, some residents are questioning whether the money raised will yield as many new police officers as was

promised during the election campaign.

Measure C, a half-cent-per-dollar sales tax approved by 68 percent of Antioch voters in November to battle crime and clean up blight, kicks in Tuesday. The tax, which will increase the total sales tax rate in the city to 9 cents per dollar, is projected to bring in about \$4.5 million next fiscal year.

During the campaign, supporters boasted via mailers and phone

\$4.5 million

Amount of revenue expected for next fiscal year under Measure C

calls that the funds would pay to hire 22 police officers. But the city's proposed budget for the fiscal year starting July 1 falls short of that goal.

The spending plan calls for increasing the number of sworn officers from 87 to 97 by July 1, and

100 the year after that — below the current authorization for 102 sworn officers.

That's where the confusion started.

New City Manager Steve Duran explains that the proposed budget uses the past fiscal year as a "starting point" and excludes unfunded staff positions. For police, that baseline staffing level is set in the mid-80s, he

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SATURDAY, MARCH 29, 2014

HOW MUCH IS A HALF-CENT TAX?

Here is an example of some everyday items sold at Antioch stores and how much additional tax a shopper will pay starting Tuesday. Sales tax on cars depends on the home city of the purchaser.

Item	Cost	Current 8.5 percent tax	New 9 percent tax	Increase
Detergent, 100 oz. bottle	\$12	\$1.02	\$1.08	\$0.06
Quilt/cross stitch set	\$46	\$3.91	\$4.14	\$0.23
20 gallons of gas	\$80	\$6.80	\$7.20	\$0.40
Basketball shoes	\$140	\$11.90	\$12.60	\$0.70
Gas barbecue	\$400	\$34	\$36	\$2
Car (sedan)	\$20,000	\$1,700	\$1,800	\$100

Sales tax*Continued from Page 1*

said.

"We're budgeting what we think we can really afford for the full year," Duran said.

The change was "confusing and caught people off-guard," said Mayor Wade Harper at a study session Tuesday, reiterating that all Measure G money is going exclusively toward police and code enforcement.

The numbers surprised many, including entrenched campaign supporters, who assumed it would boost the department to 124 sworn officers. Crime Prevention Commissioner Bill Cook said he's heard 102 as the baseline number of sworn officers that the sales tax would supplement at City Council and Coffee with the Cops meetings for the past two years, meaning the force would grow to 124 with the new tax.

"During the whole time I campaigned, I said 124, and no one argued with me," said Martha Parsons, a former councilwoman and member of the Citizens for

a Safe Antioch committee. "Even if my belief is wrong, the math is not there."

"The reason we even asked for Measure C is because we could not afford to hire more officers," Harper said.

Given the "two steps forward and one step back" nature of hiring at the same time officers are being lost to attrition, Antioch will do well if it hits 97 sworn officers by next summer, Duran said.

The city also is dealing with a large structural deficit, he said.

"If we were to hire 35 cops, we'd go bankrupt in two years," he said.

Several members of a newly appointed Measure C oversight committee spoke at the meeting, and others have sent emails to city leaders voicing their frustration.

"We campaigned for (funding) to be on top of whatever the current police budget is," said Hans Ho, who also coordinates the Neighborhood Watch program. "We need to know what the baseline is. Did we hear wrong when we set out, or did we hear right? The city needs to be upfront."

Added Catherine Walker: "I'm concerned, as are my neighbors, we are not going to be given what we felt we were promised."

At Tuesday's meeting, Councilman Gary Agopian asked what the officer staffing level was a week before the November election, along with detailed numbers in the budget on the average costs to hire officers, both new and veteran, sworn and nonsworn, and pension costs, as well as whether money is being carried over to cover the deficit in the Police Department's budget.

"I want the public to know, and I want people to have faith with Measure C," Agopian said. "I don't want them for one second to think they are being bamboozled."

The police budget is projected at a baseline of \$28.4 million before adding \$4.3 million of Measure C revenue, Duran said. Code enforcement will use \$170,000 in Measure C funds.

The council will hold several study sessions on the \$42.9 million general fund before considering it for approval June 10.

EAST COUNTY

Cities push for increase in police staffing

By Paul Bugarino
and Eve Mitchell
Staff writers

Police chiefs for two neighboring East Contra Costa cities focused on their struggle to boost police staffing to previous levels in delivering reports on crime trends last week.

There are now 87 sworn police officers in Antioch, including a veteran officer from another city who started earlier this month. That number is only slightly higher than recent months, despite the city's aggressive hiring efforts, as some officers have left the department.

"We are working at top speed to get more people into the process, so we can get them on the streets," Antioch police Chief Allan Cantando told the City Council on Tuesday.

Three potential officer hires are going through background checks, Cantando said.

Antioch's goal is to boost the number of officers to 97 as soon as possible, and 104 in the next 18 months, using money from Measure C, the half-cent sales tax increase voters approved in November.

Before the recession forced spending cuts starting in 2008, the city had 126 sworn officers along with a fully staffed non-sworn department.

Filling the positions has

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Crime

Continued from Page 1

proved difficult. Antioch police received 986 applications for positions in the first three months of 2014, but of those, only four were hired: two dispatchers from other agencies, a lateral sworn officer and a trainee.

"We've had conversations about the difficulties we've had in the hiring process," Cantando said. "Our biggest success has been the lateral hires from other agencies, and we're seeing great return on our investment."

Brentwood police Chief Mark Evenson also expressed the desire to hire more officers in his crime update to the City Council on Tuesday. Brentwood has 49 sworn officers but is budgeted for 66.

While four new officers are expected to complete their field training by September, and another seven will do so by February 2015, the department still needs to fill six vacancies.

"We are keeping our standards very high in who we hire. We want the best and the brightest police officers," said Evenson, adding that of more than 40 applicants interviewed recently, only about five were selected to go through background checks.

Some experienced officers have also left for other departments, he said.

Evenson expects to

ANTIOCH CRIME STATISTICS

Here are Antioch's crime statistics for the first three months of 2014 as compared with the same time period in 2013.

Type of crime	2013	2014
Homicide.....	2.....	0
Rape.....	4.....	12
Robbery.....	89.....	67
Aggravated assault.....	130.....	120
Burglary.....	354.....	365
Theft.....	455.....	445
Auto theft.....	209.....	269
Total crime.....	1,243.....	1,278
Adult arrests.....	708.....	809
Juvenile arrests.....	188.....	179
Total Arrests.....	896.....	988

Source: Antioch Police Department

bring a hiring-incentive plan to the City Council in the next 30 to 60 days to "attract people to come here (and) to keep people here once they get here."

Crime in Antioch increased 2.8 percent for the first three months of 2014 over the same period last year. However, Cantando said he's pleased that violent crime decreased 11.6 percent.

"That has been the focus of the department is to deal with persons crimes, and I'm happy to see we have a reduction in that area," he said.

Cantando also noted arrests are up 10.3 percent, which he attributes mainly to the new veteran officer hires "hitting the ground running."

Crime in Brentwood dropped 6.3 percent in 2013 compared with 2012, with violent crime down 22.8 percent. But within the violent crime category,

the number of rapes almost tripled, from four in 2012 to 11 last year. Aggravated assaults also increased, from 52 to 58.

Property crimes edged up 2.4 percent because of increases in nonresidential burglary, theft and auto theft, Evenson said.

The chiefs also touched on recent incidents during their reports.

Antioch had no homicides for the first three months of 2014 but, as of Friday, there had been three this month.

Cantando said officers have either made arrests or are following leads in those cases.

Evenson touched on the five armed robberies at various locations the night of April 17. All are believed to be connected to the same group of suspects.

"Our officers and detectives are working diligently to apprehend these individuals," he said.

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May, 2014

Antioch Council grapples with budget, how to spend Measure C funds

By John Crowder

The Antioch City Council conducted a study session at their regular meeting on Tuesday, April 8th, regarding the city budget for the 2014-2015 fiscal year and beyond. The tone of the meeting was set early on by City Manager Steve Duran.

"The thing we want to focus on tonight...is...making hard decisions about the structural deficit that we're running," he said.

He also stated that the city was going to run out of money in just a few years if steps weren't taken to both increase revenues and decrease the rate of spending.

"Before Measure C we were going about 100 mph toward a wall that said economic destruction, and Measure C slowed us down to about 80 [mph]," Duran added.

Following Duran's comments, Finance Director Dawn Merchant, gave a budget presentation. In the staff report which she provided to the Council, it states that reserves will be, "fully depleted in 2019-20." She went on to answer questions the Council had

asked at their previous session. She informed them that not continuing to fund library maintenance would, according to library personnel, possibly result in a reduction in hours from the current 35 per week at the downtown library.

Merchant said that police sworn staffing stood at 82 thirty days prior to the November election. In response to a question regarding how many officers might be hired with Measure C funds, she responded that it depended on several factors, including whether or not the officer was new or experienced, but that the number of new officers could range from 19 to 21. She gave a caveat, however, that bringing on this level of officers could require additional-senior sworn staff, vehicles, equipment, support staff, and other items which were not accounted for in these estimates. City staff is estimating \$4.3 million in revenue from Measure C in fiscal year 2014-2015.

Merchant provided the Council with several graphs detailing budgetary information, projecting

revenues and expenses into future years. Police and animal support, she noted, currently takes up 74% of General Fund expenditures (73% to police and 1% to animal services). The budget allotment proposed for police services for fiscal year 2014-2015 is \$32.8 million, including Measure C revenue, noted above.

The general fund also subsidizes certain operations, Ms. Merchant noted. These include \$111,000 for golf course water, \$165,000 for golf course debt service, \$577,000 for recreation services, and \$253,000 to Prewett Water Park.

Merchant asked the council for direction regarding continued funding of library maintenance for \$112,000 and whether or not to reinstate earthquake insurance for \$150,000.

Following the finance director's presentation, Harper opened the floor for public comments. First to speak was Hans Ho, a former Antioch Police Crime Prevention Commissioner and the city's Neighborhood Watch Coordinator. He said that the budget for fiscal year 2013-2014 had provision for 101.9 sworn officers. Ho wondered where the money went that reduced funding to allow for only 82 sworn officers. He wondered if

there was a sleight of hand with the budget. He also objected to money being allocated for watering the golf course and recreation when there was not adequate money to protect the safety of citizens.

Antioch Real Estate Broker Mark Jordan was the next to speak. He was also unhappy with the proposed budget, and the number of police officers projected.

"We have an income problem," Jordan stated. "Building all the houses has created a situation in which the city is looking at bankruptcy down the road. It's not about houses, it's about jobs. It's about producing income for the city. You can't budget your way out of this problem... The truth is, we're all standing on a railroad track. And the train is coming. And we're not doing the right things to get out of the way. I don't agree with the budget."

Terry Ramus, a leader in the Antioch Chamber of Commerce, spoke next, asking for honesty with the numbers regarding Measure C. He said that, with Measure C, money allocated to the police department would be 32% more than peak-recession levels, yet he's now hearing

Antioch school board votes to close RAAMP
Carmen Dragon teachers voice concerns

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there will be less than 100 officers rather than 125.

Marty Fernandez said he thought the budget was "all a hoax" and that nobody was talking about the \$80 million unfunded medical liability.

Following the public comments, Mayor Wade Harper asked Merchant for clarification of the difference between officers that are authorized and officers that are funded. She responded "Although in the budget there [were] 102 positions in the last several years...there has not been 102 fully funded for an entire year...it's roughly 85 positions that are actually paid for in the general fund. There was

102 allocated positions, but they were not all cash funded with dollars."

Duran then provided further clarification.

"In 2008 the typical cost of a police officer, salary and benefits, was \$140,495 and [in the fiscal year ending in 2015] that number is \$192,445," he said. "That's about a 37% increase per officer...that is the bulk of the cost."

Mayor Pro Tem Mary Rocha addresses the budget issues saying that while she hated the word outsourcing, maybe that was something that needed to be considered with respect to the golf course.

Duran then interjected that other things to think about along those lines were the water park, the senior center,

other recreational programs and arts and cultural programs. He also noted, in response to the public comments, that residential development would bring more property tax, and would encourage retail to follow, generating additional sales tax.

"Even so, it's three years before we see some of the positive economic impacts of most of that," he said.

Merchant then also responded to some of the public comments regarding police officer funding.

"We have 97 sworn in next year's budget...if we were to add another 20 officers to that, that would be \$4.3 million on top of what we're projecting for the expenses here, so that's another \$4.3 million in fund balance reduction if we were to add another 20 officers beyond that," she said. "The cost per officer has gone up astronomically since 2008 due to various benefit increases as well as pre-negotiated salary increases in their memorandum of understanding."

"You know, this is real money and

real jobs," Councilman Gary Agopian said. "This is not made up. We're making important decisions, we can't push it off. The gap is not going to get better unless we take in more money, or reduce expenses. There's only so much money. All the money in Measure C is going to police. I'm not in favor of increasing our non-public safety budget. I will not agree to spend any additional money...We need to continue to hire, but we need to hire in a measured way for public safety. As we get the money...we can hire."

The Council then gave direction by consensus on the several items brought forward. They decided no on earthquake insurance, and no on funding for maintenance at the library on East 18th Street. The structure of staff positions suggested by Duran was approved, but raises for people whose positions were changed were denied. Duran suggested that, over the next several months, the City should look into and consider the privatization or sale of the golf course.

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