

VOTER'S PAMPHLET
MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)
Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

CITY OF WATSONVILLE

G To fight crime, respond quickly to medical emergencies and fires, keep youth on the right track and make Watsonville safer by: adding firefighters and police; increasing neighborhood police patrols; updating firefighter safety equipment and stations; improving youth programs to fight gangs and reduce violence; shall Watsonville enact a one-half cent sales tax for seven years, with all funds restricted to these specific uses, subject to independent citizen's oversight, annual audits, and protected from government takeaways?

FULL TEXT OF BALLOT MEASURE G

ORDINANCE NO. _____ (CM)

A CODIFIED ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE ADDING A NEW ARTICLE 11 TO CHAPTER 6 (TAXATION) OF TITLE 3 (FINANCE) OF THE WATSONVILLE MUNICIPAL CODE IMPOSING A ONE-HALF OF ONE PERCENT (0.50%) TRANSACTIONS AND USE TAX: PUBLIC SAFETY SALES TAX MEASURE TO BE ADMINISTERED BY THE CALIFORNIA STATE BOARD OF EQUALIZATION

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THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1. ENACTMENT.

Article 11 Transactions and Use Tax Ordinance: Public Safety Sales Tax Measure is hereby added to Chapter 6 (Taxation) of Title 3 (Finance) of the Watsonville Municipal Code to read as follows:

Article 11. Transactions and Use Tax: Public Safety Sales Tax Measure

Sec. 3-6.1101 Title.

This ordinance shall be known as the City of Watsonville Transactions and Use Tax: *Public Safety Sales Tax Measure*. The City of Watsonville hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the City of Watsonville.

Sec. 3-6.1102 Program Restrictions.

The Public Safety Sales Tax Measure will provide a secure, local revenue stream to the City of Watsonville that shall be used entirely to provide additional police and fire personnel, update public safety equipment, facilities and services and enhance youth violence prevention programs to protect our community. Detailed expenditure plans shall be developed to explain how the funds will be spent if the one-half of one percent (0.50%) sales tax is approved. These Program Restrictions are established to govern how the money shall be spent, to specify the accounting, audit and oversight methods that will be implemented to make certain that the funds are spent according to the voters' direction, and to ensure the public is well-informed of the progress and process.

(a) **Public Safety Services.** The Public Safety Sales Tax Measure will enable the City to hire more police officers, help improve police emergency response times, increase neighborhood patrols, maintain anti-gang and youth violence prevention, intervention and suppression efforts, including the Caminos and Police Activities League programs, upgrade equipment and technology to help solve crimes, catch criminals and fight gangs, expand programs to identify and shut down drug and gang houses, hire more firefighters to ensure enough are on duty, maintain fire and paramedic emergency response times, and replace inadequate and outdated life saving equipment.

(b) **Fiscal Accountability Protections.** An independent auditor shall annually review and audit expenditures of funds specifically derived from the Public Safety Sales Tax Measure, to disclose how the money was used and ensure compliance with the expenditure plans and to ensure that revenues are spent within prudent, established accounting procedures and practices. The results shall be part of the City's annual audit.

The City Revenue Measure Oversight Committee shall serve in an oversight capacity to at least bi-annually review revenues and expenditures and provide a second independent verification that all expenditures are being made as promised to Watsonville residents. The findings of both the Revenue Measure Oversight Committee and the independent auditor shall be reviewed by the City Council at a publicly noticed meeting of the Council and made available to the public.

The Public Safety Sales Tax Measure will expire after seven (7) years at which time Watsonville voters can choose to either renew the tax or let it expire.

(c) **Dedicated Accounting Structure.** The Public Safety Sales Tax Measure annual budget appropriation shall specify that all revenues from the Public Safety Sales Tax Measure shall be used only for improving our community's public safety, with the revenue to be directed in support of the Police and Fire Departments, in the proportions of sixty percent (60%) to Police and forty percent (40%) to Fire. The proportions are based upon the approximate historical General Fund budgetary funding proportions of the two departments.

The City shall establish separate funds into which these specific monies shall be deposited. These funds shall be separate for Police and for Fire and shall be the source of their respective expenditures as established in the annual budget appropriation reviewed by the Revenue Measure Oversight Committee and approved by resolution of the Council.

(d) **Maintenance of Effort.** The City Council shall not use Public Safety Sales Tax Measure funds to replace General Fund operating budget contributions for the Police and Fire Departments. The baseline maintenance of effort budgets for this purpose shall be the Fiscal Year 2013-2014 Adopted General Fund budgeted City contribution amounts for Police and Fire operations. The Police Department Fiscal Year 2013-2014 Adopted General Fund operating City budget contribution amount is \$12,359,924; and the Fire Department Fiscal Year 2013-2014 Adopted General Fund operating City budget contribution amount is \$5,672,299.

(e) **Administrative Costs.** Administrative overhead costs for accounting, payroll and human resources related to the Public Safety Sales Tax Measure shall not exceed two percent (2%) of the annually budgeted revenues.

(f) **Contingency/Reserve Fund.** Because the Public Safety Sales Tax Measure is used for essential services that are needed during both good and bad economic times, the City Council shall establish a Contingency/Reserve Fund adequate to ensure that services are maintained in the event sales tax revenues decline. There shall be a separate Public Safety Sales Tax Measure Contingency/Reserve Fund for the Police Department and the Fire Department.

A Public Safety Sales Tax Measure Contingency/Reserve Fund shall be established as follows: A Contingency/Reserve Fund containing ten percent (10%) of the annually budgeted revenues will be established. In any given year when the Contingency/Reserve Fund holds less than the required ten percent (10%) of annual revenues, the first use of funds will be to implement the plan's current year program and then to establish or re-establish the Contingency/Reserve fund.

If actual revenues in any given year are less than budgeted revenues, the City Council may use the Contingency/Reserve Fund to make up the difference between budgeted revenues and actual revenues for the approved annual budget appropriation.

(g) **Priorities if additional revenues are available.** If the Contingency/Reserve Fund is fully funded and all annual planned expenditures have been implemented, any additional unanticipated sales tax revenues shall be used first to accelerate the implementation of the expenditure plans and then to provide additional public safety facilities, personnel, and equipment and youth violence prevention based upon the specific needs of the community with the review and recommendation of the Revenue Measure Oversight Committee and approval of the City Council.

Sec. 3-6.1103 Operative date.

"Operative Date" shall mean the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance.

Sec. 3-6.1104 Purpose.

This ordinance is adopted to achieve the following, among other purposes, and

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directs that the provisions hereof be interpreted in order to accomplish these purposes:

(a) To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) and Section 7285.91 of Part 1.7 both in Division 2 of the Revenue and Taxation Code which authorizes the City to adopt this tax ordinance which shall be operative if two-thirds of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

(b) To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

(c) To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

(d) To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

Sec. 3-6.1105 Contract with State.

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

Sec. 3-6.1106 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 (0.50%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory for seven (7) years from the operative date of this ordinance.

Sec. 3-6.1107 Place of sale.

For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. If 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.

Sec. 3-6.1108 Use tax rate.

An excise tax is hereby imposed on the storage, use or other consumption in the incorporated territory of the City of tangible personal property purchased from any retailer for seven (7) years after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one-half of one percent (0.50 %) 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.

Sec. 3-6.1109 Adoption of provisions of State law.

Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of

Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

Sec. 3-6.1110 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 ordinance.

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

(i) 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

(ii) 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.

Sec. 3-6.1111 Permit not required.

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

Sec. 3-6.1112 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:

(i) 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

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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

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

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

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

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

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

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

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

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

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

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

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

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

(d) Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district

imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

Sec. 3-6.1113 Amendments.

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

Sec. 3-6.1114 Enjoining collection forbidden.

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

Sec. 3-6.1115 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.

Sec. 3-6.1116 Effective date.

This ordinance relates to the levying and collecting of the City transactions and use tax and shall take effect immediately.

Sec. 3-6.1117 Termination date.

The tax levied by this ordinance shall continue from October 1, 2014, until September 30, 2021, which is seven (7) years from the Operative Date of this ordinance.

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IMPARTIAL ANALYSIS BY CITY ATTORNEY MEASURE G

Referendum - Ordinance

The City Council of the City of Watsonville has placed Measure G on the June 3, 2014, ballot to ask the voters to approve an ordinance that would enact a temporary one-half percent (0.50%) sales tax within the City. If approved, the tax would add one-half cent to the price of an item that costs one dollar. Sales taxes are levied on the sale or use of "tangible personal property" sold at retail. Retailers collect the tax at the time of sale and remit the funds to the State Board of Equalization, which administers the tax.

The tax on retail sales in Watsonville is now 8.5% of the purchase price. The City, however, only receives 1.5% of this 8.5%. The remainder goes to the State (6.5%), and (0.50%) to the Santa Cruz Metropolitan Transit District. This Measure, if approved by the voters, would authorize an additional one-half percent sales tax (officially referred to as a "transactions and use" tax) which would increase the total sales tax rate on retail sales in Watsonville from 8.5% to 9% for a seven year period, at which time it would automatically end.

California law (Government Code §§ 50075.1) requires that

1. special tax proceeds be applied only to the specific purposes identified,
2. an account be created into which the proceeds shall be deposited and
3. that an annual report be provided pursuant to Section 50075.3 that contains the amount of funds collected and expended and the status of any project required or authorized to be funded as identified in subdivision (a) of Section 50075.1.

All revenue generated by this Measure would therefore go to a special public safety fund and may be used only for police and fire services and not used or borrowed against for other purposes. A citizen's oversight committee will review use of the funds to verify the funds are used for only the stated public safety purposes. City financial statements made available to the public in public meetings will disclose how much is collected and how it is spent. The Measure requires the independent auditors to audit the fund with other City funds and prepare annually a publicly available report reviewed at a public meeting on the collection, management, and spending of revenue from the tax.

In summary, the City may use the funds only to "provide additional police and fire personnel, update public safety equipment, facilities and services and enhance youth violence prevention programs."

This tax by its own terms ends automatically seven (7) years after collection begins.

A "Yes" vote is a vote to approve the enactment of the one half percent tax for 7 years. A "No" vote is a vote against the tax. This Measure would be approved if two-thirds of those voters who vote approve the measure by voting "yes."

The above statement is an impartial analysis of Measure G. You can also visit the Santa Cruz County Elections Department Website for additional information: <http://www.votescount.com/jun14/lm.htm#meaj>

March 19, 2014

s/ Alan J. Smith
City Attorney

FISCAL IMPACT STATEMENT BY ADMINISTRATIVE SERVICES DIRECTOR - MEASURE G

Measure G authorizes the City of Watsonville to impose a special sales and use tax (sales tax) of one half of one percent (0.50%) on transactions in the City of Watsonville for seven years, beginning in fiscal year (FY) 2014-15 and ending in FY 2020-21. The tax proceeds will be deposited into a special and segregated account to be used only for Public Safety Services (Police and Fire) which include:

- Hiring new police officers
- Hiring new firefighters/paramedics
- Upgrading technology to help solve crimes
- Improving response times for both police and fire
- Obtaining needed safety equipment to fight crime and respond to emergency calls, and
- Maintaining anti-gang/youth violence prevention efforts, and
- Increasing neighborhood patrols

As this is a special tax, monies may only be used for the specific purposes described in the proposed ordinance and ballot language. I estimate this sales tax measure will generate approximately \$2.8 million annually and \$20 million over 7 years, which would be split 60% for police services and 40% for fire services. The tax rate cannot be increased by action of the City Council without voter approval. In addition the following restrictions are imposed on this tax.

- The measure will automatically end after seven years unless the voters vote to renew the measure after 7 years
- The measure would require 2/3 vote for enactment
- A Revenue Oversight Committee will review the annual budget. The Committee will include various members of the community to ensure funds are spent on the specific areas indicated by the measure.
- A Maintenance of effort requirement will be established to ensure current spending levels for police and fire services are sustained. The maintenance of effort would be the FY 2013-14 budget.
- An independent annual audit will be performed on these funds

Based on my analysis of past sales tax revenues provided by City staff, the projected revenues appear accurate. In this analysis I relied on the best data available at this time; however, actual revenues may be more or less than City staff's estimates due to increased or decreased sales due to changes in the general economy.

s/ Ezequiel Vega,
Administrative Services Director

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ARGUMENT IN FAVOR OF MEASURE G

Vote YES on G for a safer Watsonville!

Measure G funds can be used **ONLY** for public safety services in Watsonville—nothing can be diverted for other purposes or taken by the State.

Measure G will increase police, fire and emergency medical services, including rapid emergency response to life-threatening emergencies, neighborhood police patrols, youth violence prevention and anti-gang programs—services that save lives and make Watsonville a safer place.

Since 1983, Watsonville's population has tripled and emergency calls have increased by 700%, while the number of on-duty firefighters has remained the same. Violent crime rates in Watsonville are higher than state and national averages, and police don't have the equipment and technology needed to coordinate in solving crimes and fighting gangs.

Vote YES on G for a Safer Watsonville:

- Provide enough firefighters and paramedics to ensure rapid emergency response times for police, firefighters and paramedics
- Expand programs to fight gangs and identify and shut down drug houses
- Protect proven, successful anti-gang and youth violence prevention efforts that reach hundreds of first-time offenders to get them on the right track
- Replace inadequate, outdated equipment for firefighters and paramedics such as the Jaws of Life, defibrillators and essential safety gear
- Increase neighborhood police patrols
- Upgrade equipment and technology to solve crimes and fight gangs

Strict Fiscal Accountability Is Required:

- By law, all funds are dedicated solely to police, fire and emergency medical services
- No funds can be taken by the state
- An Independent Citizens Oversight Committee representing a range of interests and neighborhoods will review all expenditures and make annual public reports

Measure G provides **local** funding that stays under **local** control—dedicated exclusively to keeping Watsonville safe.

Join police and fire along with local business, neighborhood and faith leaders—**Vote YES on G!**

s/ Karina Cervantez
Mayor, City of Watsonville

s/ Betty J. Bobeda
former Mayor City of Watsonville

s/ Masaru Hashimoto
Retired Educator

s/ Nevenka Radich
Retired Educator/Business Owner

s/ Dee Dee Vargas
Realtor/Revenue Measure Oversight Committee Chair

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE G

Did You Know...

- How much of the \$20 million special tax money will actually be spent on new hires, vehicles, and equipment by the Police and Fire Departments?

NO

Why has the City kept this information secret?

- That payment for retirement benefits (CalPERS) for both Police and Fire will be paid from the \$20 million?

NO

Two years ago the City borrowed \$5.4 million to pay the annual retirement benefits from various city departments. One of them was the Park's Development Fund, which may defer youth crime.

Former Police Chief Terry Medina receives approximately \$195,000 annually in retirement benefits.

- The City will charge taxpayers a percentage rate for Administrative Fees from the special tax fund to allocate the tax money to Police/Fire Departments?

NO

Instead of actual costs, if the City charges a 10% rate, it will gain \$2 Million in the seven-year life span of the special tax. This money could be funneled to the General Fund.

- The City can legally borrow from the special tax fund at any time with the City Council approval regardless of any "restrictions" placed by the Oversight Committee and/or the State?

NO

- *The City Charter guarantees that the City Council (as elected officials) supersedes any committee.*

- That City Manager Carlos Palacios earns more than the Governor?

NO

If you answered "No" to the majority of the questions, Why would you vote for the tax increase?

VOTE NO on MEASURE G

s/ Emilio Martinez
Former Watsonville City Councilmember, Private Investigator

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ARGUMENT AGAINST MEASURE G

Don't Trust this City Council with your Money VOTE NO against Greed

- **Big Money Grab** for City Pensions
- **Highest Sales Tax** in Santa Cruz County
- **Unfair Prices** hurt lo-income families most
- **Serious Lack of Trust** for City Administration

The public was tricked into believing that a very expensive Fire Truck was purchased only to discover that it **was not located in town**. Residents in Districts 6 & 7 were promised a new fire House near the East Lake Shopping Center. Monies were collected....there is still **NO Fire Station** there!

Discover details at: www.watsonvillefishingreport.com

Spending is way out of control by the City of Watsonville. The questionable practice of spending special funds from different accounts has led to numerous newspaper stories and investigation. Even the Santa Cruz County Grand Jury has documented a lack of transparency with some financial dealings associated with the City of Watsonville.

City Manager & City Clerk salaries are raised or given pension upgrades while many of our poorest residents continue to suffer financial hardship and unemployment.

Did the retired Police Chief win the Lottery?

The former Watsonville Police Chief is raking in more than \$190,000 in pension payments every year! How would you like to retire at \$15,000 a month for the rest of your life? Look up retirees at: www.transparentcalifornia.com

Only the City Council can spend this money

Don't get me wrong; our current Chief of Police is a very honorable man. However, he is not in control of spending with these special Measure G tax funds. In point of fact, neither is the independent oversight committee.

Measure G is nothing more than a greedy grab for more of your hard earned money. Don't be fooled again by empty promises. **Please Vote NO on Measure G.** Thank You

s/ Emilio Martinez

Former Watsonville City Councilmember, Private Investigator

REBUTTAL TO ARGUMENT AGAINST MEASURE G

A YES Vote on G is a vote for a safer Watsonville.

Measure G provides for a safer Watsonville with local funding that stays under local control for local services -dedicated exclusively to public safety.

Measure G Funds Have Strict Fiscal Accountability with Transparency. These funds can only be used to fund public safety, are protected by state law, local ordinance and a Citizens Oversight Committee.

- Funds are dedicated solely to police, fire and emergency medical services
- No funds can be taken by the state or used for other purposes
- An Independent Citizens Oversight Committee representing a range of interests and neighborhoods will **review all expenditures and make annual public reports to you the voter!**

Measure G will increase services that save lives and make Watsonville safer:

- More police officers, firefighters and paramedics
- Rapid response to life-threatening emergencies
- Increase neighborhood police patrols
- Expand youth violence prevention and anti-gang programs

Measure G will provide resources to:

- Expand programs to fight gangs and identify and shut down drug houses
- Replace inadequate, outdated equipment for firefighters and paramedics such as the Jaws of Life, defibrillators and essential safety gear
- Upgrade equipment and technology to solve crimes and fight gangs

Join police, fire and public safety leaders along with local business, neighborhood and faith leaders who have already endorsed and support Measure G!

s/ Betty J. Bobeda

former Mayor, City of Watsonville

s/ Masaru "Mas" Hashimoto

retired school teacher PVUSD

s/ Nevenka Radich

Retired Educator/Business Owner

s/ Dee Ann Vargas

Realtor, Resident of Wats., Revenue Measure Oversight Committee Chair

s/ Karina Cervantez

Mayor, City of Watsonville