

CITY OF FOLSOM

MEASURE G

Shall the measure to enact a 1 percent transaction and use tax (sales tax), providing approximately \$29 million annually until ended by voters, requiring local control, citizen oversight, independent annual audits, all funds staying in Folsom and the proceeds used only for the following: 20% - police services, 20% - fire protection, 15% - parks/trail improvement, 15% - traffic/street maintenance, 15% - community enhancement/economic development, and 15% - major capital improvement projects, be adopted?

Impartial Analysis of Measure G

Prepared by the City Attorney

A group of Folsom citizens has petitioned, through a local initiative, that a measure be placed on the November 5, 2024 ballot, asking voters to authorize the enactment of a new transactions and use (sales) tax on the sale and/or use of all tangible personal property sold at retail in the City and on-line sellers, at the rate of one cent for every dollar spent (or one percent), on an ongoing basis.

The measure, which was placed on the ballot by a petition signed by the requisite number of voters, proposes a “special sales tax”, from which the revenue could only be used for the following specific purposes and for no other purpose:

- A. 20% for “**Police and Crime Reduction**” to maintain and improve police services and additional staffing, and to provide equipment and facilities for Folsom Police.
- B. 20% for “**Fire, Rescue, and Emergency Medical Services**” to maintain and improve fire, rescue and emergency medical services, and to provide equipment and facilities for Folsom firefighters and paramedics.
- C. 15% for “**Parks, Recreation Facilities and Trails**” to maintain and renovate existing parks, trails, and other recreation facilities, including sports facilities used jointly with the Folsom-Cordova Unified School District and provide for funding to complete identified incomplete parks and trails in Folsom.
- D. 15% for “**Traffic Mitigation and Environmental Water Quality**” to improve traffic congestion and safety, street maintenance, storm system repair and maintenance, and to maintain creek corridor and water quality in Folsom.
- E. 15% for “**Community Enhancement and Economic Development**” to be used for investments, job creation, and projects to enhance quality of life and long-term economic viability for the City, such as those consistent with a City adopted master plan.
- F. 15% for “**Major Capital Improvement Projects**” to help fund major improvements to City infrastructure or facilities, including transportation/traffic safety, stormwater systems, parks and recreation facilities, public safety facilities, parking facilities, libraries and large capital equipment.

If passed by a simple majority vote of the voters voting on the measure, the Folsom Municipal Code would be amended by the enactment of an ordinance imposing the new tax.

Currently, the cumulative tax rate on retail sales in Folsom is 7.75% of the purchase price. The tax revenue is allocated among the State, Sacramento County, the City of Folsom, and other public agencies. Folsom's share is 1% of the purchase price. Measure G would increase the cumulative tax rate in Folsom to 8.75%, with all proceeds to remain in Folsom, and Folsom's share would increase to 2%. Collection of the tax would begin on April 1, 2025.

A "yes" vote is a vote in favor of authorizing the proposed transactions and use tax on an ongoing basis. A "no" vote is a vote against authorizing the proposed transactions and use tax.

The above statement is an impartial analysis of Measure G. If you desire a copy of the Measure, please call the City Clerk's Office at (916) 461-6035 and a copy will be mailed at no cost to you.

s/ Steven Wang
City Attorney, City of Folsom

*****YOU CAN FIND THE MEASURE ARGUMENTS FOLLOWING THE FULL TEXT OF THIS MEASURE*****

The people of the City of Folsom ordain as follows:

SECTION 1. TITLE.

This measure shall be known as the "Folsom Residents Public Safety and Quality of Life Act."

SECTION 2. FINDINGS.

The people of the City of Folsom find:

A. For decades, the City of Folsom has led the State in safety and livability. Many residents live in the City because it offers a higher level of amenities, services, programs, and quality of life than in neighboring cities. Many businesses operate and thrive here because of the City's business-friendly environment, robust and year-round recreational activities and events, and high-quality public facilities.

B. However, the City's unique geography, with its lakes, creeks, trails, bikeways, and scenic hillsides, combined with the age of its roads, sidewalks, and public buildings make it an expensive City to maintain. While the City of Folsom has seen increased costs to preserve core essential services for its residents, revenue is projected to remain relatively flat. Because the City's population and community expectations continue to rise, the City is forced to do more with less. Without increased revenues, a reduction in City services will be required to balance future budgets.

C. The City has significantly reduced staffing levels, increased employee contributions towards retirement and health benefits, and eliminated retiree health benefits for new employees. Yet because of the City's looming fiscal crisis, core essential services for Folsom residents are in dire need of more funding:

1. Sworn officer staffing levels are below those in 2008 and below the regional average.
2. Folsom has the only fire station without a fire engine in Sacramento County and residents face an increased amount of response time for ambulances.
3. City facilities, parks, and trails are aging out, and maintenance has had to be deferred and levels of service have been and will continue to be reduced.
4. There are at least \$20 million annually in unfunded or underfunded needs, including transportation upgrades and improvements, incomplete parks and trails, and inadequately maintained city facilities, that the City is either deferring or not completing.

D. The City needs a dependable and local source of revenue to fund core essential services that Folsom residents deserve and expect.

E. For that reason, the voters of the City of Folsom seek to enact a 1-percent (one cent) special transactions and use tax (sales tax) increase to ensure that the City can maintain and improve the quality of core essential services and programs. This modest increase would bring Folsom's sales tax rate to 8.75%, consistent with or better than neighboring cities such as Rancho Cordova (8.75%), Sacramento (8.75%), Elk Grove (8.75%) and Galt (9.25%). A significant portion of the funds generated by this increase, approximately 40%, would be paid for by visitors, not the residents of the City of Folsom. All of the funds generated by this increase would remain in Folsom to be used for the betterment of our community.

SECTION 3. PURPOSE AND INTENT.

In enacting this measure, it is the intent of the people of the City of Folsom to maintain and improve the safety and quality of life for City residents and to provide for core essential services in the community for decades to come, by doing the following:

A. Expressly providing that the funds generated by this Special Sales Tax are to be used for core essential City services as set forth in the measure and generally as follows:

1. Twenty (20%) percent to maintain and improve police services and additional staffing, and to provide equipment and facilities for our police force.
2. Twenty (20%) percent to maintain and improve fire, rescue and emergency medical services, and to provide equipment and facilities for our firefighters and paramedics.
3. Fifteen (15%) percent to maintain and renovate existing parks, trails, and other recreation facilities, including sports facilities used jointly with the Folsom-Cordova Unified School District and provide for funding to complete identified incomplete parks and trails.
4. Fifteen (15%) percent to improve traffic congestion and safety, street maintenance, storm system repair, and to maintain creek corridor and water quality.

5. Fifteen (15%) percent for investments and projects to enhance quality of life and long-term economic viability for the City, such as those consistent a City adopted master plan.
6. Fifteen (15%) percent for major improvements to City infrastructure or facilities, including transportation/traffic safety, storm water systems, parks and recreation facilities, public safety facilities, parking facilities, libraries and large capital equipment.

B. Expressly requiring an annual audit and an active and dedicated Citizen’s Oversight Committee to ensure that funds generated by this measure are used consistently with the will of the voters and the needs of the City as a whole. This Committee will be charged with examining the funds received from this tax, recommending a spending plan for these funds to the Folsom City Council, examining how those funds are spent, and submitting a report to the residents of the City of Folsom and the City Council each year.

C. Expressly providing that none of the revenues can be used to enhance existing public employee retirement benefits or to replace existing funding from developer requirements.

SECTION 4. FOLSOM RESIDENTS PUBLIC SAFETY AND QUALITY OF LIFE ACT.

Chapter 3.140, “Folsom Residents Public Safety and Quality of Life Act”, is hereby added to the Folsom Municipal Code to read as follows:

Chapter 3.140 Folsom Residents Public Safety and Quality of Life Act.

- 3.140.010 Title.**
- 3.140.020 Definitions.**
- 3.140.030 Purpose.**
- 3.140.040 Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund.**
- 3.140.050 Receipt of Proceeds.**
- 3.140.060 Use of Proceeds.**
- 3.140.070 Maintenance of Effort.**
- 3.140.080 Contract with State.**
- 3.140.090 Transactions Tax Rate.**
- 3.140.100 Place of Sale.**
- 3.140.110 Use Tax Rate.**
- 3.140.120 Adoption of Provisions of State Law.**
- 3.140.130 Limitations on Adoption of State Law and Collection of Use Taxes.**
- 3.140.140 Permit Not Required.**
- 3.140.150 Exemptions and Exclusions.**
- 3.140.160 Amendments.**
- 3.140.170 Enjoining Collection Forbidden.**
- 3.140.180 Annual Independent Audit.**
- 3.140.190 Citizens’ Oversight Committee.**

3.140.010 Title.

This Chapter shall be known as the “Folsom Residents Public Safety and Quality of Life Act” (“Act”).

3.140.020 Definitions.

“Committee” means the Citizens’ Oversight Committee established as set forth in Section 3.140.190.

“City” means City of Folsom.

“City Council” means City of Folsom City Council.

“Fund” means the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund.

“Operative Date” means the first day of the first calendar quarter commencing more than one hundred ten (110) days after the adoption of this Act.

3.140.030 Purpose.

This Act 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 7285.91 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.

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 California Department of Tax and Fee Administration 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 California Department of Tax and Fee Administration 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.

E. This Special Transaction and Use Tax measure approved by the voters of the City of Folsom shall be used solely to sustain and improve the safety and quality of life for City residents and to provide for core essential services in the community for decades to come.

3.140.040 Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund.

There is hereby established in the treasury of the City of Folsom a special fund called the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund, which shall be maintained by the City.

3.140.050 Receipt of Proceeds.

A. All revenue generated by this Act shall be deposited into the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund and shall solely be used in the City of Folsom for the purposes described in this Act.

B. Monies in the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund shall be used to reimburse the City for the costs imposed by the California Tax and Fee Administration to administer and operate this tax pursuant to Section 3.140.080 and for use for the Annual Independent Audit pursuant to Section 3.140.180.

C. The remaining monies in the Fund shall be expended pursuant to and subject to the requirements set forth in Sections 3.140.060 and 3.140.070.

3.140.060 Use of Proceeds.

The monies in the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund shall be used solely to enhance core essential City services to maintain and improve the quality of life of residents of the City for the following distinct purposes, and the revenues generated by this Act shall be utilized based on the percentages listed below. With the adoption of the City budget and quarterly as determined by the City Manager and Chief Financial Officer, the City shall apportion the revenues within the categories in this Act based on the City's anticipated needs and projects in the coming year or following years for projects spanning multiple years. The following are the allowable uses and annual percentages for the revenues generated by this measure:

A. Police and Crime Reduction. Twenty percent (20%) of the monies in the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund shall be used to (1) maintain and improve core essential police services through funding additional officers, crime analysts, community service officers, and non-sworn police support staff and code enforcement officers above the approved staffing levels in the 2023-2024 City Budget; (2) purchase patrol and response vehicles, equipment and supplies for police uses, information technology resources and support; (3) renovate and construct police facilities; and (4) fund a reserve for future expenditures consistent with the uses described in this section. No funds shall be used to enhance existing retirement benefits.

B. Fire, Rescue, and Emergency Medical Services. Twenty percent (20%) of the monies in the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund shall be used to (1) maintain and improve core essential fire services through funding additional firefighters, EMS, and fire support staff above the approved staffing levels in the 2023-2024 City Budget, including training resources and support, wildland fire protection, mitigation programs and resources; (2) purchase of

equipment and supplies, information technology resources and support for city fire resources; (3) renovate and construct fire facilities; and (4) fund a reserve for future expenditures consistent with the uses described in this section. No funds shall be used to enhance existing retirement benefits.

C. Parks, Recreation Facilities and Trails. Fifteen percent (15%) of the monies in the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund shall be used to (1) maintain and improve core essential recreational services through renovation of existing parks and park facilities, recreation facilities, and joint-use Folsom-Cordova Unified School District sports facilities, at funding levels above approved 2023-2024 City Budget; (2) staffing or contract services to plan and construct unbuilt parks and park facilities north of Highway 50; (3) expand information technology resources and support; (4) maintain and enhance bicycle and pedestrian trails and facilities; and (5) fund a reserve for long term expenditures consistent with the uses described in this subdivision. The revenues from this Act shall not replace developer requirements or other existing funding mechanisms required as a condition of development. No funds shall be used to enhance existing retirement benefits.

D. Traffic Mitigation and Environmental Water Quality. Fifteen percent (15%) of the monies in the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund shall be used to maintain and improve core essential transportation services including (1) transportation projects to improve traffic congestion and safety; (2) street maintenance pavement/pothole repair; (3) construction or matching funds for transportation projects in the City; and (4) information technology resources and support, including intelligent traffic management systems; and (5) personnel or contractors and equipment for storm drain system repair and maintenance, creek corridor and water quality pond maintenance; and (6) funding a reserve for future expenditures consistent with the uses described in this section. The revenues from this Act shall not replace developer requirements or other existing funding mechanisms. No funds shall be used to enhance existing retirement benefits.

E. Community Enhancement and Economic Development. Fifteen percent (15%) of the monies in the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund shall be used for investments, projects, and staff or contractors to maintain and enhance the quality of life and long-term economic viability of the City of Folsom. Permitted uses of these funds include economic development administration, investments that yield a net positive impact on jobs or revenues in the City, community volunteer resources and support, projects consistent with a City adopted master plan approved by the City Council, and a reserve fund for future expenditures consistent with the uses described in this subdivision.

F. Major Capital Improvement Projects. Fifteen percent (15%) of monies in the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund shall be used for major improvements to City infrastructure or facilities, including but not limited to transportation/traffic safety, stormwater systems, parks and recreation facilities including multi-use trails and bridges, city-owned buildings and facilities, public safety facilities, parking facilities, and libraries, and to fund a reserve for future capital projects and capital equipment with a useful life expectancy greater than five (5) years.

3.140.070 Maintenance of Effort.

The People of the City of Folsom find and declare that the funding provided by the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund to each of the city departments and budget categories for those departments as specified in this Act will supplement and not replace the existing level of General Fund contribution approved by the City Council in its 2023-2024

budget. Revenues generated by this Act shall not be used to supplant the existing General Fund contributions in the categories described in this measure without a declaration of a fiscal emergency by a four-fifths vote of the City Council, and then only for the limited duration of the fiscal emergency.

3.140.080 Contract with State.

Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration 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 California Department of Tax and Fee Administration 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.

3.140.090 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 percent (1%) 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 ordinance.

3.140.100 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. 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 California Department of Tax and Fee Administration.

3.140.110 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 ordinance for storage, use, or other consumption in said territory at the rate of one percent (1%) 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.

3.140.120 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.

3.140.130 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 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 California Department of Tax and Fee Administration, 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:
 - 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.

1. "A retailer engaged in business in the District" shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this state or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars (\$500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267 (b) of Title 26 of the United States Code and the regulations thereunder.

3.140.140 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.

3.140.150 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 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 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 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 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 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.

3.140.160 Amendments.

All amendments subsequent to the effective date of this Act 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.

3.140.170 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.

3.140.180 Annual Independent Audit.

The proceeds of the tax imposed by this Act, as well as the expenditures from the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund, shall be subject to the same independent annual audit requirements as other revenues in the City of Folsom. An independent auditor's report may be funded by the revenues from the Fund and shall include an accounting of the revenues received and expenditures made from the Fund and shall be presented annually to the city council by the Citizens' Oversight Committee and made available for public review. The report of such audit shall be posted on the City' website.

3.140.190 Citizens' Oversight Committee.

The City Council shall, by resolution adopted before the operative date of this Act, establish a nine-member Citizens' Oversight Committee to review the revenue and expenditure of funds from the Folsom Residents Supporting Public Safety and Quality of Life Initiative Fund, address the use of funds to assure the funds were expended consistent with the requirements of this chapter, and to make recommendations to the City Council for future expenditures. The members terms, qualifications, duties, and the scope of the Committee, shall be as established by resolution of the City Council and shall include representatives of the City Finance Department, the Police Department, the Fire Department, a representative from a recreational sports organization within the City of Folsom, a representative of a parks and trails organization within the City of Folsom, a representative focused on streets and environmental stormwater, a representative from a business community organization within the City of Folsom, and two (2) at-large members who are residents of the City of Folsom. All meetings of the Committee shall be open to the public. The Committee shall prepare an annual report to be presented and reviewed by the City Council at a City Council meeting. The report shall be available to the public.

SECTION 5. EFFECTIVE DATE.

This Act relating to the levying and collecting of the City transactions and use tax shall take effect ten (10) days after the certification by the City Council of the election returns indicating passage of the Act by a majority of the voters casting votes in the election; however, the Operative Date of the tax imposed by this act shall be the first day of the first calendar quarter commencing more than one hundred ten (110) days after the adoption of this Act.

SECTION 6. SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or word of this Act is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Act. The voters of City of Folsom hereby declare they would have passed and adopted this Act and each and all provisions hereof irrespective of the fact that any one or more of said provisions be declared invalid.

SECTION 7. LIBERAL CONSTRUCTION.

This measure is an exercise of the initiative power of the People of the City of Folsom to implement a special tax to fund the purposes set forth in the Act, and it shall be liberally construed to effectuate these purposes.

SECTION 8. CONFLICTING MEASURES.

This measure is intended to be comprehensive. It is the intent of the People of the City of Folsom that, in the event this measure and one or more measures relating to a special transactions and use tax" shall appear on the same ballot, the provisions of the other measure or measures shall be deemed in conflict with this measure. In the event that this measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and all provisions of the other measure or measures shall be null and void.

ARGUMENT IN FAVOR OF MEASURE G

Folsom is one of the most unique and desirable cities in Northern California, and we must keep it that way. A broad coalition of small business owners, public safety members, residents and community groups have come together to say **YES on Measure G**.

Measure G is about local control. ALL FUNDS generated by this measure MUST STAY IN FOLSOM and can only be used for the essential services in the measure. *None of the revenue, not one cent, can be taken by the state or the county.*

YES on G provides additional funding for public safety to address crime, fire protection and emergency medical response. We have fewer police officers, firefighters and paramedics than we did 15 years ago, and Measure G provides the solution.

Yes on G provides funding for maintenance and renovation of our parks, 55+ miles of trails, and other recreation facilities.

Yes on G will fund road improvements and reduce traffic congestion, address our aging storm drain system and improve water quality, and invest in economic development to support Folsom businesses to secure Folsom's financial future.

YES on G has strict fiscal accountability, and requires a citizens' oversight committee to assure that the revenue is only used for the purposes that voters approve, and requires an annual, independent audit and transparency so residents know that every dollar is accounted for.

YES on G is a vote to prevent future cuts in city services including public safety, street maintenance, parks and trails, library services, and other areas vital to maintain our quality of life, strong property values, and to ensure a safe and secure community.

Join your fellow residents, local small business owners and vote **YES ON G** to protect Folsom's future.

Learn more at www.yesonfolsommeasureg.org

s/ Colleen Shannon

small business owner, library commissioner and Folsom resident

s/ Dan Carson

Firefighter and SAFF L522 Folsom Fire Representative

s/ Doug Lee

Retired Police Chief and Folsom resident

s/ Rich Francis

small business owner, President of the Folsom Athletic Association and Folsom resident

s/ Mark Bahouth

2024 Board Chair- Folsom Chamber of Commerce and 29 year Folsom Resident

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE G

Why does a true citizens group urge you to stop this special interest tax?

- Folsom is **NOT** in a financial crisis and has balanced the budget every year. The City of Folsom projects 2024-25 revenues will increase by \$6,771,315. Revenue keeps going up, yet the City wants to spend even more.
- This tax increase creates “**Ballot Box Budgeting**” forcing Folsom to spend more and wreak havoc on the normal budgeting process. This \$29,000,000+ tax increase would add 27% to the operating budget! A huge raise for anyone with no sunset clause!
- Over the next five years, this permanent, never-ending, and **FOREVER** tax would raise \$145,000,000 to fix a “projected” \$15 million shortfall. Will the additional \$130 million be spent making Folsom more attractive to even more development and sprawl?
- **This tax hurts Folsom businesses**; an average car would cost you \$500 more!
- Nearly \$100,000 was donated by big outside developers and local special interest groups to qualify this. Why would a supposed local “grassroots, citizen led” effort need to spend **\$27,000** to hire professional signature gathers?
- The tax proponents attempt to make this pill easier to swallow with the so-called “Citizens’ Oversight Committee”. At least 7 of the 9 members would be appointed, insider City employees and connected special interest representatives. Unelected bureaucrats with only suggestion roles. It is not an “oversight committee”. They would have no independence, but would have an inherent **conflict of interest**.

Do you trust politicians to keep their promises?

Vote No on G!

NoFolsomTax.com

s/ Jon Coupal
President, Howard Jarvis Taxpayers Association
s/ John Kemp
Folsom business owner (ret.)
s/ Charlie Jenkins
Fire Chief Officer (ret.)
s/ Robert Repar
Folsom Police Lieutenant (ret.)
s/ Gary Qualset
CPA, Folsom Business owner and resident

ARGUMENT AGAINST MEASURE G

Politicians want you to pay another multi-million tax hike!

Measure G was written by former city employees, and it is funded by wealthy developers who want to raise local taxes by \$29 Million every year - making our sales tax among the highest in the region. And they want to impose this tax hike forever.

Enough is enough! Say “No” to Measure G.

Our community does need more cops, better parks, and improved roads. But, despite promises from politicians, there is no guarantee the Measure G tax hike can or would get the job done.

Politicians and special interests claim the city has done everything to cut costs and raising your taxes is the only option. Do you believe them?

Folsom has a spending problem, not a revenue problem.

Measure G claims that Folsom needs more revenue, but city revenue has grown from \$66 million in 2012 to over \$109 Million in 2022!

Take a look at the facts:

- Annual city payroll has climbed over \$20 million from 2012 to \$74 million per year now in 2022.
- The annual salary for our City Manager skyrocketed from \$190K to \$270,000 in 2022.
- More than 340 city employees made over \$100,000 in total compensation.

Does this sound like they are being careful with our tax dollars? Taxpayers shouldn't be forced to pay to make developers, politicians, and bureaucrats rich.

Despite claims from politicians, there is no guarantee 100% of the new taxes will be used only for public safety, park improvements, or traffic reduction. The city could use smoke-and-mirrors to boost their own salaries or provide giveaways to developers disguised as “economic development.”

Local businesses owners, tax-fighters, and law enforcement leaders urge you to vote NO on Measure G. Learn more at NoFolsomTax.com.

s/ Jon Coupal
Howard Jarvis Taxpayers Association
s/ Ted Gaines
California Board of Equalization
s/ Bruce Lee
Sacramento County Taxpayers Association
s/ Dave Doherty
Folsom CEO & Business Owner
s/ Eric Norberg
Correctional Officer (ret.)

REBUTTAL TO ARGUMENT AGAINST MEASURE G

Trusted Community members know Folsom's needs. Measure G is the Solution.

Special interests, politicians and government bureaucrats are peddling fiction, not facts. While few of them live in Folsom or understand our challenges, they got one thing right; we do "NEED MORE COPS, BETTER PARKS AND IMPROVED ROADS."

We're your neighbors. Here are the facts:

- **Measure G** was written by Folsom residents, like you, not politicians. Over 8,000 residents signed the petition.
- Folsom has a revenue problem, not a spending problem. Online shopping and buying trends have significantly reduced revenue - adversely affecting services to Folsom residents.
- Folsom has 77 fewer employees (including fewer police officers and firefighters) than in 2008, uses part-time employees, eliminated new employee retiree health benefits, required employees to pay more of their own benefit contributions, and more - even with new population growth.
- **Measure G** would make our sales tax equal to Rancho Cordova, Elk Grove and Sacramento.
- By law **Measure G** funds can ONLY be spent on hiring more public safety officers, crime reduction, fire and emergency services; parks, recreation facilities and trails; traffic mitigation and water quality; economic development, and major capital improvement projects.
- **Measure G** has built-in transparency, a Citizens' Oversight Committee and annual, independent audits.
- **Measure G** will generate approximately 40% of the revenue from visitors who use our public services.

Join your neighbors, small business owners, community organizations and public safety leaders to preserve Folsom's future.

Vote YES on Measure G.

Get the facts: www.YesOnFolsomMeasureG.org.

s/ Sandy Econome

small business owner, Community Volunteer leader and Folsom resident

s/ Randy Ulibarri

Retired Folsom Police Chief and Folsom resident

s/ Dan Carson

Firefighter and SAFF L522 Folsom Representative

s/ Dr. Christine Braid

Medical Doctor, Vice President Folsom Sea Otters and Folsom resident

s/ Steve Heard

Realtor, Immediate Past Board Chair- Folsom Chamber of Commerce and Folsom resident