

§61119 of Ordinance No. 09-1423 states, "As soon as practical after the adoption of this ordinance, the City Council shall appoint a citizens oversight committee which shall receive reports from the tax administrator at least annually on the implementation of this chapter, the funds collected, and how funds collected are spent. The citizens oversight committee, which may make recommendations to the City Council on any matter relating to this chapter, shall hold all meetings in compliance with the Ralph M. Brown Act." According to this section of the ordinance, the UUTCOC receives information on the UUT revenues collected and how they are spent. However, as UUT revenues are general tax revenues, they are deposited in the general fund and comingled with all other general fund revenues. Therefore, when general fund expenditures are made, they are not tied back to any specific revenue source and so there is no direct correlation between the UUT revenues collected and what specifically they are spent on. Because of this, the City Attorney has previously opined that the UUTCOC has the authority to review and make recommendations to the City Council on the entire general fund budget as the expenditure of the UUT revenues cannot be isolated and tracked (Exhibit No. 2). As the entire general fund budget has been the focus of the committee for the past two years, the Mayor is requesting that the name of the committee be changed from the Utility Users Tax Citizens Oversight Committee to the Utility Users Tax Citizens Budget Oversight Committee.

Other changes that are being proposed for this committee to ensure transparency and provide the committee with meaningful work are:

1. Providing the committee with quarterly budget status reports at their next meeting following the submission of those reports to the City Council.
2. Submitting the recommendations of the committee to the Public Information Office so that they can be made available to other community members who may have an interest in the committee's recommendations. (The committee's recommendations will continue to be forwarded to the City Council for consideration).

One other change to the committee is a change in the composition of the committee as the Mayor is removing himself as an ex-officio member of the committee and the City Clerk has asked to be removed as an ex-officio member. The new composition of the committee will be 21 members and one ex-officio member, the City Treasurer.

V. **FISCAL IMPACT**

None.

VI. **EXHIBITS**

1. Ordinance No. 09-1423 (UUT ordinance). (pgs. 4-11)
2. Memo from Bill Wynder, dated May 14, 2009, regarding the scope of the committee. (pg. 12)