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MEASURE ___

IMPARTIAL ANALYSIS BY CITY ATTORNEY

City of Adelanto

Ballot Measure Establishing A Temporary Utility User Tax

This measure establishes a temporary utility user tax in the City of Adelanto. A utility user tax is a legally authorized tax charged on the use of utility services to raise funds for municipal services. A large number of cities in California currently impose a utility user tax.

The funds raised by the utility user tax must be used locally to benefit the City of Adelanto. The funds may be used for any general municipal purposes, including but not limited to police services, fire protection services, gang and crime prevention, and other services provided by the City.

The amount of the utility user tax is 7.95% of the charges for the utility service. The utility user tax would apply to electricity, natural gas (not gasoline for one's motor vehicles), communication services (including cell phones and land line telephones), sewer, water, and cable television charges.

There are a number of specific limitations on the utility user tax and safeguards to ensure that any funds raised are properly used by the City:

- The utility user tax will only stay in effect for seven (7) years after it is adopted. After seven years, the tax is eliminated. The tax can only be extended by another vote of the people.
- There is a low income senior discount for any service user that is 65 years old or older, the head of household, and meets the definition of "very low income" pursuant to federal standards. The tax rate for those that qualify for the discount is 5.95%.
- The City shall annually verify that the funds raised by the utility user tax have been properly applied, discounted, collected and spent. The annual verification shall be performed by a qualified auditor and shall employ reasonable, cost-effective steps to assure compliance.
- A Citizen Oversight Committee will be created that will review matters pertaining to the utility user tax and the City's use of funds derived from the tax.
- Each year the Citizen Oversight Committee and City Council may review the utility user tax rate. The City Council may reduce (but not increase) the tax rate based upon the financial condition of the City.

A "Yes" vote is in favor of adopting this measure. A "No" vote is against adopting this measure. If a majority of voters vote "Yes," then this measure will take effect ten days after the vote is declared by the City Council. This measure was placed on the ballot by the City Council.

Dated: August 7, 2014

Todd A. Litfin

Todd Litfin, City Attorney

The above statement is an impartial analysis of Measure _____. If you desire a copy of the ordinance or measure, please call the elections official's office at (760) 246-2300 ext. 3090 and a copy will be mailed, emailed, or otherwise provided at no cost to you.