



625 Burnell Street, Napa CA 94559

**Napa Valley Transportation Authority (NVTA)
Independent Taxpayer Oversight Committee (ITOC)**

AGENDA

**Thursday, August 7, 2014
11:00 am**

**NCTPA/NVTA Conference Room
625 Burnell Street
Napa CA 94559**

All materials relating to an agenda item for an open session of a regular meeting of the NVTA Board of Directors are posted on our website at www.nctpa.net/agendas-minutes/23 at least 72 hours prior to the meeting and will be available for public inspection, on and after at the time of such distribution, in the office of the Secretary of the NVTA Board of Directors, 625 Burnell Street Napa, California 94559, Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m., except for NVTA holidays. Materials distributed to the present members of the Board at the meeting will be available for public inspection at the public meeting if prepared by the members of the NVTA Board or staff and after the public meeting if prepared by some other person. Availability of materials related to agenda items for public inspection does not include materials which are exempt from public disclosure under Government Code sections 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, or 6254.22.

Members of the public may speak to the Board on any item at the time the Board is considering the item. Please complete a Speaker's Slip, which is located on the table near the entryway, and then present the slip to the Board Secretary. Also, members of the public are invited to address the Board on any issue not on today's agenda under Public Comment. Speakers are limited to three minutes.

This Agenda shall be made available upon request in alternate formats to persons with a disability. Persons requesting a disability-related modification or accommodation should contact Karrie Sanderlin, NVTA Board Secretary, at (707) 259-8631 during regular business hours, at least 48 hours prior to the time of the meeting.

This Agenda may also be viewed online by visiting the NCTPA website at www.nctpa.net, click on Minutes and Agendas – NVTA Board or go to www.nctpa.net/agendas-minutes/23

ITEMS

- 1. Call to Order – NVTA Chair John F. Dunbar
- 2. Introductions
- 3. Public Comment

5. **REGULAR AGENDA ITEMS**

RECOMMENDATION **TIME**

4.1 Overview of the Napa Valley Transportation Authority (NVTA) Ordinance No. 2012-01 Napa Countywide Road Maintenance Act (Measure T Ordinance) (Kate Miller/Janice Killion) *(Pages 4-25)*

INFORMATION 11:10 AM

The ITOC will receive an overview on the Measure T Ordinance.

4.2 Overview of the Independent Taxpayer Oversight Committee (ITOC) Role and Responsibilities (Kate Miller) *(Pages 26-52)*

INFORMATION 11:30 AM

The ITOC will receive an overview of the role and responsibilities of the committee.

4.3 Independent Taxpayer Oversight Committee (ITOC) By-Laws (Janice Killion) *(Pages 53-59)*

INFORMATION 12:00 PM

The ITOC will receive a review of the Draft ITOC By-Laws.

4.4 Master Funding Agreement Napa Valley Transportation Authority (Danielle Schmitz/Antonio Onorato) *(Pages 60-84)*

INFORMATION 12:30 PM

The ITOC will review the Draft Master Funding Agreement and provide comments.

5.	<u>ADJOURNMENT</u>	<u>RECOMMENDATION</u>	<u>TIME</u>
5.1	Adjournment until January 2018 (date to be determined)	APPROVE	1:00PM

I hereby certify that the agenda for the above stated meeting was posted at a location freely accessible to members of the public at the NCTPA offices, 625 Burnell Street, Napa, CA, by 5:00 p.m., Thursday, July 31, 2014.

Karalyn E. Sanderlin, NVTA Board Secretary



August 7, 2014
ITOC Agenda Item 4.1
Continued From: New

Action Requested: INFORMATION

NAPA VALLEY TRANSPORTATION AUTHORITY ITOC Agenda Letter

TO: Measure T Independent Taxpayer Oversight Committee (ITOC)
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
(707) 259-8634/Email: kmiller@nctpa.net
Janice Killion, General Counsel
(707) 259-8246/Email: Janice.killion@countyofnapa.org
SUBJECT: Overview of Measure T Ordinance

RECOMMENDATION

That the ITOC receive the report on the Measure T Ordinance.

EXECUTIVE SUMMARY

On November 6, 2012, the voters of Napa County passed Measure T, the Napa Countywide Road Maintenance Act, approving a ½% retail transactions and use tax for local street and road improvements. NVTA, the Authority, is the administering agency of Measure T. NVTA Ordinance No. 2012-01 outlines the responsibilities of NVTA and Napa County's jurisdictions. This memo provides a brief summary of the ordinance. A more detailed discussion about process and procedures will be included as part of ITOC Agenda Item 4.4, Master Funding Agreement Napa Valley Transportation Authority.

FISCAL IMPACT

Is there a Fiscal Impact? None.

BACKGROUND AND DISCUSSION

Estimated Revenues and Purpose

Measure T will provide roughly \$300 million over a 25-year period for local street and road improvements. From this amount, the State Board of Equalization, deducts between .8 to 1.5% based on current rates to administer the funds. The amount is subject to change over the life of the ordinance. The ordinance also stipulates that up to

1% of the revenues may be used for NVTA administration. After deducting the 1% for administration, Measure T revenues are to be distributed to Napa's 6-jurisdictions or Agencies on the following formula:

Agency	Percent of Revenues
City of American Canyon	7.7%
City of Calistoga	2.7%
City of Napa	40.35%
County of Napa	39.65%
City of St. Helena	5.9%
Town of Yountville	2.7%

Responsibilities of the Agencies

The Agencies are subject to two *maintenance of effort* requirements. The first requires that the agencies collectively expend an equivalent of 6.67% of Measure T Revenue generations using other eligible revenues on Class 1 facilities. Eligible revenues include countywide federal highway discretionary funds as well as other local or formula funds. Funds specifically excluded from eligibility include philanthropy, state discretionary funding or federal discretionary funding (earmarks). The second maintenance of effort requirement stipulates that the jurisdictions expend a minimum of the average of three fiscal years (2008-2010) for local streets and roads maintenance using local general funds.

Every two years each Agency will submit to NVTA a five year list of projects (Expenditure Plan) to be funded with Measure T revenues. The Agencies and NVTA are required to consider the needs of non-motorized travelers in developing/approving the projects.

Agencies are permitted by the Ordinance to loan or exchange revenues with another Measure T eligible agency, however, the terms of the loan/exchange must be approved by the Authority's auditor and by a majority vote of the Authority.

Independent Taxpayer Oversight Committee

The passage of Measure T resulted in the creation of an Independent Taxpayer Oversight Committee. The Ordinance is specific on the development and make-up of the ITOC. Through an open selection process, the Authority will solicit seven (7) Committee members that are residents of Napa County with specific and relevant backgrounds prescribed by the Ordinance. The ITOC also includes four non-voting ex-officio members, including the Chair and Executive Director of the Napa County Transportation and Planning Agency (NCTPA), the Chair of the NCTPA Technical Advisory Committee (TAC), and County Auditor-Controller. The terms of the initial voting Committee members are two, three, and four year terms determined by the

drawing of lots and thereafter voting members serve four-year terms. The voting members of ITOC are eligible to receive a \$250 stipend per quarterly meeting which increases by \$50 per quarterly meeting every five years. All committee member positions have been filled except member representing a Chamber. The position(s) will remain open until filled.

The specific role and responsibilities of the ITOC are provided in greater detail as part of Agenda Item 4.2, Overview of ITOC Role and Responsibilities.

Administration and the Responsibility of the Authority

The Authority serves as the administrative oversight of the Measure. In that role the Authority provides program direction and coordination, and implement procedures. As previously stated, the ordinance provides a 1% annual set-aside for the Authority's administrative expenses and auditing fees. A detailed list of anticipated administrative expenses is included in Attachment 2. Administrative and accounting processes are further detailed as part of ITOC Agenda Item 4.4, Master Funding Agreement. From the 1%, \$70,000 is apportioned to be administered by the ITOC for fiscal audits of the Authority and performance audits of the Agencies. Other anticipated costs include staff costs, legal costs, and County Auditor-Controller costs.

Generations and Collection of Use Taxes

The ordinance defines the place of retail sale, limitations, exemptions and exclusions.

SUPPORTING DOCUMENTS

Attachments: (1) NVTA Ordinance No. 2012-01
(2) Measure T Revenue and Expense Estimates

**NAPA VALLEY TRANSPORTATION AUTHORITY (NVTA)
ORDINANCE NO. 2012-01**

**NAPA COUNTYWIDE ROAD MAINTENANCE ACT
IMPOSING A TRANSACTION AND USE TAX
TO BE ADMINISTERED BY THE STATE BOARD OF EQUALIZATION**

The Napa Valley Transportation Authority (the "Authority") ordains as follows:

SECTION 1. TITLE: This Ordinance shall be known and may be cited as the Napa Countywide Road Maintenance Act, hereinafter referred to as the Ordinance. This Ordinance establishes a retail transactions and use tax for a twenty-five year period commencing July 1, 2018, or upon early termination of the Measure A Flood Protection tax provided however that should the Flood Protection tax be extended by a vote of the electorate then this measure will not take effect until the expiration of such extension.

SECTION 2. EXPENDITURE PLAN PURPOSES: This Ordinance provides for the implementation of the Napa Valley Transportation Authority Transportation Improvement Expenditure Plan (the "Expenditure Plan") which will provide funding resulting in countywide local street and road improvements. This funding program will ensure improved maintenance of currently under-funded local community streets and supporting infrastructure (e.g., sidewalks, gutters, curbs) within the public right-of-way. These improvements shall be funded by a one-half of one percent transactions and use tax established for a twenty-five year period commencing July 1, 2018, or upon expiration of the Measure A Flood Protection tax as expressed in Section 1 above. The revenues shall be deposited in a special fund, used solely for the identified improvements as provided herein, and made available to the agencies responsible for the improvements for all purposes necessary for the approval and implementation of the tasks. Notwithstanding any other provision of this Ordinance, identified improvements (the "projects" or "programs") that are eligible to receive revenues from the tax are described in the Expenditure Plan, which Expenditure Plan is hereby incorporated by reference as if fully set forth herein.

SECTION 3. EXPENDITURE PLAN SUMMARY: The revenues received by the Authority from this Ordinance, after deduction of required Board of Equalization costs for performing the functions specified in Section 180204(b) of the Public Utilities Code, reimbursing the County of Napa for its cost in conducting the election if the measure is approved per Section 180203(a) of the Public Utilities Code, administration (Section 12 A), and the costs of the annual financial and biennial performance audits (Section 11), shall be used to fund the improvements set forth herein. In the event the measure does not pass, the costs for conducting the election shall be borne by the Authority. A summary of the projects and programs that are eligible to receive this funding is provided in the following sections. All funding and revenues are expressed in 2011 dollars. The annual revenues shall be allocated as follows:

A. Local Streets and Roads Maintenance Program: Subject to Paragraph B, of the annual revenues available, ninety-nine percent (99%) shall be allocated on a

fair and equitable basis (pursuant to the distribution formula set forth below) to each city, town, and the county (hereinafter referred to individually as Agency and collectively as Agencies) to provide revenue for such projects and to supplement, but not supplant, other revenues available for the Local Streets and Road Maintenance Program. The revenues allocated to each Agency under this Section 3(A) must be used for maintenance, reconstruction or rehabilitation of local streets, roads, and infrastructure within the public right-of-way. Total estimated funding = \$282.15 million (2011 dollars).

- 1) The revenue allocated to the Local Streets and Roads Maintenance Program shall be allocated to, and expended by, each Agency pursuant to the following distribution formula:
 - a. To the City of American Canyon 7.7% of the annual revenues available.
 - b. To the City of Calistoga 2.7% of the annual revenues available.
 - c. To the City of Napa 40.35% of the annual revenues available.
 - d. To the County of Napa 39.65% of the annual revenues available.
 - e. To the City of St. Helena 5.9% of the annual revenues available.
 - f. To the Town of Yountville 2.7% of the annual revenues available.

Net revenues, plus interest earned, shall be apportioned to the Agencies' transportation improvement account on a quarterly basis.

- B. Once this measure becomes operative, in order to receive annual allocations under this measure, the Agencies (collectively) must demonstrate that at least six and sixty-seven one-hundredths percent (6.67%) of the value of the allocations each year under Section 3(A) has been committed to Class I Bike lane project(s) identified in the adopted Countywide Bicycle Plan, as that Plan may be amended from time to time, through funding not derived from this Ordinance. This obligation may be fulfilled by the NCTPA and NVTA in programming Congestion Mitigation and Air Quality Improvement (CMAQ) funding (or its successor), plus other local or formula specific funds, in an amount that equals 6.67% over the term of this ordinance. Funding for Class I Bike lane projects that are funded by philanthropy, state discretionary funding or federal discretionary funding shall not count toward the six and sixty-seven one-hundredths percent (6.67%). As used in this Section, discretionary funding means any funding that is not tied to a specific state or federal program or formula.
- C. **Administration:** Actual costs, not to exceed one percent (1%) of the annual revenue, may be used for administration of this Ordinance by the Authority. Total estimated funding = \$2.82 million (2011 dollars).

SECTION 4. IMPOSITION OF RETAIL TRANSACTIONS AND USE TAX: In addition to any other taxes authorized by law, there is hereby imposed in the incorporated and unincorporated territory of the County of Napa, in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, and Sections 7261 and 7262 of the Revenue and Taxation Code 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, and Division 19 of the Public Utilities Code commencing with Section 180000, which provisions are adopted by reference, a retail transactions and use tax at the rate of one-half of one percent (1/2%) for a twenty-five year period commencing July 1, 2018, or upon expiration of the Measure A Flood Protection tax, which tax shall be in addition to any existing or future authorized state or local transactions and use tax.

SECTION 5. CONTRACT WITH STATE: The Authority shall notify the State Board of Equalization at least 110 days prior to the operative date and 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 Authority 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 6. EXPENDITURE PLAN PROCEDURES:

- A. Each Agency shall biennially develop and submit to the Authority a five-year list of projects to be funded with revenues made available for the Local Streets and Roads Maintenance Program (Section 3(A)). Each Agency shall conduct a local public hearing and adopt a Resolution in support of the proposed list of projects prior to submitting the project list to the Authority pursuant to Section 7.
- B. In the allocation of all revenues made available under Section 3, the Authority shall make every effort to maximize state, federal, and local transportation funding to the Agencies. The Authority may amend the Expenditure Plan in accordance with Section 21 as needed to maximize the transportation funding available throughout the county. It is also the intent of the Authority to encourage the purchase of goods and services for the projects described in Section 3 from suppliers based in Napa County.
- C. The Agencies and the Authority shall fully consider the needs of non-motorized travelers, including pedestrians, bicyclists and persons with disabilities, in all planning, maintenance, construction, operations and project development activities and products. Projects funded in full or in part with Authority revenues shall not remove or reduce existing facilities for bicycling or pedestrians.

SECTION 7. PROJECT PROGRAMMING APPROVAL: Prior to the operative date of the tax, and biennially thereafter, the Authority shall approve a five-year list of projects eligible to be funded with the revenues made available under Section 3 herein, provided that the submittal meets all of the requirements of this Ordinance and funding is, or is

estimated to be, available. Prior to Authority approval, the Independent Taxpayer Oversight Committee shall consider each Agency's biennial five-year list of projects and make a finding that such projects are consistent with the intent of the measure, and make a recommendation on which of the items on those project lists should be approved to the Authority.

SECTION 8. COOPERATIVE FUNDING AGREEMENTS: To maximize the effectiveness of the retail transactions and use tax revenues, the Authority and/or Agency(ies) may loan revenues actually received, allocated or granted to any public agency within the area of jurisdiction of the Authority provided that the percentage of revenues allocated as provided in Section 3 is maintained over the duration of the Ordinance. Any exchange or loan agreement must include detailed repayment provisions, including appropriate interest earnings based upon the current treasury rate of interest. All loans and/or exchanges must be approved by the Authority's Auditor and by the Authority by a majority vote, and shall be consistent with any and all rules approved by the Authority relating thereto.

SECTION 9. MAINTENANCE OF EFFORT: It is the intent of the State Legislature and the Authority that revenues provided from this Ordinance be used to supplement, not supplant, existing local general fund revenues being used for the transportation improvements described in the Expenditure Plan (see Attachment 1). Each Agency receiving revenues pursuant to Section 3 shall annually maintain, as a minimum, the "maintenance of effort" as defined in this Section 9. The maintenance of effort shall be maintained at the same level that local general fund revenues were expended on average for fiscal years 2007/08, 2008/09 and 2009/10 for Local Streets and Roads Maintenance and supporting infrastructure within the public right-of-way for pavement sealing, overlays, reconstruction, associated infrastructure, as required, excluding any local revenues expended for the purpose of storm damage repair as verified by an independent auditor. One-time allocations that have been expended for Local Streets and Roads Maintenance, but which may not be available on an ongoing basis shall not be considered when calculating an Agency's annual maintenance of effort. Prior to the operative date, Agencies shall determine and certify to the Authority the Agency's average maintenance of effort for the 2007/08, 2008/09 and 2009/10 fiscal years. Prior to the beginning of each fiscal year thereafter, Agencies shall certify to the Authority that the maintenance of effort requirement required by this Section will be met that fiscal year, copies of which shall be provided to the Authority Auditor. Any Agency that does not meet its local maintenance of effort requirement for a three year average period shall have its funding under Section 3 the following year reduced by the amount the Agency did not meet its required average maintenance of effort level for the three prior years. Any funds not allocated due to failure to meet the maintenance of effort requirement shall be reserved for the Agency until any and all maintenance of effort expenditures are fulfilled.

SECTION 10. PRIVATE SECTOR FUNDING: Revenues provided from this measure shall not be used to replace private developer funding that has been or will be committed for any project to help alleviate the direct traffic impacts of any new or redeveloped residential, commercial or industrial development in Napa County or its cities.

SECTION 11. INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE:

A. ITOC Goal and Functions: Voter adoption of this transportation retail transactions and use tax Ordinance shall result in creation of the Independent Taxpayer Oversight Committee ("ITOC") upon the operative date of this tax. The ITOC shall remain in existence for so long as the tax herein exists. The ITOC shall review the fiscal and program performance of the retail transactions and use tax transportation program through a biennial performance audit to ensure that all transportation retail transactions and use tax revenues are spent by the Authority in accordance with all provisions of the voter-approved Expenditure Plan and Ordinance. The ITOC's secondary mission is to provide positive, constructive advice to the Authority on how to improve implementation over the twenty-five year course of the program; this role shall include consideration by the ITOC of the biennial project lists submitted by the Agencies under Section 6. Up to \$70,000 per year, with adjustments for inflation based on the Consumer Price Index, may be used for activities necessary to the ITOC as described in this Section 11, including financial and performance audits of the Authority and the Agencies receiving revenue from the Authority.

B. Audit Requirement: The ITOC shall oversee the independent financial audit of the Authority and the financial and performance audits of the Agencies, which shall be performed in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States and performance goals adopted by the Authority consistent with Public Utilities Code Section 180000 et seq. The audits shall include the basic financial statements of the Authority as defined by the Governmental Accounting Standard Board pronouncement No. 34 and the performance of all aspects of the program based on the specific performance goals adopted by the Authority. The ITOC audit shall not relieve the Authority from performing its auditing obligations as imposed by law.

1) Role of Fiscal and Performance Audit and the ITOC:

- a. The ITOC shall, under the procurement rules of the Authority, jointly recommend with the active involvement of the Executive Director and the Authority Auditor, an independent California Certified Public Accountant to conduct an annual financial audit of the Authority pursuant to the provisions of this Ordinance, report findings based on the audit to the Authority, and to recommend any additional considerations which the ITOC believes may improve the financial operation while meeting all voter mandates.
- b. The ITOC shall, under the procurement rules of the Authority jointly recommend with the active involvement of the Executive Director and the Authority Auditor, retention of an independent California Certified Public Accountant to conduct a biennial performance audit of the Agencies, pursuant to the provisions of this Ordinance, report findings based on the

audits to the Authority, and recommend any additional considerations which the ITOC believes may improve the integrity of program implementation while meeting all voter mandates.

- c. The ITOC shall review each Agency's annual independent financial audit, report relevant findings based on the audits to the Authority, and recommend any changes which the ITOC believes may improve the financial operations while meeting all voter mandates.
- d. The Authority shall hold a publicly noticed meeting annually, which may be a regular or special Authority Board meeting, with the direct participation of the ITOC, to consider the findings and recommendations of the audits. A report of the findings and recommendations of each audit by the ITOC shall be made readily available to the public in print and on the Authority's electronic website.
- e. The Authority shall publish a biennial report to the community to be published at the expense of tax revenues in all local Napa County newspapers of general circulation.

C. Membership and Selection Process

- 1) The Authority shall develop an open selection process, actively recruit, and appoint seven (7) Committee members who shall be residents of the County of Napa possessing the following credentials:
 - a. One member who is a professional, retired or active, in the field of municipal audit, finance and/or budgeting with a minimum of five years in a relevant and senior decision-making position in the public or private sector.
 - b. One member who is a licensed civil engineer, retired or active, with at least five years of demonstrated experience in the fields of transportation in government and/or the private sector.
 - c. One member who is a Certified Public Accountant (CPA) and experienced in financial audits.
 - d. One member shall be a representative of a Napa region Chamber of Commerce.
 - e. One member from a bona fide taxpayers association.
 - f. Two members from the public at-large.
- 2) The Chair and the Executive Director of NCTPA, the Chair of the Napa County Transportation and Planning Agency Technical Advisory Committee,

and the County Auditor-Controller shall serve as non-voting ex-officio members of the ITOC.

D. Terms and Conditions for Committees

- 1) The voting Committee members shall serve a two, three, and four year term, determined by the drawing of lots. Thereafter, Committee members shall serve four-year terms.
- 2) The Authority shall develop by-laws for the operation of the ITOC. The ITOC members shall receive a stipend of \$250 per quarterly meeting and no other payment shall be made for any purpose. This stipend will increase by \$50 per quarterly meeting every five years. A position on the Committee shall become vacant as a result of a member failing to attend two consecutive meetings.
- 3) The voting Committee members cannot be current local elected officials in Napa County or a full time staff member of any city, town, or county government, a local transit operator, or state transportation agency.
- 4) Non-voting ex-officio Committee members shall serve only as long as they remain incumbents in their respective positions and shall be automatically replaced by their successors in those positions.
- 5) If and when vacancies on the ITOC occur on the part of voting Committee members, either due to expiration of term or a vacancy occurring during a term, the Authority shall appoint an appropriate replacement within 90 days of the vacancy to fill the remainder of the term pursuant to the provisions of Government Code Sections 54970, *et. seq* (the Maddy Act).

E. ITOC Operation Protocols

- 1) The ITOC shall be appointed within 180 days prior to the operative date of the retail transactions and use tax and continue as long as retail transactions and use tax revenues from the current voter authorization are available for expenditure.
- 2) The Authority Board and staff shall fully cooperate with and provide necessary financial and staff support to ensure the ITOC successfully carries out its duties and obligations.

F. Conflict of Interest

- 1) ITOC voting members shall have no legal action pending against the Authority and are prohibited from participating in any commercial activity directly or indirectly involving the Authority or Napa County Transportation and Planning Agency (NCTPA), such as being a consultant or vendor to the Authority or NCTPA during their tenure on the ITOC.

- 2) ITOC voting members shall not have direct and/or indirect commercial interest or employment with any public or private entity which receives transportation retail transactions and use tax revenues authorized by this Ordinance.

SECTION 12. ADMINISTRATIVE FUNCTIONS AND EXPENSES:

- A. Revenues may be expended by the Authority for the actual expense of salaries, wages, benefits, and those services, including contractual services, necessary to administer the Ordinance; however, in no case shall such administrative expenditures exceed one percent (1%) of the annual revenues provided by the Ordinance.
- B. Administrative functions include providing overall program direction and management necessary to implement Authority policy, formulating organizational goals and objectives, coordinating activities with other agencies and organizations, performing finance, accounting, purchasing, personnel, government and community relations, and legal matters.

SECTION 13. RECEIPT AND ALLOCATION OF TAX REVENUES: The Authority Auditor shall receive the tax revenue and shall allocate funds to the Agencies on a calendar quarter basis, together with any accrued interest, by the 20th day of the month following the end of the quarter.

SECTION 14. ESTABLISHMENT OF SEPARATE ACCOUNTING: Each Agency receiving the revenues identified in Section 3 shall have its revenues deposited in a separate interest bearing Transportation Improvement Fund. Interest earned on revenues allocated pursuant to this Ordinance shall be expended only for those purposes permitted by this Ordinance.

SECTION 15. IMPLEMENTING ORDINANCES: Upon approval of this Ordinance by the voters the Authority shall, in addition to the rules required to be provided pursuant to this Ordinance, adopt implementing ordinances, rules, and policies that are not inconsistent with the purpose and intent of this Ordinance and take such other actions as may be necessary and appropriate to carry out its responsibilities.

SECTION 16. EFFECTIVE AND OPERATIVE DATES: This Ordinance shall be effective on November 6, 2012, if two-thirds of the electors voting on the ballot proposition approving the Ordinance vote to approve the ballot proposition on November 6, 2012. The imposition of the tax authorized by this Ordinance shall be operative on July 1, 2018, or upon termination of the Flood Protection tax, and after at least 110 days notice to the State Board of Equalization.

SECTION 17. 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 State Board of Equalization.

SECTION 18. 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 county shall be substituted therefor. However, the substitution shall not be made:
 - 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 Authority 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:
 - 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 "County" 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 19. 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.

SECTION 20. EXEMPTIONS AND EXCLUSIONS:

- A. There shall be excluded from the computation 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 the 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 county which is shipped to a point outside the county, 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 county 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-county 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-county 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 county 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 county 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 county or participates within the county 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 county or through any representative, agent, canvasser, solicitor, subsidiary, or person in the county under the authority of the retailer.
- 7) "A retailer engaged in business in the County" 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 county.

- 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.

SECTION 21. AMENDMENTS: This Ordinance and Expenditure Plan may be amended to provide for the use of additional federal, state, and local revenues or to account for unexpected revenues by approval of a two-thirds vote of the members of the Authority; the two-thirds must include the City of Napa, the County of Napa, and at least three other jurisdictions. No amendment may, in the aggregate, reduce the percentage of tax revenue allocated to the Local Streets and Roads Maintenance Program as apportioned in Section 3. No amendment shall operate so as to affect the rate or duration of tax imposed by this Ordinance.

Amendments constituting expenditures for new programs or new projects that were not a part of the voter approved Expenditure Plan or referred to in the Local Streets and Roads Maintenance Program may only be approved with the subsequent consent of the electorate.

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.

SECTION 22. TEN-YEAR PROGRAM REVIEW: After the tax has been in effect for ten years after the operative date, the Authority shall conduct a comprehensive review of all revenues, projects and programs under the Expenditure Plan to evaluate the performance of the overall program over the previous ten-year period and to make revisions to the Expenditure Plan to improve its performance and allow for changed demographic conditions, transportation needs, revenues, and technology over the subsequent ten years. Revisions to the Ordinance and Expenditure Plan required as a result of the ten-year review shall be subject to the amendment process in Section 21. However, the 99% local street and road allocation provided in Section 3 shall not be altered.

SECTION 23. DESIGNATION OF FACILITIES: Each project or program receiving in excess of \$250,000 funded in whole or in part by revenues from the Ordinance shall be clearly designated with project signage at the project site during its construction or implementation as being provided by revenues from the Ordinance.

SECTION 24. SEVERABILITY: If any section, part, clause, or phrase of this Ordinance is for any reason held invalid or unconstitutional, the remaining portions shall not be affected but shall remain in full force and effect.

SECTION 25. ANNUAL APPROPRIATIONS LIMIT: Article XIII (B) of the California Constitution requires the establishment of an annual appropriations limit for governmental entities. The maximum annual appropriations limit for the Authority is hereby established as \$40 million. The appropriations limit shall be subject to adjustment as provided by law. All expenditures of the retail transactions and use tax revenues imposed by Section 4 are subject to the appropriations limit of the Authority.

SECTION 26. 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 Authority, or against any officer of the state or the Authority, 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.

SECTION 27. DEFINITIONS:

- A. *Agency* means those cities, town, and county that lie within the geographic boundaries of the County of Napa.
- B. *Authority* means the Napa Valley Transportation Authority created by the Napa County Board of Supervisors with the concurrence of a majority of cities having a majority of the incorporated population of the county.
- C. *Expenditure Plan* means the expenditure plan required by Section 180206 of the Public Utilities Code to be adopted prior to the call of an election on this Ordinance. The expenditure plan includes the allocation of revenues for each authorized purpose. To the extent the summarized provisions of the expenditures contemplated by this Ordinance cannot be reconciled with the Expenditure Plan set forth in Attachment 1, the provisions of Attachment 1 shall prevail.
- D. *Effective Date* means the date the measure was passed by the electorate.
- E. *Highways* means all purposes necessary and convenient to the design, right-of-way acquisition, and construction of highway facilities, including all state highway routes and any other facilities so designated in the Expenditure Plan.
- F. *Infrastructure* means all components within the right-of-way necessary to support the roadway which includes road pavement, sub-grade, curb, gutter, sidewalks, curb ramps, surface and subsurface drainage, replacement traffic control devices, replacement roadway lighting, striping, pavement marking, intelligent transportation systems, and signage.

- G. *Maintenance* means repair, reconstruction or rehabilitation, and/or replacement of streets, roadways, and other infrastructure within the public right-of-way.
- H. *Operative Date* means the date the tax begins to collect revenue for this measure.
- I. *Project* is a single effort with a beginning and an end that would cause the construction or maintenance or reconstruction of some tangible portion of a transportation asset owned or operated by public agency that has independent utility. A *project* is not repeated on an annual basis, it does not appear without a detailed description as to cost and location in a local agency budget, and it must appear in a capital budget.
- J. *Reconstruction or Rehabilitation* includes any overlay, including the placement or replacement of base materials and any sub-grade work or widening of the roadway, if the widening is necessary to bring the roadway width to the desirable minimum width consistent with the geometric design criteria of the state for 3R (reconstruction, resurfacing, and rehabilitation). This does not include widening for the purpose of increasing the traffic capacity of a street or highway. This does include additions, changes or reconstruction of Infrastructure directly associated with the function of a street or roadway. It also includes additions necessary to incorporate and/or maintain bicycle facilities called for in the Napa County Transportation and Planning Agency's Countywide Bicycle Plan or adopted bicycle plans of the Agencies and any improvements or alterations necessary to the roadway and or pedestrian or bicycle travel ways to improve overall circulation and to meet American's with Disabilities Act requirements.
- K. *Regional Transportation Improvement Program Submission* means any program of projects sent or otherwise caused to be delivered to the Regional Transportation Planning Agency for Napa County by the entity designated by the Regional Transportation Planning Agency with the submission of that program for the local agencies for consideration by the Regional Transportation Planning Agency for inclusion in the Regional Transportation Improvement Program or its related documents.
- L. *Local Streets and Roads* means the pavement facilities and supporting Infrastructure within the street, road, or highway right-of-way.
- M. *Storm damage repair* means repair or reconstruction of local streets and highways and related drainage improvements that have been damaged due to storms and flooding, in those jurisdictions that have been declared disaster areas by the President of the United States and/or by the Governor of California.

SECTION 28. PUBLICATION OF ORDINANCE: A summary of this Ordinance shall be published at least five days before its passage in the local newspapers of general circulation published in the County of Napa, and at least once before the expiration of 15 days after its passage together with the names of the Directors voting for and against the same.

The foregoing Ordinance was introduced and read at a regular meeting of the Napa Valley Transportation Authority, held on May 16, 2012, and passed at a regular meeting of the Napa Valley Transportation Authority held on June 20, 2012, by the following vote:



KEITH CALDWELL, NVTA Chair

Ayes: GARCIA, BENNETT, GINGLES, KRIDER,
TECHEL, DODD, LUCE, CHILTON, DUNBAR

Noes: NONE

Absent: DUNBAR, BRITTON, WHITE

ATTEST:



Karalyn E. Sanderlin, NVTA Board Secretary

APPROVED:



Janice D. Killion, NVTA Legal Counsel

Attachment (1) Napa Countywide Road Maintenance Act Expenditure Plan

NAPA COUNTWIDE ROAD MAINTENANCE ACT EXPENDITURE PLAN

The net revenues received by the Authority from the proposed transactions and use tax shall be used to fund the projects described below after paying for the costs of this election, the costs of the Independent Taxpayer Oversight Committee, and administering the program. Only one percent (1%) of the net revenues may be expended on the costs of administration. The revenues received by the Authority will be less than the gross revenues actually collected because the fees the State Board of Equalization charges to collect the sales tax will be deducted before the revenues are transferred to the Authority. All funding and revenues are expressed in 2011 dollars over the twenty-five year life of the program.

The revenue allocated to each Agency under this Expenditure Plan may be used for any direct costs of design, materials testing, all project required environmental reviews, construction management, inspection, and construction of the projects.

Local Streets and Roads Maintenance Program

Description:

Of the annual revenues available, ninety-nine percent (99%) shall be allocated to the Local Streets and Roads Maintenance Program. Under the Ordinance, the funds for the Local Streets and Roads Maintenance Program must be used for maintenance, reconstruction or rehabilitation of local streets, roads, and infrastructure within the public right-of-way as defined.

The estimated funding for the Local Streets and Maintenance Program is (millions of dollars):

Project	Percentage Distribution	Transaction and Use Tax
American Canyon	7.7%	\$21.945
Calistoga	2.7%	\$7.695
City of Napa	40.35%	\$114.997
Napa County	39.65%	\$113.003
St. Helena	5.9%	\$16.815
Yountville	2.7%	\$7.695
Total	99%	282.15

Amendments

This Ordinance and Expenditure Plan may be amended to provide for the use of additional federal, state, and local revenues or to account for unexpected revenues by

approval of a two-thirds vote of the members of the Authority; the two-thirds must include the City of Napa, the County of Napa, and at least three other jurisdictions. No amendment shall operate so as to affect the rate of tax imposed by this Ordinance.

Amendments constituting expenditures for new programs or new projects that were not a part of the voter approved Expenditure Plan or referred to in the Local Streets and Roads Maintenance Program may only be approved with the subsequent consent of the electorate.

NAPA VALLEY TRANSPORTATION AUTHORITY THIS REPORT IS FOR INTERNAL PURPOSES ONLY AND NOT FOR PUBLIC DISTRIBUTION.
MEASURE T TAX PROJECTION
JULY 2018 TO JUNE 2043

MONTH SALES TAX EARNED	MONTH PAYMENT RECEIVED	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
		Totals														
		PROJECTION FISCAL YEAR 2018-19	PROJECTION FISCAL YEAR 2019-20	PROJECTION FISCAL YEAR 2020-21	PROJECTION FISCAL YEAR 2021-22	PROJECTION FISCAL YEAR 2022-23	PROJECTION FISCAL YEAR 2023-24	PROJECTION FISCAL YEAR 2024-25	PROJECTION FISCAL YEAR 2025-26	PROJECTION FISCAL YEAR 2026-27	PROJECTION FISCAL YEAR 2027-28	PROJECTION FISCAL YEAR 2028-29	PROJECTION FISCAL YEAR 2029-30	PROJECTION FISCAL YEAR 2030-31	PROJECTION FISCAL YEAR 2031-32	PROJECTION FISCAL YEAR 2032-33
July	September	\$ 968,600	\$ 968,600	\$ 978,286	\$ 978,286	\$ 988,069	\$ 988,069	\$ 988,069	\$ 997,950	\$ 997,950	\$ 997,950	\$ 1,007,929	\$ 1,007,929	\$ 1,007,929	\$ 1,007,929	\$ 1,018,008
August	October	1,291,400	1,291,400	1,304,314	1,304,314	1,317,357	1,317,357	1,317,357	1,330,531	1,330,531	1,330,531	1,343,836	1,343,836	1,343,836	1,343,836	1,357,274
September	November	1,476,092	1,476,092	1,490,853	1,490,853	1,505,761	1,505,761	1,505,761	1,520,819	1,520,819	1,520,819	1,536,027	1,536,027	1,536,027	1,536,027	1,551,388
1st Qtr Adjustment	December	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Quarter Total		3,736,092	3,736,092	3,773,453	3,773,453	3,811,187	3,811,187	3,811,187	3,849,299	3,849,299	3,849,299	3,887,792	3,887,792	3,887,792	3,887,792	3,926,670
October	December	1,064,600	1,064,600	1,075,246	1,075,246	1,085,998	1,085,998	1,085,998	1,096,858	1,096,858	1,096,858	1,107,827	1,107,827	1,107,827	1,107,827	1,118,905
November	January	1,419,400	1,419,400	1,433,594	1,433,594	1,447,930	1,447,930	1,447,930	1,462,409	1,462,409	1,462,409	1,477,033	1,477,033	1,477,033	1,491,804	
December	February	1,362,144	1,362,144	1,375,765	1,375,765	1,389,523	1,389,523	1,389,523	1,403,418	1,403,418	1,403,418	1,417,453	1,417,453	1,417,453	1,431,627	
2nd Qtr Adjustment	March	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Quarter Total		3,846,144	3,846,144	3,884,605	3,884,605	3,923,451	3,923,451	3,923,451	3,962,686	3,962,686	3,962,686	4,002,313	4,002,313	4,002,313	4,002,313	4,042,336
January	March	1,018,600	1,018,600	1,028,786	1,028,786	1,039,074	1,039,074	1,039,074	1,049,465	1,049,465	1,049,465	1,059,959	1,059,959	1,059,959	1,059,959	1,070,559
February	April	1,338,400	1,338,400	1,351,784	1,351,784	1,365,302	1,365,302	1,365,302	1,378,955	1,378,955	1,378,955	1,392,744	1,392,744	1,392,744	1,406,672	
March	May	1,496,850	1,496,850	1,511,819	1,511,819	1,526,937	1,526,937	1,526,937	1,542,206	1,542,206	1,542,206	1,557,628	1,557,628	1,557,628	1,573,204	
3rd Qtr Adjustment	June	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Quarter Total		3,853,850	3,853,850	3,892,389	3,892,389	3,931,312	3,931,312	3,931,312	3,970,626	3,970,626	3,970,626	4,010,332	4,010,332	4,010,332	4,010,332	4,050,435
April	June	1,065,200	1,065,200	1,075,852	1,075,852	1,086,611	1,086,611	1,086,611	1,097,477	1,097,477	1,097,477	1,108,451	1,108,451	1,108,451	1,119,536	
May	July	1,065,200	1,065,200	1,075,852	1,075,852	1,086,611	1,086,611	1,086,611	1,097,477	1,097,477	1,097,477	1,108,451	1,108,451	1,108,451	1,119,536	
June	August	1,420,200	1,420,200	1,434,402	1,434,402	1,448,746	1,448,746	1,448,746	1,463,233	1,463,233	1,463,233	1,477,866	1,477,866	1,477,866	1,492,644	
4th Qtr Adjustment	September	482,672	482,672	487,499	487,499	492,374	492,374	492,374	497,297	497,297	497,297	502,270	502,270	502,270	507,293	
Quarter Total		4,033,272	4,033,272	4,073,605	4,073,605	4,114,341	4,114,341	4,114,341	4,155,484	4,155,484	4,155,484	4,197,039	4,197,039	4,197,039	4,197,039	4,239,009
TOTAL		\$ 15,469,358	\$ 15,469,358	\$ 15,624,051	\$ 15,624,051	\$ 15,780,292	\$ 15,780,292	\$ 15,780,292	\$ 15,938,095	\$ 15,938,095	\$ 15,938,095	\$ 16,097,476	\$ 16,097,476	\$ 16,097,476	\$ 16,097,476	\$ 16,258,451
SBE Fee		\$ 232,040	\$ 154,694	\$ 156,241	\$ 156,241	\$ 157,803	\$ 157,803	\$ 157,803	\$ 159,381	\$ 159,381	\$ 159,381	\$ 160,975	\$ 160,975	\$ 160,975	\$ 160,975	\$ 162,585
Projected Receipts		\$ 15,237,318	\$ 15,314,664	\$ 15,467,811	\$ 15,467,811	\$ 15,622,489	\$ 15,622,489	\$ 15,622,489	\$ 15,778,714	\$ 15,778,714	\$ 15,778,714	\$ 15,936,501	\$ 15,936,501	\$ 15,936,501	\$ 15,936,501	\$ 16,095,866

All figures presented are before SBE Administration Fee is subtracted

SUMMARY BUDGET																
Total Revenues (1% Admin)	\$152,373	\$158,824	\$174,806	\$209,850	\$244,879	\$279,908	\$188,854	\$223,045	\$257,236	\$291,428	\$326,697	\$193,234	\$227,103	\$260,972	\$296,434	
Total Expenses	146,696	138,696	121,196	121,196	121,196	247,279	123,596	123,596	123,596	124,096	292,828	125,496	125,496	125,496	125,996	
Residual Revenue/Deficit	\$5,677	\$20,128	\$53,610	\$88,654	\$123,683	\$32,629	\$65,258	\$99,449	\$133,640	\$167,332	\$33,869	\$67,738	\$101,607	\$135,476	\$170,438	

DETAILED BUDGET

REVENUES		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
1% Administration Revenues		\$ 82,373	\$ 83,147	\$ 84,678	\$ 86,241	\$ 86,225	\$ 86,225	\$ 86,225	\$ 87,787	\$ 87,787	\$ 87,787	\$ 89,365	\$ 89,365	\$ 89,365	\$ 89,365	\$ 90,959
(less ITOC Budget)																
Residual Revenue Reallocation Rollover		0	5,677	20,128	53,610	88,654	123,683	32,629	65,258	99,449	133,640	167,332	33,869	67,738	101,607	135,476
Total NVTA Revenues		\$ 82,373	\$ 88,824	\$ 104,806	\$ 139,850	\$ 174,879	\$ 209,908	\$ 118,854	\$ 153,045	\$ 187,236	\$ 221,428	\$ 256,697	\$ 123,234	\$ 157,103	\$ 190,972	\$ 226,434
EXPENDITURES																
NVTA Budget	Executive Director	9,000	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600
	Finance Manager	6,750	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450
	Program Manager	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020
	Financial Analyst	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700
	Legal	14,400	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600
	Auditor Controller	8,750	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250
	ACO Accounting Personnel	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
	Accounting Checks	576	576	576	576	576	576	576	576	576	576	576	576	576	576	576
	Rental Expense	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
	ITS Network Charges	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
	General Supplies & Expenses	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
	NVTA (Bi) annual Report	-	10,000	7,500	7,500	7,500	8,500	8,500	8,500	8,500	9,000	9,000	9,000	9,000	9,000	9,500
	NCTPA Reimbursements (1)	35,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Set up Costs	10,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contingencies	40,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Residual Revenue Re-allocation	-	-	-	-	-	123,683	-	-	-	-	167,332	-	-	-	-
NVTA Expenses Subtotal		139,196	61,196	58,696	58,696	58,696	183,379	59,696	59,696	59,696	60,196	227,528	60,196	60,196	60,196	60,696
ITOC Revenue		\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
ITOC Budget	Stipends	7,000	7,000	7,000	7,000	7,000	8,400	8,400	8,400	8,400	8,400	9,800	9,800	9,800	9,800	9,800
	General Supplies & Expenses	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
	Performance/Financial Audits	-	70,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
ITOC Expenses Subtotal		7,500	77,500	62,500	62,500	62,500	63,900	63,900	63,900	63,900	63,900	65,300	65,300	65,300	65,300	65,300
Residual Revenue/(Deficit), subject to future project re-allocation		\$ 5,677	\$ 20,128	\$ 53,610	\$ 88,654	\$ 123,683	\$ 32,629	\$ 65,258	\$ 99,449	\$ 133,640	\$ 167,332	\$ 33,869	\$ 67,738	\$ 101,607	\$ 135,476	\$ 170,438

* Ordinance allows up to \$70k (w/ inflationary increases) per year.
(1) Includes General Counsel and County Auditor Controller prior year expenditures.

NAPA VALLEY TRANSPORTATION AUTHOR
MEASURE T TAX PROJECTION
JULY 2018 TO JUNE 2043

THIS REPORT IS FOR INTERNAL PURPOSES ONLY AND NOT FOR PUBLIC DISTRIBUTION.

MONTH SALES TAX EARNED	MONTH PAYMENT RECEIVED	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	PROJECTION TOTALS 2018-2043
		Totals										
		PROJECTION FISCAL YEAR 2033-34	PROJECTION FISCAL YEAR 2034-35	PROJECTION FISCAL YEAR 2035-36	PROJECTION FISCAL YEAR 2036-37	PROJECTION FISCAL YEAR 2037-38	PROJECTION FISCAL YEAR 2038-39	PROJECTION FISCAL YEAR 2039-40	PROJECTION FISCAL YEAR 2040-41	PROJECTION FISCAL YEAR 2041-42	PROJECTION FISCAL YEAR 2042-43	
July	September	\$ 1,018,008	\$ 1,018,008	\$ 1,028,188	\$ 1,028,188	\$ 1,028,188	\$ 1,028,188	\$ 1,038,470	\$ 1,038,470	\$ 1,038,470	\$ 1,048,855	\$ 25,214,588
August	October	1,357,274	1,357,274	1,370,847	1,370,847	1,370,847	1,370,847	1,384,556	1,384,556	1,384,556	1,398,401	33,617,715
September	November	1,551,388	1,551,388	1,566,901	1,566,901	1,566,901	1,566,901	1,582,570	1,582,570	1,582,570	1,598,396	38,425,616
1st Qtr Adjustment	December	0	0	0	0	0	0	0	0	0	0	-
Quarter Total		3,926,670	3,926,670	3,965,937	3,965,937	3,965,937	3,965,937	4,005,596	4,005,596	4,005,596	4,045,652	97,257,919
October	December	1,118,905	1,118,905	1,130,094	1,130,094	1,130,094	1,130,094	1,141,395	1,141,395	1,141,395	1,152,809	27,713,659
November	January	1,491,804	1,491,804	1,506,722	1,506,722	1,506,722	1,506,722	1,521,789	1,521,789	1,521,789	1,537,007	36,949,810
December	February	1,431,627	1,431,627	1,445,943	1,445,943	1,445,943	1,445,943	1,460,403	1,460,403	1,460,403	1,475,007	35,459,322
2nd Qtr Adjustment	March	0	0	0	0	0	0	0	0	0	0	-
Quarter Total		4,042,336	4,042,336	4,082,759	4,082,759	4,082,759	4,082,759	4,123,587	4,123,587	4,123,587	4,164,823	100,122,792
January	March	1,070,559	1,070,559	1,081,264	1,081,264	1,081,264	1,081,264	1,092,077	1,092,077	1,092,077	1,102,998	26,516,188
February	April	1,406,672	1,406,672	1,420,739	1,420,739	1,420,739	1,420,739	1,434,946	1,434,946	1,434,946	1,449,295	34,841,219
March	May	1,573,204	1,573,204	1,588,936	1,588,936	1,588,936	1,588,936	1,604,826	1,604,826	1,604,826	1,620,874	38,965,988
3rd Qtr Adjustment	June	0	0	0	0	0	0	0	0	0	0	-
Quarter Total		4,050,435	4,050,435	4,090,939	4,090,939	4,090,939	4,090,939	4,131,849	4,131,849	4,131,849	4,173,167	100,323,395
April	June	1,119,536	1,119,536	1,130,731	1,130,731	1,130,731	1,130,731	1,142,039	1,142,039	1,142,039	1,153,459	27,729,278
May	July	1,119,536	1,119,536	1,130,731	1,130,731	1,130,731	1,130,731	1,142,039	1,142,039	1,142,039	1,153,459	27,729,278
June	August	1,492,644	1,492,644	1,507,571	1,507,571	1,507,571	1,507,571	1,522,647	1,522,647	1,522,647	1,537,873	36,970,636
4th Qtr Adjustment	September	507,293	507,293	512,366	512,366	512,366	512,366	517,490	517,490	517,490	522,665	12,564,912
Quarter Total		4,239,009	4,239,009	4,281,399	4,281,399	4,281,399	4,281,399	4,324,213	4,324,213	4,324,213	4,367,456	104,994,104
TOTAL		\$ 16,258,451	\$ 16,258,451	\$ 16,421,035	\$ 16,421,035	\$ 16,421,035	\$ 16,421,035	\$ 16,585,245	\$ 16,585,245	\$ 16,585,245	\$ 16,751,098	\$ 402,698,210
SBE Fee		\$ 162,585	\$ 162,585	\$ 164,210	\$ 164,210	\$ 164,210	\$ 164,210	\$ 165,852	\$ 165,852	\$ 165,852	\$ 167,511	\$ 4,104,329
Projected Receipts		\$ 16,095,866	\$ 16,095,866	\$ 16,256,825	\$ 16,256,825	\$ 16,256,825	\$ 16,256,825	\$ 16,419,393	\$ 16,419,393	\$ 16,419,393	\$ 16,583,587	\$ 398,593,881

All figures presented are before SBE Administration Fee is subtracted

SUMMARY BUDGET											
Total Revenues (1% Admin)	\$331,397	\$194,522	\$229,694	\$264,866	\$299,538	\$334,211	\$197,466	\$232,364	\$267,262	\$303,802	\$3,987,501
Total Expenses	297,834	127,396	127,396	127,896	127,896	300,938	129,296	129,296	129,296	303,802	3,987,501
Residual Revenue/Deficit	\$33,563	\$67,126	\$102,298	\$136,970	\$171,642	\$33,273	\$68,170	\$103,068	\$137,966	\$0	\$0

DETAILED BUDGET

REVENUES											
1% Administration Revenues											
	\$ 90,959	\$ 90,959	\$ 92,568	\$ 92,568	\$ 92,568	\$ 92,568	\$ 94,194	\$ 94,194	\$ 94,194	\$ 95,836	\$ 2,237,501
(less ITOC Budget)											
Residual Revenue Reallocation Rollover	\$ 170,438	\$ 33,563	\$ 67,126	\$ 102,298	\$ 136,970	\$ 171,642	\$ 33,273	\$ 68,170	\$ 103,068	\$ 137,966	\$ 0
Total NVTA Revenues	\$ 261,397	\$ 124,522	\$ 159,694	\$ 194,866	\$ 229,538	\$ 264,211	\$ 127,466	\$ 162,364	\$ 197,262	\$ 233,802	\$ 2,237,501
EXPENDITURES											
Executive Director	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	4,600	119,400
Finance Manager	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450	6,450	161,550
Program Manager	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	150,500
Financial Analyst	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	2,700	67,500
Legal	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	9,600	244,800
Auditor Controller	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	5,250	134,750
ACO Accounting Personnel	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	37,500
Accounting Checks	576	576	576	576	576	576	576	576	576	576	14,400
Rental Expense	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	50,000
ITS Network Charges	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	50,000
General Supplies & Expenses	500	500	500	500	500	500	500	500	500	500	12,500
NVTA (Bi) annual Report	9,500	9,500	9,500	10,000	10,000	10,000	10,000	10,000	10,000	10,000	219,500
NCTPA Reimbursements (1)	-	-	-	-	-	-	-	-	-	-	35,000
Set up Costs	-	-	-	-	-	-	-	-	-	-	10,000
Contingencies	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	280,000
Residual Revenue Re-allocation	170,438	-	-	-	-	171,642	-	-	-	-	174,506
NVTA Expenses Subtotal	231,134	60,696	60,696	61,196	61,196	232,838	61,196	61,196	61,196	61,196	235,702
ITOC Revenue	\$ 70,000	\$ 1,750,000									
Stipends	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200	11,200	245,000
General Supplies & Expenses	500	500	500	500	500	500	500	500	500	500	12,500
Performance/Financial Audits	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	1,335,000
ITOC Expenses Subtotal	66,700	66,700	66,700	66,700	66,700	68,100	68,100	68,100	68,100	68,100	1,592,500
Residual Revenue/(Deficit), subject to future project re-allocation	\$ 33,563	\$ 67,126	\$ 102,298	\$ 136,970	\$ 171,642	\$ 33,273	\$ 68,170	\$ 103,068	\$ 137,966	\$ 0	\$ 0

* Ordinance allows up to \$70k (w/ inflationary incr
(1) Includes General Counsel and County Auditor



August 7, 2014
ITOC Agenda Item 4.2
Continued From: New

Action Requested: INFORMATION

NAPA VALLEY TRANSPORTATION AUTHORITY ITOC Agenda Letter

TO: Measure T Independent Taxpayer Oversight Committee (ITOC)
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
(707) 259-8634/Email: kmiller@nctpa.net
SUBJECT: Overview of Independent Taxpayer Oversight Committee Role and Responsibilities

RECOMMENDATION

That the ITOC receive the report on ITOC Role and Responsibilities.

EXECUTIVE SUMMARY

Measure T outlines the specific make up and responsibilities of the ITOC. The ITOC's key role is to make a finding on the consistency of the Agencies' proposed projects with those outlined in the Measure through a performance audit and to conduct an annual financial audit of the Authority in coordination with NVTA staff. ITOC is also subject to the Political Reform Act and requirements codified in Government Code Section 87200.

FISCAL IMPACT

Is there a Fiscal Impact? None.

BACKGROUND AND DISCUSSION

The NVTA Ordinance No. 2012-01 defines the roles and responsibilities of the ITOC, as follows:

- Review the fiscal and program performance of the program through a biennial performance audit
- Provide advice to the Authority on how to improve implementation; inclusive of feedback on the biennial project lists submitted by the Agencies

-
- Oversee the financial audit of the Authority and performance audits of the Agencies (up to \$70,000 per year will be apportioned from the 1% administrative set-aside for this purpose - with inflationary adjustments indexed to the consumer price index)
 - Review each Agency's annual independent financial audit

ITOC voting members cannot have any pending legal action against the Authority and cannot engage in commercial activity directly or indirectly involving the Authority. All ITOC members are subject to the Political Reform Act administered by the Fair Political Practices Commission (FPPC) and codified in California Government Code Section 87200. Consequently, each member must complete a Form 700 (Attachment 1). Additional information about the Political Reform Act and the FPPC can be found at: <http://www.fppc.ca.gov/>

ITOC voting members are also eligible to receive \$250 per quarterly meeting. This amount increases by \$50 every five years. ITOC voting members are required to attend meetings for a minimum of three-quarters of the meeting in order to receive compensation (Attachment 2). Those members interested in receiving remuneration must also complete a W-9 form (Attachment 3).

SUPPORTING DOCUMENTS

Attachments: (1) FPPC 2013/2014 Statement of Economic Interests Form 700
(2) Confirmation of Meeting Attendance and Waiver
(3) W-9 Form (2014)

2013/2014 Statement of Economic Interests



Form 700

A Public Document

Also available on the FPPC website:

- ***Form 700 in Excel format***
- ***Reference Pamphlet for Form 700***

California Fair Political Practices Commission

428 J Street, Suite 620 • Sacramento, CA 95814

Email Advice: advice@fppc.ca.gov

Toll-free advice line: 1 (866) ASK-FPPC • 1 (866) 275-3772

Telephone: (916) 322-5660 • Website: www.fppc.ca.gov

December 2013

What's New

Gifts and Travel Payments

The Commission is continually updating regulations and rules that pertain to gifts and travel payments. For the most current information, including new travel rules effective January, 2014, refer to the fact sheets and FAQs on our website. The rules contained in this publication were those in effect through December 31, 2013 and apply to gifts and travel payments received during 2013.

New Gift Tracking Mobile Application

FPPC has created and launched a new gift tracking app for mobile devices. The app helps filers track gifts they receive in a calendar year and provides a quick and easy way to upload the information to the Form 700. The data is not collected electronically, it is fully stored on the phone. This app is currently available for Android Phone running version 4.0 or higher, with an iOS version coming in the near future.

Who must file:

- Elected and appointed officials and candidates listed in Government Code Section 87200
- Employees, appointed officials, and consultants filing pursuant to a conflict of interest code ("code filers"). **Obtain your disclosure categories, which describe the interests you must report, from your agency;** they are not part of the Form 700
- Candidates running for local elective offices that are designated in a conflict of interest code (e.g., county sheriffs, city clerks, school board trustees, and water board members)
- Members of newly created boards and commissions not yet covered under a conflict of interest code
- Employees in newly created positions of existing agencies

See Reference Pamphlet, page 3, at www.fppc.ca.gov or obtain from your filing officer.

Where to file:

87200 Filers

State offices	⇒	Your agency
Judicial offices	⇒	The clerk of your court
Retired Judges	⇒	Directly with FPPC
County offices	⇒	Your county filing official
City offices	⇒	Your city clerk
Multi-County offices	⇒	Your agency

Code Filers — State and Local Officials, Employees, and Consultants Designated in a Conflict of Interest Code:

File with your agency, board, or commission unless otherwise specified in your agency's conflict of interest code (e.g., Legislative staff files directly with FPPC). In most cases, the agency, board, or commission will retain the statements.

Members of Boards and Commissions of Newly Created Agencies:

File with your newly created agency or with your agency's code reviewing body.

Employees in Newly Created Positions of Existing Agencies:

File with your agency or with your agency's code reviewing body. See Reference Pamphlet, page 3.

Candidates: File with your local elections office.

How to file:

The Form 700 is available at www.fppc.ca.gov. Form 700 schedules are also available in Excel format. All statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2. Instructions, examples, FAQs, and a reference pamphlet are available to help answer your questions.

When to file:

Annual Statements

⇒ March 3, 2014

- Elected State Officers
- Judges and Court Commissioners
- State Board and Commission Members listed in Government Code Section 87200

⇒ April 1, 2014

- Most other filers

Individuals filing under conflict of interest codes in city and county jurisdictions should verify the annual filing date with their local filing officers.

Statements postmarked by the filing deadline are considered filed on time.

Assuming Office and Leaving Office Statements

Most filers file within 30 days of assuming or leaving office or within 30 days of the effective date of a newly adopted or amended conflict of interest code.

Exception:

If you assumed office between October 1, 2013, and December 31, 2013, and filed an assuming office statement, you are not required to file an annual statement until March 2, 2015, or April 1, 2015, whichever is applicable. The annual statement will cover the day after you assumed office through December 31, 2014. See Reference Pamphlet, pages 6 and 7, for additional exceptions.

Candidate Statements

File no later than the final filing date for the declaration of candidacy or nomination documents.

Amendments

Statements may be amended at any time. You are only required to amend the schedule that needs to be revised. It is not necessary to amend the entire filed form. Obtain amendment schedules at www.fppc.ca.gov.

There is no provision for filing deadline extensions unless the filer is serving in active military duty. (Regulation 18723) Statements of 30 pages or less may be faxed by the deadline as long as the originally signed paper version is sent by first class mail to the filing official within 24 hours.

Introduction

The Political Reform Act (Gov. Code Sections 81000-91014) requires most state and local government officials and employees to publicly disclose their personal assets and income. They also must disqualify themselves from participating in decisions that may affect their personal economic interests. The Fair Political Practices Commission (FPPC) is the state agency responsible for issuing the attached Statement of Economic Interests, Form 700, and for interpreting the law's provisions.

Gift Prohibition

Gifts received by most state and local officials, employees, and candidates are subject to a limit. During 2013, the gift limit was \$440 from a single source for the calendar year. This gift limit is effective until December 31, 2014.

In addition, state officials, state candidates, and certain state employees are subject to a \$10 limit per calendar month on gifts from lobbyists and lobbying firms registered with the Secretary of State. See Reference Pamphlet, page 10.

State and local officials and employees should check with their agency to determine if other restrictions apply.

Disqualification

Public officials are, under certain circumstances, required to disqualify themselves from making, participating in, or attempting to influence governmental decisions that will affect their economic interests. This may include interests they are not required to disclose (i.e., a personal residence is often not reportable, but may be disqualifying). Specific disqualification requirements apply to 87200 filers (e.g., city councilmembers, members of boards of supervisors, planning commissioners, etc.). These officials must identify orally the economic interest that creates a conflict of interest and leave the room before a discussion or vote takes place at a public meeting. For more information, consult Government Code Section 87105, Regulation 18702.5, and the Overview of the Conflict of Interest Laws at www.fppc.ca.gov.

Honorarium Ban

Most state and local officials, employees, and candidates are prohibited from accepting an honorarium for any speech given, article published, or attendance at a conference, convention, meeting, or like gathering. See Reference Pamphlet, page 10.

Loan Restrictions

Certain state and local officials are subject to restrictions on loans. See Reference Pamphlet, page 14.

Post-Governmental Employment

There are restrictions on representing clients or employers before former agencies. The provisions apply to elected state officials, most state employees, local elected officials, county chief administrative officers, city managers, including the chief administrator of a city, and general managers or chief administrators of local special districts and JPAs. The FPPC website has fact sheets explaining the provisions.

Late Filing

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or district attorney) for investigation and possible prosecution. In addition to the late filing penalties, a fine of up to \$5,000 per violation may be imposed.

For assistance concerning reporting, prohibitions, and restrictions under the Act:

- Email questions to advice@fppc.ca.gov.
- Call the FPPC toll-free at (866) 275-3772.

Form 700 is a Public Document Public Access Must Be Provided

Statements of Economic Interests are public documents. The filing officer must permit any member of the public to inspect and receive a copy of any statement.

- Statements must be available as soon as possible during the agency's regular business hours, but in any event not later than the second business day after the statement is received. Access to the Form 700 is not subject to the Public Records Act procedures.
- No conditions may be placed on persons seeking access to the forms.
- No information or identification may be required from persons seeking access.
- Reproduction fees of no more than 10 cents per page may be charged.

Types of Form 700 Filings

Assuming Office Statement:

If you are a newly appointed official or are newly employed in a position designated, or that will be designated, in a state or local agency's conflict of interest code, your assuming office date is the date you were sworn in or otherwise authorized to serve in the position. If you are a newly elected official, your assuming office date is the date you were sworn in.

- Investments, interests in real property, and business positions held on the date you assumed the office or position must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date you assumed the office or position is reportable.

For positions subject to confirmation by the State Senate or the Commission on Judicial Performance, your assuming office date is the date you were appointed or nominated to the position.

Example:

Maria Lopez was nominated by the Governor to serve on a state agency board that is subject to state Senate confirmation. The assuming office date is the date Maria's nomination is submitted to the Senate. Maria must report investments, interests in real property, and business positions she holds on that date, and income (including loans, gifts, and travel payments) received during the 12 months prior to that date.

If your office or position has been added to a newly adopted or newly amended conflict of interest code, use the effective date of the code or amendment, whichever is applicable.

- Investments, interests in real property, and business positions held on the effective date of the code or amendment must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the effective date of the code or amendment is reportable.

Annual Statement:

Generally, the period covered is January 1, 2013, through December 31, 2013. If the period covered by the statement is different than January 1, 2013, through December 31, 2013, (for example, you assumed office between October 1, 2012, and December 31, 2012 or you are combining statements), you must specify the period covered.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2013.

- If your disclosure category changes during a reporting period, disclose under the old category until the effective date of the conflict of interest code amendment and disclose under the new disclosure category through the end of the reporting period.

Leaving Office Statement:

Generally, the period covered is January 1, 2013, through the date you stopped performing the duties of your position. If the period covered differs from January 1, 2013, through the date you stopped performing the duties of your position (for example, you assumed office between October 1, 2012, and December 31, 2012, or you are combining statements), the period covered must be specified. The reporting period can cover parts of two calendar years.

- Investments, interests in real property, business positions held, and income (including loans, gifts, and travel payments) received during the period covered by the statement must be reported. Do not change the preprinted dates on Schedules A-1, A-2, and B unless you are required to report the acquisition or disposition of an interest that did not occur in 2013.

Candidate Statement:

If you are filing a statement in connection with your candidacy for state or local office, investments, interests in real property, and business positions held on the date of filing your declaration of candidacy must be reported. In addition, income (including loans, gifts, and travel payments) received during the 12 months prior to the date of filing your declaration of candidacy is reportable. Do not change the preprinted dates on Schedules A-1, A-2, and B.

Candidates running for local elective offices (e.g., county sheriffs, city clerks, school board trustees, and water district board members) must file candidate statements, as required by the conflict of interest code for the elected position. The code may be obtained from the agency of the elected position.

Amendments:

If you discover errors or omissions on any statement, file an amendment as soon as possible. You are only required to amend the schedule that needs to be revised; it is not necessary to refile the entire form. Obtain amendment schedules from the FPPC website at www.fppc.ca.gov.

Instructions Cover Page

Enter your name, mailing address, and daytime telephone number in the spaces provided. **Because the Form 700 is a public document, you may list your business/office address instead of your home address.**

Part 1. Office, Agency, or Court

- Enter the name of the office sought or held, or the agency or court. Consultants must enter the public agency name rather than their private firm's name. (Examples: State Assembly; Board of Supervisors; Office of the Mayor; Department of Finance; Hope County Superior Court)
- Indicate the name of your division, board, or district, if applicable. (Examples: Division of Waste Management; Board of Accountancy; District 45). **Do not use acronyms.**
- Enter your position title. (Examples: Director; Chief Counsel; City Council Member; Staff Services Analyst)
- If you hold multiple positions (i.e., a city council member who also is a member of a county board or commission), you may be required to file statements with each agency. To simplify your filing obligations, you may complete an expanded statement.
- To do this, enter the name of the other agency(ies) with which you are required to file and your position title(s) in the space provided. **Do not use acronyms.** Attach an additional sheet if necessary. Complete one statement covering the disclosure requirements for all positions. Each copy must contain an original signature. Therefore, before signing the statement, make a copy for each agency. Sign each copy with an original signature and file with each agency.

If you assume or leave a position after a filing deadline, you must complete a separate statement. For example, a city council member who assumes a position with a county special district after the April 1 annual filing deadline must file a separate assuming office statement. In subsequent years, the city council member may expand his or her annual filing to include both positions.

Example:

Scott Baker is a city council member for the City of Lincoln and a board member for the Camp Far West Irrigation District – a multi-county agency that covers Placer and Yuba counties. Scott will complete one Form 700 using full disclosure (as required for the city position) and covering interests in both Placer and Yuba counties (as required for the multi-county position) and list both positions on the Cover Page. Before signing the statement, Scott will make a copy and sign both statements. One statement will be filed with City of Lincoln and the other will be filed with Camp Far West Irrigation District. Both will contain an original signature.

Part 2. Jurisdiction of Office

- Check the box indicating the jurisdiction of your agency and, if applicable, identify the jurisdiction. Judges, judicial candidates, and court commissioners have statewide jurisdiction. All other filers should review the Reference Pamphlet, page 13, to determine their jurisdiction.
- If your agency is a multi-county office, list each county in which your agency has jurisdiction.

- If your agency is not a state office, court, county office, city office, or multi-county office (e.g., school districts, special districts and JPAs), check the "other" box and enter the county or city in which the agency has jurisdiction.

Example:

This filer is a member of a water district board with jurisdiction in portions of Yuba and Sutter Counties.

Part 3. Type of Statement

1. Office, Agency, or Court	
Agency Name South Sutter Water District	Your Position Board Member
Division, Board, Department, District, if applicable	
» If filing for multiple positions, list below or on an attachment.	
Agency: _____	Position: _____
2. Jurisdiction of Office (Check at least one box)	
<input type="checkbox"/> State	<input type="checkbox"/> Judge or Court Commissioner (Statewide Jurisdiction)
<input type="checkbox"/> Multi-County _____	<input type="checkbox"/> County of _____
<input type="checkbox"/> City of _____	<input checked="" type="checkbox"/> Other Portions of Yuba & Sutter Counties

Check at least one box. The period covered by a statement is determined by the type of statement you are filing. If you are completing a 2013 annual statement, **do not** change the pre-printed dates to reflect 2014. Your annual statement is used for reporting the **previous year's** economic interests. Economic interests for your annual filing covering January 1, 2014, through December 31, 2014, will be disclosed on your statement filed in 2015. See Reference Pamphlet, page 4.

Combining Statements: Certain types of statements may be combined. For example, if you leave office after January 1, but before the deadline for filing your annual statement, you may combine your annual and leaving office statements. File by the earliest deadline. Consult your filing officer or the FPPC.

Part 4. Schedule Summary

- Enter the total number of completed pages including the cover page and either:

Check the box for each schedule you use to disclose interests;

- or -

if you have nothing to disclose on any schedule, check the "No reportable interests" box. Please **do not** attach any blank schedules.

Part 5. Verification

Complete the verification by signing the statement and entering the date signed. All statements must have an original "wet" signature or be duly authorized by your filing officer to file electronically under Government Code Section 87500.2. Instructions, examples, FAQs, and a reference pamphlet are available to help answer your questions. **When you sign your statement, you are stating, under penalty of perjury, that it is true and correct.** Only the filer has authority to sign the statement. An unsigned statement is not considered filed and you may be subject to late filing penalties.

FPPC Form 700 (2013/2014)

FPPC Advice Email: advice@fppc.ca.gov

FPPC Toll-Free Helpline: 866/275-3772 www.fppc.ca.gov

Instructions – 1

COVER PAGE

Please type or print in ink.

NAME OF FILER (LAST) (FIRST) (MIDDLE)

1. Office, Agency, or Court

Agency Name (Do not use acronyms)

Division, Board, Department, District, if applicable Your Position

If filing for multiple positions, list below or on an attachment. (Do not use acronyms)

Agency: Position:

2. Jurisdiction of Office (Check at least one box)

- State, Multi-County, City of, Judge or Court Commissioner (Statewide Jurisdiction), County of, Other

3. Type of Statement (Check at least one box)

- Annual: The period covered is January 1, 2013, through December 31, 2013. Leaving Office: Date Left. Assuming Office: Date assumed. Candidate: Election year and office sought.

4. Schedule Summary

- Schedule A-1 - Investments, Schedule A-2 - Investments, Schedule B - Real Property, Schedule C - Income, Loans, & Business Positions, Schedule D - Income - Gifts, Schedule E - Income - Gifts - Travel Payments, None - No reportable interests on any schedule

5. Verification

MAILING ADDRESS STREET CITY STATE ZIP CODE (Business or Agency Address Recommended - Public Document)

DAYTIME TELEPHONE NUMBER E-MAIL ADDRESS (OPTIONAL)

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information contained herein and in any attached schedules is true and complete. I acknowledge this is a public document.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date Signed (month, day, year)

Signature (File the originally signed statement with your filing official.)

Which Schedule Do I Use?

Common Reportable Interests

Schedule A-1	Stocks, including those held in an IRA or a 401K
Schedule A-2	Business entities (including certain independent contracting), sole proprietorships, partnerships, LLCs, corporations, and trusts
Schedule B	Rental property in the jurisdiction
Schedule C	Non-governmental salaries of public official and spouse/registered domestic partner
Schedule D	Gifts from businesses (such as tickets to sporting or entertainment events)
Schedule E	Travel payments from third parties (not your employer)

Common Non-Reportable Interests

Schedule A-1	Insurance policies, government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. See Reference Pamphlet, page 12, for detailed information. (Regulation 18237)
Schedule A-2	Savings and checking accounts and annuities
Schedule B	A residence used exclusively as a personal residence (such as a home or vacation cabin)
Schedule C	Governmental salary (such as a school district)
Schedule D	Gifts from family members
Schedule E	Travel paid by your government agency

Remember:

- ✓ Mark the "No reportable interests" box on Part 4 of the Schedule Summary on the Cover Page if you determine you have nothing to disclose and file the Cover Page only. **Make sure you carefully read all instructions to ensure proper reporting.**
- ✓ The Form 700 is a public document.
- ✓ **Most individuals must consult their agency's conflict of interest code for reportable interests.**
- ✓ Most individuals file the Form 700 with their agencies.

Questions and Answers

General

- Q. What is the reporting period for disclosing interests on an assuming office statement or a candidate statement?
- A. On an assuming office statement, disclose all reportable investments, interests in real property, and business positions held on the date you assumed office. In addition, you must disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you assumed office.

On a candidate statement, disclose all reportable investments, interests in real property, and business positions held on the date you file your declaration of candidacy. You must also disclose income (including loans, gifts and travel payments) received during the 12 months prior to the date you file your declaration of candidacy.

- Q. I hold two other board positions in addition to my position with the county. Must I file three statements of economic interests?
- A. Yes, three are required. However, you may complete one statement listing the county and the two boards on the Cover Page or an attachment as the agencies for which you will be filing. Report your economic interests using the largest jurisdiction and highest disclosure requirements assigned to you by the three agencies. Make two copies of the entire statement before signing it, sign each copy with an original signature, and distribute one original to the county and to each of the two boards. Remember to complete separate statements for positions that you leave or assume during the year.
- Q. I am a department head who recently began acting as city manager. Should I file as the city manager?
- A. Yes. File an assuming office statement as city manager. Persons serving as "acting," "interim," or "alternate" must file as if they hold the position because they are or may be performing the duties of the position.
- Q. As a designated employee, I left one state agency to work for another state agency. Must I file a leaving office statement?
- A. Yes. You may also need to file an assuming office statement for the new agency.

Investment Disclosure

- Q. I have an investment interest in shares of stock in a company that does not have an office in my jurisdiction. Must I still disclose my investment interest in this company?
- A. Probably. The definition of "doing business in the jurisdiction" is not limited to whether the business has an office or physical location in your jurisdiction. See Reference Pamphlet, page 13.
- Q. My spouse and I have a living trust. The trust holds rental property in my jurisdiction, our primary residence, and investments in diversified mutual funds. I have full disclosure. How is this trust disclosed?
- A. Disclose the name of the trust, the rental property and its income on Schedule A-2. Your primary residence and investments in diversified mutual funds registered with the SEC are not reportable.
- Q. I am required to report all investments. I have an IRA that contains stocks through an account managed by a brokerage firm. Must I disclose these stocks even though they are held in an IRA and I did not decide which stocks to purchase?
- A. Yes. Disclose on Schedule A-1 or A-2 any stock worth \$2,000 or more in a business entity located in or doing business in your jurisdiction.
- Q. I own stock in IBM and must report this investment on Schedule A-1. I initially purchased this stock in the early 1990s; however, I am constantly buying and selling shares. Must I note these dates in the "Acquired" and "Disposed" fields?
- A. No. You must only report dates in the "Acquired" or "Disposed" fields when, during the reporting period, you initially purchase a reportable investment worth \$2,000 or more or when you dispose of the entire investment. You are not required to track the partial trading of an investment.

Questions and Answers Continued

Q. On last year's filing I reported stock in Encoe valued at \$2,000 - \$10,000. Late last year the value of this stock fell below and remains at less than \$2,000. How should this be reported on this year's statement?

A. You are not required to report an investment if the value was less than \$2,000 during the **entire** reporting period. However, because a disposed date is not required for stocks that fall below \$2,000, you may want to report the stock and note in the "comments" section that the value fell below \$2,000. This would be for informational purposes only; it is not a requirement.

Q. We have a Section 529 account set up to save money for our son's college education. Is this reportable?

A. If the Section 529 account contains reportable interests (e.g., common stock valued at \$2,000 or more), those interests are reportable (not the actual Section 529 account). If the account contains solely mutual funds, then nothing is reported.

Income Disclosure

Q. I reported a business entity on Schedule A-2. Clients of my business are located in several states. Must I report all clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2, Part 3?

A. No, only the clients doing business on a regular basis in your jurisdiction must be disclosed.

Q. I believe I am not required to disclose the names of clients from whom my pro rata share of income is \$10,000 or more on Schedule A-2 because of their right to privacy. Is there an exception for reporting clients' names?

A. Regulation 18740 provides a procedure for requesting an exemption to allow a client's name not to be disclosed if disclosure of the name would violate a legally recognized privilege under California law. This regulation may be obtained from our website at www.fppc.ca.gov. See Reference Pamphlet, page 14.

Q. I am sole owner of a private law practice that is not reportable based on my limited disclosure category. However, some of the sources of income to my law practice are from reportable sources. Do I have to disclose this income?

A. Yes, even though the law practice is not reportable, reportable sources of income to the law practice of \$10,000 or more must be disclosed. This information would be disclosed on Schedule C with a note in the

"comments" section indicating that the business entity is not a reportable investment. The note would be for informational purposes only; it is not a requirement.

Q. I am the sole owner of my business. Where do I disclose my income - on Schedule A-2 or Schedule C?

A. Sources of income to a business in which you have an ownership interest of 10% or greater are disclosed on Schedule A-2. See Reference Pamphlet, page 8, for the definition of "business entity."

Q. My husband is a partner in a four-person firm where all of his business is based on his own billings and collections from various clients. How do I report my community property interest in this business and the income generated in this manner?

A. If your husband's investment in the firm is 10% or greater, disclose 100% of his share of the business on Schedule A-2, Part 1 and 50% of his income on Schedule A-2, Parts 2 and 3. For example, a client of your husband's must be a source of at least \$20,000 during the reporting period before her name is reported.

Q. How do I disclose my spouse's or registered domestic partner's salary?

A. Report the name of the employer as a source of income on Schedule C.

Q. I am a doctor. For purposes of reporting \$10,000 sources of income on Schedule A-2, Part 3, are the patients or their insurance carriers considered sources of income?

A. If your patients exercise sufficient control by selecting you instead of other doctors, then your patients, rather than their insurance carriers, are sources of income to you. See Reference Pamphlet, page 14, for additional information.

Q. I received a loan from my grandfather to purchase my home. Is this loan reportable?

A. No. Loans received from family members are not reportable.

Questions and Answers Continued

Q. I am running for re-election to city council and made a personal loan to my campaign committee. Is this reportable on my Form 700?

A. No, the loan is not reportable on Form 700; however, loan repayments from a campaign committee are reported on Schedule C as income.

Q. Many years ago, I loaned my parents several thousand dollars, which they paid back this year. Do I need to report this loan repayment on my Form 700?

A. No. Payments received on a loan made to a family member are not reportable.

Real Property Disclosure

Q. During this reporting period we switched our principal place of residence into a rental. I have full disclosure and the property is located in my agency's jurisdiction, so it is now reportable. Because I have not reported this property before, do I need to show an "acquired" date?

A. No, you are not required to show an "acquired" date because you previously owned the property. However, you may want to note in the "comments" section that the property was not previously reported because it was used exclusively as your residence. This would be for informational purposes only; it is not a requirement.

Q. My daughter is buying her first home and I am the co-signer on the loan. I won't occupy the home, but my daughter will. The home is located in my agency's jurisdiction. Must I report this property?

A. No. Property occupied by a family member is not reportable as long as you are not receiving rental income or using the property for business purposes.

Gift Disclosure

Q. If I received a gift of two tickets to a concert valued at \$100 each, but gave the tickets to a friend because I could not attend the concert, do I have any reporting obligations?

A. Yes. Since you accepted the gift and exercised discretion and control of the use of the tickets, you must disclose the gift on Schedule D.

Q. Mary and Joe Benson, a married couple, want to give a piece of artwork to a county supervisor. Is each spouse considered a separate source for purposes of the gift limit and disclosure?

A. Yes, each spouse may make a gift valued at the gift limit during a calendar year. For example, during 2013 the gift limit was \$440, so the Bensons may have given the supervisor artwork valued at no more than \$880. The supervisor must identify Joe and Mary Benson as the sources of the gift.

Q. I am a Form 700 filer with full disclosure. Our agency holds a holiday raffle to raise funds for a local charity. I bought \$10 worth of raffle tickets and won a gift basket valued at \$120. The gift basket was donated by Doug Brewer, a citizen in our city. At the same event, I bought raffle tickets for, and won a quilt valued at \$70. The quilt was donated by a coworker. Are these reportable gifts?

A. Because the gift basket was donated by an outside source (not an agency employee), you have received a reportable gift valued at \$110 (the value of the basket less the consideration paid). The source of the gift is Doug Brewer and the agency is disclosed as the intermediary. Because the quilt was donated by an employee of your agency, it is not a reportable gift.

Q. My agency is responsible for disbursing grants. An applicant (501(c)(3) organization) met with agency employees to present its application. At this meeting, the applicant provided food and beverages. Would the food and beverages be considered gifts to the employees? These employees are designated in our agency's conflict of interest code and the applicant is a reportable source of income under the code.

A. Yes. If the value of the food and beverages consumed by any one filer, plus any other gifts received from the same source during the reporting period total \$50 or more, the food and beverages would be reported using the fair market value and would be subject to the gift limit.

Q. I received free admission to an educational conference related to my official duties. Part of the conference fees included a round of golf. Is the value of the golf considered informational material?

A. No. The value of personal benefits, such as golf, attendance at a concert, or sporting event, are gifts subject to reporting and limits.

Instructions – Schedules A-1 and A-2 Investments

“Investment” means a financial interest in any business entity (including a consulting business or other independent contracting business) that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency’s jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more at any time during the reporting period. See Reference Pamphlet, page 13.

Reportable investments include:

- Stocks, bonds, warrants, and options, including those held in margin or brokerage accounts and managed investment funds (See Reference Pamphlet, page 13.)
- Sole proprietorships
- Your own business or your spouse’s or registered domestic partner’s business (See Reference Pamphlet, page 8, for the definition of “business entity.”)
- Your spouse’s or registered domestic partner’s investments that are legally separate property
- Partnerships (e.g., a law firm or family farm)
- Investments in reportable business entities held in a retirement account (See Reference Pamphlet, page 15.)
- If you, your spouse or registered domestic partner, and dependent children together had a 10% or greater ownership interest in a business entity or trust (including a living trust), you must disclose investments held by the business entity or trust. See Reference Pamphlet, page 15, for more information on disclosing trusts.
- Business trusts

You are not required to disclose:

- Insurance policies, government bonds, diversified mutual funds, certain funds similar to diversified mutual funds (such as exchange traded funds) and investments held in certain retirement accounts. See Reference Pamphlet, page 12, for detailed information. (Regulation 18237)
- Bank accounts, savings accounts, money market accounts and certificates of deposits
- Insurance policies
- Annuities
- Commodities
- Shares in a credit union
- Government bonds (including municipal bonds)
- Retirement accounts invested in non-reportable interests (e.g., insurance policies, mutual funds, or government bonds) (See Reference Pamphlet, page 15.)

Reminders

- Do you know your agency’s jurisdiction?
- Did you hold investments at any time during the period covered by this statement?
- Code filers – your disclosure categories may only require disclosure of specific investments.

- Government defined-benefit pension plans (such as CalPERS and CalSTRS plans)
- Certain interests held in a blind trust (See Reference Pamphlet, page 16.)

Use Schedule A-1 to report ownership of less than 10% (e.g., stock). Schedule C (Income) may also be required if the investment is not a stock or corporate bond. See second example below.

Use Schedule A-2 to report ownership of 10% or greater (e.g., a sole proprietorship).

To Complete Schedule A-1:

Do not attach brokerage or financial statements.

- Disclose the name of the business entity.
- Provide a general description of the business activity of the entity (e.g., pharmaceuticals, computers, automobile manufacturing, or communications).
- Check the box indicating the highest fair market value of your investment during the reporting period. If you are filing a candidate or an assuming office statement, indicate the fair market value on the filing date or the date you took office, respectively.
- Identify the nature of your investment (e.g., stocks, warrants, options, or bonds).
- An acquired or disposed of date is only required if you initially acquired or entirely disposed of the investment interest during the reporting period. The date of a stock dividend reinvestment or partial disposal is not required. Generally, these dates will not apply if you are filing a candidate or an assuming office statement.

Examples:

John Smith holds a state agency position. His conflict of interest code requires full disclosure of investments. John must disclose his stock holdings of \$2,000 or more in any company that does business in California, as well as those stocks held by his spouse or registered domestic partner and dependent children.

Susan Jones is a city council member. She has a 4% interest, worth \$5,000, in a limited partnership located in the city. Susan must disclose the partnership on Schedule A-1 and income of \$500 or more received from the partnership on Schedule C.

SCHEDULE A-1

Investments

Stocks, Bonds, and Other Interests

(Ownership Interest is Less Than 10%)

Do not attach brokerage or financial statements.

CALIFORNIA FORM **700**

FAIR POLITICAL PRACTICES COMMISSION

Name _____

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____ (Describe)
 Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
_____/_____/13 ____/_____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____ (Describe)
 Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
_____/_____/13 ____/_____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____ (Describe)
 Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
_____/_____/13 ____/_____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____ (Describe)
 Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
_____/_____/13 ____/_____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____ (Describe)
 Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
_____/_____/13 ____/_____/13
ACQUIRED DISPOSED

▶ NAME OF BUSINESS ENTITY _____

GENERAL DESCRIPTION OF THIS BUSINESS _____

FAIR MARKET VALUE
 \$2,000 - \$10,000 \$10,001 - \$100,000
 \$100,001 - \$1,000,000 Over \$1,000,000

NATURE OF INVESTMENT
 Stock Other _____ (Describe)
 Partnership Income Received of \$0 - \$499
 Income Received of \$500 or More (Report on Schedule C)

IF APPLICABLE, LIST DATE:
_____/_____/13 ____/_____/13
ACQUIRED DISPOSED

Comments: _____

Instructions – Schedule A-2 Investments, Income, and Assets of Business Entities/Trusts

Use Schedule A-2 to report investments in a business entity (including a consulting business or other independent contracting business) or trust (including a living trust) in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater interest, totaling \$2,000 or more, during the reporting period and which is located in, doing business in, planning to do business in, or which has done business during the previous two years in your agency's jurisdiction. See Reference Pamphlet, page 13. A trust located outside your agency's jurisdiction is reportable if it holds assets that are located in or doing business in the jurisdiction. Do not report a trust that contains non-reportable interests. For example, a trust containing only your personal residence not used in whole or in part as a business, your savings account, and some municipal bonds, is not reportable.

Also report on Schedule A-2 investments and real property held by that entity or trust if your pro rata share of the investment or real property interest was \$2,000 or more during the reporting period.

To Complete Schedule A-2:

Part 1. Disclose the name and address of the business entity or trust. If you are reporting an interest in a business entity, check "Business Entity" and complete the box as follows:

- Provide a general description of the business activity of the entity.
- Check the box indicating the highest fair market value of your investment during the reporting period.
- If you initially acquired or entirely disposed of this interest during the reporting period, enter the date acquired or disposed.
- Identify the nature of your investment.
- Disclose the job title or business position you held with the entity, if any (i.e., if you were a director, officer, partner, trustee, employee, or held any position of management). A business position held by your spouse is not reportable.

Part 2. Check the box indicating your **pro rata** share of the **gross** income received by the business entity or trust. This amount includes your pro rata share of the **gross** income from the business entity or trust, as well as your community property interest in your spouse's or registered domestic partner's share. Gross income is the total amount of income before deducting expenses, losses, or taxes.

Part 3. Disclose the name of each source of income that is located in, doing business in, planning to do business in, or that has done business during the previous two years in your agency's jurisdiction, as follows:

- Disclose each source of income and outstanding loan to the business entity or trust identified in Part 1 if your pro rata share of the **gross** income (including your community property interest in your spouse's or registered domestic partner's share) to the business entity or trust from that source was \$10,000 or more during the reporting period. See Reference Pamphlet, page 11, for examples.

Income from governmental sources may be reportable if not considered salary. See Regulation 18232. Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.

- Disclose each individual or entity that was a source of commission income of \$10,000 or more during the reporting period through the business entity identified in Part 1. See Reference Pamphlet, page 8, for an explanation of commission income.
You may be required to disclose sources of income located outside your jurisdiction. For example, you may have a client who resides outside your jurisdiction who does business on a regular basis with you. Such a client, if a reportable source of \$10,000 or more, must be disclosed.

Mark "None" if you do not have any reportable \$10,000 sources of income to disclose. Using phrases such as "various clients" or "not disclosing sources pursuant to attorney-client privilege" may trigger a request for an amendment to your statement. See Reference Pamphlet, page 14, for details about requesting an exemption from disclosing privileged information.

Part 4. Report any investments or interests in real property held or leased **by the entity or trust** identified in Part 1 if your pro rata share of the interest held was \$2,000 or more during the reporting period. Attach additional schedules or use FPPC's Form 700 Excel spreadsheet if needed.

- Check the applicable box identifying the interest held as real property or an investment.
- If investment, provide the name and description of the business entity.
- If real property, report the precise location (e.g., an assessor's parcel number or address).
- Check the box indicating the highest fair market value of your interest in the real property or investment during the reporting period. (Report the fair market value of the portion of your residence claimed as a tax deduction if you are utilizing your residence for business purposes.)
- Identify the nature of your interest.
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property or investment during the reporting period.

SCHEDULE A-2
Investments, Income, and Assets
of Business Entities/Trusts
 (Ownership Interest is 10% or Greater)

CALIFORNIA FORM 700
 FAIR POLITICAL PRACTICES COMMISSION

Name _____

▶ 1. BUSINESS ENTITY OR TRUST

Name _____

Address (Business Address Acceptable) _____

Check one
 Trust, go to 2 Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:

\$0 - \$1,999 _____/_____/13 _____/_____/13

\$2,000 - \$10,000 _____/_____/13 _____/_____/13

\$10,001 - \$100,000 ACQUIRED DISPOSED

\$100,001 - \$1,000,000

Over \$1,000,000

NATURE OF INVESTMENT

Partnership Sole Proprietorship _____ Other

YOUR BUSINESS POSITION _____

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

\$0 - \$499 \$10,001 - \$100,000

\$500 - \$1,000 OVER \$100,000

\$1,001 - \$10,000

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

None

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:
 INVESTMENT REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property _____

Description of Business Activity or City or Other Precise Location of Real Property _____

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:

\$2,000 - \$10,000 _____/_____/13 _____/_____/13

\$10,001 - \$100,000 _____/_____/13 _____/_____/13

\$100,001 - \$1,000,000 ACQUIRED DISPOSED

Over \$1,000,000

NATURE OF INTEREST

Property Ownership/Deed of Trust Stock Partnership

Leasehold _____ Yrs. remaining Other _____

Check box if additional schedules reporting investments or real property are attached

▶ 1. BUSINESS ENTITY OR TRUST

Name _____

Address (Business Address Acceptable) _____

Check one
 Trust, go to 2 Business Entity, complete the box, then go to 2

GENERAL DESCRIPTION OF THIS BUSINESS

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:

\$0 - \$1,999 _____/_____/13 _____/_____/13

\$2,000 - \$10,000 _____/_____/13 _____/_____/13

\$10,001 - \$100,000 ACQUIRED DISPOSED

\$100,001 - \$1,000,000

Over \$1,000,000

NATURE OF INVESTMENT

Partnership Sole Proprietorship _____ Other

YOUR BUSINESS POSITION _____

▶ 2. IDENTIFY THE GROSS INCOME RECEIVED (INCLUDE YOUR PRO RATA SHARE OF THE GROSS INCOME TO THE ENTITY/TRUST)

\$0 - \$499 \$10,001 - \$100,000

\$500 - \$1,000 OVER \$100,000

\$1,001 - \$10,000

▶ 3. LIST THE NAME OF EACH REPORTABLE SINGLE SOURCE OF INCOME OF \$10,000 OR MORE (Attach a separate sheet if necessary.)

None

▶ 4. INVESTMENTS AND INTERESTS IN REAL PROPERTY HELD OR LEASED BY THE BUSINESS ENTITY OR TRUST

Check one box:
 INVESTMENT REAL PROPERTY

Name of Business Entity, if Investment, or Assessor's Parcel Number or Street Address of Real Property _____

Description of Business Activity or City or Other Precise Location of Real Property _____

FAIR MARKET VALUE IF APPLICABLE, LIST DATE:

\$2,000 - \$10,000 _____/_____/13 _____/_____/13

\$10,001 - \$100,000 _____/_____/13 _____/_____/13

\$100,001 - \$1,000,000 ACQUIRED DISPOSED

Over \$1,000,000

NATURE OF INTEREST

Property Ownership/Deed of Trust Stock Partnership

Leasehold _____ Yrs. remaining Other _____

Check box if additional schedules reporting investments or real property are attached

Comments: _____

Instructions – Schedule B Interests in Real Property

Report interests in real property located in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more any time during the reporting period. See Reference Pamphlet, page 13.

Interests in real property include:

- An ownership interest (including a beneficial ownership interest)
- A deed of trust, easement, or option to acquire property
- A leasehold interest (See Reference Pamphlet, page 14.)
- A mining lease
- An interest in real property held in a retirement account (See Reference Pamphlet, page 15.)
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater ownership interest (Report on Schedule A-2.)
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her

You are **not** required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence (However, a residence in which you rent out a room or for which you claim a business deduction may be reportable. If reportable, report the fair market value of the portion claimed as a tax deduction.)

Please note: A non-reportable residence can still be grounds for a conflict of interest and may be disqualifying.

- Interests in real property held through a blind trust (See Reference Pamphlet, page 16, for exceptions.)

To Complete Schedule B:

- Report the precise location (e.g., an assessor's parcel number or address) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property during the reporting period.
- Identify the nature of your interest. If it is a leasehold, disclose the number of years remaining on the lease.
- If you received rental income, check the box indicating the gross amount you received.
- If you had a 10% or greater interest in real property and received rental income, list the name of the source(s) if your pro rata share of the gross income from any single

tenant was \$10,000 or more during the reporting period. If you received a total of \$10,000 or more from two or more tenants acting in concert (in most cases, this will apply to married couples), disclose the name of each tenant. Otherwise, mark "None."

- Loans from a private lender that total \$500 or more and are secured by real property may be reportable. **Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.**

When reporting a loan:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and term of the loan. For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was established.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule C.

Example:

Joe Nelson is a city planning commissioner. Joe received rental income of \$12,000 during the reporting period from a single tenant who rented property Joe owned in the city's jurisdiction. If Joe had received the \$12,000 from two or more tenants, the tenants' names would not be required as long as no single tenant paid \$10,000 or more. A married couple would be considered a single tenant.

ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS 4600 24th Street	
CITY Henry Wells	
FAIR MARKET VALUE <input type="checkbox"/> \$2,000 - \$10,000 <input type="checkbox"/> \$10,001 - \$100,000 <input checked="" type="checkbox"/> \$100,001 - \$1,000,000 <input type="checkbox"/> Over \$1,000,000	IF APPLICABLE, LIST DATE ACQUIRED _____ / ____ / 13 DISPOSED _____ / ____ / 13
NATURE OF INTEREST <input checked="" type="checkbox"/> Ownership/Deed of Trust <input type="checkbox"/> Easement <input type="checkbox"/> Leasehold Yrs. remaining _____ <input type="checkbox"/> Other _____	
IF RENTAL PROPERTY, GROSS INCOME RECEIVED <input type="checkbox"/> \$0 - \$499 <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000	
SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more. <input type="checkbox"/> None Henry Wells	
NAME OF LENDER Sophia Petrolio	
ADDRESS (Business Address Acceptable) 2121 Blue Sky Parkway, Sacramento	
BUSINESS ACTIVITY, IF ANY, OF LENDER Restaurant Owner	
INTEREST RATE 8 % <input type="checkbox"/> None	TERM (Months/Years) 15 Years
HIGHEST BALANCE DURING REPORTING PERIOD <input type="checkbox"/> \$500 - \$1,000 <input type="checkbox"/> \$1,001 - \$10,000 <input checked="" type="checkbox"/> \$10,001 - \$100,000 <input type="checkbox"/> OVER \$100,000 <input type="checkbox"/> Guarantor, if applicable	

Reminders

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C.
- Real property already reported on Schedule A-2, Part 4 are not also required to be reported on Schedule B.
- Code filers – do your disclosure categories require disclosure of real property?

FPPC Form 700 (2013/2014)
FPPC Advice Email: advice@fppc.ca.gov
FPPC Toll-Free Helpline: 866/275-3772 www.fppc.ca.gov
Instructions – 11

Instructions – Schedule C Income, Loans, & Business Positions (Income Other Than Gifts and Travel Payments)

Reporting Income:

Report the source and amount of gross income of \$500 or more you received during the reporting period. Gross income is the total amount of income before deducting expenses, losses, or taxes and includes loans other than loans from a commercial lending institution. See Reference Pamphlet, page 11. You must also report the source of income to your spouse or registered domestic partner if your community property share was \$500 or more during the reporting period.

A source of income must be reported only if the source is located in, doing business in, planning to do business in, or has done business during the previous two years in your agency's jurisdiction. See Reference Pamphlet, page 13, for more information about doing business in the jurisdiction. Reportable sources of income may be further limited by your disclosure category located in your agency's conflict of interest code.

Reporting Business Positions:

You must report your job title with each reportable business entity even if you received no income during the reporting period. Use the comments section to indicate that no income was received.

Commonly reportable income and loans include:

- Salary/wages, per diem, and reimbursement for expenses including travel payments provided by your employer
- Community property interest (50%) in your spouse's or registered domestic partner's income - **report the employer's name and all other required information**
- Income from investment interests, such as partnerships, reported on Schedule A-1
- Commission income not required to be reported on Schedule A-2 (See Reference Pamphlet, page 8.)
- Gross income from any sale, including the sale of a house or car (Report your pro rata share of the total sale price.)
- Rental income not required to be reported on Schedule B
- Prizes or awards not disclosed as gifts
- Payments received on loans you made to others, including loan repayments from a campaign committee (including a candidate's own campaign committee)
- An honorarium received prior to becoming a public official (See Reference Pamphlet, page 10, concerning your ability to receive future honoraria.)
- Incentive compensation (See Reference Pamphlet, page 12.)

Reminders

- Code filers – your disclosure categories may not require disclosure of all sources of income.
- If you or your spouse or registered domestic partner are self-employed, report the business entity on Schedule A-2.
- Do not disclose on Schedule C income, loans, or business positions already reported on Schedules A-2 or B.

You are not required to report:

- Salary, reimbursement for expenses or per diem, or social security, disability, or other similar benefit payments received by you or your spouse or registered domestic partner from a federal, state, or local government agency.
- Stock dividends and income from the sale of stock unless the source can be identified.
- Income from a PERS retirement account.

See Reference Pamphlet, page 11, for more exceptions to income reporting.

To Complete Schedule C:

Part 1. Income Received/Business Position Disclosure

- Disclose the name and address of each source of income or each business entity with which you held a business position.
- Provide a general description of the business activity if the source is a business entity.
- Check the box indicating the amount of gross income received.
- Identify the consideration for which the income was received.
- For income from commission sales, check the box indicating the gross income received and list the name of each source of commission income of \$10,000 or more. See Reference Pamphlet, page 8. **Note: If you receive commission income on a regular basis or have an ownership interest of 10% or more, you must disclose the business entity and the income on Schedule A-2.**
- Disclose the job title or business position, if any, that you held with the business entity, even if you did not receive income during the reporting period.

Part 2. Loans Received or Outstanding During the Reporting Period

- Provide the name and address of the lender.
- Provide a general description of the business activity if the lender is a business entity.
- Check the box indicating the highest balance of the loan during the reporting period.
- Disclose the interest rate and the term of the loan.
 - For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period.
 - The term of the loan is the total number of months or years given for repayment of the loan at the time the loan was entered into.
- Identify the security, if any, for the loan.

Instructions – Schedule D Income – Gifts

A gift is anything of value for which you have not provided equal or greater consideration to the donor. A gift is reportable if its fair market value is \$50 or more. In addition, multiple gifts totaling \$50 or more received during the reporting period from a single source must be reported.

It is the acceptance of a gift, not the ultimate use to which it is put, that imposes your reporting obligation. Except as noted below, you must report a gift even if you never used it or if you gave it away to another person.

If the exact amount of a gift is unknown, you must make a good faith estimate of the item's fair market value. Listing the value of a gift as "over \$50" or "value unknown" is not adequate disclosure. In addition, if you received a gift through an intermediary, you must disclose the name, address, and business activity of both the donor and the intermediary. You may indicate an intermediary either in the "source" field after the name or in the "comments" section at the bottom of Schedule D.

Commonly reportable gifts include:

- Tickets/passes to sporting or entertainment events
- Tickets/passes to amusement parks
- Parking passes not used for official agency business
- Food, beverages, and accommodations, including those provided in direct connection with your attendance at a convention, conference, meeting, social event, meal, or like gathering
- Rebates/discounts not made in the regular course of business to members of the public without regard to official status
- Wedding gifts (See Reference Pamphlet, page 16)
- An honorarium received prior to assuming office (You may report an honorarium as income on Schedule C, rather than as a gift on Schedule D, if you provided services of equal or greater value than the payment received. See Reference Pamphlet, page 10, regarding your ability to receive future honoraria.)
- Transportation and lodging (See Schedule E.)
- Forgiveness of a loan received by you

You are not required to disclose:

- Gifts that were not used and that, within 30 days after receipt, were returned to the donor or delivered to a charitable organization or government agency without being claimed by you as a charitable contribution for tax purposes

Reminders

- Gifts from a single source are subject to a \$440 limit during 2013. See Reference Pamphlet, page 10.
- Code filers – you only need to report gifts from reportable sources.

- Gifts from your spouse or registered domestic partner, child, parent, grandparent, grandchild, brother, sister, and certain other family members (See Regulation 18942 for a complete list.). The exception does not apply if the donor was acting as an agent or intermediary for a reportable source who was the true donor.
- Gifts of similar value exchanged between you and an individual, other than a lobbyist, on holidays, birthdays, or similar occasions
- Gifts of informational material provided to assist you in the performance of your official duties (e.g., books, pamphlets, reports, calendars, periodicals, or educational seminars)
- A monetary bequest or inheritance (However, inherited investments or real property may be reportable on other schedules.)
- Personalized plaques or trophies with an individual value of less than \$250
- Campaign contributions
- Up to two tickets, for your own use, to attend a fundraiser for a campaign committee or candidate, or to a fundraiser for an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code. The ticket must be received from the organization or committee holding the fundraiser.
- Gifts given to members of your immediate family if the source has an established relationship with the family member and there is no evidence to suggest the donor had a purpose to influence you. (See Regulation 18943.)
- During 2013, the cost of food, beverages, and necessary accommodations provided directly in connection with an event at which you gave a speech, participated in a panel or seminar, or provided a similar service but only if the cost is paid for by a federal, state, or local government agency. **This exception does not apply to a state or local elected officer, as defined in Section 82020, or an official specified in Section 87200.**
- Any other payment not identified above, that would otherwise meet the definition of gift, where the payment is made by an individual who is not a lobbyist registered to lobby the official's agency, where it is clear that the gift was made because of an existing personal or business relationship unrelated to the official's position and there is no evidence whatsoever at the time the gift is made to suggest the donor had a purpose to influence you.

To Complete Schedule D:

- Disclose the full name (not an acronym), address, and, if a business entity, the business activity of the source.
- Provide the date (month, day, and year) of receipt, and disclose the fair market value and description of the gift.

**SCHEDULE D
 Income – Gifts**

Name _____

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

▶ NAME OF SOURCE *(Not an Acronym)*

ADDRESS *(Business Address Acceptable)*

BUSINESS ACTIVITY, IF ANY, OF SOURCE

DATE (mm/dd/yy)	VALUE	DESCRIPTION OF GIFT(S)
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____
____/____/____	\$ _____	_____

Comments: _____

Instructions – Schedule E Travel Payments, Advances, and Reimbursements

Travel payments reportable on Schedule E include advances and reimbursements for travel and related expenses, including lodging and meals.

Gifts of travel may be subject to the gift limit. In addition, certain travel payments are reportable gifts, but are not subject to the gift limit. To avoid possible misinterpretation or the perception that you have received a gift in excess of the gift limit, you may wish to provide a specific description of the purpose of your travel. See the FPPC fact sheet entitled "Limitations and Restrictions on Gifts, Honoraria, Travel, and Loans" at www.fppc.ca.gov.

You are not required to disclose:

- Travel payments received from any state, local, or federal government agency for which you provided services equal or greater in value than the payments received
- Travel payments received from your employer in the normal course of your employment that are included in the income reported on Schedule C
- During 2013, payments for admission to an event at which you make a speech, participate on a panel, or make a substantive formal presentation, transportation, and necessary lodging, food, or beverages, and nominal non-cash benefits provided to you in connection with the event so long as both the following apply:
 - The speech is for official agency business and you are representing your government agency in the course and scope of your official duties.
 - The payment is a lawful expenditure **made only by a federal, state, or local government agency** for purposes related to conducting that agency's official business.

The above exception does not apply to a state or local elected officer, as defined in Section 82020, or an official specified in Section 87200.

Note: Effective January, 2014, certain travel payments may not be reportable if reported on Form 801 by your agency.

- A travel payment that was received from a non-profit entity exempt from taxation under Internal Revenue Code Section 501(c)(3) for which you provided equal or greater consideration

To Complete Schedule E:

- Disclose the full name (not an acronym) and address of the source of the travel payment.
- Identify the business activity if the source is a business entity.
- Check the box to identify the payment as a gift or income, report the amount, and disclose the date(s).
 - **Travel payments are gifts** if you did not provide services that were equal to or greater in value than the payments received. You must disclose gifts totaling \$50 or more from a single source during the period covered by the statement. When reporting travel payments that are gifts, you must provide a description of the gift and the **date(s)** received.
 - **Travel payments are income** if you provided services that were equal to or greater in value than the payments received. You must disclose income totaling \$500 or more from a single source during the period covered by the statement. You have the burden of proving the payments are income rather than gifts. When reporting travel payments as income, you must describe the services you provided in exchange for the payment. You are not required to disclose the date(s) for travel payments that are income.

Example:

City council member Rick Chandler is the chairman of a trade association and the association pays for Rick's travel to attend its meetings. Because Rick is deemed to be providing equal or greater consideration for the travel payment by virtue of serving on the board, this payment may be reported as income. Payments for Rick to attend other events for which Rick is not providing services are likely considered gifts.

▶ NAME OF SOURCE	
Health Services Trade Association	
ADDRESS (Business Address Acceptable)	
1230 K Street, Ste. 610	
CITY AND STATE	
Sacramento, CA	
BUSINESS ACTIVITY, IF ANY, OF SOURCE	<input type="checkbox"/> 501 (c)(3)
Association of Healthcare Workers	
DATE(S):	AMT: \$ 588.00
<small>(if applicable)</small>	
TYPE OF PAYMENT: (must check one) <input type="checkbox"/> Gift <input checked="" type="checkbox"/> Income	
DESCRIPTION: Travel reimbursement for board meeting	

SCHEDULE E

Income – Gifts

Travel Payments, Advances, and Reimbursements

Name _____

- Mark either the gift or income box.
- Mark the “501(c)(3)” box for a travel payment received from a nonprofit 501(c)(3) organization or the “Speech” box if you made a speech or participated in a panel. These payments are not subject to the \$440 gift limit, but may result in a disqualifying conflict of interest.

<p>▶ NAME OF SOURCE <i>(Not an Acronym)</i></p> <p>ADDRESS <i>(Business Address Acceptable)</i></p> <p>CITY AND STATE</p> <p>BUSINESS ACTIVITY, IF ANY, OF SOURCE <input type="checkbox"/> 501 (c)(3)</p> <p>DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ <i>(if gift)</i></p> <p>TYPE OF PAYMENT: (must check one) <input type="checkbox"/> Gift <input type="checkbox"/> Income</p> <p><input type="checkbox"/> Made a Speech/Participated in a Panel</p> <p><input type="checkbox"/> Other - Provide Description _____</p>	<p>▶ NAME OF SOURCE <i>(Not an Acronym)</i></p> <p>ADDRESS <i>(Business Address Acceptable)</i></p> <p>CITY AND STATE</p> <p>BUSINESS ACTIVITY, IF ANY, OF SOURCE <input type="checkbox"/> 501 (c)(3)</p> <p>DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ <i>(if gift)</i></p> <p>TYPE OF PAYMENT: (must check one) <input type="checkbox"/> Gift <input type="checkbox"/> Income</p> <p><input type="checkbox"/> Made a Speech/Participated in a Panel</p> <p><input type="checkbox"/> Other - Provide Description _____</p>
<p>▶ NAME OF SOURCE <i>(Not an Acronym)</i></p> <p>ADDRESS <i>(Business Address Acceptable)</i></p> <p>CITY AND STATE</p> <p>BUSINESS ACTIVITY, IF ANY, OF SOURCE <input type="checkbox"/> 501 (c)(3)</p> <p>DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ <i>(if gift)</i></p> <p>TYPE OF PAYMENT: (must check one) <input type="checkbox"/> Gift <input type="checkbox"/> Income</p> <p><input type="checkbox"/> Made a Speech/Participated in a Panel</p> <p><input type="checkbox"/> Other - Provide Description _____</p>	<p>▶ NAME OF SOURCE <i>(Not an Acronym)</i></p> <p>ADDRESS <i>(Business Address Acceptable)</i></p> <p>CITY AND STATE</p> <p>BUSINESS ACTIVITY, IF ANY, OF SOURCE <input type="checkbox"/> 501 (c)(3)</p> <p>DATE(S): ____/____/____ - ____/____/____ AMT: \$_____ <i>(if gift)</i></p> <p>TYPE OF PAYMENT: (must check one) <input type="checkbox"/> Gift <input type="checkbox"/> Income</p> <p><input type="checkbox"/> Made a Speech/Participated in a Panel</p> <p><input type="checkbox"/> Other - Provide Description _____</p>

Comments: _____



Measure T Independent Taxpayer Oversight Committee

The undersigned _____,

confirms that they were in attendance for three quarters of the Measure T

Independent Taxpayer Oversight Committee (ITOC) meeting on

_____, 20____, and wishes to _____ the
(waive or receive)

\$250 stipend in accordance with the Measure T Ordinance.

Signature of ITOC Member _____ Date: _____

Acknowledged by _____ Date: _____

Form W-4 (2014)

Purpose. Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. Consider completing a new Form W-4 each year and when your personal or financial situation changes.

Exemption from withholding. If you are exempt, complete only lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2014 expires February 17, 2015. See Pub. 505, Tax Withholding and Estimated Tax.

Note. If another person can claim you as a dependent on his or her tax return, you cannot claim exemption from withholding if your income exceeds \$1,000 and includes more than \$350 of unearned income (for example, interest and dividends).

Exceptions. An employee may be able to claim exemption from withholding even if the employee is a dependent, if the employee:

- Is age 65 or older,
- Is blind, or
- Will claim adjustments to income; tax credits; or itemized deductions, on his or her tax return.

The exceptions do not apply to supplemental wages greater than \$1,000,000.

Basic Instructions. If you are not exempt, complete the **Personal Allowances Worksheet** below. The worksheets on page 2 further adjust your withholding allowances based on itemized deductions, certain credits, adjustments to income, or two-earners/multiple jobs situations.

Complete all worksheets that apply. However, you may claim fewer (or zero) allowances. For regular wages, withholding must be based on allowances you claimed and may not be a flat amount or percentage of wages.

Head of household. Generally, you can claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals. See Pub. 501, Exemptions, Standard Deduction, and Filing Information, for information.

Tax credits. You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See Pub. 505 for information on converting your other credits into withholding allowances.

Nonwage income. If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you may owe additional tax. If you have pension or annuity income, see Pub. 505 to find out if you should adjust your withholding on Form W-4 or W-4P.

Two earners or multiple jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others. See Pub. 505 for details.

Nonresident alien. If you are a nonresident alien, see Notice 1392, Supplemental Form W-4 Instructions for Nonresident Aliens, before completing this form.

Check your withholding. After your Form W-4 takes effect, use Pub. 505 to see how the amount you are having withheld compares to your projected total tax for 2014. See Pub. 505, especially if your earnings exceed \$130,000 (Single) or \$180,000 (Married).

Future developments. Information about any future developments affecting Form W-4 (such as legislation enacted after we release it) will be posted at www.irs.gov/w4.

Personal Allowances Worksheet (Keep for your records.)

A	Enter "1" for yourself if no one else can claim you as a dependent	A _____
B	Enter "1" if: <ul style="list-style-type: none"> • You are single and have only one job; or • You are married, have only one job, and your spouse does not work; or • Your wages from a second job or your spouse's wages (or the total of both) are \$1,500 or less. 	B _____
C	Enter "1" for your spouse . But, you may choose to enter "-0-" if you are married and have either a working spouse or more than one job. (Entering "-0-" may help you avoid having too little tax withheld.)	C _____
D	Enter number of dependents (other than your spouse or yourself) you will claim on your tax return	D _____
E	Enter "1" if you will file as head of household on your tax return (see conditions under Head of household above)	E _____
F	Enter "1" if you have at least \$2,000 of child or dependent care expenses for which you plan to claim a credit (Note. Do not include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.)	F _____
G	Child Tax Credit (including additional child tax credit). See Pub. 972, Child Tax Credit, for more information. • If your total income will be less than \$65,000 (\$95,000 if married), enter "2" for each eligible child; then less "1" if you have three to six eligible children or less "2" if you have seven or more eligible children. • If your total income will be between \$65,000 and \$84,000 (\$95,000 and \$119,000 if married), enter "1" for each eligible child	G _____
H	Add lines A through G and enter total here. (Note. This may be different from the number of exemptions you claim on your tax return.) ▶	H _____

For accuracy, **complete all worksheets that apply.**

- If you plan to **itemize or claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
- If you are **single and have more than one job** or are **married and you and your spouse both work** and the combined earnings from all jobs exceed \$50,000 (\$20,000 if married), see the **Two-Earners/Multiple Jobs Worksheet** on page 2 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line H on line 5 of Form W-4 below.

----- Separate here and give Form W-4 to your employer. Keep the top part for your records. -----

Form W-4 Department of the Treasury Internal Revenue Service		Employee's Withholding Allowance Certificate		OMB No. 1545-0074
		▶ Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.		2014
1 Your first name and middle initial		Last name		2 Your social security number
Home address (number and street or rural route)		3 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate. Note. If married, but legally separated, or spouse is a nonresident alien, check the "Single" box.		
City or town, state, and ZIP code		4 If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a replacement card. ▶ <input type="checkbox"/>		
5 Total number of allowances you are claiming (from line H above or from the applicable worksheet on page 2)	5			
6 Additional amount, if any, you want withheld from each paycheck	6	\$		
7 I claim exemption from withholding for 2014, and I certify that I meet both of the following conditions for exemption. • Last year I had a right to a refund of all federal income tax withheld because I had no tax liability, and • This year I expect a refund of all federal income tax withheld because I expect to have no tax liability. If you meet both conditions, write "Exempt" here ▶		7		
Under penalties of perjury, I declare that I have examined this certificate and, to the best of my knowledge and belief, it is true, correct, and complete.				
Employee's signature (This form is not valid unless you sign it.) ▶		Date ▶		
8 Employer's name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.)		9 Office code (optional)	10 Employer identification number (EIN)	

Deductions and Adjustments Worksheet

Note. Use this worksheet *only* if you plan to itemize deductions or claim certain credits or adjustments to income.

- 1 Enter an estimate of your 2014 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 10% (7.5% if either you or your spouse was born before January 2, 1950) of your income, and miscellaneous deductions. For 2014, you may have to reduce your itemized deductions if your income is over \$305,050 and you are married filing jointly or are a qualifying widow(er); \$279,650 if you are head of household; \$254,200 if you are single and not head of household or a qualifying widow(er); or \$152,525 if you are married filing separately. See Pub. 505 for details 1 \$ _____
- 2 Enter: $\left\{ \begin{array}{l} \$12,400 \text{ if married filing jointly or qualifying widow(er)} \\ \$9,100 \text{ if head of household} \\ \$6,200 \text{ if single or married filing separately} \end{array} \right\}$ 2 \$ _____
- 3 **Subtract** line 2 from line 1. If zero or less, enter "-0-" 3 \$ _____
- 4 Enter an estimate of your 2014 adjustments to income and any additional standard deduction (see Pub. 505) 4 \$ _____
- 5 **Add** lines 3 and 4 and enter the total. (Include any amount for credits from the *Converting Credits to Withholding Allowances for 2014 Form W-4* worksheet in Pub. 505.) 5 \$ _____
- 6 Enter an estimate of your 2014 nonwage income (such as dividends or interest) 6 \$ _____
- 7 **Subtract** line 6 from line 5. If zero or less, enter "-0-" 7 \$ _____
- 8 **Divide** the amount on line 7 by \$3,950 and enter the result here. Drop any fraction 8 _____
- 9 Enter the number from the **Personal Allowances Worksheet**, line H, page 1 9 _____
- 10 **Add** lines 8 and 9 and enter the total here. If you plan to use the **Two-Earners/Multiple Jobs Worksheet**, also enter this total on line 1 below. Otherwise, **stop here** and enter this total on Form W-4, line 5, page 1 10 _____

Two-Earners/Multiple Jobs Worksheet (See *Two earners or multiple jobs* on page 1.)

Note. Use this worksheet *only* if the instructions under line H on page 1 direct you here.

- 1 Enter the number from line H, page 1 (or from line 10 above if you used the **Deductions and Adjustments Worksheet**) 1 _____
 - 2 Find the number in **Table 1** below that applies to the **LOWEST** paying job and enter it here. **However**, if you are married filing jointly and wages from the highest paying job are \$65,000 or less, do not enter more than "3" 2 _____
 - 3 If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter "-0-") and on Form W-4, line 5, page 1. **Do not** use the rest of this worksheet 3 _____
- Note.** If line 1 is **less than** line 2, enter "-0-" on Form W-4, line 5, page 1. Complete lines 4 through 9 below to figure the additional withholding amount necessary to avoid a year-end tax bill.
- 4 Enter the number from line 2 of this worksheet 4 _____
 - 5 Enter the number from line 1 of this worksheet 5 _____
 - 6 **Subtract** line 5 from line 4 6 _____
 - 7 Find the amount in **Table 2** below that applies to the **HIGHEST** paying job and enter it here 7 \$ _____
 - 8 **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed 8 \$ _____
 - 9 Divide line 8 by the number of pay periods remaining in 2014. For example, divide by 25 if you are paid every two weeks and you complete this form on a date in January when there are 25 pay periods remaining in 2014. Enter the result here and on Form W-4, line 6, page 1. This is the additional amount to be withheld from each paycheck 9 \$ _____

Table 1

Table 2

Married Filing Jointly		All Others		Married Filing Jointly		All Others	
If wages from LOWEST paying job are—	Enter on line 2 above	If wages from LOWEST paying job are—	Enter on line 2 above	If wages from HIGHEST paying job are—	Enter on line 7 above	If wages from HIGHEST paying job are—	Enter on line 7 above
\$0 - \$6,000	0	\$0 - \$6,000	0	\$0 - \$74,000	\$590	\$0 - \$37,000	\$590
6,001 - 13,000	1	6,001 - 16,000	1	74,001 - 130,000	990	37,001 - 80,000	990
13,001 - 24,000	2	16,001 - 25,000	2	130,001 - 200,000	1,110	80,001 - 175,000	1,110
24,001 - 26,000	3	25,001 - 34,000	3	200,001 - 355,000	1,300	175,001 - 385,000	1,300
26,001 - 33,000	4	34,001 - 43,000	4	355,001 - 400,000	1,380	385,001 and over	1,560
33,001 - 43,000	5	43,001 - 70,000	5	400,001 and over	1,560		
43,001 - 49,000	6	70,001 - 85,000	6				
49,001 - 60,000	7	85,001 - 110,000	7				
60,001 - 75,000	8	110,001 - 125,000	8				
75,001 - 80,000	9	125,001 - 140,000	9				
80,001 - 100,000	10	140,001 and over	10				
100,001 - 115,000	11						
115,001 - 130,000	12						
130,001 - 140,000	13						
140,001 - 150,000	14						
150,001 and over	15						

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. Internal Revenue Code sections 3402(f)(2) and 6109 and their regulations require you to provide this information; your employer uses it to determine your federal income tax withholding. Failure to provide a properly completed form will result in your being treated as a single person who claims no withholding allowances; providing fraudulent information may subject you to penalties. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation; to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws; and to the Department of Health and Human Services for use in the National Directory of New Hires. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.



August 7, 2014
ITOC Agenda Item 4.3
Continued From: New

Action Requested: INFORMATION

NAPA VALLEY TRANSPORTATION AUTHORITY ITOC Agenda Letter

TO: Measure T Independent Taxpayer Oversight Committee (ITOC)
FROM: Kate Miller, Executive Director
REPORT BY: Janice Killion, General Counsel
(707) 259-8246/Email: Janice.killion@countyofnapa.org
SUBJECT: Independent Taxpayer Oversight Committee By-Laws

RECOMMENDATION

That the ITOC receive the report on Draft ITOC By-Laws.

EXECUTIVE SUMMARY

Measure T establishes the ITOC as an oversight body for specific responsibilities concerning Measure T. As such, the ITOC is required to adopt a set of By-Laws guiding its administration and voting procedures.

FISCAL IMPACT

Is there a Fiscal Impact? None.

BACKGROUND AND DISCUSSION

By-laws are the written rules by which an organization is governed. By-laws set forth the structure of the committee; they determine the rights of the participants and determine procedures by which rights can be exercised. They also establish the administrative and voting parameters of the committee and a mechanism for selecting the Chair and Vice Chair.

SUPPORTING DOCUMENTS

Attachment: (1) Draft NVTA Independent Taxpayer Oversight Committee By-Laws

BYLAWS OF THE
NAPA VALLEY TRANSPORTATION AUTHORITY (NVTA)
INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

I. THE INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

A. NAME. The official name of the Independent Taxpayer Oversight Committee shall be the Napa Valley Transportation Authority Independent Taxpayer Oversight Committee, hereinafter referred to as "Committee" or "ITOC".

B. COMPENSATION. Committee members will receive a stipend of \$250 per meeting attended, which stipend shall increase by \$50 per meeting every five years.

C. PURPOSE.

1. Review the fiscal and program performance of the retail transactions and use tax transportation program through a biennial performance audit to ensure that all transportation retail transactions and use tax revenues are spent by the Authority in accordance with all provisions of Measure T.

2. Provide positive, constructive advice to the Authority on how to improve implementation over the life of Measure T, including consideration by the Committee of the biennial project lists submitted by the Agencies pursuant to the terms of Measure T.

II. TERMS OF OFFICE

At the initial meeting, by drawing lots, one half of the members shall serve for two years and one half shall serve for four years. Thereafter, all members shall serve four year terms.

III OFFICERS

The officers of the Committee shall be the Chair, Vice-Chair and Secretary chosen as follows:

A. Time of Election of the Chair and Vice-Chair. At the first organizational meeting and thereafter at the Committee's annual organizational meeting, the members of the Committee shall elect the Chair and Vice-Chair from among themselves.

- B. Term of the Chair and Vice-Chair.** The Chair and Vice-Chair shall serve until their successors are elected and assume office. If the office of Chair becomes vacant during the term, the Vice-Chair shall become Chair. Vacancy in the office of Vice-Chair during the term shall be filled by election to serve the remainder of the term.
- C. Duties of the Chair and Vice-Chair.** The Chair, or the Vice Chair in the absence of the Chair, shall act as the presiding officer of Committee and in that capacity shall preserve order and decorum, decide questions of order subject to being overruled by a two-thirds vote and perform such other duties as are required by the Committee. The Chair shall have all the rights and duties enjoyed by any other member of Committee, including the right to make and second motions.
- D. Secretary.** A designee of the Executive Director of the Authority shall be appointed as the Secretary who shall continue to serve until he or she resigns or is replaced by the Executive Director.
- E. Authority to Bind Committee.** No member of the Committee, acting individually, shall have any power or authority to bind the Committee by any contract, to pledge its credit, or to render it liable for any purpose in any amount. All such actions shall occur only through collective action of the Committee.

IV. MEETINGS

- A. Date of Regular Meetings.** All dates of regular meetings of the Committee shall be shown on a calendar, which the Committee shall adopt at its first meeting each calendar year, whether that meeting is a regular meeting or a special meeting. Notwithstanding the foregoing, any regularly scheduled meeting of the Committee may be canceled by majority vote or, if there is not a quorum, be adjourned by the Chair or Secretary in the manner set forth in Section III(H) of these By-laws.
- B. Time of Regular Meetings.** Regular meetings shall commence at **XX** p.m. and continue until all agenda business is concluded unless adjourned earlier by vote of the Committee for any reason or by the Secretary for lack of a quorum.
- C. Location of Regular Meetings.** Unless specially noticed otherwise, regular meetings shall be held at the Napa Transportation and Planning Agency conference room, 625 Burnell, Napa, California.
- D. Emergency Meetings.** Emergency meetings shall be called in conformance with Section 54956.5 of the California Government Code.

- E. Special Meetings.** A special meeting may be called at any time by the Chair or upon request by a majority of the currently-appointed members of the Committee by delivering written notice to each member and to each person or entity entitled by law to receive such notices in the manner required by Government Code Section 54956 at least 24 hours before the time of the meeting specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed and shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public. No other business shall be considered at such meetings by the Committee. Such written notice may be dispensed with as to any Committee member who at or prior to the time the meeting convenes files with the Secretary of the Committee a written waiver of notice. Such waiver may be given by telegram, fax or email. Such written notice may also be dispensed with as to any member who is actually present at the time the meeting convenes.
- F. Agendas Involving Regular Meetings.** At least 72 hours before a regular meeting, an agenda containing a brief general description of each item of business to be transacted or discussed shall be posted at a location freely accessible to members of the public. All agendas shall include a time period for public comment and shall specify the time and location of the regular meeting. No discussion shall occur, or action be taken, on any item not appearing on the posted agenda except as permitted by law. Questions or comments regarding items not included on the agenda shall be limited to the scope permitted for “public comment”. Supplemental agendas posted later than 72 hours prior to a regular meeting may be considered by the Committee only under the following conditions:
- 1. Emergencies.** Upon a determination by the Committee that an emergency situation exists, as defined in Section 54956.5 of the Government Code.
 - 2. Need Arising after Posting.** Upon a determination by a two-thirds vote of the Committee, or if less than two-thirds of the potential votes are present, a unanimous vote of the Committee members present, that there is a need to take immediate action and the need to take action came to the attention of the Committee or Committee staff subsequent to the regular agenda being posted.
 - 3. Recently Continued Item.** The item was properly posted for a prior meeting of the Committee occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

- G. Public Hearings.** All public hearings conducted by the Committee shall be held during regular or special meetings of the Committee.
- H. Adjourning Meetings and Continuing Public Hearings to Other Times or Places.** The Committee may adjourn any meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all Committee members are absent from any regular meeting or adjourned regular meeting the Secretary or Acting Secretary of the Committee may declare the meeting adjourned to the next regular meeting of the Committee. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the meeting was held within 24 hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings.
- I. Meetings to be Open and Public.** All meetings of the Committee to take action or to deliberate concerning the Committee business and its conduct shall be open and public. All persons shall be permitted to attend any such meetings.

V. CONDUCT OF MEETINGS

- A. Order of Business.** The regular order of business of the Committee shall be:
1. Call to order.
 2. Approval of the minutes of the previous meeting.
 3. Public comment on unagendized items.
 4. Consideration and Action on Agenda Items.
 5. Adjournment.
- B. Parliamentary Procedure.** Unless otherwise provided by these Bylaws, all proceedings before the Committee shall be conducted in accordance with and pursuant to the parliamentary procedure prescribed in "Sturgis Standard Code of Parliamentary Procedure, 3rd edition."
- C. Recording of Meetings.** Any meeting of the Committee, other than a closed session permitted under the Brown Act, may be recorded by any

person, unless the Committee determines that such recording could constitute a disruption of the proceedings.

- D. Presentations to the Committee.** Any person desiring to address the Committee shall be requested, when recognized by the Chair, to give his or her name and address for the record. The Chair may, in the interest of facilitating the business of Committee, set in advance of the presentation of testimony reasonable time limits for oral presentations. Persons may be required to submit written testimony in lieu of oral testimony if the Chair determines that a reasonable opportunity for oral presentations has been provided, and in such a case, the matter may be continued to a later date to allow a reasonable time for such submittals to occur.
- E. Recordation of Committee Actions.** All official actions or decisions by the Committee shall be entered in the minute book of the Committee kept by the Secretary. The vote or votes of each member of the Committee on every question shall be recorded. Only action minutes will be maintained; however, tape recordings will be made of each meeting of the Committee and shall be available to the public through the office of the Committee Secretary.

VI. VOTING AND QUORUM

- A. Roll Call Vote.** A roll call vote may be required in voting upon any motion of the Committee in the discretion of the Chair.
- B. Inaudible Votes.** Any member present who does not vote in an audible voice or abstains for a legally insufficient reason shall be recorded as voting "aye".
- C. Quorum.** A majority of the currently appointed members of the Committee shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other official purposes, except that less than a quorum may adjourn from time to time until a quorum is obtained.
- D. Number of Votes Required for Action.** All actions require a motion and a second. No action or recommendation of the Committee shall be valid and binding unless a quorum is present and the motion is approved by at least a majority of the members present. Each member shall have one vote. No votes may be cast by proxy. Tie votes shall be considered as denial of the motion.
- E. Voting Affected by Conflict of Interest.** As a general rule, no member shall participate as a member in any discussion or voting if to do so would constitute a conflict of interest. However, if a quorum cannot be achieved

or the required number of affirmative votes for action obtained because conflicts of interest exist that prevent members having such conflicts from discussing or voting on the matter, and the conflicts are such that the members with conflicts will be unable to vote at a later date even if the matter is continued, the matter shall not be continued and a sufficient number of members having conflicts of interest, selected by lot, shall be allowed to participate to provide enough votes for the Committee to form a quorum and take affirmative action.

- F. Motion to Reconsider.** The Committee may reconsider a matter during the meeting at which the vote was taken, provided all members who were present when the matter was discussed and voted upon are still present, all persons who addressed the Committee regarding the matter are still present, and the motion to reconsider is made by a member who voted with the prevailing side. A motion for reconsideration shall have precedence over every motion except a motion to adjourn. A final vote on any matter may also be placed on any future agenda for reconsideration by the Committee or any member of the Committee at the meeting at which the actions was taken or at any later time. Any interested person may request that an action be reconsidered, provided that such a request must be in writing and filed with the Secretary of the Committee within ten calendar days of the action of the Committee.

VII. IMPERTINENCE-DISTURBANCE AND MEETING

Any person, including committee members, making personal, impertinent or indecorous remarks while addressing the Committee may be barred by the chairperson from further appearance before the Committee at that meeting, unless permission to continue is granted by an affirmative vote of the Committee. The chairperson may order any person, including committee members, removed from the Committee meeting who causes a disturbance or interferes with the conduct of the meeting, and the chairperson may direct the meeting room cleared when deemed necessary to maintain order.

VII. CHANGES TO BYLAWS

The provisions of these Bylaws may be altered, amended, or repealed at any time, upon approval of the Napa Valley Transportation Authority.



August 7, 2014
ITOC Agenda Item 4.4
Continued From: New

Action Requested: INFORMATION

NAPA VALLEY TRANSPORTATION AUTHORITY ITOC Agenda Letter

TO: Measure T Independent Tax Payer Oversight Committee
FROM: Kate Miller, Executive Director
REPORT BY: Danielle Schmitz, Planning Manager
(707) 259-5968/ Email: dschmitz@nctpa.net
SUBJECT: Napa Valley Transportation Authority Master Funding Agreement

RECOMMENDATION

That the ITOC review the Draft Master Funding Agreement and provide comments.

EXECUTIVE SUMMARY

NVTA staff has been working with all six (6) jurisdictions eligible to receive Measure T funds to develop a proposed process that outlines project tracking, auditing, and accounting procedures of Measure T funds. NVTA and member jurisdictions will enter into the Master Funding Agreement prior to January 2018 to set the roles and responsibilities of each party once revenues begin to generate from the sales tax.

FISCAL IMPACT

Is there a Fiscal Impact? None.

BACKGROUND AND DISCUSSION

NVTA and member jurisdictions have been working on draft accounting and monitoring procedures to carry out the directives of the Measure T Ordinance. The Master Funding Agreement outlines general roles and responsibilities and includes documents such as the Application and Expenditure Plan and Accounting, Auditing and Reporting Guidelines.

Key responsibilities are as follows:

Jurisdictions' Responsibilities:

- Provide NVTA and Independent Taxpayer Oversight Committee (ITOC) with the Street Report and Comprehensive Annual Financial Report to meet the

maintenance of effort requirement.

- Biennially, submit to NCTPA a 5-year expenditure plan.
- Once a year (or more frequently if needed), submit any updates to the 5-year plan.
- Provide NCTPA with their expenditures in meeting the Class I multipurpose path goal. Since this is not a part of the State Controller's report, a separate validation will be required.
- Provide proof of project expenditures.

NVTA's Responsibilities:

- Recommend approval of jurisdictions' draft expenditure plan to ITOC and the NVTA Board for approval.
- Allocate Measure T revenues.
- Seek approval from the NVTA Board and ITOC on expenditure plans and allocations.
- Validate maintenance of effort and Class I Multipurpose Path requirements and provide quarterly Measure T reports to the NVTA Board and ITOC.
- Review and validate expenditures are consistent with 5-year expenditure plans.
- Coordinate meetings as needed.

Maintenance of Effort (MOE)

Prior to the operative date of the ordinance, Agencies shall determine and certify to the Authority the Agency's average maintenance of effort for the 3 fiscal years (the average of fiscal years 2007-08, 2008-09, 2009-10). Eligible expenditures include Local Street and Roads Maintenance and supporting infrastructure within the public right-of-way for pavement sealing, overlays, reconstruction, and associated infrastructure. To be eligible to receive Measure T revenues, jurisdictions must continue to expend local revenues equal to or more than the maintenance of effort amount.

NVTA and member jurisdictions have been discussing the best approach for establishing each agency's maintenance of effort. One possibility being discussed is to utilize the State Controller's Streets Report which can be reconciled to the jurisdictions Audited Financial Report.

NCTPA staff will continue to work with the public works and finance staff from each jurisdiction to refine the approach and determine each agency's MOE. The MOEs will be certified and presented to the ITOC before January 2018.

SUPPORTING DOCUMENTS

Attachment: (1) Draft Master Funding Agreement Napa Valley Transportation Authority

**MASTER FUNDING AGREEMENT
THE NAPA VALLEY TRANSPORTATION AUTHORITY
AND**

NVTA AGREEMENT NO. _____

This Agreement is made this _____ day of _____, 201_, by and between the Napa Valley Transportation Authority, a California Joint Powers Authority, hereinafter referred to as "NVTA", and _____, hereinafter referred to as "Recipient."

SECTION 1. RECITALS

1. The voters of Napa County approved Measure T at the General Election held on November 6, 2012, thereby authorizing NVTA to administer the proceeds from a one-half cent transaction and use tax.
2. The tax proceeds will be used to pay for the projects outlined in the Measure T Expenditure Plan allocated to the County of Napa and the cities and town within Napa County ("Local Agencies") as set forth in Measure T.
3. Under the Measure T Expenditure Plan, Measure T funds are provided to the Local Agencies to be used for streets and roads projects as defined in the Measure.

SECTION 2. PURPOSE OF FUNDING AGREEMENT

This Agreement is entered into by and between NVTA and Recipient to document the funding conditions necessary for the Recipient to receive sales tax disbursements. This Agreement consists of additional documents which are incorporated in the Agreement by reference.

TERMS

SECTION 3. BIKE LANE FUNDING. Prior to any disbursements under this Agreement, the Local Agencies must demonstrate to NVTA that they have committed a collective 6.67% in eligible revenues of the value of the total annual allocations of Measure T funds to Class 1 Bike Lane projects identified in the adopted Countywide Bicycle Plan, as that Plan may be amended from time to time and as provided in the Measure.

SECTION 4. MAINTENANCE OF EFFORT. Prior to January 1, 2018 Recipient shall provide a copy of its Fiscal Year 2007-08, 2008-09 and 2009-10 Comprehensive Annual Financial Report and Street Report as submitted to the State Controller so that its average fiscal year street and roads costs can be determined. That amount will be deemed Recipient's "Maintenance of Effort," which must be maintained annually throughout the term of the Measure from the Recipient's General Fund. At the beginning of each fiscal year, Recipient must certify to NVTA that it will meet its Maintenance of Effort expenditures that fiscal year, and must provide a copy of its Street Report by January 1st each calendar year showing that the Maintenance of Effort

was met the prior fiscal year. In the event Recipient does not meet its requirement for local Maintenance of Effort for a period of three years, recipient's allocation will be withheld until a plan to meet the Maintenance of Effort amount moving forward has been approved by the Authority.

SECTION 5. EXPENDITURE PLAN. No later than January 1, 2018, and at least biennially thereafter, Recipient shall provide NVTA its Measure T five year expenditure plan.

SECTION 6. ALLOCATION & DISBURSEMENT

NVTA shall allocate to the Recipient on a quarterly basis by the 20th day following the end of each quarter a sum allotted to Recipient under Measure T provided Recipient has complied or will comply with the terms of this Agreement. The allocated funds will be disbursed to Recipient upon application certifying that projects are consistent with the 5 year expenditure plan.

SECTION 7. COST ELIGIBILITY

Cost eligibility shall be determined by NVTA based upon Recipient's approved biennial five-year project list. Funds may be expended only for streets and roads project(s) included on the project list.

SECTION 8. BUDGET AND SCOPE

Recipient shall maintain a project(s) or program budget. Recipient shall carry out the project(s) and shall incur obligations against and make disbursements of Measure T revenues in conformity with the Master Agreement's requirements and the budget.

SECTION 9. PROJECT MANAGEMENT

Recipient shall be responsible for the project(s) and provide for the management of consultant and contractor activities for which Recipient contracts, including responsibility for schedule, scope and budget.

SECTION 10. PROJECT OVERSIGHT

Recipient shall cooperate with NVTA staff or its Measure T consultants for project information and financial information necessary to fulfill the requirements outlined in NVTA Ordinance No. 2012-01; the Napa County Road Maintenance Act.

SECTION 11. ATTRIBUTION AND SIGNAGE

If any portion of Measure T revenues is used for production of reports, acknowledgment of the NVTA's role shall be included in the documents. If any project(s) funding receives \$250,000 or more, Recipient shall, upon initiation of field work or at the earliest feasible time thereafter, install and maintain a sign or signs at the construction site identifying Measure T Napa County Road Maintenance Act Tax Funds and NVTA (e.g., NVTA, Measure T and Recipient's logos – "Your Measure T Sales Tax Dollars at Work"). Recipient shall demonstrate compliance with attribution and signage requirements as an indispensable condition for authorization of future Measure T allocations.

SECTION 12. PRESS RELEASES

Recipient shall notify NVTa in advance of any press releases about project(s) and program activities, particularly groundbreakings and ribbon cuttings, in connection to Measure T revenues expended from this Agreement.

SECTION 13. COMPLIANCE WITH LAW

In the performance of its obligations pursuant to this Agreement, Recipient shall keep itself fully informed of the federal, state and local laws, ordinances and regulations in any manner affecting the performance of this Agreement, and must at all times comply with such laws, ordinances, and regulations as they may be amended from time to time.

SECTION 14. ENVIRONMENTAL COMPLIANCE

Recipient shall comply with the requirements under the California Code of Regulations Title 14, Chapter 3, Sections 1500 et seq of CEQA.

SECTION 15. FINANCES

All costs charged to the project(s) shall be supported by properly prepared and documented time records, invoices, or vouchers evidencing in detail the nature and propriety of the charges.

SECTION 16. RECORDS

All checks, payrolls, invoices, contracts, vouchers, journal entries, work orders, or other accounting documents pertaining in whole or in part to the project(s) shall be maintained by Recipient for a period of five (5) years after the later of project(s) closeout or termination of Agreement. Such project(s) documents shall be clearly identified, readily accessible, and, to the extent feasible, kept separate and apart from all other similar documents not pertaining to the project(s).

SECTION 17. ELIGIBLE EXPENSES

Recipient shall expend funds only on eligible direct expenses as follows: operating costs, direct staff time (salary and benefits), consultants; right of way engineering and acquisition costs (including permitting), and competitively bid construction contracts. Indirect costs (as defined by OMB Circular A-87) will not be considered an eligible expense. Funds shall also be expended according to the applicable provisions of the Expenditure Plan and of the Public Utilities Code Section 180000 et seq.

If in the course of an audit or a semi-annual expenditure review it is determined that an ineligible expense(s) was made, the Recipient will be required to transfer the amount of ineligible expense into the Special Revenue Fund from any source other than Measure T Funds.

NVTa shall provide notice to Recipient of any audit determination if any expenditure made by Recipient is found not to comply with this Agreement, the Expenditure Plan or Measure T promptly after NVTa becomes aware of any such finding.

SECTION 18. AUDITS

Recipient shall cooperate with and allow NVTA's Auditor, or any of its duly authorized representatives, to inspect all work, materials, payrolls, and other data and records with regard to the Measure T projects, and to audit the books, records, and accounts of the Recipient and its contractors. Recipient shall see Accounting, Reporting and Auditing Guidelines (Exhibit C).

SECTION 19. THIRD PARTY CONTRACT AUDITS

NVTA reserves the right to request an audit of other third party contracts for any reason related to Measure T. If Recipient is subject to third party financial audit requirements imposed by another funding source, for a project(s) related to Measure T, copies of audits performed in fulfillment of such requirements shall be provided to the NVTA.

SECTION 20. PROJECT REPORTING AND CLOSEOUT PROCEDURES

Recipient shall provide to NVTA a Semi-Annual Update on Expenditures as show in Accounting, Reporting and Auditing Guidelines (Exhibit C).

SECTION 21. INDEMNIFICATION

To the fullest extent permitted by law, NVTA and Recipient shall each defend, indemnify and hold harmless each other as well as their respective officers, agents, employees, volunteers or representatives from and against any and all liability, claims, actions, proceedings, losses, injuries, damages or expenses of every name, kind and description, including litigation costs and reasonable attorney's fees incurred in connection therewith, brought for or on account of personal injury (including death) or damage to property, arising out of or connected with any acts or omissions of that party or its officers, agents, employees, volunteers, or contractors or their subcontractors, when performing any activities or obligations required of that party under this Agreement. Each party shall notify the other party immediately in writing of any claim or damage related to activities performed under this Agreement. The parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this Agreement, providing that nothing shall require either party to disclose any documents, records or communications that are protected under peer review privilege, attorney-client privilege, or attorney work product privilege.

SECTION 22 INTEGRATION

This Agreement represents the entire agreement of the parties with respect to the subject matter thereof. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in other contemporaneous written agreements.

SECTION 23. AMENDMENT

Except as otherwise provided herein, this Agreement may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect. Notwithstanding the foregoing, non-substantive procedural amendments may be made if approved by all of the cities', town's, and County's Public Works Directors and the NVTA Board.

SECTION 24. INDEPENDENT AGENCY

Recipient performs the terms and conditions of this Agreement as an entity independent of NVTA. None of Recipient's agents or employees shall be agents or employees of NVTA.

SECTION 25. ASSIGNMENT

The Agreement may not be assigned, transferred, hypothecated, or pledged by any party without the express written consent of the other party.

SECTION 26. BINDING ON SUCCESSORS, ASSIGNEES OR TRANSFEREES

This Agreement shall be binding upon the successor(s), assignee(s) or transferee(s) of NVTA or Recipient, as may be the case. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this Agreement other than as provided above.

SECTION 27. LEGAL EXPENSES

Each party shall be solely responsible for and shall bear all of its own respective legal expenses in connection with any dispute arising out of this Agreement and the transactions hereby contemplated. Recipient may not use Measure T funds, or other NVTA or NCTPA programmed funds, for the aforementioned purpose.

SECTION 28. SEVERABILITY

Should any part of this Agreement be declared unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decisions shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect; provided that the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.

SECTION 29. ACCEPTANCE OF ALLOCATION

Recipient does hereby declare that all written statements, representations, covenants, and materials submitted as a condition of this Agreement are true and correct and does hereby accept NVTA's allocations and agrees to all of the terms and conditions of this Agreement. The parties have executed this Agreement as of the date first written above.

SECTION 30. EXHIBITS

The following Exhibits are hereby made part of this AGREEMENT:

EXHIBIT A: Project Application & Expenditure List

EXHIBIT B: Sample Resolution

EXHIBIT C: Accounting, Reporting and Auditing Guidelines

DRAFT

Measure T Napa Countwide Road Maintenance Act

Application for Funding

Jurisdiction Name:	<input type="text"/>		
Primary Contract #1	<input type="text"/>	Email: <input type="text"/>	Phone: <input type="text"/>
Secondary Contract #2	<input type="text"/>	Email: <input type="text"/>	Phone: <input type="text"/>
Staff Member Completing LS&R State Controller	<input type="text"/>	Email: <input type="text"/>	Phone: <input type="text"/>

Maintenance of Effort (MOE)

Please provide the following information to establish MOE amounts and to validate information:

1. Attach copies of Local Streets and Roads State Controller Reports for three years - FY 2007-08, FY 2008-09, FY 2009-10
2. Attach independent auditors validation for *each* Local Streets and Roads State Controller Report
3. Enter MOE Amounts Claiming: FY 2007-08 FY 2008-09 FY 2009-10

Please note: Eligible expenses include local streets and roads maintenance and supporting infrastructure within the public right of way for pavement, sealing, overlays, reconstruction, associated infrastructure, as required, excluding any local revenues expended for the pupose of storm damage repair as verified by an independent auditor. One time allocations that have been expended for local streets and road maintenance, but which may not be available on an ongoing basis shall not be considered when calculating an Agency's annual maintenance of effort.

RESOLUTION No. X-X

**A RESOLUTION OF THE CITY OF XXX
APPROVING PROJECTS UNDER MEASURE T PROGRAM**

WHEREAS, on November 6, 2012 the voters of Napa County passed a half cent sales tax to provide supplemental funding for road maintenance as detailed in the Measure T Expenditure Plan; and

WHEREAS, the Napa Valley Transportation Authority is the designated agency that administers and oversees the Measure T revenues; and

WHEREAS, the [City/Town/County of XX] is an eligible recipient of Measure T funds; and

WHEREAS, the tax proceeds will be used to pay for the projects outlined in the Measure T Expenditure Plan allocated to the County of Napa and the cities and town within Napa County (“Local Agencies”) as set forth in Measure T; and

WHEREAS, under the Measure T Expenditure Plan, Measure T funds are provided to the Local Agencies to be used for streets and roads projects as defined in the Measure; and

WHEREAS, the [City/Town/County of XX] has entered into a Master Agreement with NVTA to determine procedures for Measure T expenditures, and

WHEREAS, the [City/Town/County of XX] provided a draft five-year project list for the expenditure of Measure T funds as required by the Measure; and

WHEREAS, it has been determined by the NVTA Board that these expenditures meet the requirements of the Measure T Master Agreement;

WHEREAS, Measure T project(s) will comply with the requirements of the California Code Regulations Title 14, Chapter 3, Sections 1500 et seq (CEQA);

NOW, THEREFORE, BE IT RESOLVED by the [City/Town Council of XX/County Board of Supervisors] as follows:

1. The [Council/Board of Supervisors] hereby adopts the five-year project list as set forth in Exhibit “A,” and authorizes the Public Works Director to file the list with NVTA.

Passed and adopted this X day of XXX, 2014.

Chair

Ayes:

Nays:

Absent:

ATTEST:

Clerk

APPROVED:

Attorney

Napa County
 Measure T – Transportation Tax
 Accounting, Reporting and Auditing Guidelines

1. Fund structure for Measure T Funds held by NVTA (held in County Treasury)

- Fund 8310 – Napa Valley Transportation Authority
- Dept 830 – Napa Valley Transportation Authority
- Division 83100 – Napa Valley Transportation Authority
- Sub-Division 83100-00 – NVTA Administration
- 83100-01 – NVTA Unincorporated County
- 83100-04 – NVTA City of American Canyon
- 83100-02 – NVTA City of Napa
- 83100-05 – NVTA Town of Yountville
- 83100-06 – NVTA City of St. Helena
- 83100-07 – NVTA City of Calistoga

Each sub-division will maintain its own cash accounts and fund balance.

2. Receipt of Tax Allocations and Interest to the Authority

Each Sub-division will receive the direct allocation of sales tax proceeds at the time funds are received monthly by NVTA. Sales tax revenues received will be recorded in account #41400 – *Sales and Use Tax*.

Allocation to agencies specified in Ordinance No 2012-01 is as follows:

City of American Canyon	7.70%
City of Calistoga	2.70%
City of Napa	40.35%
County of Napa	39.65%
City of St. Helena	5.90%
Town of Yountville	2.70%
Authority Administration	1.00%
Total	100.00%

The Board of Equalization administration fee (estimated 1 to 1.5%) is deducted from the gross receipts prior to calculating the Measure T allocations to the agencies.

Each sub-division will earn interest at the Treasurer’s pooled interest rate and will be earned quarterly, based on average daily balance. Interest received will be recorded in account #45100 – *Interest*.

Revenues are to be recorded on an accrual basis.

3. Disbursements

a. Allocations of Taxes to the Agencies from the Authority

As stated in Section 13 of Ordinance No 2012-01 “The Authority Auditor shall allocate funds to the agencies on a calendar quarter basis, together with any accrued interest, by the 20th day of the month following the end of the quarter.” In order to comply with this section, once the agencies are deemed eligible for receiving funds by NVTVA, on a quarterly basis as prescribed above, the Auditor-Controller shall run a detailed report on the activity in each sub-division’s cash account showing the monthly sales tax allocations and interest earnings. This will be attached to a payment claim form to transfer the funds to each agency. The expenditure line for the allocation will be recorded in account #52525 – *Maintenance-Infrastructure/Land*.

Expenditures are to be recorded on an accrual basis. Sales tax is generally three months in arrears, therefore at each year end, there will be an accrual set up as of 6/30 for the amount due to each agency once all sales taxes are received and interest is posted.

b. Administration Expenditures: Sub-Division 83100-00

All direct administrative expenses will be accounted for directly out of the Administration budget unit, capped to the 1% of revenues generated from the Tax in accordance with Section 12 of Ordinance No. 2012-01. Expenditures are limited to “administrative functions providing overall program direction and management necessary to implement Authority policy, formulating organizational goals and objectives, coordinating activities with other agencies and organizations, performing finance, accounting, purchasing, personnel, government and community relations, and legal matters.”

c. ITOC Stipends – Section 11.D.2

ITOC members are to receive a stipend of \$250 per quarterly meeting, with an increase of \$50 per meeting every five years, scheduled as follows:

Fiscal Year	Quarterly Stipend
2018-19 through 2022-23	\$250.00
2023-24 through 2027-28	\$300.00
2028-29 through 2032-33	\$350.00
2033-34 through 2037-38	\$400.00
2038-39 through 2042-43	\$450.00

- ITOC members must fill out a W-9 for IRS purposes to remain on file with the County Auditor-Controller, and will receive a 1099-misc form at the end of each calendar year for compensation received.
- Members must sign a stipend request form validating their attendance. No payment will be issued without a signed and dated form. **(Exhibit A – Stipend Certification)**
- Stipends are construed as Administrative Expenditures and will be paid directly from this budget unit.

d. Auditor-Controller Administrative Salaries and Expenditures

As the Authority Auditor, with the role of fiscal oversight and integrity of the Measure, the Napa County Auditor-Controller will be required to track all hours and expenses and provide a detailed accounting for all items requested to be reimbursed. As with all other Districts and JPA's the Auditor-Controller will provide an annual hourly rate schedule, which varies by staff position, to ensure fair and equitable charges for work performed related to Measure T.

(Exhibit B – Contract between Napa County Auditor-Controller and NVTA)

Quarterly charges will be assessed for general accounting work including processing checks, reimbursement requests, journal entries, reports, audits and other work completed on behalf of the Napa Valley Transportation Authority and ITOC. These costs are construed as Administrative Expenditures and will be paid directly from the Administration budget unit.

e. NCTPA Contracted Administrative Salaries and Expenditures

As the administrators of the Napa Countywide Road Maintenance Act, NCTPA shall be reimbursed for salaries and expenditures related to official business of the Act, including work completed on behalf of the Napa Valley Transportation Authority and ITOC. NCTPA will be required to track all hours and expenses and provide a detailed accounting for all items requested to be reimbursed. NCTPA will provide an annual hourly rate schedule, which varies by staff position, to ensure fair and equitable charges for work performed related to Measure T.

(Exhibit C – Contract between NCTPA and NVTA)

A quarterly claim, including a journal entry to transfer the funds from the Administration Sub-division to NCTPA, with all back up documentation, shall be signed by the Executive Director and submitted to the Auditor-Controller for approval. These costs are construed as Administrative Expenditures and will be paid directly from the Administration budget unit.

f. Authority Counsel Expenditures

The Authority will be provided legal counsel by the Napa County Counsel Department. County Counsel will be required to track all hours and expenses and provide a detailed accounting for all items requested to be reimbursed. County Counsel will provide an annual hourly rate schedule, which varies by staff position, to ensure fair and equitable charges for work performed related to Measure T.

(Exhibit D – Contract Napa County Counsel and NVTA)

These costs are construed as Administrative Expenditures and will be paid directly from the Administration budget unit.

g. Auditor-Controller's Authority on Disbursements

The Auditor-Controller may dispute a claim from the Administration budget unit if the expenditure does not appear in accordance with the Ordinance or reasonable in amount. Disputed claims may be brought forth by the claimant to the Authority for approval in a public meeting.

4. Financial Reporting Requirements for Measure T Funds held by NVTA

- a. As stated in 3.a above, after quarterly interest is posted by the County Treasurer the funds will be transferred to each agency.
- b. Quarterly review of all transactions within each sub-division will be completed to ensure all postings are accurate and timely.
- c. An annual review will occur prior to official close of the books to ensure all postings are accurate and timely and that all funds have been transferred to the appropriate agency as specified in the Master Agreement

5. **Agency Record Keeping**

- a. Each agency must keep the funds segregated in a special revenue fund specifically for Local Streets and Roads (LS&R).

All revenue sources and expenditures using the revenues sources shall be fully accounted for. Measure T funds should be recorded as Other Governmental Revenue on the agency books. All project expenditures should be budgeted for and disbursed from these funds so that a full accounting is captured, within proper accounting categories.

Each agency accounts for and tracks its capital projects in a capital project fund and each project may include multiple funding sources. Each agency must provide a full accounting of all revenues and expenses attributed to each specific project. Therefore, expenditures within the LS&R special revenue fund, shall include “transfers out” to other funds for the monies being used within a capital project that was approved by the Master Agreement. Agencies shall keep the records using accrual accounting, setting up both receivables and payables as of 6/30 each year.

Definition: A Special Revenue Fund is a governmental fund type used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The use of a special revenue fund ensures segregation of restricted funds, the ability to allocate proper interest earnings and ease of tracking the inflows and outflows of the revenues.

- b. To ensure compliance with the 6.67% class 1 path requirement, each agency will track all revenues and expenditures related to these projects and include the information on the progress reports discussed in #6 below.

6. **Financial Reporting Requirements for Each Agency**

Every expenditure will have supporting documentation, including invoices and proper authorizations, to ensure that all costs charged to the funds are eligible and in full compliance with the Master Agreement. This documentation shall be maintained by each agency and shall be made available for inspection and audits upon request by either the Auditor-Controller or NVTA.

Semi-Annual Progress Reports are due March 1st (for the period of July – December) and September 1st (for the period of January – June). Each progress report shall provide a summary listing consisting of the Project Name, Approved Budget, Amount spent to date, Amount remaining, Percentage of Completion, and Date Completed if applicable. In addition, each agency will provide an accounting of the class 1 path requirement, both year-to-date and cumulative since inception of the tax.

(Exhibit E – Agency Progress Report)

Attached to each summary shall be a system generated trial balance report and detailed expenditure listing for the Special Revenue funds listed in Item 5 above. If, in the course of an expenditure review or audit, it is determined that an ineligible expense was made, the jurisdiction will be directed to return the funds to the LS&R Special Revenue fund for a future eligible expense.

Once the agency's books are closed for the fiscal year and a comprehensive audit is completed, as stated in Section 4 of the Master Funding Agreement, by January 1st of the following year, each Agency will provide a copy of the Comprehensive Annual Financial Report (CAFR) and the State Controller's Street Report. Due to the timing of these reports, where numbers vary, the Agency shall provide a reconciliation explaining the differences.

7. Annual Audits

All audits and record keeping will be performed in accordance with generally accepted accounting principles (GAAP) and Government Accounting Standards (GAS)

- The Auditor-Controller will oversee the annual accounting and fiscal process through review of quarterly and annual reports submitted by each agency.
- NVTA will oversee project performance through review of semi-annual reports submitted by each agency.
- Each Agency (County/Cities/Town) will procure an independent certified public accountant to conduct an annual financial audit that includes all transactions regarding Measure T. This will NOT be an additional audit on top of their Comprehensive Annual Financial Report, as these funds are included in their overall agency operations for specified projects. Any findings will be communicated to the Authority Auditor, who will then present to the ITOC and Authority.
- NVTA will have an independent annual financial audit, which will be overseen by the ITOC. The audit will contain supplementary schedules which summarize each agency financial status regarding Measure T funds. This audit will be presented by the Independent Auditor and the Authority Auditor to the ITOC and Authority.
- Each agency will undergo a performance audit every two years, which is non-financial in nature. This audit shall be focused on the projects and compliance with the Master Agreement. This audit will be presented by the Independent Auditor to NVTA and the ITOC. The audits will be completed on a rotating basis with the County, City of American Canyon and the Town of Yountville to be done in one year, while the Cities of Napa, St. Helena and Calistoga will be completed in the following year.
- The above audits satisfy all audit requirements in the Ordinance. Each agency is audited through their comprehensive annual audit process, the Authority will undergo a separate independent audit, and the independent performance audits on each agency will be completed biannually.
- Audits are construed as Administrative Expenditures and will be paid directly from the Administration budget unit. There is a maximum of \$70,000 per year (adjusted for inflation on the CPI) for annual financial and performance audits. NVTA and the Authority Auditor will track these expenditures annually to ensure the maximum is not exceeded.

8. Community Report

Napa County
Measure T – Transportation Tax
Accounting, Reporting and Auditing Guidelines

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- Each agency will undergo a performance audit every two years, which is non-financial in nature. This audit shall be focused on the projects and compliance with the Master Agreement. This audit will be presented by the Independent Auditor to NVTA and the ITOC. The audits will be completed on a rotating basis with the County, City of American Canyon and the Town of Yountville to be done in one year, while the Cities of Napa, St. Helena and Calistoga will be completed in the following year.
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- Audits are construed as Administrative Expenditures and will be paid directly from the Administration budget unit. There is a maximum of \$70,000 per year (adjusted for inflation on the CPI) for annual financial and performance audits. NVTA and the Authority Auditor will track these expenditures annually to ensure the maximum is not exceeded.

8. Community Report

Section 11.B.e of Ordinance No. 2012-01 specifies that the Authority shall publish a biennial report to the community. For clarification, this report may be completed annually and will be compiled in collaborative manner between NVTA, the Agencies, ITOC and the Auditor-Controller. The Community Report is construed as Administrative Expenditures and will be paid directly from the Administration budget unit.

9. Interagency Loans

In the event that one agency requests a loan from another for approved projects, an interagency loan agreement will be executed. Each agency shall record a due to/due from amount on their respective books with an approved pay back schedule. Total pay back must occur prior to the sunset of the tax.

RESERVE THIS SECTION FOR THE INTERAGENCY LOAN AGREEMENT.

DRAFT



Measure T Independent Taxpayer Oversight Committee

The undersigned _____,

confirms that they were in attendance for three quarters of the Measure T

Independent Taxpayer Oversight Committee (ITOC) meeting on

_____, 20____, and wishes to _____ the
(waive or receive)

\$250 stipend in accordance with the Measure T Ordinance.

Signature of ITOC Member _____ Date: _____

Acknowledged by _____ Date: _____

Measure T: Progress Report

Due March 31st and September 30th

Jurisdiction:

Qtr:

Amount of funds in Special Measure T Revenue Fund:

Measure T Project No.	Project Name	Program	Measure T Funds	Other Funds	Total Project Cost	Project Start Date	Location	Project Status	Estimated Completion Date
		surface treatment							
		surface treatment							
		surface treatment							
		surface treatment							
		surface treatment							
		surface treatment							
		surface treatment							
		surface treatment							
		surface treatment							
		surface treatment							
TOTALS			\$0	\$0	\$0				

Class I Path Tracking						
Project Name	Project Description	Location	Total Cost	Fundign Source	Start Date	Estimated Completion Date