

**CITY ATTORNEY'S IMPARTIAL ANALYSIS OF  
MEASURE C**

**NEVADA CITY FIRE AND POLICE TRANSACTIONS AND USE TAX**

Prepared by the Contract City Attorney for Nevada City per Elections Code §9280

The City Council of Nevada City has placed Measure C -- a Measure Imposing a Special Transactions and Use Tax -- on the ballot.

Nevada City maintains its own fire and police departments, funded primarily from its general fund. Need for a sustainable funding source to address a fire department staffing shortfall occurred in April 2015 when Nevada County Consolidated Fire District ended an 11-year co-staffing arrangement by withdrawing its 3 firefighters assigned to City Fire Station 54. Attempts to operate with remaining staff and rolling days off adversely affected response time, causing the City to hire 3 new full-time firefighters to operate the station full-time, 24/7 with at least 2 firefighters per shift, adding over \$250,000 in annual operational costs. Pending a permanent solution, the City used Measure L general sales tax revenues to cover the added expense. That tax expires March 31, 2018, and use of those funds for fire services has put other improvement projects on hold. Additionally, the City also identified unmet need for a sustainable funding source for an additional police officer costing \$120,000, and equipment, training and facility costs.

Measure C, if passed by two-thirds of the voters, would impose a 3/8 cent per one dollar sales tax estimated to raise \$432,000 annually, with the proceeds estimated to be used exclusively for professional fire and police protection purposes: including the operation, maintenance, and improvement of fire and police facilities within the City; maintenance, replacement and upgrading of fire and police equipment; staffing and training of professional career fire and police personnel and support staff; and expenditures necessary to support mutual aid from and to like agencies in other jurisdictions.

If adopted, the measure would provide ongoing funding spreading the cost of fire and police services to both the residents of Nevada City and others residing outside the city who shop and make taxable retail purchases in Nevada City. The expenditure plan approved by the City Council for the anticipated sales tax revenue includes costs for 3 firefighters, 1 additional police officer, and police/fire equipment, training & facility maintenance. Tax proceeds will be accounted for in a special fund, subject to an independent annual audit and review by a citizens' oversight committee.

The Ordinance putting this measure on the ballot adopts various provisions required by the State Board of Equalization, which will have the duty of administering and collecting the tax, should the measure be adopted. That ordinance sets forth various exceptions to the transactions and use tax as required by the State Board of Equalization.

If Measure C passes, the sales tax will take effect immediately, continuing indefinitely until terminated by the voters at a subsequent municipal election.

*The above statement is an impartial analysis of Measure C prepared by the contract City Attorney. If you desire a copy of the proposed ordinance, please call City Hall at (530) 265-2496 and a copy will be mailed at no cost to you.*



Harold E. DeGraw, Contract City Attorney  
for Nevada City

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