

# Agenda Report

January 9, 2017

**TO:** Honorable Mayor and City Council

**FROM:** Department of Finance

**SUBJECT: RESOLUTION DESIGNATING HINDERLITER, DE LLAMAS AND ASSOCIATES AS THE AUTHORIZED CITY REPRESENTATIVE TO EXAMINE SALES AND USE TAX RECORDS**

**RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the action proposed is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b)(3) as it will not have a potentially significant environmental effect and, therefore, falls under the General Rule exemption;
2. Adopt a resolution designating Hinderliter, de Llamas and Associates as the authorized City representative to examine sales and use tax records.

**BACKGROUND:**

At its November 7, 2016 Council meeting, the City Council approved a contract with Hinderliter, de Llamas and Associates to audit sales and use tax revenues received by the City. As sales tax information is considered confidential by the State Board of Equalization, the City Council must formally authorize the consultant such access prior to the Board releasing any sales tax information to a third party on behalf of the City. Once approved, the attached Resolution will be sent to the State.

**COUNCIL POLICY CONSIDERATION:**

The proposed action is consistent with the City Council's strategic plan goal to maintain fiscal responsibility and stability.

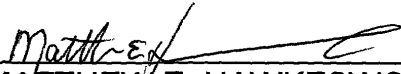
**ENVIRONMENTAL ANALYSIS:**

The action proposed herein is not a project subject to the California Environmental Quality Act (CEQA) in accordance with Section 21065 of CEQA and State CEQA Guidelines Section 15060 (c)(2), 15060 (c)(3), and 15378. Since the action is not a project subject to CEQA, no environmental document is required.

**FISCAL IMPACT:**

There is no direct fiscal impact on the City from this action. It is anticipated, however, that Hinderliter, de Llamas and Associates will generate additional revenue for the City through its auditing efforts.

Respectfully submitted,

  
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Director of Finance

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