



Memorandum

TO: NEIGHBORHOOD COMMISSION - **FROM:** Jim Shannon
INDEPENDENT CITIZENS
OVERSIGHT COMMITTEE

**SUBJECT: 2020-2021 MEASURE B
LOCAL SALES TAX
RECONCILIATION**

DATE: November 12, 2021

This memorandum provides information requested by the Neighborhood Commission, Independent Citizens Oversight Committee (ICOC) related to Measure B Local Sales Tax data for fiscal year 2020-2021.

On June 7, 2016, San Jose voters approved a one-quarter percent Local Sales tax to fund City services. From July 1, 2020 through June 30, 2021, the City collected Measure B Local Sales Tax revenue in the amount of \$46,869,396. This amount was reported in the City's 2020-2021 Annual Report¹ prepared by the City Manager's Office.

The Measure B Local Sales Tax revenue is one of many revenue sources in the General Fund, and Measure B revenue is tracked in a separate revenue accounting code. This separate accounting code enables the identification of the revenue attributed solely to the Local Sales Tax. Based on prior feedback from the ICOC, separate expenditure appropriations related to the Local Sales Tax were created in 2020-2021 to enable the tracking and reporting of these expenditures, which was approved by the City Council with the inclusion of Manager's Budget Addendum #22 "Local Sales Tax Budget Allocations²" into the Mayor's June Budget Message for Fiscal Year 2020-2021. These allocations were adjusted through City Council action several times during the year, including adjustments to rebudget funding into 2021-2022 for ongoing projects..

The City Manager's Budget Office has prepared the "ICOC Annual Measure B ¼-cent Sales Tax Matrix for FY 2020-2021" in accordance with the format requested by the ICOC, which describes each Measure B expenditure allocation with its corresponding budget and actuals data.

¹ 2020-2021 Annual Report:

(<https://www.sanjoseca.gov/home/showpublisheddocument/77783/637692016895300000>, p. 29)

² MBA #22: <https://www.sanjoseca.gov/home/showpublisheddocument/59554/637270665786100000>

HONORABLE MAYOR AND CITY COUNCIL

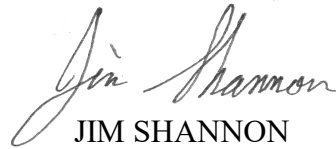
November 17, 2021

Subject: 2020-2021 Measure B Local Sales Tax Allocation

Page 2

The items in the matrix with a “Fiscal Year Initiated” date of 2016-2017, 2017-2018, and 2018-2019, represent previous allocations of Measure B funding that are ongoing in nature, and continued into 2020-2021. Those items in the matrix with a “Fiscal Year Initiated” date of 2020-2021 represent an increase in resources above a department’s 2020-2021 Base Budget allocation as displayed in the 2020-2021 Proposed Operating Budget.

The City Manager’s Budget Office greatly appreciates the time and effort expended by the ICOC to perform their oversight duties on behalf of the San José community.

A handwritten signature in cursive script that reads "Jim Shannon".

JIM SHANNON
Budget Director

Attachment: ICOC Annual Measure B ¼-cent Sales Tax Matrix