

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal  
Dept: City Manager  
Subject: RESOLUTION TO DESIGNATE THE CITY POSITIONS THAT RECEIVE SALES / USE TAX DATA FROM THE STATE BOARD OF EQUALIZATION

From: Kingsley Okereke  
Dept: Finance Director  
Date: April 28, 2009

OBJECTIVE

To obtain City Council approval of the attached resolution (Attachment 1) that supplants prior resolution 8388-01, and lists specific staff positions as the authorized recipients of sales and use tax information as requested by the State Board of Equalization (SBOE).

BACKGROUND

The City of Garden Grove like most other cities request and utilize sales and use tax information from SBOE for various purposes. The information is normally used for sales tax allocation and compliance verifications, revenue trend analysis, and other relevant analysis in support of City operations.

The City of Garden Grove Resolution 8388-01, adopted August 8, 2001 authorizes the "Controller" as well as the designated authorized staff (Financial Services Manager, Business Tax Supervisor and Business Tax Inspector) to examine sales and use tax records on behalf of the City of Garden Grove. The City also passed Resolution 7880-96 authorizing Hinderliter deLlomas (HdL), a city revenue consultant, to receive SBOE information. HdL provides quarterly analysis of sales activity and sales tax revenue trends to the City and Redevelopment Agency.

DISCUSSION

The State Board of Equalization office recently contacted the City (Attachment 2) requesting a new Garden Grove City Council Resolution that designates the Finance Director not the "Controller" as the authorized recipient of sales and use tax information. The SBOE also requested that all City of Garden Grove staff positions/titles that need access to the confidential sale and use tax records be listed in the new resolution. The State Board of Equalization may stop sending sales and use tax information to the City if they do not receive a resolution that conforms to their requirements.

RESOLUTION TO DESIGNATE THE CITY  
POSITIONS THAT RECEIVE SALES / USE  
TAX DATA FROM THE STATE BOARD OF EQUALIZATION  
April 28, 2009  
Page 2 of 2

FISCAL IMPACT

Access to the SBOE confidential sales and use tax information helps the City recover thousands of dollars in misallocations and delinquent sales tax accounts annually.

COMMUNITY VISION

Continued access and use of the SBOE information is consistent with the City of Garden Grove vision as a well administered and an economically sound community.

RECOMMENDATION

It is recommended that City Council:

- Approve the attached resolution of the City Council of the City of Garden Grove authorizing the use and examination of SBOE sales and use tax records for the purposes outlined therein.

  
KINGSLEY OKEREKE  
Finance Director

By:   
Pamela Gillis  
Business Tax Supervisor

**Recommended for Approval**

  
Matthew Fertal  
City Manager

Attachments:

1. Copy of proposed resolution
2. Copy of faxed communication