

RESOLUTION NO. 2024-_____

**A RESOLUTION OF THE CITY OF CATHEDRAL CITY
AUTHORIZING EXAMINATION OF SALES OR
TRANSACTIONS AND USE TAXED RECORDS**

WHEREAS, pursuant to Ordinance Number 881 of City of Cathedral City (District), and Revenue and Taxation Code section 7270, the District entered into a contract with the California Department of Tax and Fee Administration (Department) to perform all functions incident to the administration and collection of transactions and use taxes; and

WHEREAS, the Board of the District deems it desirable and necessary for authorized officers, employees and representatives of the District to examine confidential sales or transactions and use tax records of the Department pertaining to transactions and use taxes collected by the Department for the District pursuant to that contract; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Department records, and Section 7056.5 of the California Revenue and Taxation Code establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales or transactions and use tax records of the Department;

Now, therefore, the Board of the District of the City of Cathedral City hereby resolves as follows:

Section 1. That the City Manager, Assistant City Manager and Financial Services Director, or other officer or employee of the District designated in writing by the City Manager to the California Department of Tax and Fee Administration is hereby appointed to represent the District with authority to examine sales or transactions and use tax records of the Department pertaining to transactions and use taxes collected for the District by the Department pursuant to the contract between the District and the Department.

Section 2. The information obtained by examination of Department records shall be used only for purposes related to the collection of District transactions and use taxes by the Department pursuant to that contract, and for purposes related to the following governmental functions/general services of the District:

(a) Public Safety

- 1) Maintaining 911 medical emergency/ambulance/fire/police response and gang prevention programs
- 2) Recruiting/retaining well-trained paramedics/firefighters

(b) Infrastructure and Road Improvements

- 1) Repairing streets/potholes
- 2) Preparing for/responding to and recovering from rainstorms/natural disasters

(c) Parks and Recreation

- 1) Keeping public areas/parks safe/clean
- 2) Addressing homelessness

The information obtained by examination of Department records shall be used only for those governmental functions of the District listed above.

Section 3. That Hinderliter, de Llamas & Associates DBA HdL Companies is hereby designated to examine the sales or transactions and use tax records of the Department pertaining to transactions and use taxes collected for the District by the Department. The person or entity designated by this section meets all of the following conditions, which are also included in the contract between the District and the HdL Companies:

a) has an existing contract with the District to examine those sales or transactions and use tax records;

b) is required by that contract to disclose information contained in, or derived from, those sales or transactions and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information.

c) is prohibited by that contract from performing consulting services for a retailer during the term of that contract;

d) is prohibited by that contract from retaining the information contained in, or derived from those sales or transactions and use tax records, after that contract has expired.

NOW, THEREFORE, BE IT RESOLVED that the information obtained by examination of Department records shall be used only for purposes related to the collection of District transactions and use taxes by the Department pursuant to the contract between the District and the Department [and for those purposes relating to the governmental functions of the District listed in section 2 of this resolution.

INTRODUCED, APPROVED AND ADOPTED ON DECEMBER 11,2024.

Nancy Ross
Mayor

ATTEST:

Tracey R. Hermosillo
City Clerk

APPROVED AS TO FORM:

Eric S. Vail
City Attorney

I, Tracey R. Hermosillo, City Clerk of the City of Cathedral City, hereby certify that Resolution No. 2024-__ is a full, true, and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Cathedral City on December 11, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

Tracey R. Hermosillo,
City Clerk