

RESOLUTION NO. 26-21

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ISLA VISTA COMMUNITY SERVICES DISTRICT SUBMITTING (1) A UTILITY USER TAX MEASURE, AND (2) AN APPROPRIATIONS (“GANN”) LIMIT MEASURE TO THE VOTERS OF THE DISTRICT, AND REQUESTING THAT THE COUNTY OF SANTA BARBARA CONSOLIDATE THE MEASURES WITH THE STATEWIDE AND DISTRICT GENERAL ELECTION TO BE HELD ON NOVEMBER 3, 2026

WHEREAS, the Board of Directors of the Isla Vista Community Services District (“District”) desires to, and hereby does, submit to the voters of the District two ballot measures; and

WHEREAS, the first measure is a ballot measure to consider the approval of a special tax on the Utility Users Tax (“UUT”) on the utilities of gas, water, electricity, sewer, and garbage disposal services; and

WHEREAS, on June 5, 2018, the qualified electors of the District approved the formation of the District and funding for District services by the approval of an 8% UUT on the utilities of gas, water, electricity, sewer, and garbage disposal services to fund local improvements to parking, public safety, lighting, and sidewalks; provide tenant mediation services; create a municipal advisory council; and operate community facilities and events; and

WHEREAS, the Board of Directors of the District is proposing a new UUT to fund local improvements to housing services; community based public safety; transportation, parking, and public transit; clean and safe public spaces, including lighting and sidewalks; and community facilities and events; and

WHEREAS, pursuant to California Government Code Section 61250(g)(5), the Board of Directors of the District is authorized to propose the instant UUT by resolution; and

WHEREAS, pursuant to California Government Code Section 61250(g)(5), the Board of Directors of the District is directed to submit to the voters the foregoing ballot measure for approval by a two-thirds vote in accordance with Section 2 of Article XIII C of the California Constitution; and

WHEREAS, the UUT proposed by the Board of Directors of the District shall not apply to any utility provided by a telecommunications service provider; and

WHEREAS, pursuant to Government Code Section 50077, the Board of Directors has held a duly noticed public hearing on the question of the UUT; and

WHEREAS, the second measure is the establishment of an appropriations (“Gann”) limit for the District; and

WHEREAS, pursuant to Article XIII B § 4 of the California Constitution, the District is required to establish an appropriations limit by the electors of the District subject to and in conformity with constitutional and statutory voting requirements; and

WHEREAS, the Board of Directors of the District is directed to submit to the voters the foregoing ballot measure for establishment of a \$3,500,000 appropriations limit, which may then be adjusted each fiscal year by the Board of Directors, pursuant to the statutory procedures set forth in Government Code section 7900, *et. seq.*; and

WHEREAS, the Board of Directors therefore wishes to have the voters consider the UUT ballot measure and the appropriations limit measure at a special election to be held on the same date as the statewide general election to be held on Tuesday, November 3, 2026; and

WHEREAS, it is desirable that the measures proposed by the District be consolidated with the statewide general election to be held on the same date and that within the District the precincts, polling places, and election officers of the two elections be the same, and that the Santa Barbara County Registrar of Voters canvass the returns of the election and the election be held in all respects as if there were only one election.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE ISLA VISTA COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE:

1. **Recitals.** The above recitals are true and correct and incorporated herein by this reference.
2. **Election.** The General Election is scheduled to be held in the Isla Vista Community Services District on Tuesday, November 3, 2026. The Board of Directors of the Isla Vista Community Services District hereby orders the submittal to the voters of the District:
 - a. A special tax in the form of a Utility User Tax ballot measure for the establishment of a six (6%) percent tax on the utilities of gas, water, electricity, sewer, and garbage disposal services, as authorized by Government Code section 61250, to remain in effect until voters decide to end the tax (“UUT Measure”); and
 - b. The establishment of a \$3,500,000/fiscal year appropriations limit on the spending of the proceeds of taxes imposed by the Isla Vista Community Services District, pursuant to Article XIII B § 4 of the California Constitution, until voters decide to change it (“Appropriations Limit Measure”).
3. **Ballot Measures.**
 - a. The UUT Measure shall appear on the ballot as follows:

Increased Isla Vista Municipal Infrastructure and Services. To fund local improvements to housing services; community based public safety; transportation, parking, and public transit; clean and safe public spaces, including lighting and sidewalks; and community facilities and events, shall voters authorize a Utility Users' Tax of 6% on trash, sewage, water, gas, and electric, authorizing establishment of exemptions, generating approximately \$1,200,000 additional annually, until repealed by voters?	YES
	NO

- b. The Appropriations Limit Measure shall appear on the ballot as follows:

Establishment of an Appropriations Limit. The appropriations limit on spending the proceeds of taxes imposed by the Isla Vista Community Services District may be established by the electors of the District. In succeeding years, the appropriations limit will be equal to the prior year's limit, subject only to specified adjustments in the Government Code; shall voters establish an appropriations limit of \$3,500,000/fiscal year subject only to certain statutory adjustments, until voters to decide to change it?	YES
	NO

4. **Measures.**

- a. The proposed complete text of the UUT Measure submitted to the voters is attached hereto as **Exhibit A.**
- b. The proposed complete text of the Appropriations Limit measure submitted to the voters is attached hereto as **Exhibit B.**

5. **Vote Requirement.**

- a. UUT Measure. The vote requirement for the UUT Measure to pass is two-thirds of the votes cast.
- b. Appropriations Limit. The vote requirement for the Appropriations Limit Measure to pass is a majority of the votes cast.

6. **Consolidation.** Pursuant to the requirements of Sections 10402 and 10403 of the

Elections Code, the Santa Barbara County Board of Supervisors is hereby requested to consent and agree to the consolidation of the special election with the statewide General Election to be held on Tuesday, November 3, 2026, for the purposes of submitting the UUT Measure and Appropriations Limit Measure to the voters of the District. The District acknowledges the election shall be held and conducted in the manner prescribed by Elections Code section 10418.

7. **Elections Procedure.**

a. That the Santa Barbara County Registrar of Voters Office is authorized to canvass the returns of the special election. The election shall be held in all respects as if there were only one election, and only one form ballot shall be used. The election will be held and conducted in accordance with the provisions of law regulating the special or statewide election.

b. That the Board of Supervisors is requested to issue instructions to the Santa Barbara County Registrar of Voters Office to take any and all steps necessary for the holding of the consolidated election.

c. That the District recognizes that additional costs will be incurred by the County by reason of this consolidation and agrees to reimburse the county for any such additional costs. That the District shall reimburse the County for services performed when the work is completed and upon presentation to the District of a properly approved bill.

d. That the ballots to be used at the election shall be in the form and content as required by law.

e. That the General Manager, or his designee, is authorized, instructed, and directed to coordinate with the Registrar of Voters Office of the County of Santa Barbara to procure and furnish any and all official ballots, notices, printed matter, and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

f. That the polls for the election shall be open at 7 a.m. of the day of the election and shall remain open continuously for that time until 8 p.m. of the same day when the polls shall be closed, pursuant to Elections Code Section 10541, except as provided in Elections Code Section 14401.

g. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding special elections.

h. That notice of the time and place of holding the election is given and the General Manager, or his/her/its designee, is authorized, instructed,

and directed to give further or additional notice of the election, in time, form, and manner as required by law.

8. **Delivery of Resolution to County.** The General Manager, or his designee, is hereby directed to file a certified copy of this Resolution with the Board of Supervisors and the Registrar of Voters' Office of the County of Santa Barbara.
9. **Adoption of Resolution.** That the Secretary of the Board of Directors shall certify to the passage and adoption of this Resolution and ensure its retention as a public record in accordance with California law. This Resolution shall be effective immediately upon passage and adoption.

PASSED AND ADOPTED June 23, 2026, by the following vote of the Board of Directors of the Isla Vista Community Services District:

AYES:

NOES:

ABSTAIN:

ABSENT:

Katherine Carmichael,
President
Isla Vista Community
Services District

ATTEST:

Jonathan Abboud, Secretary
Isla Vista Community
Services District

APPROVED AS TO FORM

Jamie Koontz, General Counsel
Isla Vista Community
Services District

EXHIBIT A

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RESOLUTION NO. 26-21A

A RESOLUTION OF THE PEOPLE OF THE ISLA VISTA COMMUNITY SERVICES DISTRICT INCREASING THE UTILITY USERS TAX IN ACCORDANCE WITH GOVERNMENT CODE SECTION 61250 AND SECTION 2 OF ARTICLE XIII C OF THE CALIFORNIA CONSTITUTION ON THE UTILITIES OF GAS, WATER, ELECTRICITY, SEWER, AND GARBAGE DISPOSAL SERVICES

THE PEOPLE OF THE ISLA VISTA COMMUNITY SERVICES DISTRICT DO HEREBY RESOLVE AS FOLLOWS:

1. **Findings.** The People of the Isla Vista Community Services District finds as follows:

In 2018, the People of the Isla Vista Community Services District approved Resolution No. 18-1A (“Measure R”), which approved and implemented an 8% utility user tax on the utilities of gas, water, electricity, sewer, and garbage disposal services in the District. Measure R restricted the use of the UUT funds to certain District services and programs, including funding local improvements to parking, public safety, lighting, and sidewalks; provide tenant mediation services; create a municipal advisory council; and operate community facilities and events.

The passage of Measure R has allowed the District to expand its services and implement some community programs based upon its limited funding. However, the full breadth of services that could be delivered to the residents of the District cannot be realized without additional funding, generated on a consistent and predictable basis, by an additional voter-approved utility user tax, including but not limited to funding local improvements to housing services; community based public safety; transportation, parking, and public transit; clean and safe public spaces, including lighting and sidewalks; and community facilities and events.

The District is authorized by Government Code section 61250 to impose a special tax in the form of a utility user tax proposed by resolution of the Board of Directors of the District, pursuant to approval by a two-thirds vote of its residents in accordance with Section 2 of Article XIII C of the California Constitution, on the utilities of gas, water, electricity, sewer, or garbage disposal services. The utility user tax shall not apply to any utility provided by a telecommunications service provider.

The purpose and intent of this resolution is to approve and implement a utility user tax on the utilities of gas, water, electricity, sewer, and garbage disposal services in the District to the extent permissible by the California Constitution and state law. This Resolution shall be in addition to, and shall not amend, supersede, or replace Resolution 18-1A.

The proceeds from the taxes imposed by this resolution, totaling approximately \$1,200,000 per year, shall be deposited into District accounts with the County of

Santa Barbara, and used for the purposes allowable under Government Code section 61250, as may be amended from time to time, or as otherwise provided for in state law.

2. **Definitions.** As used in this resolution, the following words and phrases shall have the following meanings:

- a. “Person” shall mean without limitation any domestic or foreign corporation, firm, association, syndicate, joint stock company, partnership of any kind, joint venture, club, business or common law trust, society, individuals, and/or natural people.
- b. “District” shall mean the Isla Vista Community Services District.
- c. “Electrical corporation” and “gas corporation” shall have the same meanings as defined in Sections 218 and 222, respectively, of the California Public Utilities Code except, “electrical corporation” and “gas corporation” shall also be construed to include any municipality, public agency or person engaged in the selling or supplying of electrical power or gas to a service user.
- d. “Gas” shall mean natural or manufactured gas or any alternate hydrocarbon fuel which may be substituted therefor.
- e. “Month” shall mean a calendar month.
- f. “Non-utility supplier” shall mean: (a) a service supplier, other than an electrical corporation serving within the District, which generates electrical energy in capacities of at least fifty (50) kilowatts for its own use or for sale to others; or (b) a gas supplier other than a gas corporation, that sells or supplies gas to users within the District.
- g. “Tax Administrator” shall mean the General Manager of the District, or his/her/its designee, whether such appointment of the General Manager of the District be on an interim or permanent basis.
- h. “Service supplier” shall mean any entity required to collect or self-impose and remit a tax as imposed by this resolution.
- i. “Service user” shall mean a person required to pay a tax imposed by this resolution.

3. **Gas Users Tax.**

- a. There is hereby imposed a tax upon every person in the District other than a gas corporation or electrical corporation, using, in the District, gas which is transported through mains or pipes or by mobile transport. The tax imposed by this section shall be at the rate of not more than six (6%) percent of the charges made for the gas and shall be billed to and paid by the person using the gas. The tax applicable to gas or gas transportation provided by non-utility suppliers shall

be determined by applying the tax rate to the equivalent charges the service user would have incurred if the gas or gas transportation has been provided by the gas corporation serving the residents of the District. "Charges" as used in this section shall include without limitation: (1) that billed for gas which is delivered through mains or pipes; (2) gas transportation charges; and (3) demand charges, service charges, customer charges, minimum charges, annual and monthly charges, and any other charge authorized by the California Public Utilities Commission or the Federal Energy Regulatory Commission.

- b. The tax otherwise imposed by this section is not applicable to: (1) charges made for gas which is to be resold and delivered through mains and pipes; (2) charges made for gas used and consumed by a public utility or governmental agency in the conduct of its business or, (3) charges made by a gas public utility or gas used and consumed in the course of its public utility business; and (4) charges made for gas used in the propulsion of a motor vehicle, as authorized in the Vehicle Code of the State of California.
- c. The tax imposed in this subsection shall be collected from the service user by the person selling or transporting the gas. A person selling only transportation services to a user for delivery of gas through mains or pipes shall collect the tax from the service user based on the transportation charges. The person selling or transporting the gas shall, on or before the 15th of each month after the effective date of this Resolution, make a return to the Tax Administrator stating the amount of taxes billed during the preceding calendar month. At the time such returns are filed, the person selling or transporting the gas shall remit tax payments to the Tax Administrator by electronic funds transfer. The tax imposed on this section on use supplied by self-production or a non-utility supplier not subject to the jurisdiction of this ordinance shall be collected and remitted to the Tax Administrator in the manner set forth in Section 9.

4. **Water Users Tax.**

- a. There is hereby imposed a tax upon every person in the District using water which is delivered through mains or pipes. The tax imposed by this section shall be at the rate of not more than six (6%) percent of the charges made for such water and shall be paid by the person paying for such water.
- b. There shall be excluded from the base on which the tax imposed in this section is computed charges made for water which is to be resold and delivered through mains or pipes; and charges made by a municipal water department, public utility or a city or municipal water district for water used and consumed by such department, utility or district.
- c. The tax imposed in this section shall be collected from the service user by the person supplying the water. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator on or before the 20th day of the following month by electronic funds transfer.

5. **Electricity Users Tax.**

- a. There is hereby imposed a tax upon every person other than an electric or gas corporation using electrical energy in the District. The tax imposed by this section shall be at the rate of not more than six (6%) percent of the charges made for such energy by an electrical corporation providing service in the District and shall be billed to and paid by the person using the energy. The tax applicable to electrical energy provided by a non-utility supplier shall be determined by applying the tax rate to the equivalent charge the service user would have incurred if the energy used had been provided by the electrical corporation serving the residents of the District. Rate schedules for this purpose shall be available from the District. Non-utility suppliers shall install, maintain and use an appropriate utility-type metering system which will enable compliance with this section. "Charges," as used in this section, shall include without limitation charges made for: (1) metered energy and (2) minimum charges for service, including customer charges, service charges, demand charges, standby charges and all other annual and monthly charges, fuel or other costs adjustments, authorized by the California Public Utilities Commission or the Federal Energy Regulatory Commission.
- b. As used in this section, the term "using electrical energy" shall not be construed to mean the storage of such energy by a person in a battery owned or possessed by him or her for use in an automobile or other machinery device apart from the premises upon which the energy was received, provided, however, that the term shall include the receiving of such energy for the purpose of using it in the charging of batteries; nor shall the term include electricity used and consumed by an electric utility supplier in the conduct of its business; nor shall the term include the mere receiving of such energy by an electric corporation or governmental agency at a point within the District for resale; nor shall the term include the use of such energy in the production or distribution of water by a water utility or a governmental agency.
- c. The tax imposed in this section shall be collected from the service user by the service supplier or non-utility supplier. The tax imposed in this section on use supplied by self-generation or from a non-utility supplier not subject to the jurisdiction of this section, shall be collected and remitted to the Tax Administrator in the manner set forth in Section 9. The amount of tax collected by a service supplier or a non-utility supplier in one (1) month shall be remitted by electronic funds transfer to the Tax Administrator, on or before the last day of the following month; or at the option of the person required to collect and remit the tax, an estimated amount of tax measured by the tax billed in the previous month, shall be remitted by electronic funds transfer, to the Tax Administrator, on or before the last day of each month. Any difference in the amount of any estimated tax remittance and the actual amount of tax collected shall be remitted by electronic funds transfer to the Tax Administrator within ten (10) days of the last day of the month for which the estimated tax remittance was made.

6. **Sewer Users Tax.**

- a. There is hereby imposed a tax upon every person using sewer services within the District. The tax imposed by this section shall be at the rate of not more than six (6%) percent of the charges made for such sewer service. The tax shall be paid by the person using such sewer service.
- b. As used in this section, the term “charges” shall apply without limitation to all services, components and items that are: i) necessary for or common to the receipt, use or enjoyment of sewer service; or ii) currently are or historically have been included in a single or bundled rate for sewer service to retail customers. The term “charges” shall include, but is not limited to, the following charges: customer charges, late charges, service establishment or reestablishment charges, annual and monthly charges, and other charges, fees and surcharges which are necessary for or common to the receipt, use or enjoyment of sewer service; and charges, fees, or surcharges for sewer services or programs which are mandated by a city, a state or federal agency, whether or not such charges, fees, or surcharges appear on a bundled or line-item basis on the customer billing.
- c. The tax on sewer service imposed by this section shall be collected from the service user by the sewer service supplier or its billing agent. The amount of tax collected in one (1) month shall be remitted to the Tax Administrator on or before the 15th day of the following month by electronic funds transfer.

7. **Garbage Disposal Users Tax.**

- a. There is hereby imposed a tax upon every person using garbage disposal services in the District. The tax imposed by this section shall be at the rate of not more than six (6%) percent of the charges made for such garbage disposal service. The tax shall be billed to and paid by the person using such garbage disposal services. For purposes of this Section, “garbage disposal services” means the collection or disposal, or both, of garbage, waste, refuse, rubbish, offal, trimmings, or other refuse matter.
- b. As used in this section, the term “charges” shall apply without limitation to all services, components and items that are: i) necessary for or common to the receipt, use or enjoyment garbage disposal services; or ii) currently are or historically have been included in a single or bundled rate for garbage disposal services to retail customers. The term “charges” shall include, but is not limited to, the following charges: customer charges, late charges, service establishment or reestablishment charges, annual and monthly charges, and other charges, fees and surcharges which are necessary for or common to the receipt, use or enjoyment of garbage disposal services; and charges, fees, or surcharges for garbage disposal services or programs which are mandated by the relevant municipality, a state or federal agency, whether or not such charges, fees, or surcharges appear on a bundled or line-item basis on the customer billing.
- c. The tax on garbage disposal services imposed by this section shall be collected from the service user by the garbage disposal provider. The amount of tax

collected in one (1) month shall be remitted to the Tax Administrator on or before the 20th day of the following month.

8. **Telecommunications Service Providers.** The taxes imposed by this Resolution shall not apply to any utility provided by a telecommunications service provider.
9. **Service Users Receiving Direct Purchase of Gas or Electricity.**
 - a. Notwithstanding any other provision of this resolution, a service user receiving gas or electricity directly from a non-utility supplier not under the jurisdiction of this resolution, or otherwise not having the full tax due on the use of gas or electricity in the District directly billed and collected by the service supplier, shall report said fact to the Tax Administrator within thirty (30) days of said use and shall directly remit to the District the amount of tax due by U.S. mail or electronic funds transfer.
 - b. The Tax Administrator may require said service user to provide, at its own and sole expense and subject to audit, filed tax returns or other satisfactory evidence documenting the quantity of gas or electricity used and the price thereof.
10. **Exemptions.**
 - a. Nothing in this resolution shall be construed as imposing a tax upon any person when imposition of such tax upon that person would be in violation of the Constitution of the United States or that of the State of California.
 - b. The Board of Directors of the District may, by order or resolution, establish one or more classes of persons or one or more classes of utility service otherwise subject to payment of a tax imposed by this section and provide that such classes of persons or service shall be exempt, in whole or in part from such tax.
11. **Remittance of Tax.** Taxes collected from a service user which are not remitted to the Tax Administrator on or before the due dates provided in this resolution are delinquent. Should the due date occur on a weekend or legal holiday, the remittance may be made on the first regular working day following a Saturday, Sunday, or legal holiday.
12. **Actions to Collect.** Any tax required to be paid by a service user under the provisions of this resolution shall be deemed a debt owed by the service user to the District. Any such tax collected from a service user which has willfully been withheld from the Tax Administrator shall be deemed a debt owed to the District by the person required to collect and remit the tax. Any person owing money to the District under the provisions of this section shall be liable to an action brought in the name of the District for the recovery of such amount.
13. **Duty to Collect—Procedures.** The duty to collect and remit the taxes imposed by this section shall be performed as follows:

- a. Notwithstanding the provisions of Section 9, the tax shall be collected insofar as practicable at the same time as and along with the charges made in accordance with the regular billing practices of the service supplier. Where the amount paid by a service user to a service supplier is less than the full amount of the service charge and tax which has accrued for the billing period, such amount and any subsequent payments by a service user shall be applied to the utility charge first until such charge has been fully satisfied. Any remaining balance shall be applied to taxes due. In those cases where a service user has notified the service supplier of his refusal to pay the tax imposed on said energy charges Section 14 will apply.
- b. The duty to collect tax from a service user shall commence with the beginning of the first full regular billing period applicable to the service user where all charges normally included in such regular billing are subject to the provisions of this resolution. Where a person receives more than one billing, one or more being for different periods than another, the duty to collect shall arise separately for each billing

14. **Additional Power and Duties of Tax Administrator.**

- a. The Tax Administrator shall have the power and duty, and is hereby directed to enforce each and all of the provisions of this resolution.
- b. The Tax Administrator shall have the power to adopt rules and regulations not inconsistent with provisions of this section for the purpose of carrying out and enforcing the payment, collection and remittance of the taxes herein imposed, subject to approval by the Board of Directors of the District.

A copy of such rules and regulations shall be on file in the District office.

- c. The Tax Administrator may make administrative agreements to vary the strict requirements of this section so that collection of any tax imposed here may be made in conformance with the billing procedures of particular service supplier so long as said agreements result in collection of the tax in conformance with the general purpose and scope of this section. A copy of each such agreement shall be on file with the District.
- d. The Tax Administrator shall determine the eligibility of any person who asserts a right to exemption from the tax imposed by this section. The Tax Administrator shall provide the service supplier with the necessary identifying information of any person whom the Tax Administrator determines is exempt from the tax imposed hereby, together with the address and account number to which service is supplied to any such exempt person. The Tax Administrator shall notify the service supplier of termination of any person's right to exemption hereunder, or the change of any address to which service is supplied to any exempt person.
- e. The Tax Administrator shall provide notice to all service suppliers, at least ninety (90) days prior to any annexation or other change in the District's boundaries. Said notice shall set forth the revised boundaries by street and address, along with

a copy of the final annexation order from the Santa Barbara County Local Agency Formation Commission.

15. **Assessment—Service User Administrative Remedy.**

- a. Whenever the Tax Administrator determines that a service user has deliberately withheld the amount of the tax owed by him or her from the amounts remitted to a person required to collect the tax, or that a service user has refused to pay the amount of tax, such person may be relieved of the obligation to collect taxes due under this resolution from certain named service users for specified billing periods as set forth below. The notice shall be served on the service user by handing it to him or her personally or by deposit of the notice in the United States mail, postage prepaid thereon, addressed to the service user at the address to which billing was mailed by the person required to collect the tax.
- b. The service supplier shall provide the District with amounts refused and/or unpaid along with the names and addresses of the service users neglecting to pay the tax imposed under provisions of this resolution. Whenever the service user has failed to pay the amount of tax for a period of two (2) or more billing periods, the service supplier shall be relieved of the obligation to collect taxes due.
- c. The Tax Administrator shall notify the service user that the Tax Administrator assumed responsibility to collect the taxes due for the stated periods and demand payment of such taxes. The notice shall be served on the service user by handing it to him or her personally or by deposit of the notice in the United States mail, postage prepaid thereon, addressed to the service user at the address to which billing was mailed by the person required to collect the tax; or, should the service user's address change, to the last known address. If a service user fails to remit the tax to the Tax Administrator within fifteen (15) days from the date of the service of the notice upon him or her, which shall be the date of mailing if service is not accomplished in person, a penalty of twenty five percent (25%) of the amount of the tax set forth in the notice shall be imposed, but not less than five dollars (\$5.00). The penalty shall become part of the tax herein required to be paid.

16. **Records.** It shall be the duty of every person required to collect and remit to the District any tax imposed by this Section to keep and preserve, for a period of three (3) years, all records as may be necessary to determine the amount of such tax as he may have been liable for the remittance to the Tax Administrator, which records the Tax Administrator shall have the right to inspect at all reasonable times.

17. **Refunds.**

- a. *Written Claim Required:* Whenever the amount of any tax, interest, or penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the Tax Administrator under this resolution, it may be refunded as provided in this Section. However, any claim must be in writing, stating under penalty of perjury the specific grounds upon which the claim is

founded, and filed with the Tax Administrator within fifteen (15) days of the day the claimed amount was paid. The claim shall be made on a form furnished by the Tax Administrator or in substantial compliance with such a form.

- b. *Refund Or Credit:* Notwithstanding the provisions of subsection (a) above, a service supplier may claim a refund; or take as credit against taxes remitted the amount overpaid, paid more than once, or erroneously or illegally collected or received when it is established that the service user from whom the tax has been collected did not owe the tax; provided, however, that neither a refund nor a credit shall be allowed unless the amount of the tax erroneously or illegally collected has either been refunded to the service user or credited to charges subsequently payable by the service user to the person required to collect and remit. A service supplier that has collected any amount of tax in excess of the amount of tax imposed by this resolution may refund such amount to the service user and may, with the prior written approval of the Tax Administrator, claim credit for such overpayment against the amount of tax that is due to the District, provided that a claim for such credit is presented within the time and in the manner prescribed for the presentation of claims under the Government Claims Act.
 - c. *Taxes Refunded:* Notwithstanding other provisions of this Section, whenever a service supplier, pursuant to an order of the California Public Utilities Commission or a court of competent jurisdiction, makes a refund to service users of charges for past utility services, the taxes paid pursuant to this resolution on the amount of such refunded charges shall also be refunded to service users, and the service supplier shall be entitled to claim a credit for such refunded taxes against the amount of tax which is due upon the next monthly returns. In the event this resolution is repealed, the amounts of any refundable taxes will be borne by the District.
18. **Severability.** If any subsection, subdivision, paragraph, sentence, clause or phrase of this resolution or any part thereof is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this resolution or any part thereof. The people of the District hereby declare that they would have passed each subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more subsection, subdivision, paragraph, sentence, clause or phrase be declared unconstitutional or invalid.
19. **Amendments.** The Board of Directors of the District may amend this resolution in any manner that does not constitute a tax increase as defined in Section 2 of Article XIIC of the California Constitution, and does not otherwise increase the number or type of utilities taxed.
20. **Effective Date.** This Resolution shall become effective upon approval by a two-thirds vote in accordance with Section 2 of Article XIII C of the California Constitution and the subsequent declaration of the vote at the November 3, 2026 Special Election in accordance with law.

EXHIBIT B

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RESOLUTION NO. 26-21B

A RESOLUTION OF THE PEOPLE OF THE ISLA VISTA COMMUNITY SERVICES DISTRICT ESTABLISHING THE INITIAL APPROPRIATIONS LIMIT FOR THE DISTRICT PURSUANT TO ARTICLE XIII B § 4 OF THE CALIFORNIA CONSTITUTION

THE PEOPLE OF THE ISLA VISTA COMMUNITY SERVICES DISTRICT DO HEREBY RESOLVE AS FOLLOWS:

1. **Findings.** The Gann Initiative or Proposition 4, also known as Article XIII B of the Constitution of the State of California, was passed by the People. Article XIII B mandates the establishment of an initial appropriations limit on various units of government, including the Isla Vista Community Services District (“District”).

The initial appropriations limit may be set by the voters of the District, which may then be adjusted each fiscal year by the Board of Directors, pursuant to the statutory procedures set forth in Government Code section 7900, *et. seq.*, by adjusting the prior year’s appropriation limit for changes in inflation and population.

The purpose and intent of this resolution is to approve and establish a \$3,500,000 per fiscal year appropriations limit on the proceeds of taxes that may be spent by the District, until changed by the voters.

2. **Appropriations Limit.** In accordance with Article XIII B § 4 of the Constitution of the State of California, the voters of the District hereby establish and declare the initial appropriations limit for the District to be \$3,500,000, subject only to the statutory procedures for adjustment set forth in Government Code section 7900, *et. seq.*, until voters to decide to change it.

3. **Effective Date.** This Resolution shall become effective upon approval by a majority vote in accordance with the California Constitution and the subsequent declaration of the vote at the November 3, 2026 General District Election in accordance with law.