

Arguments in support or opposition of the proposed laws are the opinions of the authors.

**Argument Against Measure \_\_\_\_\_.**

There are no compelling reasons to increase the sales tax in Los Gatos. **Council Member Barbara Spector** called the ballot measure misleading to our community. Now it is up to the citizens of Los Gatos to reject this idea with their votes.

**Why vote NO:**

1) **Use of funds from the new tax are untargeted and unconstrained.**

- The ballot language is misleading, implying the revenue will only be spent on essential Town services. Section 4 of the ordinance states "**there is no specific commitment to how the revenue will be spent**".

2) **The Town can fund its ambitious spending plans without increasing the sales tax.**

- The Town Council approved a FY 2019 **balanced budget** which projects a **\$700,000 surplus** while increasing staff salaries and benefits expenditures 11% and capital projects expenditures 60% over FY 2018 estimated actuals.

- The Town Council approved a fully funded \$48 million five-year capital plan and a 5 Year Financial Plan that shows a cumulative surplus.

3) **The Town has plenty of cash.**

- Los Gatos has over \$70 million in unrestricted cash on hand RIGHT NOW. Compare that to Saratoga (\$23 million) and Campbell (\$44 million). The town's coffers are flush.

- The Town is projecting total revenues to increase in FY 2019 **without a sales tax increase.**

4) **Increasing the sales tax will hurt our local merchants, not help them.**

- Sales tax revenues are falling because of the shift to on-line retailing. Increasing the sales tax now will hurt our struggling local merchants. Los Gatos will have a higher sales tax than neighboring cities Saratoga and Cupertino.

**Vote NO on this misleading and unnecessary sales tax. Keep your money in your pocket, not the Town's bank account.**

**Sandy Decker, Former Los Gatos Mayor**  
**Jak Vannada, Chief Executive Officer, Retired**  
**Phil Koen, Chairman of the Board, Contegix**  
**Rick Van Housen, Chief Financial Officer, Aktana, Inc.**  
**David Lazares, Lazares Companies Manager**