



CITY OF SACRAMENTO

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DEPARTMENT OF FINANCE
DIVISION OF REVENUES AND COLLECTIONS
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MICHAEL L. MEDEMA
REVENUES AND COLLECTIONS OFFICER

August 12, 1981

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Debt Service Property Tax Override

SUMMARY

This report recommends the City Council adopt the attached Resolution levying an ad valorem tax for voter approved debt service for FY 1981-82 in the amount of \$.0165 per hundred dollar of assessed value.

BACKGROUND

The City Council adopted Resolution No. 81-390 (copy attached) on June 2, 1981, which expressed an intent to levy an ad valorem tax permitted by State Constitution Article XIII A (1) for the General Obligation Municipal Improvement Bonds of 1964. Staff advised the City Council that the intent to levy the tax override had to be conveyed to the County Auditor-Controller in order to set the mechanism in place for an actual levy to be made, should it be necessary, once the 1981-82 revenue picture became clearer. Staff indicated the final decision to levy the tax override would have to be made in mid-August for the November tax assessment.

FINANCIAL

Staff has reviewed the City's General Fund financial status and recommends the Debt Service Property Tax Override be imposed for FY 1981-82.

The \$2.8 million revenue shortfall reported in June and the current sluggish condition of the local economy leaves little room for optimistic hope concerning the FY 1981-82 Revenues. The \$852,741 that can be generated by the Debt Service Property Tax Override is necessary to maintain a balanced budget as previously adopted.

The annual cost to a homeowner with a \$50,000 assessed value home will be \$8.25.

City of the City Clerk

Cont to
8-25-81

AUG 18 1981

FILED

By the City Council
Office of the City Clerk

Cont. to
9-1-81

AUG 25 1981

RECOMMENDATION

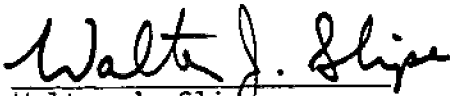
It is recommended consistent with City Council Resolution No. 81-390, the City Council adopt the attached Resolution levying an ad valorem tax in the amount of \$.0165 per hundred assessed valuation as permitted by Section 1 of Article XIII A of the State Constitution for FY 1981-82.

Respectfully submitted,



Michael L. Medema
Revenues & Collections Officer

Recommendation Approved:



Walter J. Slips
City Manager

RESOLUTION NO. 81-350

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF
JUN 2 1981

RESOLUTION OF INTENTION TO LEVY AN
ADDITIONAL AD VALOREM TAX ON ALL
TAXABLE REAL AND PERSONAL PROPERTY
WITHIN THE CITY OF SACRAMENTO PURSUANT
TO SECTION 1(b) OF ARTICLE XIII A OF
THE CALIFORNIA CONSTITUTION

WHEREAS, subsection (b) of Section 1 of Article XIII A of the California Constitution permits the City to levy an ad valorem tax on all taxable real and personal property within the City of Sacramento to pay the interest and redemption charges on any indebtedness approved by the voters prior to the effective date of Article XIII A;

WHEREAS, in 1964 the voters of the City of Sacramento approved general obligation Municipal Improvements bonds. The interest and redemption charges on said bonds for the fiscal year 1981-82 are \$852,741;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

That the City Council hereby expresses its intent to levy an ad valorem tax on all taxable real and personal property within the City of Sacramento for the fiscal year 1981-82 in an amount sufficient to pay the interest and redemption charges on said bonds for said fiscal year.

Be it further resolved that the City Clerk be and she is hereby authorized and directed to forward a copy of this resolution to the Auditor-Controller of the County of Sacramento.

PHILLIP L. ISENBERG

MAYOR

ATTEST:

LORRAINE MAGANA

CITY CLERK

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION FIXING THE TAX RATE TO BE
LEVIED ON ALL TAXABLE PROPERTY WITHIN
THE CITY OF SACRAMENTO AND LEVYING THE
SAME FOR THE FISCAL YEAR 1981-82 FOR
PRINCIPAL AND INTEREST ON BONDED
INDEBTEDNESS APPROVED BY THE VOTERS
OF THE CITY BEFORE JULY 1, 1978

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

SECTION 1.

The following rate is hereby fixed, established, and determined by the City Council, as the rate of taxes to be levied upon each one hundred dollars (\$100.00) worth of taxable property within the City of Sacramento and that said tax rate so fixed and determined as hereinafter set forth is hereby levied on each one hundred dollars (\$100.00) worth of taxable property within said City of Sacramento for the purpose of payment of principal and interest on bonded indebtedness approved by the voters of the City of Sacramento before July 1, 1978:

Tax Rate \$.0165

SECTION 2.

The City Clerk is hereby authorized and directed to deliver to the Auditor of the County of Sacramento a certified statement setting forth the amount of property tax necessary for the purposes set forth in Section 1 of this resolution and such other information as may be required by the Auditor or Section 51551 of the Government Code.

MAYOR

ATTEST:

CITY CLERK