## **RESOLUTION NO. 2002-68**

## A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE ESTABLISHING A PERMANENT APPROPRIATION LIMIT

WHEREAS, Article XIIIB of the California Constitution and Government Code Section 7910 requires a City to establish its appropriation limit for each fiscal year; and

WHEREAS, the provisional appropriations limit for the City of Elk Grove for fiscal year 2000-01 was established by the Sacramento Local Agency Formation Commission in Resolution No. LAFC 1207, paragraph 9(m), as part of the incorporation process; and

WHEREAS, the provisional appropriation limit as set forth in Resolution No. LAFC 1207 was confirmed and approved by a majority vote of the electorate as part of the ballot proposition for the proposed reorganization in accordance with Article XIIIB, Section 4; and

WHEREAS, under California law and Government Code Section 56842.6, a permanent appropriations limit shall be set by the voters of the city at the first municipal election to be held following the first full fiscal year of operation by the City; and

WHEREAS, the City Council, on May 1, 2002, called the first municipal general election to be held and consolidated with the statewide general election on November 5, 2002; and

WHEREAS, an independent review of the City's financial documentation, concluded that the City should adopt \$22,040,000 as its base year permanent appropriation limit as identified in LAFCO Resolution No. 1207;

## NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ELK GROVE DOES RESOLVE, DECLARE AND DETERMINE AND ORDER AS FOLLOWS:

**SECTION 1**: That the base-year permanent appropriations limit shall be \$22,040,000.

<u>SECTION 2</u>: That the City of Elk Grove shall annually calculate its appropriation limit, the level of expenditures that can be funded using tax dollars, utilizing the permanent appropriations limit.

**SECTION 3**: That the base year appropriations shall be increased annually by a factor which combines the governmental entities population growth rate and the increase in the California per capital personal income.

**SECTION 4**: That the City may utilize the City's population growth rate or that of the County of Sacramento.

<u>SECTION 5</u>: That this resolution shall become effective upon the ratification of the resolution by the voters of the City of Elk Grove, to be considered at the general municipal election to be held and consolidated at the statewide general election on November 5, 2002.

PASSED, APPROVED AND ADOPTED on May 1, 2002.

MICHAEL P. LEARY, MAYOR of the CITY OF ELK GROVE

Attest:

**CLERK** CITY

Approved as to Form:

ANTHONY B. MANZANETTI CITY ATTORNEY

AYES:Leary, Scherman, Cooper,<br/>Soares, BriggsNOES:NoneABSTAIN:NoneABSENT:None