RESOLUTION NO. 3728

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 1980-1981

WHEREAS, the voters of California on November 6, 1979, added Article XIII B to the State Constitution placing various limitations on the appropriations of the state and local governments;

WHEREAS, Article XIII B provides that the appropriations limit for the fiscal year 1980-1981 is calculated by adjusting the base year appropriations of fiscal year 1978-1979 for changes in the cost of living and population; and

WHEREAS, the information necessary for making these adjustments is attached in Exhibit A; and

WHEREAS, the City of Redlands has complied with all provisions of Article XIII B in determining the appropriations limit for fiscal year 1980-1981;

NOW, THEREFORE, BE IT RESOLVED that the appropriations subject to limitation in fiscal year 1980-1981 shall be \$7,622,532 for the City of Redlands.

ADOPTED, SIGNED AND APPROVED this 6th day of January, 1981.

ATTEST:

I, Peggy A. Moseley, City Clerk, City of Redlands, California, do hereby certify that the foregoing resolution was adopted by the City Council at a regular meeting thereof held on the 6th day of January, 1981, by the following vote:

AYES:

Councilmembers Gorman, Martinez, Riordan, Roth; Mayor

DeMirjyn

NOES:

None

ABSENT: None

GANN APPROPRIATION LIMITATION BILL (SB 1352)

The bill specifies that appropriations may increase by an amount equal to the change in population January to January each year and change in either the U. S. March to March cost-of-living index (CPI) or per capita personal income change, whichever is smaller.

For 1979-80, the CPI was lower; for 1980-81, the per capita income change was lower. The following is the application of the formula to arrive at the permitted growth rate in city appropriation for 1980-81.

Percentage change in City of Redlands Population

1979 - 5.37%

1980 - 5.77%

Increase in CPI 1979 - 10.17%

Increase in Personal Income - 10.53%

1.
$$1.1017 \times \frac{5.37 + 100}{100} = 1.1609$$

2.
$$1.1053 \times \frac{5.77 + 100}{100} = 1.1691$$

3.
$$1.1609 \times 1.1691 = 1.3572$$

4.
$$(1.3572 \times 100) - 100 = 35.72$$
%

Cumulative growth rate for 1980-81 appropriations = 35.75% over 1978-1979

Appropriation for 1978-1979 subject to limitation - \$5,616,366.

 $$5,616,366 \times 1.3572 = $7,622,532$

1980-1981 Appropriation Limitation = \$7,622,532