

CITY COUNCIL MEETING

May 20, 1981

427  
RESOLUTION  
ADOPTING AN  
APPROPRIATIONS  
SPENDING LIMIT  
FOR 1981-82 IN  
COMPLIANCE WITH  
PROPOSITION 4  
ARTICLE XIII B  
OF THE  
CONSTITUTION

Following introduction of the matter by City Manager Graves, Council, on motion of Councilman Hughes, Murphy second, adopted Resolution No. 81-58 adopting an appropriations spending limit for 1981-82 in compliance with Proposition 4 Article XIII B of the Constitution in the amount of \$9,468,985.

RES. NO. 81-58

RESOLUTION NO. 81-58

RESOLUTION ADOPTING AN APPROPRIATIONS SPENDING  
LIMIT FOR 1981-82 IN COMPLIANCE WITH PROPOSITION  
4 ARTICLE XIIIIB OF THE CONSTITUTION

RESOLVED, that the City Council of the City of Lodi  
does hereby adopt the following Appropriation Spending Limit  
for 1981-82 in compliance with Proposition 4, now Article  
XIIIIB of the State Constitution.

Total Appropriation for 1978-79 Base  
year as adopted by the City of  
Lodi \$6,623,521.

Increased by  
Allowable Accumulated Growth to  
1981-82 of 42.96%

Therefore the Spending Limit for  
1981-82 \$9,468.985.

Dated: May 20, 1981

I hereby certify that Resolution No. 81-58 was passed  
and adopted by the City Council of the City of Lodi  
in a regular meeting held May 20, 1981 by the follow-  
ing vote:

Ayes: Councilmen - Hughes, Murphy, Pinkerton, Katnich  
and McCarty

Noes: Councilmen - None

Absent: Councilmen - None

*Alice M. Reimche*  
ALICE M. REIMCHE  
City Clerk

MEMORANDUM

TO: Alice M. Reimche, City Clerk      DATE: May 28, 1981  
FROM: Fred C. Wilson, Finance Director  
SUBJECT: Period of Public Challenge for the  
          City of Lodi 1981-82 - Proposition 4 Spending Limit

SB-1352 was passed and became effective January 1, 1981. The bill provided for a 60-day challenge period for the first year spending limit and a 45-day period for challenge each year thereafter.

The bill provided a vehicle for acceptance of the spending limit - it was by resolution - but was totally silent as to the procedure to be followed for communication of the challenge information.

In the absence of further instructions, I will have to assume that 45 days after the Council coverage in the newspaper of the limit, the period of challenge will be expired.

You have no further duty to anyone, but Ron Stein may have comments.

FCW

cc: Robert Holm, Assistant Finance Director  
      Ronald M. Stein, City Attorney

MEMORANDUM

TO: Henry A. Graves, Jr., City Manager      DATE: May 7, 1981  
FROM: Fred C. Wilson, Finance Director  
SUBJECT: Allowable Spending Limit for the City of Lodi for 1981-82  
as Permitted by Terms of Proposition #4 is \$9,468,985.  
From Proceeds of Taxes.

We must adopt a spending limit for 1981-82. Article XIII B of the California Constitution, as implemented by SB-1352 of 1980, specifies that appropriations of governmental entities may increase by an amount not to exceed the change in population and the changes in the United State Consumers Price Index, or the California per capita personal income, whichever is less.

Using growth factors allowed of 11.63% for 1980, 15.10% for 1981 and 11.26% for 1982, our accumulated growth allowed for 1982 would be 42.96% over the base year 1978-79 of \$6,623,521.

The 1981-82 appropriation spending from proceeds of taxes would therefore be \$9,468,985.

The resolution attached has been prepared for Council consideration and adoption.

FCW

attachment

CALCULATIONS FOR CITY OF LODI  
PROPOSITION #4 SPENDING LIMIT  
FOR 1981-82

1979-80 Permitted Growth for 1980

CPI Change + 10.17%

Population Change + 1.32%

Computes to:

$$10.17 + 100.00 \div 100.00 = 1.1017$$

$$1.32 + 100.00 \div 100.00 = 1.0132$$

$$1.1017 \times 1.0132 = 1.1163 \text{ or } 11.63 \text{ for } 1980$$

1980-81 Permitted Growth for 1981

Per Capita Income Change = + 12.11%

Population Change + 2.66%

Computes to:

$$1.1211 + 100.00 \div 100.00 = 1.1211$$

$$1.0266 + 100.00 \div 100.00 = 1.0266$$

$$1.1211 \times 1.0266 = 1.1510 \text{ or } 15.10 \text{ for } 1981$$

$$1.1510 \times 1.1163 = 1.2849 \text{ or } 28.49 \text{ for two years ratio}$$

1981-82 Permitted Growth for 1982

Per Capita Income Increase 9.12%

Population Increase + 1.96%

Computes to:

$$9.12 + 100.00 \div 100.00 = 1.0912$$

$$1.96 + 100.00 \div 100.00 = 1.0196$$

$$1.0912 \times 1.0196 = 1.1126 \text{ or } 11.26\%$$

$$1.2849 \times 1.1126 = 1.4296 \text{ or } 42.96\% \\ \text{for cumulative growth for 1981-82} \\ \text{over 1978-79 appropriation limit}$$