

RESOLUTION NUMBER R- 280201

ADOPTED ON JUN 22 1992

WHEREAS, the State of California has experienced an economic recession for two years which has resulted in reduced revenues and increased demand for support services; and

WHEREAS, the State of California is currently projecting a deficit through June 30, 1993 of \$11.7 billion; and

WHEREAS, revenues in Fiscal Year 1991-92 State budget have fallen below those projected in the Fiscal Year 1991-92 State budget; and

WHEREAS, the Fiscal Year 1991-92 budget appropriation for K-14 Education, which was based upon projected revenues and Proposition 98 funding mandates, exceeds K-14 Education's entitlement based upon actual revenue by \$1.1 billion; and

WHEREAS, unless the State takes action to redesignate this excess appropriation as a loan before July 1, 1992, K-14 Education will be entitled to treat this excess payment as a new base for determining funding levels in Fiscal Year 1992-93; and

WHEREAS, State action to reduce the Fiscal Year 1992-93 K-14 Education appropriation by the full \$1.1 billion might create extraordinary hardship to school districts which developed budgets in good faith based upon Fiscal Year 1991-92 State budget projections; and

WHEREAS, current State budget deliberations include proposals to divert revenue from local government to schools to resolve this problem; and

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SAN DIEGO, CALIF. *JK*

WHEREAS, diversion of City revenue from property tax, Vehicle License Fees, or sales tax to make up for the State overpayment to K-14 Education would create extraordinary hardships upon City services including public safety, park and recreation programs, waste management, street maintenance, libraries, economic development, affordable housing, sewer and water services and youth and senior citizen support programs; and

WHEREAS, the State is also considering the transfer of property tax revenue from special districts (such as water districts) to schools and the loss of this revenue will result in increased charges to local agencies which may be passed on to residents; and

WHEREAS, the City property tax, Vehicle License Fees, sales tax revenue and the like currently under consideration for diversion by the State of California is legally and lawfully the revenue of the City; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

1. That this Council hereby calls upon the Governor and the State Legislature to explore all reasonable alternatives to resolve this budget dilemma with strategies which will provide long-term solutions rather than devastation to either public schools or local government.

2. That these alternatives can include a multi-year extension of the loan to K-14 Education to permit other legislative action to streamline and downsize the State's operations time to generate additional revenue, extension of the half-cent sales tax due to expire in July 1993, and modification

of State Income Tax to conform to federal income tax.

3. That The City of San Diego expresses support for the development of two-year budgeting strategies for all levels of government including the State as a responsible way to provide long-term planning and continuity to government and to protect citizens from dramatic fluctuations in services and programs, as long as such strategies do not include deficit financing in any year or from year to year.

4. That The City of San Diego calls upon the Governor and the State Legislature to defeat any budget proposal which would balance the State budget by taking away from City revenue.

5. That The City of San Diego rejects participating in increased taxation to residents through pass through fees from special districts whose revenues have been taken by the State.

6. That the City of San Diego expresses its clear resolve to pursue all legal recourse to prevent the taking of any property tax, Vehicle License Fees, sales tax revenue and the like by the State of California.

APPROVED: JOHN W. WITT, City Attorney

By Stuart H. Swett  
Stuart H. Swett  
Senior Chief Deputy

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06/19/92  
06/23/92 REV.  
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JUN 2 2 1992

Passed and adopted by the Council of The City of San Diego on.....  
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
* Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
George Stevens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valerie Stallings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\*Wolfsheimer voted nay on that portion of the resolution pertaining to pursuing legal recourse.

AUTHENTICATED BY:

MAUREEN O'CONNOR  
Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR  
City Clerk of The City of San Diego, California.

(Seal)

By *Blonde R. Barnes*, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number R-280201 Adopted JUN 2 2 1992