

MEMORANDUM OF LAW

DATE: February 21, 1986  
TO: Libby Watson, Financial Management Director  
FROM: City Attorney  
SUBJECT: Article XIII B of the State Constitution, Gann  
Limit, Computation of an "Appropriation Limit"  
Adjustment When a Transfer of the Financial  
Source for the Provision of Service From  
Proceeds of Taxes to User Fees Has Taken Place

This is memorandum of law number six (6) in a series responding to questions raised by the so-called "Gann Limit" and is response to your memorandum of February 14, 1985 (sic) 1986, a copy of which is attached as Enclosure (1) for ready reference.

You ask if the criteria for a Section 3(b) transfer of revenue source for the provision of services without decreasing the appropriations limit is met by the formula and circumstances set forth in your memorandum as it relates to the paramedic program. The answer is yes.

It seems clear to us that under the circumstances you describe the intent of the provision relating to proportionate cost allocation is met and it is not necessary to reduce the appropriations limit.

JOHN W. WITT, City Attorney

By

C. M. Fitzpatrick

Assistant City Attorney

CMF:js:930.38.1(x043.2)

Enclosure

ML-86-21