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DEPARTMENT OF
FINANCE

REVENUE DIVISION

CITY OF SACRAMENTO
CALIFORNIA

July 18, 1988
RA881247:MLM:ldm

CITY HALL
ROOM 104
915 I STREET
SACRAMENTO, CA
95814-2696

916-449-5454

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: FY 1988/89 DEBT SERVICE PROPERTY TAX OVERRIDE

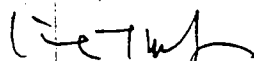
SUMMARY

The attached report discusses the staff recommendation to impose a debt service tax override for FY 1988/89.

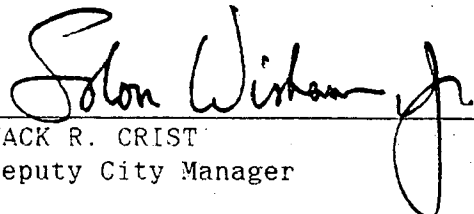
RECOMMENDATION

It is requested that the Budget and Finance Committee recommend that the City Council approve the debt service tax override for FY 1988/89 in the amount of \$.0064 per hundred dollars of assessed value.

Respectfully submitted,


MICHAEL L. MEDEMA
Revenue Manager

RECOMMENDATION APPROVED:

for: 
JACK R. CRIST
Deputy City Manager

Attachment

All Districts
August 2, 1988



DEPARTMENT OF
FINANCE

REVENUE DIVISION

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 104
915 I STREET
SACRAMENTO, CA
95814-2696

August 3, 1988
RA881248:MLM:ldm

916-449-5454

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: FY 1988/89 DEBT SERVICE PROPERTY TAX OVERRIDE

SUMMARY

The Budget and Finance Committee recommends that the City Council adopt the attached resolution levying an ad valorem tax for voter approved debt service for FY 1988/89 in the amount of \$.0064 per hundred dollars of assessed value, as provided for in the FY 1988/89 City budget approved June 28, 1988.

BACKGROUND

State Constitution Article XIII A(1) (Proposition 13) allows the City to levy an ad valorem tax for the General Obligation Municipal Improvement Bonds of 1964. These bonds were issued to provide for flood and drainage control. The City Council imposed the tax override for the first time in FY 1981/82.

FINANCIAL

The FY 1988/89 general obligation debt service is \$850,000. Without the tax override, the budget adopted June 28, 1988 will not be balanced and additional resources or budget reductions will be required.

The tax rates and annual tax cost to a homeowner with a residence valued at \$50,000 under Proposition 13 are as follows:

Property Tax Override

<u>Fiscal Year</u>	<u>Tax Rate*</u>	<u>Tax on \$50,000 Home**</u>
1987/88	.0064	\$2.75
1987/88	.0087	3.74
1986/87	.0101	4.34
1985/86	.0107	4.60
1984/85	.0120	5.16
1983/84	.0121	5.20
1982/83	.0131	5.63
1981/82	.0165	7.10

*Per \$100 assessed value

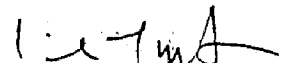
**Taxable value after Homeowners Exemption is \$43,000

The decrease in rate over time is attributable to higher assessed value, which means that a lower rate is needed each successive year to raise the relatively constant (about \$850,000) debt service.

RECOMMENDATION

The Budget and Finance Committee recommends that the City Council adopt the attached resolution levying an ad valorem tax in the amount of \$.0064 per hundred dollars assessed valuation as permitted by Section 1 of Article XIII A of the State Constitution for FY 1988/89.

Respectfully submitted,


Michael L. Medema
Revenue Manager

RECOMMENDATION APPROVED:

WALTER J. SLIPE, City Manager

Attachment

All Districts
August 23, 1988

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF .

RESOLUTION FIXING THE TAX RATE TO BE LEVIED ON
ALL TAXABLE PROPERTY IN THE CITY OF SACRAMENTO
AND LEVYING THE SAME FOR THE FISCAL YEAR 1988/89
FOR PRINCIPAL AND INTEREST ON BONDED INDEBTEDNESS
APPROVED BY THE VOTERS OF THE CITY BEFORE JULY 1,
1978

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

SECTION 1.

The following rate is hereby fixed, established, and determined by the City Council as the rate of tax to be levied upon each one hundred dollars (\$100.00) worth of taxable property in the City of Sacramento and that said tax rate so fixed and determined as hereinafter set forth is hereby levied on each one hundred dollars (\$100.00) worth of taxable property in said City of Sacramento for the purpose of payment of principal and interest on bonded indebtedness approved by the voters of the City of Sacramento before July 1, 1978:

Tax Rate	\$.0064
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SECTION 2.

The City Clerk is hereby authorized and directed to deliver to the Auditor of the County of Sacramento a certified statement setting forth the amount of property tax necessary for the purposes set forth in Section 1 of this resolution and such other information as may be required by the Auditor or Section 51551 of the State of California Government Code.

MAYOR

ATTEST:

CITY CLERK