

RESOLUTION NO. 1884

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY DECLARING AN EMERGENCY IN ORDER TO PLACE A GENERAL PURPOSE TAX MEASURE ON THE NOVEMBER 2013 BALLOT

WHEREAS, pursuant to Article 13 C of the California State Constitution, the election for a general tax increase is required to be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency declared by a unanimous vote of the governing body; and

WHEREAS, the City has experienced no overall ongoing revenue increase from fiscal year 2007-2008 (actual) to 2013-2014 (budget), decreasing \$13,726 (from \$7,496,881 to \$7,483,155); and

WHEREAS, certain staff costs had been allocated to the Scotts Valley Redevelopment Agency and with the elimination of redevelopment agencies in California has forced those costs to the City's General Fund thereby greatly increasing expenditures in the General Fund; and

WHEREAS, the City has experienced significant increases in expenditures from fiscal year 2007-2008 (actual) to 2013-2014 (budget), increasing \$995,212 (from \$7,718,674 to 8,713,886); and

WHEREAS, the City has frozen 11 vacant positions (21%), including two police officers, leaving only 20 positions, not including Police Department for public safety reasons, to serve the City's population of 11,903; and

WHEREAS, in addition to the frozen positions, the City also eliminated four positions and reduced the hours of one position in September 2009 to decrease costs, cutting approximately \$442,000 from the budget; and

WHEREAS, the City was only able to balance the 2013-14 budget through one-time revenue sources and those sources will be exhausted in 2014-15 leaving a structural deficit of approximately \$1,200,000; and

WHEREAS, further reductions of the magnitude to eliminate the deficit in future years will jeopardize the public health, safety, and general welfare of the residents of Scotts Valley as well as the basic operations of the City; and

WHEREAS, the City's fiscal emergency herein described is such that the City must at the earliest time propose revenue enhancement measures to the City's electorate in order, to the extent possible, preserve the level of government services necessary to protect and preserve the health and general welfare of the City's residents, workers, and visitors.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scotts Valley that it hereby unanimously declares a fiscal emergency.

This resolution was passed and adopted by the City Council of the City of Scotts Valley at a regularly scheduled meeting on the 8th day of August 2013 by the following vote:

AYES: AGUILAR, BUSTICHI, JOHNSON, LIND, REED
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

Attest: Tracy A. Ferrara
Tracy A. Ferrara, City Clerk

Approved: Randy Johnson
Randy Johnson, Mayor