



County of El Dorado

330 Fair Lane, Building A
Placerville, California
530 621-5390
FAX 622-3645
www.edcgov.us/bos/

Legislation Text

File #: 09-0771, **Version:** 1

Chief Administrative Office recommending adoption of Resolution opposing a suspension of Proposition 1A of 2004.

Resolution 121-2009

Fiscal Impact/Change to Net County Cost: An 8% shift of El Dorado County's property tax revenue to the State would cost the County approximately \$6.3 million.

Background: In order to help temporarily close the the state's widening budget gap, the Governor has proposed the suspension of Proposition 1A, which would allow the State to borrow up to 8% of local government property tax revenue. Property taxes are the largest source of discretionary General Fund revenue for the County. Attachment B provides a brief overview of Proposition 1A. The Board of Directors of the California State Association of Counties (CSAC) has formally opposed a suspension of Proposition 1A and is encouraging counties to do the same.

Reason for Recommendation: Given the current fiscal outlook, it will be difficult to manage such a significant revenue shift, even on a temporary basis, without compromising county programs.

Action to be taken following Board approval: The Chief Administrative Office will provide a copy of the resolution to the Governor, our legislative delegation, the chairs of the Assembly and Senate budget committees and CSAC.

Contact: Mike Applegarth (5123)

Concurrences: