

RESOLUTION NO. 2014-44

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELL
ADOPTING AND RE-ESTABLISHING THE FISCAL YEAR 2014-
15 RATE OF THE ANNUAL VOTER-APPROVED PROPERTY
TAX OVERRIDE TO FUND PENSION AND OTHER RETIREE
OBLIGATIONS**

THE CITY COUNCIL OF THE CITY OF BELL DOES HEREBY FIND AND RESOLVE AS
FOLLOWS:

SECTION 1. FINDINGS.

(A) In 1944, the voters of the City of Bell authorized the City to levy a property tax to fund employee pensions and other retirement obligations. The City has operated and funded such a system since that time and participates in the California Public Employee Retirement System.

(B) Article 13A, section 1(b) of the State Constitution, which was enacted by Proposition 13, provides that the 1% limit on the property tax rate is not applicable to *ad valorem* taxes or special assessments to pay the interest and redemption charges on any "indebtedness" approved by the voters prior to July 1, 1978. State courts have held that pension obligations in existence before that date are an "indebtedness," and that a city may levy an additional property tax to fund those obligations. Such a tax is commonly referred to as a "property tax override."

(C) In implementing the provisions of Proposition 13, the State Legislature has enacted Revenue & Taxation Code section 96.31, subsection (b) of which limits the maximum property tax that a city may levy to fund pension obligations at the rate that the City levied such a tax in either the 1982-83 or 1983-84 fiscal year, whichever is higher. The additional property tax rate levied for the City's public employee pension obligations in both the 1982-83 and 1983-84 fiscal years was 0.187554%.

(D) The revenue from the additional property tax is used to partially pay for retiree health insurance benefits, payments for City employees into the California Public Employee Retirement System, and payments on bonds issued to fund the City's obligations to its retired employees.

SECTION 2. FISCAL YEAR 2014-15 PROPERTY TAX OVERRIDE RATE.

The voter-authorized annual property tax to partially fund the City of Bell's pension and other retiree obligations is hereby established at the rate set forth below for the 2014-15 fiscal year, and the tax shall be levied at that rate and identified as follows:

For Employee Post-Employment Benefits Fund-Pension Obligation (Indebtedness approved by voters prior to July 1, 1978)	0.187554
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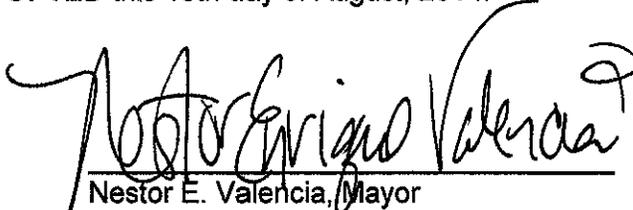
SECTION 3. EFFECTIVE DATE.

This Resolution shall take effect immediately upon adoption and will apply to the 2014-15 Fiscal Year.

SECTION 4. SEVERABILITY CLAUSE.

The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

PASSED, APPROVED AND ADOPTED this 13th day of August, 2014.



Nestor E. Valencia, Mayor

ATTEST:



Angela Bustamante, Interim City Clerk

APPROVED AS TO FORM:



David Aleshire, City Attorney

CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Angela Bustamante, Interim City of the City of Bell, hereby attest to and certify that the foregoing resolution is the original resolution adopted by the Bell City Council at its regular meeting held on the 13th day of August, 2014, by the following vote:

AYES: Councilmembers Quintana, Saleh, Vice Mayor Romero, and Mayor Valencia

NOES: None

ABSENT: Councilmember Alvarez

ABSTAIN: None



Angela Bustamante, Interim City Clerk