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GOVERNMENT CODE - GOV

TITLE 2. GOVERNMENT OF THE STATE OF CALIFORNIA [8000 - 22980] (Title 2 enacted by Stats. 1943, Ch. 134.)

DIVISION 4. FISCAL AFFAIRS [16100 - 17700] (Division 4 added by Stats. 1945, Ch. 119.)

PART 1.5. DISTRIBUTION OF FUNDS TO LOCAL AGENCIES [16250 - 16282] (Part 1.5 added by Stats. 1978, Ch. 292.)

CHAPTER 1. Cities [16250 - 16251] (Chapter 1 added by Stats. 1978, Ch. 292.)

16250. (a) Out of the amount appropriated by Section 16100, there shall be allocated to the cities in this state, for the 1978–79 fiscal year only, two hundred fifty million dollars (\$250,000,000) to be distributed as provided in subdivisions (b), (c), and (d) of this section.

(b) (1) For each city the amount of property taxes collected plus the amount of homeowners' and business inventory exemption reimbursement in 1977–78 shall be determined by the Controller.

(2) From the amount determined pursuant to paragraph (1), there shall be subtracted the amount determined for each city in 1978–79 pursuant to Section 26912.1.

(3) The remainder determined pursuant to paragraph (2) shall be aggregated for all cities in the state.

(4) The Controller shall then determine what the percentage of the amount computed for each city pursuant to paragraph (2) is of the total statewide amount computed pursuant to paragraph (3).

(5) The percentage determined pursuant to paragraph (4) shall be applied to the two hundred fifty million dollars (\$250,000,000) to determine each city's dollar share of the surplus allocation.

(c) From each city's dollar share of the total allocation, there shall be subtracted an amount equal to one-third of the amount by which the city's general fund reserve balance on July 1, 1978, as defined in subdivision (e), exceeds 5 percent of the city's 1977–78 total revenues. However, this subdivision shall not apply to a city formed during or after fiscal year 1977–78.

(d) The amount determined in paragraph (5) of subdivision (b) minus the amount determined in subdivision (c) shall be distributed to each city by the Controller in accordance with the following schedule:

33 percent—on August 31, 1978, or a subsequent date if the information needed by the Controller is not available by this date.

33 percent—on December 10, 1978.

34 percent—on May 10, 1979.

(e) For the purposes of this section, "General Fund reserve" includes the unappropriated fund balance as of June 30, 1978 of the General Fund. "General Fund reserves" shall not include:

(1) Noncash assets such as stores, inventory, property and buildings, or other investments purchased prior to June 6, 1978.

(2) Any amounts for self-insurance, for contractual obligations, or for reserves established by law or a governing board policy adopted prior to June 6, 1978.

(3) Any amounts restricted by law or court order.

(4) Any amounts committed to a capital outlay project approved prior to June 6, 1978, by the city council.

(f) For the purpose of this section, the amount of property tax collected pursuant to existing law for the purpose of making annual payments for the interest and principal on outstanding general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978, shall be excluded from all calculations.

(g) Funds distributed under this section shall be distributed first for police and fire protection programs in order not to jeopardize the health and safety of the community. The legislative body shall ensure that the level of police and fire protection programs actually provided in the 1977–78 fiscal year shall be continued in the 1978–79 fiscal year. However, this subdivision shall not apply to a city formed during or after fiscal year 1977–78.

Nothing in this section shall prevent the legislative body from reviewing and establishing its police and fire protection program in the 1978–79 fiscal year in a manner which will make such program more efficient and effective.

Any determination by a city council implementing this section is hereby declared to be a legislative act.

(h) The Controller shall make any necessary reconciliation no later than August 30, 1979.

(i) Notwithstanding any other provision of law, out of the amount appropriated by Section 16100, there shall be allocated to cities formed during or after fiscal year 1977–78, the sum of two hundred twenty-one thousand dollars (\$221,000) to be distributed by the Controller on May 10, 1979, as follows:

(1) The sum of seventy-seven thousand dollars (\$77,000) to the City of La Habra Heights.

(2) The sum of one hundred forty-four thousand dollars (\$144,000) to the City of Grand Terrace.

(Amended by Stats. 1979, Ch. 282.)

16251. No action or proceeding shall be commenced to contest any determination of the governing body pursuant to this chapter, unless such action or proceeding shall have been brought within 90 days after the governing body's determination.

(Added by Stats. 1978, Ch. 332.)