

## **RESOLUTION NO. 12-04**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIDGECREST DECLARING A FISCAL EMERGENCY IN THE CITY OF RIDGECREST**

**WHEREAS**, for the 2011/2012 fiscal year, the City of Ridgecrest responded to a shortfall in revenue in the amount of \$3.3 million by balancing its budget and reducing costs through employee furloughs, outsourcing, job sharing, hiring freezes, project cancellations, department budget reductions, and sale of properties; and

**WHEREAS**, the State Legislature, in an effort to appropriate money from the City, passed an enactment to dissolve the Ridgecrest Redevelopment Agency, along with a second enactment to demand payment from the City in order to avoid the dissolution; and

**WHEREAS**, the California Supreme Court found that the first of these enactments was valid while the second enactment was invalid with the effect that the Ridgecrest Redevelopment Agency would be dissolved without even the opportunity to pay to have it to continue; and

**WHEREAS**, the City is partially dependent on money obtained through the Redevelopment Agency to provide important public services such as police protection, low and moderate income housing, and various works of civic improvement; and

**WHEREAS**, the significant cost-saving measures the City has employed to address its declining revenue will not be sufficient to compensate for the loss in revenue caused by the elimination of the Ridgecrest Redevelopment Agency.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Ridgecrest as follows:

**Declaration of Fiscal Emergency.**

The City Council of the City of Ridgecrest finds and declares the existence of a fiscal emergency within the City. The City Council directs City staff to investigate the steps needed to resolve this fiscal crises with a report to be presented to the City Council as early as practicable.

**PASSED, APPROVED AND ADOPTED** on January 11, 2012.

AYES: Carter, Holloway, Taylor, Morgan, Patin

NAYS: None

ABSTAIN: None

ABSENT: None

  
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Ronald Carter, Mayor

ATTEST:

  
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Ricca Charlon, Deputy City Clerk

(SEAL)