

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

Larry Hanzl
DEPT: Auditor-Controller

BOARD AGENDA # *B-1

Urgent

Routine

AGENDA DATE November 20, 2007

CEO Concur with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval of Total Appropriations/Budgetary Limit for Fiscal Year 2007-08

STAFF RECOMMENDATIONS:

1. Approve a General Operating Limit of \$266,483,894 Using the Population and Inflation Methodology.
2. Approve Limits for Applicable Lighting Districts Governed by the Board of Supervisors, per Attachment "A".

FISCAL IMPACT:

There is no fiscal impact under the general operating county limit of \$266,483,894. The appropriations subject to the limit are based on revenue classified as "Proceeds of Tax." The 2007-08 revenues classified as "Proceeds of Tax totaled \$167,724,195.

BOARD ACTION AS FOLLOWS:

No. 2007-902

On motion of Supervisor Mayfield, Seconded by Supervisor Grover
and approved by the following vote,

Ayes: Supervisors: Mayfield, Grover, Monteith, DeMartini, and Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval of Total Appropriations/Budgetary Limit for Fiscal Year 2007-08

DISCUSSION:

Proposition 4 was passed by the voters on November 6, 1979. This legislation restricts government spending by establishing limits on the annual appropriations of tax revenues of local governmental entities. On June 5, 1990, Proposition 111 was passed, which modifies the manner in which the Proposition 4 appropriations limit is calculated. As a result of Proposition 111, the base year for the calculation has been changed from the 1978-79 Fiscal Year to the 1986-87 Fiscal Year and allows the County to use more advantageous population and cost of living factors.

The appropriations subject to the limit are based on revenues classified as "Proceeds of Tax." The 2007-08 revenues classified as "Proceeds of Tax" totaled \$167,724,195. Revenues from the Federal Government are exempt from the appropriations limit. Guidelines for calculating the appropriations limitation are promulgated by the State Controller's Office. The documentation used in computing the 2007-08 appropriations limit is available in the Auditor-Controller's Office for public inspection.

POLICY ISSUES:

Government Code Section 7910 requires the Board of Supervisors to adopt by resolution the County's appropriations limit for the ensuing fiscal year at a regularly scheduled meeting.

Adoption of this resolution will support the Board of Supervisors' priority of efficient delivery of public services.

STAFFING IMPACT:

There are no staffing impacts associated with this agenda item.

**COUNTY OF STANISLAUS
 APPROPRIATIONS LIMIT WORKSHEET
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Fiscal Year 2006-07 Appropriations Limitation \$ 251,298,451

Adjustment pursuant to Article XIIIIB, Section 3(a): Transfer of financial responsibility to provide services as a result of jurisdictional change (annexation) to other governmental entities:

Transfers in (transfers out)

County General Fund	(38,618)
County Fire Service Fund	<u>(733)</u>

Subtotal \$ 251,259,100

Add: Adjustment pursuant to Article XIIIIB, Section 1: Appropriations made by local governments may increase annually by a factor comprised of the change in population and change in the U.S. Consumer Price index of California per capita income, whichever is less.

Price Factor	Population Change	Ratio of Change		
4.42	1.57			
1.0442	x	1.0157	1.060594	x
				<u>1.060594</u>

Fiscal Year 2007-08 Appropriations Limitation \$ 266,483,894

Note 1:

Appropriations limit adjusted per Article XIIIIB, amended by Proposition 111 to change the price and population factors that may be used. The 2007-2008 appropriations limit for each local jurisdiction shall be the 1986-87 appropriations limit adjusted from that year forward by the new growth factors stated in the proposition. Per Department of Finance Notice dated May, 2007.

COUNTY OF STANISLAUS
APPLICABLE LIGHTING DISTRICTS
APPROPRIATIONS LIMITATION
FISCAL YEAR 2007-08

<u>LIGHTING DISTRICTS That Received Property Taxes</u>	Appropriations Limit 2006-07	Changes in Price and Population NOTE (2)	Appropriations Limit 2007-08
AIRPORT NEIGHBORHOOD	\$38,726	\$2,347	\$41,073
COUNTRY CLUB ESTATES	2,411	146	2,557
EMPIRE	36,977	2,241	39,218
FAIRVIEW TRACT	18,317	1,110	19,427
MONTEREY PARK	5,263	319	5,582
OLYMPIC TRACT	20,013	1,213	21,226
RICHLAND	10,848	657	11,505
SALIDA	23,751	1,439	25,190
SUNSET OAKS	13,950	845	14,795
SYLVAN VILLAGE #2	9,042	548	9,590
TEMPO PARK	17,248	1,045	18,293
	\$196,546	\$11,910	\$208,456

Note 2:

Per State of California Department of Finance
Notice, dated May 2007.

Change in California Per Capita Personal Income	4.42
Increase in Stanislaus County Population	1.57
Computed Ratio of Change	1.044200 x 1.015700
	1.060594