

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

DEPT: Auditor-Controller

BOARD AGENDA # *B-2

Urgent Routine

AGENDA DATE November 25, 2008

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of Total Appropriations/Budgetary Limit for Annual Appropriations of Tax Revenues for Fiscal Year 2008-2009 in Accordance with the Provisions of Proposition 4 and Proposition 111 - Auditor-Controller

STAFF RECOMMENDATIONS:

1. Approve a General Operating Limit of \$281,464,477 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 \$281,464,477. The appropriations subject to the limit are based on revenue classified as "Proceeds of Tax." The 2008-2009 revenues classified as "Proceeds of Tax" totaled \$156,765,294.

BOARD ACTION AS FOLLOWS:

No. 2008-797

On motion of Supervisor O'Brien, Seconded by Supervisor Grover

and approved by the following vote,

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

Noes: Supervisors: None

Excused or Absent: Supervisors: Mayfield

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 Annual Appropriations of Tax Revenues for Fiscal Year 2008-2009 in Accordance with the Provisions of Proposition 4 and Proposition 111 - Auditor-Controller

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 1978-1979 Fiscal year to the 1986-1987 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 2008-2009 revenues classifies a "Proceeds of Tax" totaled \$156,765,294. 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 2008-2009 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 2007-08 Appropriations Limitation \$ 266,483,894

Adjustment pursuant to Article XIII B, 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	(165,156)
County Fire Service Fund	<u>(1,078)</u>

Subtotal \$ 266,317,660

Add: Adjustment pursuant to Article XIII B, 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		Ratio of Change
4.29	1.34			
1.0429	x	1.0134		1.056875
			x	<u>1.056875</u>

Fiscal Year 2008-09 Appropriations Limitation \$ 281,464,477

Note 1:
 Appropriations limit adjusted per Article XIII B, amended by Proposition 111 to change the price and population factors that may be used. The 2008-2009 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, 2008.

Proceeds of Tax Summary
 FY 2008-2009

2008 -2009 LEGAL BUDGET as of Oct 31, 2008

	Legal Budget	Tax Revenue	NonTax Revenue
General Fund	257,777,285.00	140,241,790.00	117,535,495.00
Special Revenue	500,963,842.00	10,428,751.00	490,535,091.00
Capital Projects	<u>11,191,081.31</u>	<u>4,540,000.00</u>	<u>6,651,081.31</u>
Total	769,932,208.31	155,210,541.00	614,721,667.31
		<u>155,210,541.00</u>	<u>614,721,667.31</u>
17000 less Interest Pooled - fund 10			(5,796,348.00)
17000 less Interest Pooled - fund 11			(1,489,627.00)
17000 less Interest Pooled - fund 12			(350,000.00)
		<u>155,210,541.00</u>	<u>607,085,692.31</u>
<u>Re-allocation Interest based on Tax vs NonTax</u>			
Percentage of Total Revenue - less interest		20.36090%	79.63910%
£ Allocation of Interest		1,554,753.23	6,081,221.77
Adjusted estimated Revenue		<u>156,765,294.00</u>	<u>613,166,914.08</u>

£ Interest computed on total budget percentage ratio excluding interest
 Use percentage to distribute interest between proceeds and
 non-proceeds

Attachment A

**COUNTY OF STANISLAUS
 APPLICABLE LIGHTING DISTRICTS
 APPROPRIATIONS LIMITATION
 FISCAL YEAR 2008-09**

<u>LIGHTING DISTRICTS That Received Property Taxes</u>	Appropriations Limit 2007-08	Changes in Price and Population NOTE (2)	Appropriations Limit 2008-09
AIRPORT NEIGHBORHOOD	\$41,073	\$2,336	\$43,409
COUNTRY CLUB ESTATES	2,557	145	2,702
EMPIRE	39,218	2,231	41,449
FAIRVIEW TRACT	19,427	1,105	20,532
MONTEREY PARK	5,582	317	5,899
OLYMPIC TRACT	21,226	1,207	22,433
RICHLAND	11,505	654	12,159
SALIDA	25,190	1,433	26,623
SUNSET OAKS	14,795	841	15,636
SYLVAN VILLAGE #2	9,590	545	10,135
TEMPO PARK	18,293	1,040	19,333
	\$208,456	\$11,854	\$220,310

Note 2:

Per State of California Department of Finance
 Notice, dated May 2008.

Change in California Per Capita Personal Income	4.29
Increase in Stanislaus County Population	1.34
Computed Ratio of Change	1.042900 x 1.013400
	1.056875