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

DEPT: Auditor-Controller _By Stephen Smith_   BOARD AGENDA # *B-3

Urgent ☒   Routine ☐   AGENDA DATE December 8, 2009

CEO Concurs with Recommendation YES ☒ NO ☐   4/5 Vote Required YES ☒ NO ☐
(Information Attached)

SUBJECT:

Approval of Total Appropriations/Budgetary Limit for Annual Appropriations of Tax Revenues for Fiscal Year 2009-2010 in Accordance with the Provisions of Proposition 4 and 111 - Auditor Controller

STAFF RECOMMENDATIONS:

1. Approve a General Operating Limit of $285,369,312 Using the Population and Inflation Methodology per Attachment "A".

2. Approve Limits for Applicable Lighting Districts Governed by the Board of Supervisors, per Attachment "B".

FISCAL IMPACT:

There is no fiscal impact under the general operating county limit of $285,369,312. The appropriations subject to the limit are based on revenue classified as "Proceeds of Tax" per Attachment "C". The 2009-2010 revenues classified as "Proceeds of Tax" totaled $139,315,373.

BOARD ACTION AS FOLLOWS:

No. 2009-798

On motion of Supervisor____Chiesa_____, Seconded by Supervisor ___Grover_____
and approved by the following vote,
Ayes: Supervisors:_____O'Brien, Chiesa, Grover, Monteith, and Chairman DeMartini_____
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:

ATTEST: _Christine Ferraro_ CHRISTINE FERRARO TALLMAN, Clerk   File No.

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 of the calculation has been changed from 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 2009-2010 revenues classifies a "Proceeds of Tax" totaled $139,315,373. 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 2009-2010 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, 2010

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

Adjustment pursuant to Article XIIIB, 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 (45,363)
County Fire Service Fund (3,134)

Subtotal $ 281,415,980

Add: Adjustment pursuant to Article XIIIB, 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		
0.62		0.78			
1.0062	x	1.0078	1.014048	x	1.014048

Fiscal Year 2009-10 Appropriations Limitation $ 285,369,312

Note 1:

Appropriations limit adjusted per Article XIIIB, amended by Proposition 111 to change the price and population factors that may be used. The 2009-2010 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, 2009.

COUNTY OF STANISLAUS
APPLICABLE LIGHTING DISTRICTS
APPROPRIATIONS LIMITATION
FISCAL YEAR 2009-10

LIGHTING DISTRICTS That Received Property Taxes	Appropri- ations Limit 2008-09	Changes in Price and Population NOTE (2)	Appropri- ations Limit 2009-10
AIRPORT NEIGHBORHOOD	$ 43,409	$ 610	$ 44,019
COUNTRY CLUB ESTATES	2,702	38	2,740
EMPIRE	41,449	582	42,031
FAIRVIEW TRACT	20,532	288	20,820
MONTEREY PARK	5,899	83	5,982
OLYMPIC TRACT	22,433	315	22,748
RICHLAND	12,159	171	12,330
SALIDA	26,623	374	26,997
SUNSET OAKS	15,636	220	15,856
SYLVAN VILLAGE #2	10,135	142	10,277
TEMPO PARK	19,333	272	19,605
	$ 220,310	$ 3,095	$ 223,405

Note 2:
   Per State of California Department of Finance
   Notice, dated May 2009.

Change in California Per Capita Personal Income	0.62
Increase in Stanislaus County Population	0.78
Computed Ratio of Change 1.006200 x 1.007800	1.014048

Proceeds of Tax Summary
FY 2009-2010

| | 2009 -2010 LEGAL BUDGET as of Dec 1, 2009 | | |
	Legal Budget	Tax Revenue	NonTax Revenue
General Fund	234,804,550	126,603,301	108,201,249
Special Revenue	558,200,386	8,617,072	549,583,314
Capital Projects	16,792,756	4,095,000	12,697,756
Total	809,797,692	139,315,373	670,482,319
		139,315,373	670,482,319
17000 less Interest Pooled - fund 10			(5,390,923)
17000 less Interest Pooled - fund 11			(1,557,389)
17000 less Interest Pooled - fund 12			(675,000)
		139,315,373	662,859,007

Re-allocation Interest based on Tax vs NonTax

		Tax	NonTax
	Percentage of Total Revenue - less interest	17.36720%	82.63280%
£	Allocation of Interest	1,323,956	6,299,356
	Adjusted estimated Revenue	140,639,329	669,158,363

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