

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

DEPT: Auditor-Controller *SK*

BOARD AGENDA # *B-5

Urgent Routine

AGENDA DATE January 24, 2012

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 2011-2012 in Accordance with the Provisions of Proposition 4 and 111

STAFF RECOMMENDATIONS:

1. Approve a General Operating Limit of \$290,166,092 Using the Population and Inflation Methodology per Attachment "A".
2. Approve Limits for Applicable Lighting Districts Governed by the Board of Supervisors, per Attachment "C".

FISCAL IMPACT:

There is no fiscal impact under the general operating county limit of \$290,166,092. The appropriations subject to the limit are based on revenue classified as "Proceeds of Tax" per Attachment "B". The 2011-2012 revenues classified as "Proceeds of Tax" totaled \$128,800,453.

BOARD ACTION AS FOLLOWS:

No. 2012-029

On motion of Supervisor Monteith, Seconded by Supervisor Withdraw

and approved by the following vote,

Ayes: Supervisors: Chiesa, Withdraw, Monteith, De Martini, 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.

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 2011-2012 revenues classified as "Proceeds of Tax" totaled \$128,800,453. 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 2011-2012 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.

CONTACT PERSON:

Natalie Elliott, Accountant III.

Telephone: 525-6548

**COUNTY OF STANISLAUS
APPROPRIATIONS LIMIT WORKSHEET
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Fiscal Year 2010-11 Appropriations Limitation \$ 281,039,437

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	(1,731)
County Fire Service Fund	<u>-</u>

Subtotal \$ 281,037,706

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			
Percentage change over prior year	2.51	0.72				
Converted to a ratio:	2.51+100/100	0.72+100/100				
Calculation Factor for FY 2011-2012	1.0251	x 1.0072	= 1.032	x	<u>1.032481</u>	

Fiscal Year 2011-12 Appropriations Limitation \$ 290,166,092

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 2011-2012 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, 2011.

**Proceeds of Tax Summary
FY 2011-2012**

2011 -2012 FINAL ADOPTED BUDGET as of Sept 13, 2011

	Final Adopted Budget	Tax Revenue	NonTax Revenue
General Fund	215,164,765	115,720,569	99,444,196
Special Revenue	479,673,814	8,198,549	471,475,265
Capital Projects	<u>8,308,906</u>	<u>4,095,000</u>	<u>4,213,906</u>
Total Revenue	703,147,485	128,014,118	575,133,367
	<u>703,147,485</u>	<u>128,014,118</u>	<u>575,133,367</u>
17000 less Interest Pooled - fund 10	(2,928,894)		(2,928,894)
17000 less Interest Pooled - fund 11	(863,868)		(863,868)
17000 less Interest Pooled - fund 12	<u>(500,000)</u>		<u>(500,000)</u>
Total Interest	(4,292,762)		(4,292,762)
Total Revenue less Interest	<u>698,854,723</u>	<u>128,014,118</u>	<u>570,840,605</u>
<u>Re-allocation Interest based on Tax vs NonTax</u>			
Percentage of Total Revenue - less interest		18.32%	81.68%
£ Allocation of Interest	4,292,762	786,335	3,506,427
Total Revenue less Interest	698,854,723	128,014,118	570,840,605
Adjusted estimated Revenue	<u>703,147,485</u>	<u>128,800,453</u>	<u>574,347,032</u>

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

**COUNTY OF STANISLAUS
APPLICABLE LIGHTING DISTRICTS
APPROPRIATIONS LIMITATION
FISCAL YEAR 2011-12**

<u>LIGHTING DISTRICTS That Received Property Taxes</u>	Appropriations Limit 2010-11	Changes in Price and Population NOTE (2)	Appropriations Limit 2011-12
AIRPORT NEIGHBORHOOD	\$ 43,351	\$ 1,408	\$ 44,759
COUNTRY CLUB ESTATES	2,698	88	2,786
EMPIRE	41,394	1,345	42,739
FAIRVIEW TRACT	20,504	666	21,170
MONTEREY PARK	5,891	191	6,082
OLYMPIC TRACT	22,403	728	23,131
RICHLAND	12,143	394	12,537
SALIDA	26,588	864	27,452
SUNSET OAKS	15,616	507	16,123
SYLVAN VILLAGE #2	10,121	329	10,450
TEMPO PARK	19,308	627	19,935
	\$ 220,017	\$ 7,147	\$ 227,164

Note 2:

Per State of California Department of Finance
Notice, dated May 2011.

Change in California Per Capita Personal Income	2.51
Increase in Stanislaus County Population	0.72
Computed Ratio of Char 1.025100 x 1.007200	1.032481