

Larry Paul

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

DEPT: Auditor-Controller

BOARD AGENDA # *B-11

Urgent

Routine

AGENDA DATE December 14, 2010

CEO Concur 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 2010-2011 in Accordance with the Provisions of Proposition 4 and 111

STAFF RECOMMENDATIONS:

1. Approve a General Operating Limit of \$281,039,437 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 \$281,039,437. The appropriations subject to the limit are based on revenue classified as "Proceeds of Tax" per Attachment "B". The 2010-2011 revenues classified as "Proceeds of Tax" totaled \$131,897,349.

BOARD ACTION AS FOLLOWS:

No. 2010-755

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

and approved by the following vote,

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

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 2010-2011 revenues classifies a "Proceeds of Tax" totaled \$131,897,349. 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 2010-2011 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:

Tom Flores, Accountant III Telephone: 525-6598

**COUNTY OF STANISLAUS
APPROPRIATIONS LIMIT WORKSHEET
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

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	(1,504)
County Fire Service Fund	<u>(201)</u>

Subtotal \$ 285,367,607

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		Ratio of Change
-2.54	1.05			
0.9746	x	1.0105		0.984833
			x	<u>0.984833</u>

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

Note 1:

Appropriations limit adjusted per Article XIIIB, amended by Proposition 111 to change the price and population factors that may be used. The 2010-2011 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, 2010.

Proceeds of Tax Summary
FY 2010-2011

2010 -2011 LEGAL BUDGET as of Nov 29, 2010

	Legal Budget	Tax Revenue	NonTax Revenue
General Fund	221,367,888	120,487,775	100,880,113
Special Revenue	508,617,670	7,314,574	501,303,096
Capital Projects	<u>7,958,000</u>	<u>4,095,000</u>	<u>3,863,000</u>
Total	737,943,558	131,897,349	606,046,209
		<u>131,897,349</u>	<u>606,046,209</u>
17000 less Interest Pooled - fund 10			(4,105,516)
17000 less Interest Pooled - fund 11			(1,064,435)
17000 less Interest Pooled - fund 12			(525,000)
		<u>131,897,349</u>	<u>600,351,258</u>
<u>Re-allocation Interest based on Tax vs NonTax</u>			
Percentage of Total Revenue - less interest		18.01%	81.99%
£ Allocation of Interest		1,025,809	4,669,142
Adjusted estimated Revenue		<u>132,923,158</u>	<u>605,020,400</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 2010-11

<u>LIGHTING DISTRICTS That Received Property Taxes</u>	Appropriations Limit 2009-10	Changes in Price and Population NOTE (2)	Appropriations Limit 2010-11
AIRPORT NEIGHBORHOOD	\$ 44,019	\$ (668)	\$ 43,351
COUNTRY CLUB ESTATES	2,740	(42)	2,698
EMPIRE	42,031	(637)	41,394
FAIRVIEW TRACT	20,820	(316)	20,504
MONTEREY PARK	5,982	(91)	5,891
OLYMPIC TRACT	22,748	(345)	22,403
RICHLAND	12,330	(187)	12,143
SALIDA	26,997	(409)	26,588
SUNSET OAKS	15,856	(240)	15,616
SYLVAN VILLAGE #2	10,277	(156)	10,121
TEMPO PARK	19,605	(297)	19,308
	\$ 223,405	\$ (3,388)	\$ 220,017

Note 2:

Per State of California Department of Finance
 Notice, dated May 2010.

Change in California Per Capita Personal Income	-2.54
Increase in Stanislaus County Population	1.05
Computed Ratio of Change	0.974600 x 1.010500
	0.984833