

TOWN OF SAN ANSELMO

RESOLUTION NO. 4225

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SAN ANSELMO REVISING THE APPROPRIATIONS LIMIT CALCULATION FROM FISCAL YEAR 1987-88 THROUGH FISCAL YEAR 2016-17, IN ADDITION TO MODIFYING THE FISCAL YEAR 2017-18 APPROPRIATIONS LIMIT

WHEREAS, the people of California on November 6, 1979, added Article XIII-B to the State Constitution placing various limitations on State and local government appropriations; and

WHEREAS, the people of California on June 5, 1990, amended Article XIII-B and California Government Code sections 7900, *et seq.* to provide the process by which to calculate the Appropriations Limit and require cities to adopt a resolution setting an annual Appropriations Limit; and

WHEREAS, guidelines and worksheets were developed by a coalition of statewide organizations and the League of California Cities to assist with implementation and compliance with the law; and

WHEREAS, though the 1990 amendments were applicable retroactively to the FY 1987-88 Appropriations Limit calculations, those changes were not correctly applied by the Town at that time and were applied inconsistently in subsequent years; and

WHEREAS, in determining annual appropriations from proceeds of taxes that are subject to the limit, there are specified exclusions that were not applied correctly in past years; and

WHEREAS, by applying the correct annual growth factors, correcting mathematical errors, and accounting for additional annual adjustments to the Appropriations Limit contained in voter override measures, the Town has determined that the Appropriations Limit for FY 2016-17 will increase from \$9.9 to \$12.5 million; and

WHEREAS, the Appropriations Limit is required to be established each fiscal year and may be amended in subsequent years to make corrections; and

WHEREAS, the Town of San Anselmo has complied with the provisions of Article XIII-B in determining the Appropriations Limit for Fiscal Years 1987-88 to 2017-18 and intends to restate the Appropriations Limit and appropriations subject to the limit for Fiscal Year 2017-2018; and

WHEREAS, in accordance with Public Resources Code section 21065, adoption of this resolution is not a "project" subject to the California Environmental Quality Act because it can be seen with certainty that it will not have a significant impact on the environment;

NOW, THEREFORE, the Town Council of the Town of San Anselmo does hereby resolve as follows:

In accordance with Article XIII B of the California Constitution and Government Code sections 7900 *et seq.*,

1. The Appropriations Limit for Fiscal Year 2016-2017 is revised from \$9,931,748 to \$12,522,816 by applying the correct annual percentage change in growth factors from Fiscal Year 1987-1988 forward and correcting mathematical errors in past calculations. Exhibit A to this resolution details the adjustments needed to certain fiscal years and the compounding effect on the Appropriations Limit.
2. The Appropriations Limit Fiscal Year 2017-2018 adopted by Resolution No. 4210 is hereby revised as follows and summarized in Exhibit B;
 - a. The revised prior year Appropriations Limit from growth factors for Fiscal Year 2016-2017 is \$12,522,816.
 - b. The annual adjustment growth factors used to calculate the Fiscal Year 2017-2018 Appropriations Limit shall be the change by the Statewide per capita personal income percentage (3.69%) and January 2017 State Department of Finance estimated change in County population (0.18%) for a total growth of 3.877%.
 - c. The Fiscal Year 2017-2018 Appropriations Limit shall be further increased by certain voter approved overrides to the annual Appropriations Limit of \$1,116,400.
 - d. The revised Fiscal Year 2017-2018 Appropriations Limit shall be \$13,008,326 from the annual growth factors and voter-approved overrides.
 - e. The revised Fiscal Year 2017-2018 appropriations funded from proceeds of taxes and subject to the Appropriations Limit of \$14,832,884 shall be reduced by certain allowed exclusions of \$4,285,600 to a total appropriation subject to the limit of \$10,547,284.


I hereby certify that the foregoing resolution was duly passed and adopted at a regular meeting of the San Anselmo Town council held on the 27th of February 2018 by the following vote:

AYES: Wright, Brown, Coleman, Colbert

NOES: None

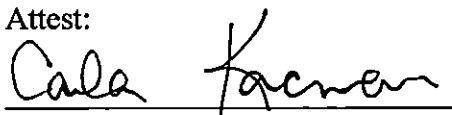
ABSENT: Greene

ABSTAIN: None



John Wright, Mayor

Attest:



Carla Kacmar, Town Clerk

Attachment: **Exhibit A** – Annual Appropriations Limit Calculation
Exhibit B – Appropriations Limit Calculation Summary for FY2017-18

**Town of San Anselmo
Annual Appropriations Limit Calculation**

Revised to apply correct growth factors and mathematical formulas

Exhibit A

Fiscal Year	Change Cost of Living Indices [1]			Change in Population [4]		Growth Factor	Revised Corrected Limits		Prior Period Adjustments to Limit [5]		
	Appropriation Limit Fiscal Year [5]	Consumer Price Index (2)	Per Capita Personal Income [2]	Annual Non-Residential Assessed Valuation Growth to Total Growth	San Anselmo		Marin County	Allowed Annual Percent Growth In Appropriations Limit	Prior Year Limit	Revised Current Year Appropriations Limit [5]	As Originally Adopted
		Obsolete and used in error	Apply Highest Factor		Apply Highest Factor		[Highest Cost of Living times Population]	Growth Factor times Prior Year Limit		Due to misapplication of Growth Factors, Math errors in formula and applied to wrong amounts	
86/87								\$ 3,159,327		3,159,327	-
87/88	3.04	3.470	n/a	-0.290	0.700	1.041940	\$ 3,159,327	\$ 3,291,829	3,245,930	(45,899)	
88/89	3.93	4.660	n/a	0.110	0.920	1.056230	\$ 3,291,829	\$ 3,476,929	3,377,195	(99,734)	
89/90	4.98	5.190	n/a	0.520	1.240	1.064940	\$ 3,476,929	\$ 3,702,720	3,563,815	(138,905)	
90/91		4.210	0.103	1.140	1.480	1.057520	\$ 3,702,720	\$ 3,915,701	3,756,190	(159,511)	
91/92		4.140	n/a	0.280	1.550	1.057540	\$ 3,915,701	\$ 4,141,010	3,846,195	(294,815)	
92/93		-0.640	n/a	1.220	1.790	1.011390	\$ 4,141,010	\$ 4,188,177	3,889,985	(298,192)	
93/94		2.720	n/a	1.310	1.750	1.045180	\$ 4,188,177	\$ 4,377,398	3,766,481	(610,917)	
94/95		0.710	0.479	0.380	1.200	1.019190	\$ 4,377,398	\$ 4,461,401	3,869,051	(592,350)	
95/96		4.720	1.171	2.390	1.220	1.072230	\$ 4,461,401	\$ 4,783,648	4,148,505	(635,143)	
96/97		4.670	1.559	1.160	1.430	1.061670	\$ 4,783,648	\$ 5,078,655	4,107,647	(971,008)	
97/98		4.670	-0.325	1.250	1.640	1.063870	\$ 5,078,655	\$ 5,403,029	4,675,940	(727,089)	
98/99		4.150	0.360	1.110	1.560	1.057750	\$ 5,403,029	\$ 5,715,054	4,945,963	(769,091)	
99/00		4.530	0.224	1.190	1.620	1.062230	\$ 5,715,054	\$ 6,070,702	5,252,613	(818,089)	
00/01		4.910	0.341	1.050	1.820	1.068190	\$ 6,070,702	\$ 6,484,663	5,282,288	(1,202,375)	
01/02		7.820	2.071	0.070	0.720	1.085960	\$ 6,484,663	\$ 7,042,084	5,736,370	(1,305,714)	
02/03		-1.270	0.866	0.410	0.810	1.016830	\$ 7,042,084	\$ 7,160,603	5,845,978	(1,314,625)	
03/04		2.310	0.185	0.350	0.770	1.030980	\$ 7,160,603	\$ 7,382,438	6,027,074	(1,355,364)	
04/05		3.280	1.977	-0.060	2.530	1.058930	\$ 7,382,438	\$ 7,817,485	6,382,249	(1,435,236)	
05/06		5.260	0.999	-0.100	0.330	1.056070	\$ 7,817,485	\$ 8,255,811	6,740,125	(1,515,686)	
06/07		3.960	0.216	0.530	0.740	1.047290	\$ 8,255,811	\$ 8,646,229	7,058,886	(1,587,343)	
07/08		4.420	0.055	0.550	0.970	1.054330	\$ 8,646,229	\$ 9,115,978	7,442,386	(1,673,592)	
08/09		4.290	0.587	1.030	0.930	1.053640	\$ 9,115,978	\$ 9,604,959	7,841,610	(1,763,349)	
09/10		0.620	0.288	0.690	0.810	1.014350	\$ 9,604,959	\$ 9,742,791	7,954,139	(1,788,652)	
10/11		-2.540	0.002	0.790	0.930	1.009320	\$ 9,742,791	\$ 9,833,593	7,713,155	(2,120,438)	
11/12		2.510	0.209	0.810	0.900	1.034330	\$ 9,833,593	\$ 10,171,181	8,100,365	(2,070,816)	
12/13		3.770	0.645	1.020	1.050	1.048600	\$ 10,171,181	\$ 10,665,500	8,494,010	(2,171,490)	
13/14		5.120	1.314	0.280	0.420	1.055620	\$ 10,665,500	\$ 11,258,715	8,966,404	(2,292,311)	
14/15		-0.230	0.185	0.390	0.420	1.006060	\$ 11,258,715	\$ 11,326,943	8,983,351	(2,343,592)	
15/16		3.820	0.047	0.690	0.730	1.045780	\$ 11,326,943	\$ 11,845,490	9,394,591	(2,450,899)	
16/17		5.370	0.033	0.170	0.330	1.057180	\$ 11,845,490	\$ 12,522,816	9,931,748	(2,591,068)	
17/18		3.690	0.075	0.060	0.180	1.038770	\$ 12,522,816	\$ 13,008,325	10,316,766	(2,691,935)	

[1] From State Department of Finance per Article XII B of the California Constitution every May 1st for following Fiscal Year Appropriations Calculation. A 1991 amendment to Article XII-B dropped use of the CPI and allowed for revising limit with PCI or Growth in non-residential assessed valuation and City or County population growth factors back to FY 87-88. The Town may selection by resolution the growth factors to be used to calculate the annual Appropriations Limit. The shaded area indicate correct combination of the highest factor used in calculation for the individual Fiscal Year.

[2] Per Capita Personal Income - California 4th Quarter - Calculated by State Department of Finance

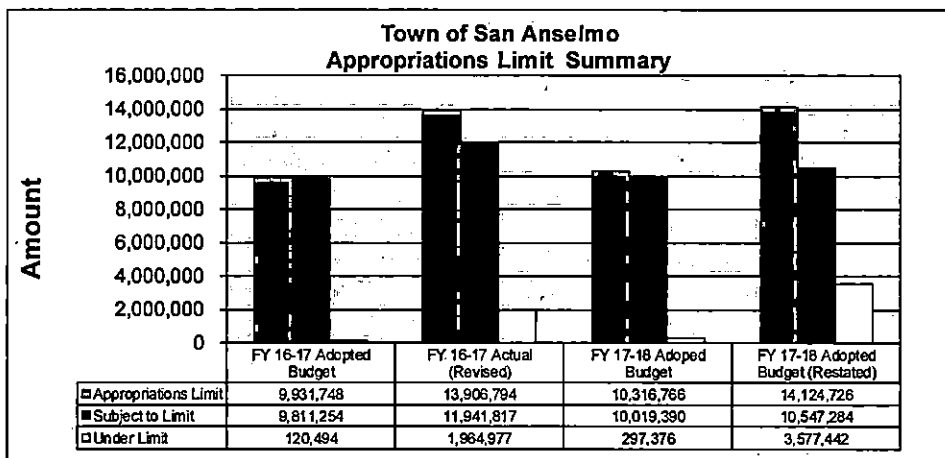
[3] Determination of the annual growth in non-residential assessed valuation is from the Marin County Auditor-Controller's Office. Data for FY 87/88 to 89/90 and 91/92 to 93/94 is unavailable.

[4] Population changes are from the State department of Finance Demographic Unit and updated as of January of each Year.

[5] Appropriations Limit calculation has been revised to correct factors and mathematical calculations from FY 87/88 to 16/17. The shaded fiscal years in the first column are the years where the corrections were made which resulted in compounded corrections totaling \$2,591,068 from FY 87/88 to FY 16/17.

Town of San Anselmo Appropriations Limit Calculation Summary Fiscal Year 17-18 Adopted Budget (Revised)

Prior Year Revised Appropriation Limit ^[4]	\$ 12,522,816
Allowed Compounded Percentage Increase from Prior Year ^[1]	
Statewide Per Capita Personal Income	3.690%
County Population Growth From State Dept of Finance	0.180%
Compounded Percentage as an Adjustment Factor	3.877%
Growth Factor Adjustment Amount to Appropriation Limit	485,510
Current Year Appropriation Limit From Growth Factors	13,008,326
Annual Other Adjustments to Limit ^[1]	1,116,400
Current Year Appropriations Limit	14,124,726
Current Year Adopted Budget Appropriations From Proceeds of Taxes ^[2]	
Proceeds of Taxes From Adopted Budget ^[3]	14,832,884
Less Allowable Exclusion of Certain Appropriations ^[3]	(4,285,600)
Current Year Appropriations Subject to Appropriation Limit	10,547,284
Current Year Appropriations Under the Appropriation Limit	\$ (3,577,442)
Percentage Under the Limit	-25%



(1) Article XIB allowed annual adjustments to the Appropriations Limit after calculation of annual growth factors

Other Adjustments to Limit	
Measure D - 2013 Sales Tax Override	857,400
Measure E - 2014 Library Override	259,000
Total Additional Adjustments to Limit	1,116,400

(2) Proceeds of Taxes are certain revenues as defined by State Law and League of California Cities Article XIB Appropriations Limit Uniform Guidelines. See Worksheets for details.

(3) Summary of worksheets for above calculations of Appropriations Limit and Appropriations Subject to Limit.

Summary of Appropriations From	From Proceeds of Taxes	From Non Proceeds of Taxes	From Proceeds of Taxes	Total Appropriations
General Fund		2,327,643	12,984,107	15,311,750
Special Revenue Funds		6,672,108	1,848,777	8,520,885
Total Proceeds and Non Proceeds of Taxes		8,999,751	14,832,884	23,832,635

Summary of Exclusions	
Court Order Costs	-
Federal Mandates	314,712
Qualified Capital Outlay Over \$100,000 and 10+ year life	1,960,888
Qualified Debt Service	2,010,000
Total Exclusions to Appropriations Subject to Limit	4,285,600

(4) Adjustments to prior year calculation of Appropriations Limit due use of appropriate growth factors from FY 07-08 to FY 16-17. See worksheet details.