

SUBJECT: ADOPTION OF ANNUAL APPROPRIATION LIMIT

SOURCE: Finance Department

COMMENT: Article XIII – B of the California Constitution requires that each governmental agency must adopt an appropriation limit each fiscal year. This limit represents the maximum amount of tax revenue that can be appropriated during the fiscal year.

The State Department of Finance has provided the percentage change in population for the City of Porterville and the percentage change in per capita personal income for the 2013/2014 fiscal year calculation. Based on this information and the guidelines established by the State, the appropriation limit for 2013/2014 fiscal year is \$55,405,944. Budgeted tax proceeds subject to limitation are \$19,070,863. The City continues to appropriate well below the maximum limit allowed by law.

RECOMMENDATION: That the City Council approve the attached resolution adopting the appropriation limit of \$55,405,944 for the 2013/2014 fiscal year.

ATTACHMENTS: Draft Resolution
Worksheets

D.D. MB Appropriated/Funded MB C.M. J

Item No. 14

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PORTERVILLE SETTING THE APPROPRIATION LIMIT FOR THE
2013/2014 FISCAL YEAR

WHEREAS, Article XIII – B of the California Constitution requires that each governmental agency adopt an appropriation limit each fiscal year; and

WHEREAS, the State of California has presented the guidelines for the consumer price index, the per capita personal income, and the population data for local governments to compute the appropriation limit;

NOW, THEREFORE, be it resolved by the City Council of the City of Porterville, the appropriation limit for the 2013/2014 fiscal year is \$55,405,944 as computed on the attached worksheet.

Passed, approved and adopted this 16th day of July 2013.

Virginia R. Gurrola, Mayor

ATTEST:

John D. Lollis, City Clerk

By: Patrice Hildreth, Chief Deputy City Clerk

CITY OF PORTERVILLE
 APPROPRIATION LIMIT DOCUMENTATION
 FISCAL YEAR 2013-2014

	GENERAL	MEAS H	SPECIAL GAS TAX	LTF	TRAFFIC SAFETY	ZALUD ESTATE	CDBG	TRANSIT	COPS	SEWER OPER	SOLID WASTE	AIRPORT	GOLF COURSE	WATER OPER	GEN GOV DEBT SERV	TOTAL ESTIMATED REVENUES
PROPERTY TAXES	6,980,762															6,980,762
SALES & USE TAXES	4,032,651	2,939,507														6,972,158
UTILITY USERS TAX	4,000,000															4,000,000
TRANSIENT OCCUPANCY TAX	315,000															315,000
BUSINESS LICENSE	200,000															200,000
OTHER TAXES	1,471,134															1,471,134
FRANCHISE FEES	327,000															327,000
PERMITS																
REVENUE FROM STATE																
MOTOR VEHICLE IN LIEU	29,379															29,379
HOMEOWNERS RELIEF	28,000															28,000
OTHER REV FR STATE	1,674,522															1,674,522
OTHER INTERGOVTAL REV	233,000															233,000
USE OF MONEY & PROPERTY																
INTEREST	125,000	35,000	20,000	8,000	300	800	20,000	100	1,000	15,000	5,000	7,000		15,000	5,000	150,000
RENT	102,277							20				157,236				102,277
FINES & FORFEITURES	65,000				150,000											65,000
CHARGES FOR SERVICES	3,898,770					3,500	149,022	416,065		6,495,300	5,489,000	1,371,300	223,000	4,777,000		3,898,770
OTHER REVENUES	182,000					2,000		100,000		187,454	96,000	735	2,400	95,000		182,000
	24,069,495	2,974,507	2,063,576	6,250,900	150,300	6,300	1,039,716	6,265,851	176,800	6,697,754	5,990,000	1,556,271	225,400	4,887,000	5,000	24,069,495
PROPERTY TAXES																6,990,762
SALES & USE TAXES																6,972,158
UTILITY USERS TAX																4,000,000
TRANSIENT OCCUPANCY TAX																315,000
BUSINESS LICENSE																395,000
OTHER TAXES																200,000
FRANCHISE FEES																1,471,134
PERMITS																327,000
REVENUE FROM STATE																
MOTOR VEHICLE IN LIEU																29,379
HOMEOWNERS RELIEF																28,000
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RENT																102,277
FINES & FORFEITURES																65,000
CHARGES FOR SERVICES																3,898,770
OTHER REVENUES																182,000
	4,742,076	2,811,000	260,000	382,946	1,564,646	236,614	205,000	20,000	535,940	115,000	6,000	1,016,823	1,727,186	30,612	109,174	4,742,076
PROPERTY TAXES																6,990,762
SALES & USE TAXES																6,972,158
UTILITY USERS TAX																4,000,000
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CHARGES FOR SERVICES																3,898,770
OTHER REVENUES																182,000
	4,742,076	2,811,000	260,000	382,946	1,564,646	236,614	205,000	20,000	535,940	115,000	6,000	1,016,823	1,727,186	30,612	109,174	4,742,076

* Source: City of Porterville 2013-2014 Original Budget adopted by City Council on June 18, 2013.

**CITY OF PORTERVILLE
 APPROPRIATION LIMIT DOCUMENTATION
 FISCAL YEAR 2013-2014**

PROCEEDS OF TAXES CALCULATION APPROPRIATION LIMIT CALCULATION

	[1] PROCEEDS OF TAXES	PROCEEDS OTHER THAN TAXES	TOTAL ESTIMATED REVENUES	YEAR	[2] CALIFORNIA POP/CHANGE	[3] POPULATION CHANGE	LIMIT
PROPERTY TAXES	6,990,762		6,990,762	1986-1987	BASE YEAR		10,422,371
SALES & USE TAXES	6,972,158		6,972,158	1987-1988	3.47%	1.75%	10,972,748
UTILITY USERS TAX	4,000,000		4,000,000	1988-1989	4.66%	2.27%	11,744,767
TRANSIENT OCCUPANCY TAX	315,000		315,000	1989-1990	5.19%	8.28%	13,377,258
BUSINESS LICENSE	395,000		395,000	1990-1991	4.21%	7.03%	14,920,454
OTHER TAXES	200,000		200,000	1991-1992	4.14%	3.79%	16,127,057
FRANCHISE FEES		1,471,134	1,471,134	1992-1993	-0.64%	4.51%	16,746,519
PERMITS		327,000	327,000	1993-1994	2.72%	4.26%	17,934,831
REVENUE FROM STATE				1994-1995	0.71%	3.63%	18,717,825
MOTOR VEHICLE IN LIEU	29,379		29,379	1995-1996	4.72%	2.40%	20,071,738
HOMEOWNERS RELIEF	28,000		28,000	1996-1997	4.67%	2.85%	21,607,847
OTHER REV FR STATE		4,435,198	4,435,198	1997-1998	4.67%	2.71%	23,229,852
OTHER INTERGOVTAL REV		15,665,327	15,665,327	1998-1999	4.53%	2.05%	24,779,949
USE OF MONEY & PROPERTY				1999-2000	4.91%	1.61%	26,415,190
INTEREST		417,636	417,636	2000-2001	7.82%	1.33%	28,859,653
RENT		274,533	274,533	2001-2002	-1.27%	2.07%	29,082,943
FINES & FORFEITURES		215,000	215,000	2002-2003	2.31%	2.56%	30,516,481
CHARGES FOR SERVICES		31,882,615	31,882,615	2003-2004	3.28%	2.43%	32,283,295
OTHER REVENUES		1,973,981	1,973,981	2004-2005	5.26%	2.45%	34,813,941
	<u>19,070,863</u>	<u>56,662,424</u>	<u>75,733,287</u>	2005-2006	3.96%	2.18%	36,981,571
				2006-2007	4.42%	14.26%	44,122,820
				2007-2008	4.29%	1.99%	46,931,401
				2008-2009	0.62%	1.79%	48,067,656
				2010-2011	-2.54%	1.98%	47,774,303
				2011-2012	2.51%	1.47%	49,693,348
				2012-2013	3.77%	1.28%	52,226,842
				2013-2014	5.12%	0.92%	55,405,944
							<u>19,070,863</u>
							<u>36,335,081</u>
							PROCEEDS OF TAXES
							PROCEEDS OF TAXES
							UNDER APPROPRIATION LIMIT

[1] Per City of Porterville 2013-2014 Annual Budget adopted by City Council on June 18, 2013.
 [2] Per State Department of Finance (per capita personal income).
 [3] Per State Department of Finance (population growth of City or County, whichever is greater).