

PROPOSITION

| RESOLUTION | NO. | _ |
|------------|-----|---|

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARITA, CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 1991-92.

The City Council of the City of Santa Clarita hereby resolves as follows:

SECTION 1: The City Council of the City of Santa Clarita hereby finds and determines:

- A. That the Department of Finance has notified the City of the change in the California per capita personal income and such change is 4.14% for the prior calendar year.
- B. That the City also has the option to use the change in the local assessment roll due to local nonresidential construction in lieu of the California per capita personal income change; however, the State nor the County of Los Angeles has this information at this time.
- C. That the Department of Finance has notified the City of the change in population of the City and the entire Los Angeles County in which the City has the option to use the greater percentage change, which change is an increase of 7.01% for the City of Santa Clarita for the prior calendar year.
- D. That, pursuant to California Constitution Article XIIIB, Section 1 and Government Code sections 7900 et seg., and pursuant to the guidelines set forth by Proposition 111, the City appropriations limit must be adjusted for changes from the base year of 1986-87 to the fiscal year ending 1992 by the changes in the California per capita personal income and in population.
- E. That the appropriations limit documentation applicable to this Resolution has been available for public inspection for fifteen days prior to approval by the City council, pursuant to Government Code section 7910.
- SECTION 2. That the appropriations limit for the City of Santa Clarita for fiscal year ending June 30, 1992 is \$ 87,985,929.

SECTION 3. That the City Clerk shall certify to the adoption of this Resolution.

|       | PASSED, | APPROVED | AND | ADOPTED | this | - | _day | of    | <br>1991. |
|-------|---------|----------|-----|---------|------|---|------|-------|-----------|
|       |         | •        |     |         | _    |   | _    |       | <br>      |
|       |         |          |     |         |      | • |      | MAYOR |           |
| TEST: |         |          |     |         |      |   |      |       |           |

CITY CLERK

| _       | Council of the C  | ity of Santa Clarita | a, at a regular meeting thereof, , 1991, by the |
|---------|-------------------|----------------------|---|
|         | g vote of the Cou |                      |   |
| AYES:   | COUNCILMEMBERS    |                      |   |
| NOES:   | COUNCILMEMBERS    |                      |   |
| ABSENT: | COUNCILMEMBERS    |                      |   |
|         |                   |                      |   |
|         |                   |                      | CITY CLERK                                      |

The Appropriations Limit, established by the State of California per Article XIIIB of the California State Constitution, sets a limit for the annual appropriations of tax proceeds for all municipalities.

Article XIIIB was recently amended by Proposition 111 to change the method of calculating the annual appropriations limit. Prior to Proposition 111, the annual appropriations limit was adjusted annually by the change in the cost of living or by the change in California per capita personal income, whichever was less and by the percentage change in the population of the City.

Under the new guidelines set forth by Proposition 111, the annual appropriations limit will not exceed a base year adjusted by the change in population of the City or the County combined with either the change in California per capita personal income or the change in the local assessment roll due to local nonresidential construction. Proposition 111 also changed the base year for all municipalities to 1986-87.

Starting with a base year limit of \$47,350,022 for 1986-87 and increasing it to the 1991-92 limit by using the guidelines set forth in Proposition 111, the calculation would be as follows:

|    |                              | . 6                  | Y,                   |
|----|------------------------------|----------------------|----------------------|
| λ. | Computation of 1987-88 limit | pito                 |                      |
|    | Add 1986-87 limit            | \$47,350,022         |                      |
|    | Change in Personal Income    |                      | ,                    |
|    | increase of 3.47%            | 1,643,046            |                      |
|    | 11010400 01 0141 0           | \$48,993,068         |                      |
|    | Change in Population         | 440,993,000          | c c                  |
|    | increase of 12.82%           |                      |                      |
|    |                              | <u>6,280,911</u>     | . AFE 550 050        |
|    | APPROPRIATIONS LIMIT 1987-88 |                      | \$55,273,979         |
|    |                              |                      |                      |
| В. | Computation of 1988-89 limit |                      |                      |
|    | Add 1987-88 limit            | <b>\$</b> 55,273,979 | •                    |
|    | Change in Personal Income    |                      |                      |
|    | increase of 4.66%            | <u>2,575,767</u>     |                      |
|    |                              | \$57,849,746         | ,                    |
|    | Change in Population         |                      |                      |
| •  | increase of 12.29%           | <u>7,109,734</u>     |                      |
|    | APPROPRIATIONS LIMIT 1988-89 |                      | \$64,959,480         |
| -  | •                            | ,                    |                      |
| c. | Computation of 1989-90 limit | ,                    |                      |
| C. | <del>-</del>                 | #64 050 400          |                      |
|    | Add 1988-89 limit            | \$64,959,480         |                      |
|    | Change in Personal Income    |                      |                      |
|    | increase of 5.19%            | <u>3.371.397</u>     |                      |
|    |                              | \$68,330,877         | •                    |
|    | Change in Population         |                      |                      |
|    | increase of 5.85%            | <u>3.997.356</u>     |                      |
|    | APPROPRIATIONS LIMIT 1989-90 |                      | \$72,328,23 <u>4</u> |
|    |                              | •                    |                      |

| D. | Computation of 1990-91 limit |                  |              |
|----|------------------------------|------------------|--------------|
|    | Add 1989-90 limit            | \$72,328,234     |              |
|    | Change in Personal Income    |                  |              |
|    | increase of 4.21%            | 3,045,019        |              |
|    |                              | \$75,373,252     |              |
|    | Change in Population         |                  |              |
|    | increase of 4.75%            | 3,580,229        |              |
|    | APPROPRIATIONS LIMIT 1990-91 |                  | \$78,953,482 |
| E. | Computation of 1991-92 limit |                  |              |
|    | Add 1990-91 limit            | \$78,953,482     |              |
|    | Change in Personal Income    |                  |              |
|    | increase of 4.14%            | 3,268,674        |              |
|    |                              | \$82,222,156     |              |
|    | Change in Population         |                  |              |
|    | increase of 7.01%            | <u>5,763,773</u> |              |
|    | APPROPRIATIONS LIMIT 1991-92 |                  | \$87,985,929 |