**Proposition 4** 

## **City of Santa Clarita** Annual Appropriations Limit

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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 is 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.

The law requires a governing body to annually adopt an appropriations limit for the following fiscal year, along with a recorded vote regarding which of the annual adjustment factors have been selected.

Starting with a base year limit of \$47,350,022 for 1986-87, the Annual Appropriations Limit increased to the 1995-96 limit by using the guidelines set forth in Proposition 111, the calculation would be as follows:

Fiscal Year	Prior Year's Limit	Add Change in Personal Income		New Base	Add Change in Population		Appropriations Limit
1986-87							47,350,022
1987-88	47,350,022	3.47%	1,643,046	48,993,068	12.82%	6,280,911	55,273,979
1988-89	55,273,979	4.66%	2,575,767	57,849,746	12.29%	7,109,734	64,959,480
1989-90	64,959,480	5.19%	3,371,397	68,330,877	5.85%	3,997,356	72,328,233
1990-91	72,328,233	4.21%	3,045,019	75,373,252	4.75%	3,580,229	78,953,481
1991-92	78,953,481	4.14%	3,268,674	82,222,155	7.01%	5,763,773	87,985,928
1992-93	87,985,928	(.64%)	(563,110)	87,422,818	2.67%	2,334,189	89,757,007
1993-94	89,757,007	2.72%	2,441,391	92,198,398	1.18%	1,087,941	93,286,339
1994-95	93,286,339	.71%	662,333	93,948,672	3.94%	3,701,578	97,650,250
1995-96	97,650,250	4.72%	4,609,092	102,259,342	(.52%)	(531,749)	101,727,593

## **RESOLUTION NO. 95-53**

## A RESOLUTION OF THE CITY OF SANTA CLARITA, CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 1995-96

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 4.72% 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 a decrease of .52% 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 <u>et seq</u>., 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 June 30, 1996. 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, 1996 is \$101,727,593.

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

PASSED, APPROVED AND ADOPTED this 27th day of \_\_\_\_\_, 1995

Jo Anne Darcy, Mayor

ATTEST:

Donna M. Grindey, Citz Clerk

STATE OF CALIFORNIA ) COUNTY OF LOS ANGELES ) § CITY OF SANTA CLARITA )

I, Donna M. Grindey, City Clerk of the City of Santa Clarita, do hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Santa Clarita at a regular meeting thereof, held on the <u>27th</u> day of <u>June</u>, 19<u>95</u> by the following vote of Council:

AYES: COUNCILMEMBERS:

Smyth, Boyer, Pederson, Heidt, Darcy

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS:

None

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