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SBCAG STAFF REPORT

SUBJECT: Proposition 4/111 Appropriations Limit

MEETING DATE: June 20, 2019

AGENDA ITEM: 4D

STAFF CONTACT: Dave Troutner

RECOMMENDATION:

Adopt Resolution 19-26 establishing the Appropriations Limit and selecting the annual adjustment factors for the 2019-20 fiscal year.

SUMMARY:

Propositions 4 and 111 restrict the amount of tax proceeds that can be appropriated by a government entity in a fiscal year; this amount is known as the Appropriations Limit. In its capacity as the Local Transportation Authority, the SBCAG Board cannot appropriate any Measure A sales tax revenue in excess of SBCAG’s calculated Appropriations Limit and must, by Resolution, set the limit each fiscal year.

DISCUSSION:

SBCAG’s first Appropriations Limit was established when Measure A was approved in 2008. Section 35 of the Measure A Ordinance established an annual Appropriations Limit of \$200,000,000. The California Constitution Article XIII B, Government Code sections 7900 et seq and Proposition 111 require adoption of the Appropriations Limit by Resolution prior to the fiscal year and a recorded vote of the Board regarding the annual adjustment factors that have been selected.

The following table presents the Appropriations Limit and annual adjustment factors for the 2019-20 fiscal year. The Appropriations Limit for 2019-20 is determined by multiplying the Appropriations Limit established for the 2018-19 fiscal year by the income and population factors presented below. (Gov. Code § 7902.) The recommended income and population factors were obtained from the State Department of Finance and represent the change in California per capita personal income and the change in county population, respectively. (Gov. Code §§ 7901, 7909.)

Fiscal Year	Income Factor	Population Factor	Appropriations Limit
2018-19	1.0367	1.0212	291,294,431
2019-20	1.0385	1.0167	307,561,171

In order to comply with the provisions of the Appropriations Limit guidelines, the proceeds of taxes received each year must be less than or equal to the established Appropriations Limit for that fiscal year. Based on preliminary calculations, SBCAG will also be in compliance with the limit established for the 2018-19 fiscal year.

All documentation used to determine the Appropriations Limit is available for review at the SBCAG offices.

The recommended action is not a project under the California Environmental Quality Act (CEQA) pursuant to sections 15378(b)(4) and 15378(b)(5) of the CEQA Guidelines.

COMMITTEE REVIEW: None

ATTACHMENTS:

- A. Resolution 19-26

ATTACHMENT A

RESOLUTION OF THE SANTA BARBARA
COUNTY ASSOCIATION OF GOVERNMENTS

ADOPTION OF APPROPRIATIONS)
LIMIT FOR FY 2019-20)
_____)

RESOLUTION NO. 19-26

WHEREAS, Section 7910 of the Government Code, which became effective on January 1, 1981, requires that the governing body of each local jurisdiction establish by Resolution its Appropriations Limit for the following fiscal year pursuant to Article XIII B of the California State Constitution at a regularly scheduled or noticed special meeting; and

WHEREAS, in 2008, Section 35 of Ordinance 5 first established the initial Measure A Appropriations Limit at \$200,000,000; and

WHEREAS, at least fifteen (15) days prior to this date, documentation used in the determination of the Appropriations Limit was available for public inspection in the offices of the Santa Barbara County Association of Governments.

NOW, THEREFORE, BE IT RESOLVED that the Santa Barbara County Association of Governments establish its Appropriations Limit for the 2019-20 fiscal year at \$ 307,561,171.

IT IS FURTHER RESOLVED that the Santa Barbara County Association of Governments has selected the change in California per capita personal income as the cost of living factor and the change in County population as the population factor used in the calculation of the 2019-20 Appropriations Limit.

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PASSED AND ADOPTED this 20th day of June 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

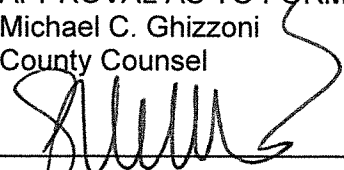
ATTEST:

Marjie Kirn
Executive Director

Alice Patino, Chair
Santa Barbara County Association
Of Governments

Date

APPROVAL AS TO FORM:
Michael C. Ghizzoni
County Counsel



Deputy County Counsel