



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-4

For the meeting of: October 7, 2014

Date: September 8, 2014
To: Board of Supervisors
From: Auditor-Controller MBM
Subject: Fiscal Year 2014-2015 Appropriation Limits

RECOMMENDATION(S): That the Board of Supervisors approve the attached resolution and schedules setting forth the fiscal year 2014-2015 appropriation limits in accordance with Article XIII B of the California Constitution and California Government Code, Title 1, Division 9.

DISCUSSION: Each year the governing body of the County shall, by resolution, establish its appropriation limit and make other necessary determinations pursuant to Article XIII B of the California Constitution and California Government Code, Title 1, Division 9. Government Code Section 7910 requires that the documentation used in establishing the appropriation limit be available for public inspection fifteen days prior to the adoption of the resolution by the Board of Supervisors.

FINANCIAL IMPACT: None. The County's projected tax revenue for 2014-2015 is substantially below its calculated appropriation limit.

OTHER AGENCY INVOLVEMENT: None.

ALTERNATIVES TO STAFF RECOMMENDATIONS: The Board could schedule this matter for some other time.

Prepared by Joseph Mellett, Auditor-Controller

CAO Approval

Amy Olsen

REVIEW:

Auditor

County Counsel SM

Personnel

Risk Manager

Other

TYPE OF ITEM:

- X Consent
Departmental
Public Hearing
Other

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor Bass
Seconded by Supervisor Lovelace
And unanimously carried by those members present,
The Board hereby adopts the recommended action
contained in this report.

PREVIOUS ACTION/REFERRAL:

Board Order No.

Meeting of:

Dated: Oct. 7, 2014
Kathy Hayes, Clerk of the Board

By: Amy Huntwell

ATTACHMENTS:

Resolution establishing the fiscal year 2014-2015 appropriation limits and documentation supporting the recommended appropriation limits.

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of October 7, 2014

RESOLUTION NO. 14-72

RESOLUTION OF THE BOARD OF SUPERVISORS ESTABLISHING THE FISCAL YEAR 2014-2015 APPROPRIATION LIMIT UNDER ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION, AND ESTABLISHING THE PERIOD FOR CONTESTING SUCH LIMITS FOR THE COUNTY AND BOARD OF SUPERVISORS GOVERNED SPECIAL DISTRICTS

WHEREAS, Article XIII B of the California Constitution provides that the state and each local government shall be subject to an annual appropriation limit as defined in that Article; and

WHEREAS, Section 8 (e) (2) of Article XIII B of the California Constitution requires the Governing Body to select the Change in Cost of Living methodology each year by recorded vote; and

WHEREAS, the percentage change in the Local Assessment roll from the preceding year due to the addition of non-residential new construction provides the greatest result rather than using the change in the California Per Capita Income; and

WHEREAS, the Auditor-Controller of the County of Humboldt has computed the appropriations limit for fiscal year 2014-2015; and

WHEREAS, the Auditor-Controller of the County of Humboldt has prepared the applicable schedules showing the calculation and they were made available for public review during reasonable hours and after reasonable notice in the Auditor-Controller's Office for the fifteen days prior to the October 7, 2014, Board meeting; and

WHEREAS, the Clerk of the Board published notice on or before September 23, 2014, of the location of the place where the applicable schedules were available for public inspection.

NOW, THEREFORE, BE IT RESOLVED, that the County of Humboldt selects the percentage change in the Local Assessment roll from the preceding year due to the addition of non-residential new construction and the percentage change in the population of the State of California methodology for use in calculating its appropriation limit for fiscal year 2014-2015; and

BE IT FURTHER RESOLVED that, the appropriations limit for the County of Humboldt for fiscal year 2014-2015 as shown on Attachment A is hereby established as \$148,905,427 and that such appropriations limit may be adjusted at a later date in accordance with Sections 3 and 11 of Article XIII B of the California Constitution; and

BE IT FURTHER RESOLVED that the appropriations limit for the County for fiscal year 2014-2015 may be adjusted at a later date in the event that revenues which are unanticipated, and classified as proceeds of taxes in accordance with Section 8 (c) of Article XIII B of the California Constitution, are received and appropriated.

BE IT FURTHER RESOLVED that any judicial action or proceeding to attach, review, set aside, void or annul the appropriations limits established by this resolution shall be commenced within

///

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of October 7, 2014

RESOLUTION NO. 14-72

45 days from the date of this resolution in accordance with Division 9 of Title 1 of the Government Code.

Dated: October 7, 2014



REX BOHN, Chair
Humboldt County Board of Supervisors

Adopted on motion by Supervisor Bass, seconded by Supervisor Lovelace, and the following vote:

AYES: Supervisors Sundberg, Lovelace, Bohn, Fennell, Bass
NAYS: Supervisors --
ABSENT: Supervisors --
ABSTAIN: Supervisors --

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be a full, true, and correct copy of the original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California as the same now appears of record in my Office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By ANA HARTWELL
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California

Attachment A:

Gann Limit for FY 2014-15

Price factor:	19.4605	
Population factor:	0.9496	
Per Capita converted to a ratio:		1.1946
Population converted to a ratio:		1.0095
Calculation of factor for FY 2014-15:		1.2059
Appropriation limit for FY 2013-14:		<u>\$123,475,756</u>
Appropriation limit for FY 2014-15:		<u><u>\$148,905,427</u></u>

COUNTY OF HUMBOLDT
Calculation to Determine Appropriation Limit in Accordance
with Article XIII B of the California Constitution for Fiscal Year 2014-15

2013-14 Appropriation Limit	\$123,475,756
2014-15 Factor (see below)	1.2059
2014-15 Appropriation Limit	\$148,905,427

Determination of Annual Factor:

Year	Personal Income Factor (1)	x	Population Factor (2)	=	Appropriation Limit Factor
2014-15	1.1946		1.0095		1.2059

Determination of Population Factor:

Year	Total County	Total Cities	Total Contiguous Counties	Statewide	Highest Factor
2014-15	0.9997	1.0001	1.0028	1.0095	1.0095

- (1) Current year factor based on change in assessed valuation of nonresidential new construction.
- (2) See following chart of alternative population factors.

**County of Humboldt
Gann Limit: Interest Allocation
2014-15 Budget**

	<u>Amount</u>	<u>Percentage</u>
Proceeds	\$51,511,792	0.17135716
Non-Proceeds	249,098,885	0.82864284
Subtotal	<u>300,610,677</u>	
Interest	253,100	
Total	<u>300,863,777</u>	

<u>Interest Allocation</u>	<u>Proceeds</u>	<u>Non-Proceeds</u>
\$215,284 * 0.167901034	43,370	
\$215,284 * 0.832098966		209,730
Add Total Above	<u>51,511,792</u>	<u>249,098,885</u>
	<u>\$51,555,162</u>	<u>\$249,308,615</u>
Appropriation limit - FY 2014-15	\$148,905,427	
Proceeds (amount subject to limit)	51,555,162	
Non-Proceeds	<u>249,308,615</u>	
Total	<u>\$300,863,777</u>	

COUNTY OF HUMBOLDT
COMPARISON OF APPROPRIATIONS WITH REVENUE ESTIMATE
PER GANN LEGISLATION
(BUDGET) 2014-15

<u>CATEGORY</u>	<u>DESCRIPTION</u>	<u>APPROPRIATION</u>	<u>REVENUE ESTIMATE</u>	<u>DIFFERENCE</u>
N-8	GENERAL	17,644,972	9,162,461	(8,482,511)
N-9	PLANT ACQUISITION	10,589,242	5,536,214	(5,053,028)
N-10	CRIMINAL JUSTICE	54,062,888	35,737,457	(18,325,431)
N-12	BUILDING & PLANNING	23,318,589	15,521,148	(7,797,441)
N-13	OTHER PROTECTION	3,757,772	2,636,798	(1,120,974)
N-14	ROADS & FACILITIES	27,357,992	24,273,478	(3,084,514)
N-15	OTHER PUBLIC WAYS & FACILITIES	4,200,002	2,328,908	(1,871,094)
N-16	HEALTH	20,082,335	23,940,511	3,858,176
N-17	MEDICAL CARE SERVICES	34,289,975	28,309,029	(5,980,946)
N-18	SANITATION	1,165,665	272,000	(893,665)
N-19	PUBLIC ASSISTANCE	100,208,167	98,548,955	(1,659,212)
N-20	EDUCATION	3,497,528	819,019	(2,678,509)
N-21	RECREATION & CULTURAL SERVICE	756,176	397,648	(358,528)
N-22	DEBT SERVICE	1,810,360		(1,810,360)
N-23	APPROPRIATION FOR RESERVES	2,800,000		(2,800,000)
N-25	OTHER		1,615,259	1,615,259
		305,541,663	249,098,885	