

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 6/14/10		Item Number: <u>C-3</u>	
AGENDA ITEM: Adoption of a Resolution Approving and Adopting the Annual Appropriations Limit for Fiscal Year 2010-11.			
Contact Person/Dept.: Mary V. Noller, Budget Manager		Phone Number: (310) 253-6012	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒ Date: _____			
Public Notification: (E-Mail) Agenda and Meetings – City Council (06/09/10); Notification published in the Culver City News on May 27, 2010 and June 3, 2010.			
Department Approval: Jeff Muir (06/09/10)		City Attorney Approval: Carol Schwab (by H. Baker) (06/09/10)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (06/09/10)		City Manager Approval: P. Lamont Ewell (06/10/10)	
<u>RECOMMENDATION:</u> Staff recommends the City Council adopt a Resolution approving and adopting the Annual Appropriations Limit for Fiscal Year 2010-2011. <u>BACKGROUND/DISCUSSION:</u> Proposition 4, approved by the voters on November 6, 1979, added Article XIII B to the State Constitution. Article XIII B places an appropriations limit on State and local governments and requires them to establish their appropriations limit by resolution each year at a regularly scheduled meeting or a noticed special meeting. As adopted in 1979, Article XIII B provided that Fiscal Year 1978-1979 would be considered the “base year” used to calculate the appropriations limit. Article XIII B was amended by the voters in 1990 through the approval of Proposition 111, which provided Fiscal Year 1986-1987 would become the “base year.” <u>FISCAL ANALYSIS:</u> As mentioned, the base year for calculating the appropriations limit is Fiscal Year 1986-1987. Each subsequent year, the total annual appropriations subject to the limit may not exceed the appropriations limit for the prior year adjusted for changes in the cost-of-living and city or county population.			

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Based on the City Manager's Proposed Budget for Fiscal Year 2010-2011, the Finance Department has calculated the City's 2010-2011 Appropriations Limit to be \$78,872,647. The appropriations subject to this limit are \$40,715,097, which is \$38,157,550 under the appropriations limit.

ATTACHMENTS:

1. Proposed Resolution
2. Exhibit A – Analysis of Effect of Appropriations Limit on Estimated Revenue
3. Exhibit B – Appropriations Limit
4. Schedule I – Analysis of Estimated Revenues

MOTION:

That the City Council:

Adopt a Resolution approving and adopting the annual Appropriations Limit for Fiscal Year 2010-2011.