

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 6/22/09		Item Number: <u>A-4</u>	
AGENDA ITEM: Adoption of a Resolution Approving and Adopting the Annual Appropriations Limit for Fiscal Year 2009-10.			
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: ☒
Public Notification: Notification published in the Culver City News on June 4, 2009 and June 11, 2009; Master E-Mail Notification List (06/17/09)			
Department Approval: Jeff Muir (06/15/09)		City Attorney Approval: Carol Schwab (by H. Baker) (06/17/09)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (06/17/09)		City Manager Approval: Mark Scott (06/17/09)	

RECOMMENDATION:

Staff recommends the City Council adopt a resolution approving and adopting the annual Appropriations Limit for Fiscal Year 2009-10.

BACKGROUND/DISCUSSION:

Proposition 4, approved by the voters on November 6, 1979, added Article XIIIB 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 XIIIB provided that Fiscal Year 1978-79 would be considered the "base year" used to calculate the appropriations limit. Article XIIIB was amended by the voters in 1990 through the approval of Proposition 111, which provided Fiscal Year 1986-1987 would become the "base year."

FISCAL ANALYSIS:

As mentioned, the base year for calculating the appropriations limit is Fiscal Year 1986-87. 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.

Based on the proposed 2009-10 budget, the Finance Department has calculated the City's 2009-10 Appropriations Limit to be \$80,103,161. The City's 2009-10

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appropriations from the proposed budget that are applicable to this limit are \$44,448,816, which is \$35,654,345 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 2009-10.