

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 6/10/13		Item Number: <u>C-1</u>	
AGENDA ITEM: Adoption of a Resolution Approving and Adopting the Annual Appropriations Limit for Fiscal Year 2013/2014.			
Contact Person/Dept.: Mary V. Noller, Budget & Accounting Operations		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 (06/05/13); Notification published in the Culver City News on May 30, 2013.			
Department Approval: Jeff Muir (06/03/13)		City Attorney Approval: Carol Schwab (by H. Baker) (06/03/13)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (06/05/13)		City Manager Approval: John M. Nachbar (06/05/13)	
<u>RECOMMENDATION:</u> Staff recommends the City Council adopt a resolution approving and adopting the Annual Appropriations Limit for Fiscal Year 2013/2014. <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/Executive Director's Proposed Budget for Fiscal Year 2013/2014, the Finance Department has calculated the City's 2013/2014 Appropriations Limit to be \$89,561,187. The City's 2013/2014 appropriations from the proposed budget that are applicable to this limit are \$62,379,840, which is \$27,181,347 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 2013/2014.