

**BOARD OF SUPERVISORS
COUNTY OF SIERRA
STATE OF CALIFORNIA**

RESOLUTION NO. _____

IN THE MATTER OF ESTABLISHING THE 2010-11 APPROPRIATION
LIMITATION FOR THE COUNTY OF SIERRA AND COUNTY SERVICE AREAS 2,
3, & SIERRA BROOKS 4A-5A

WHEREAS, the people of the State of California approved the addition of Article XIII B to the State Constitution; and

WHEREAS, said Article XIII B establishes limitations on government appropriations of proceeds of taxes; and

WHEREAS, said Article XIII B further defines the types of revenues that are to be classified as proceeds of taxes and establishes the 1978-79 fiscal year as the base year for computing the prescribed appropriations limitations; and

WHEREAS, both said Article XIII B and chapter 1205 Statutes of 1980 established the criteria for the computation of said limitations and prescribes that said limitations be adopted by resolution of the governing board of each entity subject to the limitation; and

WHEREAS, the County Auditor of the County of Sierra has applied the applicable computational factors to determine the proceeds of taxes appropriation limitation for the 2010-11 fiscal year.

NOW THEREFORE BE IT RESOLVED by the Board of Supervisors of the County of Sierra, State of California that:

1. The appropriation limitation for the 2010-11 fiscal year are as follows:

County of Sierra	\$5,456,192.46
County Service Area #2	\$ 235,834.94
County Service Area #3	\$ 58,100.66
County Service Area #4A-5A	\$ 619,025.52

2. Any revenues received from proceeds of taxes in excess of taxes of said appropriation limitation may be returned to the taxpayers within two years following the close of the fiscal year by a commensurate reduction in property tax levies or by some other method compatible with the intent of article XIII B. See calculations in attached exhibit A.

Adopted by the Board of Supervisors of the County of Sierra on the 17th day of September, 2010, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

APPROVED AS TO FORM:

COUNTY OF SIERRA

James A. Curtis
County Counsel

DAVE GOICOCHEA ,
Chairperson, Board of Supervisors

ATTEST:

Heather Foster
Clerk of the Board

**COUNTY OF SIERRA
STATE OF CALIFORNIA**

FISCAL YEAR 2010-11

**APPROPRIATIONS LIMIT
(Proposition 4)**

COUNTY-WIDE CALCULATION

Factor

Price Index Change (%)	(2.54)		
Population Change (%)	(0.51)		
Price index change converted to a Ratio		$\frac{(2.54) + 100}{100}$	= 0.9746
Population Change converted to a Ratio		$\frac{(0.51) + 100}{100}$	= 0.9949
Calculation of Factor for FY 08-09		0.97462x 0.9949	= 0.96962954

COUNTY GOVERNMENT

	2009-10		Factor		2010-11
Appropriations Limit	5,627,090	X	0.96962954	=	5,456,192.46

Total annual appropriations subject to limit

2009-10

2010-11

Secured Prop Tax	0010000	4001	3,002,758	2,857,044
Unsecured Prop Tax	0010000	4002	172,117	177,505
Prior Secured Prop Tax	0010000	4003	0	0
Prior Unsecured Prop Tax	0010000	4004	3,088	2,500
Supplemental Prop Tax	0010000	4005	15,045	20,000
Timber Yield Taxes	0010000	4007	2,423	0
Sales & Use Tax	0010000	4008	114,963	110,000
Property Transfer Tax	0010000	4010	31,385	15,000
Transient Occupancy Tax	0010000	4011	216,770	270,000
Other In Lieu	0010000	4230	1,259	0
Homeowners Prop Tax Relief	0010000	4055	37,037	38,000
CMSP Pass thru		0 0	0	135,920
	0	0 4407	0	0
Total Tax Revenue			<u>3,596,845</u>	<u>3,625,970</u>

Per DOF

**COUNTY OF SIERRA
STATE OF CALIFORNIA**

FISCAL YEAR 2010-11

**APPROPRIATIONS LIMIT
(Proposition 4)**

County Service Area 2: Fund 702

	2009-10		Factor		2010-11
Appropriations Limit	\$243,221.69	X	0.96962954	=	\$235,834.94

Tax Revenue Sources	2009-10		2010-11
4001 Current Secured Prop Tax	21,702		19,000
4002 Current Unsecured Prop Tax	1,105		1,008
4004 Prior Unsecured Prop Tax	20		15
4005 Supplemental Roll Prop Tax	86		100
4007 Timber Yield Taxes	85		0
4242 Homeowners Property Tax Relief	238		200
Total Tax Revenue	<u>\$23,237</u>		<u>\$20,323</u>

County Service Area 3: Fund 703

	2009-10		Factor		2010-11
Appropriations Limit	\$59,920.47	X	0.96962954	=	\$58,100.66

Tax Revenue Sources	2009-10		2010-11
4001 Current Secured Prop Tax	11,867		11,600
4002 Current Unsecured Prop Tax	724		690
4004 Prior Unsecured Prop Tax	13		10
4005 Supplemental Roll Prop Tax	56		100
4007 Timber Yield Taxes	53		1,550
4242 Homeowners Property Tax Relief	156		166
Total Tax Revenue	<u>\$12,869</u>		<u>\$14,116</u>

County Service Area 4A-5A: Fund 706

	2009-10		Factor		2010-11
Appropriations Limit	\$638,414.46	X	0.96962954	=	\$619,025.52

Tax Revenue Sources	2009-10		2010-11
4001 Current Secured Prop Tax	95,727		96,000
4002 Current Unsecured Prop Tax	5,727		5,860
4004 Prior Unsecured Prop Tax	103		50
4005 Supplemental Roll Prop Tax	446		1,800
4007 Timber Yield Taxes	0		0
4242 Homeowners Property Tax Relief	4,224		9,500
Total Tax Revenue	<u>\$106,226</u>		<u>\$113,210</u>

Note: See County-wide calculation on previous page for development of factors



May 2010

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, Section 2227, mandates the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2010, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2010-2011. Enclosure I provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2010-2011 appropriations limit. Enclosure II provides city and unincorporated county population percentage changes, and Enclosure IIA provides county's and incorporated area's summed population percentage changes. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. Consult the Revenue and Taxation Code, Section 2228 for further information regarding the appropriation limit. You can access the Code from the following website: "<http://www.leginfo.ca.gov/calaw.html>" check box: "Revenue and Taxation Code" and enter 2228 for the search term to learn more about the various population change factors available to special districts to calculate their appropriations limit. Article XIII B, Section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. Consult the following website: "http://www.leginfo.ca.gov/const/article_13B" for additional information. Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this issue should be referred to their respective county for clarification, or to their legal representation, or to the law itself. No State agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. Revenue and Taxation Code Section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2010.**

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost-of-living factor to compute their appropriation limit by a vote of their governing body. The cost-of-living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the 2010-2011 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2010-2011	-2.54

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2010-2011 appropriation limit.

2010-2011:

Per Capita Cost of Living Change = -2.54 percent
 Population Change = 1.03 percent

Per Capita Cost of Living converted to a ratio: $\frac{-2.54 + 100}{100} = .9746$

Population converted to a ratio: $\frac{1.03 + 100}{100} = 1.0103$

Calculation of factor for FY 2010-2011: $.9746 \times 1.0103 = .9846$

Enclosure II
Annual Percent Change in Population Minus Exclusions
January 1, 2009 to January 1, 2010 and Total Population, January 1, 2010

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total Population</u>
	2009-2010	1-1-09	1-1-10	1-1-2010
Sierra				
Loyalton	-0.84	832	825	825
Unincorporated	-0.40	2,488	2,478	2,478
County Total	-0.51	3,320	3,303	3,303

(*) Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.