

RESOLUTION NO. 2013-27

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
GRAND TERRACE, CALIFORNIA, ESTABLISHING THE
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2013-14**

WHEREAS, Article XIII B of the California Constitution and Section 7910 of the California Government Code require that each year the City of Grand Terrace shall by resolution, establish an Appropriations Limit for the fiscal year; and

WHEREAS, the City Council has prepared a Proposed Budget for Fiscal Year 2013-14, a copy of which is on file in the Office of the City Clerk and available for public inspection, and

WHEREAS, the said Proposed Budget contains the estimates of the services, activities and projects comprising the budget, and contains expenditure requirements and the resources available to the City; and

WHEREAS, the City's Finance Department has prepared calculations and documentation required for and to be used in the determination of certain matters and for the establishment of an Appropriations Limit for the City for Fiscal Year 2013-14 and such data and documentation has been available to the public for at least fifteen (15) days prior to the adoption of this Resolution; and

WHEREAS, the City Council has considered pertinent data such as price and population factors and made such determinations as may be required by law, and has adopted this Resolution as a regularly scheduled meeting of the City Council: and

WHEREAS, the Appropriations Limit for the City of Grand Terrace for Fiscal Year 2013-14 is hereby established at \$11,337,610 and the total annual appropriations subject to such limitation for Fiscal Year 2013-14 are determined to be \$2,490,010.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRAND TERRACE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. That \$11,337,610 is hereby established as the Appropriations Limit for the City of Grand Terrace for Fiscal Year 2013-14.
2. The City Council hereby adopts the findings and methods of calculation set forth in Exhibit A (Appropriations Limit Calculation) and Exhibit B (Proceeds of Tax Calculation).
3. The City of Grand Terrace reserves the right to revise the factors associated with the calculation of the limit established pursuant to Article XIII B of the California Constitution if such changes or revisions would result in a more advantageous Appropriations Limit in the future.

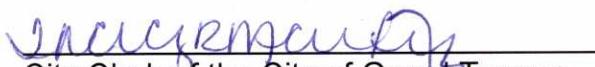
BE IT FURTHER RESOLVED that this Resolution shall take effect immediately up the date of its adoption.

PASSED, APPROVED AND ADOPTED by the City Council of Grand Terrace at a regular meeting held on the 25th day of June, 2013 by the following vote:



Mayor of the City of Grand Terrace
and the City Council thereof

ATTEST:



City Clerk of the City of Grand Terrace

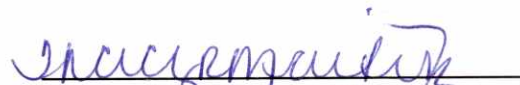
I TRACEY R. MARTINEZ, CITY CLERK of the City of Grand Terrace, California, do hereby certify that the foregoing Resolution was introduced and adopted at a regular meeting of the City Council of the City of Grand Terrace held on the 25th day of June, 2013, by the following vote:

AYES: Councilmembers Mitchell, Robles and McNaboe; Mayor Pro Tem Sandoval and Mayor Stanckiewtiz

NOES: None


ABSENT: None

ABSTAIN: None



Tracey R. Martinez, City Clerk

APPROVED AS TO FORM:



City Attorney

EXHIBIT A

CITY OF GRAND TERRACE
APPROPRIATIONS (GANN) LIMIT CALCULATION
FISCAL YEAR 2013-14

APPROPRIATIONS SUBJECT TO THE LIMIT

FY 2013-14 Total Revenue*	\$	7,412,462
Less Non-Proceeds of Tax		4,922,452
A) Total Appropriations Subject to the Limit	\$	2,490,010

APPROPRIATIONS LIMIT

B) FY 2012-13 Appropriations Limit		10,662,663
C) Change Factor**	% Increase	Factor
Cost of Living Adjustment	5.12	1.0512
Population Adjustment	1.15	1.0115
Change Factor (1.0512 x 1.0115)		1.0633
D) Increase (decrease) in Appropriations Limit	\$	674,947
E) FY 2012-13 Appropriations Limit (B x C)	\$	11,337,610

REMAINING APPROPRIATIONS CAPACITY (E-A)

\$ 8,847,599

Remaining Capacity as Percent of the FY 2013-14
Appropriations Limit

78.04%

*Revenues are based on FY 2013-14 Proposed Budget (all City funds excluding Successor Agency).

** State Department of Finance

Percent of Change in California Per Capita Income

Percent of Change in City of Grand Terrace Population

EXHIBIT B

**CITY OF GRAND TERRACE
APPROPRIATIONS (GANN) LIMIT
PROCEEDS OF TAX CALCULATION
FISCAL YEAR 2013-14**

REVENUE SOURCE	BUDGETED PROCEEDS OF TAX	BUDGETED NON-PROCEEDS OF TAX	TOTAL REVENUE
TAXES			
Property Tax (1)	\$ 1,348,944		\$ 1,348,944
Sales Tax (2)	1,039,703		1,039,703
Business License Tax	93,300		93,300
FEES			
Franchise Fees		\$ 487,700	487,700
Building Fees		84,100	84,100
Planning Fees		15,900	15,900
Other Permits/Fees		185,200	185,200
Residual Receipts Agreement		-	-
Intergovernmental		25,500	25,500
Use of Property/Other		18,500	18,500
Child Care Fees		1,113,360	1,113,360
Waste Water Disposal Fees		1,540,100	1,540,100
Gas Tax/Highway User Fees		419,190	419,190
Measure "I" Transportation		102,510	102,510
SLESF (AB 3229 COPS)		100,000	100,000
CDBG		40,000	40,000
Other		74,725	74,725
OPERATING BUDGET SUBTOTAL	\$ 2,481,947	\$ 4,206,785	\$ 6,688,732
% of Total	37.11%	62.89%	100.00%
Interest Allocation (3)	8,063	13,667	21,730
CAPITAL PROJECT FUNDING			
Gas Tax/Measure "I"/Transfers		312,000	312,000
State Grants		390,000	390,000
Bond Proceeds		-	-
CAPITAL PROJECT SUBTOTAL	\$ -	\$ 702,000	\$ 702,000
TOTAL	\$ 2,490,010	\$ 4,922,452	\$ 7,412,462

Revenues are based on FY 2013-14 Proposed Budget (all City funds excluding Successor Agency).

Notes:

- (1) Includes Property Tax In-Lieu of Vehicle License Fees
- (2) Includes Property Tax In-Lieu of Sales Tax
- (3) Based on percentage of Tax/Non-Tax Proceeds



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

EXHIBIT C

EDMUND G. BROWN JR. - GOVERNOR

STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 2013

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, mandates the Department of 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, 2013, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2013-14. Attachment A 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 2013-14 appropriations limit. Attachment B provides city and unincorporated county population percentage change. Attachment C provides population percentage change for counties and their summed incorporated areas. 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 appropriations limit. Article XIII B, section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website:

<http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

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, 2013.**

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.

ANA J. MATOSANTOS

Director

By:

MICHAEL COHEN

Chief Deputy Director

Attachment

- 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 fiscal year 2013-14 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2013-14	5.12

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2013-14 appropriation limit.

2013-14:

Per Capita Cost of Living Change = 5.12 percent
Population Change = 0.79 percent

Per Capita Cost of Living converted to a ratio: $\frac{5.12 + 100}{100} = 1.0512$

Population converted to a ratio: $\frac{0.79 + 100}{100} = 1.0079$

Calculation of factor for FY 2013-14: $1.0512 \times 1.0079 = 1.0595$

Fiscal Year 2013-14

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2012 to January 1, 2013 and Total Population, January 1, 2013

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total Population</u>
	2012-2013	1-1-12	1-1-13	1-1-2013
San Bernardino				
Adelanto	0.97	30,989	31,289	31,289
Apple Valley	0.78	69,888	70,436	70,436
Barstow	0.85	22,582	22,773	23,168
Big Bear Lake	0.65	5,078	5,111	5,111
Chino	1.78	71,999	73,277	79,873
Chino Hills	0.71	75,497	76,033	76,033
Colton	0.71	52,581	52,956	52,956
Fontana	0.75	199,482	200,974	200,974
Grand Terrace	1.15	12,131	12,270	12,270
Hesperia	0.61	90,844	91,400	91,400
Highland	0.70	53,553	53,926	53,926
Loma Linda	0.59	23,278	23,416	23,476
Montclair	0.61	37,086	37,311	37,311
Needles	0.57	4,884	4,912	4,912
Ontario	0.65	165,790	166,866	166,866
Rancho Cucamonga	1.13	169,152	171,058	171,058
Redlands	0.66	69,358	69,813	69,813
Rialto	0.87	100,397	101,275	101,275
San Bernardino	0.71	209,567	211,056	212,639
Twentynine Palms	2.46	16,930	17,347	26,084
Upland	0.66	74,414	74,907	74,907
Victorville	1.62	113,461	115,296	120,368
Yucaipa	1.07	51,992	52,549	52,549
Yucca Valley	0.75	20,873	21,030	21,030
Unincorporated	0.65	285,479	287,336	296,550
County Total	0.85	2,027,285	2,044,617	2,076,274

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