

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
SUBJECT: APPROPRIATIONS LIMIT 2013/14 FISCAL YEAR  
STAFF PRESENTER: ROBERT HAMUD, PRINCIPAL FINANCIAL ANALYST  
FINANCE DEPARTMENT

AGENDA ACTION: RESOLUTION

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ISSUE(S)

Should the City Council, under the provisions of Article XIII B of the California Constitution adopt a resolution establishing the appropriation limit for the City of Santa Rosa for the fiscal year 2013/14 at \$213,694,000?

BACKGROUND

1. Article XIII B of the California Constitution and related implementing legislation provide for an annual "appropriations limit" for each entity of local government and require the governing body of each local jurisdiction to establish its appropriation limit by resolution each year.
2. The appropriations limit does not apply to the entire City budget but only to the appropriation of "proceeds of taxes" in the City's "general government" type funds.
3. From 1980/81 to 1989/90, each year's appropriation limit was based on the previous year's limit, multiplied by the percentage change in population and the percentage change in the United States Consumer Price Index or the change in California per capita income, whichever was less.
4. Proposition 111, which was approved by the voters June 1990, amended the factors used in the calculation of each year's limit. The factors to be used now are:
  - a. Price Factor - At the City's option, either the change in California per capita income or increase in non-residential assessed valuation due to new construction.
  - b. Population Factor - At the City's option, either the annual change in City or County population.

## ANALYSIS

1. Annually, the State of California, Department of Finance provides inflation and population factors to be used in the calculation of the limit.
2. The factors to be used in calculation of the 2013/14 limit are as follows:
  - a. Price Factor (percentage change in California per capita personal income): 1.0512.
  - b. Population Factor (percentage change in Santa Rosa population): 1.0061.
3. The calculated appropriations limit for 2013/14 is \$213,694,000 (2012/13 limit multiplied by price and population factors converted to ratios). The appropriations that will be subject to the limit total are approximately \$102,804,000. With appropriations subject to the limitation totaling approximately \$110,890,000 less than the appropriation limit, the City of Santa Rosa is not at risk of exceeding the limit.

## RECOMMENDATION

It is recommended by the Finance Department that the Council, by Resolution, adopts the Article XIII B appropriation limit for the City of Santa Rosa at \$213,694,000 for the 2013/14 fiscal year. It is also recommended that the Council, by the same resolution, approve the use of the inflation and population factors used in the calculation of the limit for the 2013/14 fiscal year.

Author: Robert Hamud, x3704

Attachments:

- Article XIII B Appropriations Limit Calculation, FY 2013/14
- Appropriations Subject to Limitation

**City Of Santa Rosa**  
**Article XIII B Appropriations Limit Calculation**  
**FY 2013/14**

1. 2012/13 Appropriations Limit	\$ 202,056,000
2. 2013/14 Price Factor (Percentage change in California per capita personal income)	1.0512
3. 2013/14 Population Factor (Percentage change in Santa Rosa population)	1.0061
4. Combined Factor 1.0512 x 1.0061	1.0576
5. Calculation of 2013/14 Appropriations Limit (2012/13 limit multiplied by combined factor, rounded to the nearest thousand)	\$ 213,694,000

**APPROPRIATIONS SUBJECT TO LIMITATION**  
**(All amounts in Thousands of Dollars)**

1. Proceeds Of Taxes (From Worksheet #2)	102,804
2. User Fees and Charges In Excess Of Costs (From Worksheet #1)	<u>0</u>
3. Appropriations Subject To Limitation (Line 1 + Line 2)	102,804
4. 2013/14 Appropriations Limit (From Other Worksheets)	<u>213,694</u>
5. (Over)/Under Limit (Line 4 - Line 3)	110,890

**Annual Appropriations Subject to Limitation for 2013/14**

The appropriation limit does not apply to the entire City budget but only to the appropriation of "proceeds of taxes" in the City's "general government" type funds.

**CALCULATION OF PROCEEDS OF TAXES**

WORKSHEET #2

(in \$000's)

		Proceeds Of Taxes	Non-Proceeds Of Taxes	102,804 Allocate	Total
<b>General Fund:</b>					
Total Taxes	41XX	97,596			
Less Franchise Tax	416X	(7,453)	7,453		
Total Licenses & Permits	42XX		1,580		
Total Fines & Forfeits	43XX		1,775		
Total Intergovernmental Revenue	44XX		1,748		
Property Rentals	4511		132		
Interest On Pooled Investments	4521			65	
Interest On Redevelopment Loan	4522		0		
Interest-Unallocated	4523	16			
Interest Earned On PERS	4525		0		
Total Charges For Services	46XX		5,098		
Total Interfund Charges	47XX		11,974		
Total Miscellaneous Revenue	48XX		1,733		
Total Other Revenue	49XX		3,880		
<b>Total General Fund w/o Allocation</b>		<b>90,159</b>	<b>35,372</b>	<b>65</b>	<b>125,596</b>
Allocation Calculation:					
% Of Total		72%	28%		
Allocation		47	18	65	65
<b>Total General Fund w/Allocation</b>		<b>90,206</b>	<b>35,391</b>		<b>125,596</b>

Staff Report Attachment

**CALCULATION OF PROCEEDS OF TAXES**

WORKSHEET #2  
(in \$000's)

	Proceeds Of Taxes	Non-Proceeds Of Taxes	102,804 Allocate	Total
<b>Special Revenue, Debt Svc, &amp; CIP Funds:</b>				
Measure M	1202	986		
Citywide Public Services Special Tax	1203	102		
Art In-lieu	1204	123		
Measure O - Police	1205	3,006		
Measure O - Fire	1206	3,006		
Measure O - Recreation	1207	1,503		
Administrative Hearing Fund	1208		253	
Homeless Shelter Operations	1209		195	
Hazard Elimination Systems Fund	1213		-	
EPA Brownfields Grant	1214		-	
Federal ISTEPA Fund	1216		-	
American Recovery & Reinvestment Act (ARRA)	1218		-	
FTA Capital Fund	1219		-	
Traffic Safety Fund	1221		400	
Gas Tax Fund 2107	1222	1,018		
Gas Tax Fund 2106	1223	504		
State Transit Assistance	1226		-	
Gas Tax Fund	1228	1,653		
Grants Fund	1231		-	
Redevelopment Contribution Fund	1232		-	
SCWA - Zone 1A	1235		-	
Environmental Crimes Investigation	1236		-	
Supplemental Law Enforcement	1237		100	
Traffic Congestion Relief Fund	1238		-	
Library Improvement Fund	1239		-	
Capital Facilities Fee Fund	1240		400	
PFIF-Local	1241		-	
PFIF-State & Federal	1242		-	
Traffic Signal Fee Fund	1243		-	
Street Light Fee Fund	1244		-	
Burbank Home & Gardens Fund	1245		-	
Park Acq & Dev Fund-Zone 1	1246		60	
Park Acq & Dev Fund-Zone 2	1247		30	
Park Acq & Dev Fund-Zone 3	1248		15	
Park Acq & Dev Fund-Zone 4	1249		29	
Gas Tax Fund 2105	1251	697		
AB 434 Funds (Public Works)	1253		-	
AB 434 Funds (Transit)	1254		229	
State Narcotics Asset Forfeiture Fund	1257		25	
Neighborhood Revitalization Program	1259		-	
Change for Kids Fund	1260		27	
Mobilehome Rent Stabilization Fund	1262		83	
Southeast Area Plan Recovery Fee Fund	1263		-	
Southwest Area Plan Recovery Fee Fund	1264		-	
Southwest Area Development Impact Fees Fund	1265		250	
Southeast Area Development Impact Fee Fund	1266		250	
Prop 1B-Local Streets and Roads Improve	1267		-	
Transit Prop 1B PTMISEA	1270		-	
Economic Development Fund	1286		725	
Downtown BIA Fund	1287		-	
Prop 1B OSH Transit Fund	1288		-	
Measure M- Reimbursement/Billable (effective 1/1/13)	1289	-	-	
Open Space Grant	1297		-	
Pension Obligation Refunding Bonds	1310		-	
2003A Pension Obligation Refunding Bonds	1311		1,468	
2003B Pension Obligation Ref. Bonds (Fixed)	1312		2,412	
Capital Improvement Fund	1410		-	
<b>Transfers In:</b>			3,295	
Appropriations To Reserves:		-	-	
<b>GRAND TOTAL</b>	<b>102,804</b>	<b>45,637</b>		<b>148,440</b>

**USER FEES VS COSTS**

(WORKSHEET #1)  
(in \$000's)

If revenue fees exceed costs borne then need to reduce appropriation limit. If vice-versa no impact. Based on below calculations the appropriation limit does not need to be adjusted for FY 2013/14.

Source: Expenditure Report and Revenue Report.

	Charge #/ Revenue #	Costs Borne	Fee Revenue	User Fees In Excess 102,804
<b>Zoning/Planning:</b>				
Community Development	1100-0800	3,991		
Administrative Hearing Fund	1208-0800	287		
Building Division Permit Fees	1100-4220		1,300	
Planning Fees	1100-4603		651	
Building Plan Review Fees	1100-4604		700	
Energy Plan Review Fees	1100-4605		-	
Mechanical Permit Fee	1100-4624		80	
Electrical Permit Fee	1100-4625		100	
Plumbing Permit Fee	1100-4626		80	
Technology Replacement Fee	1100-4802		28	
Advance Planning Fee	1100-4808		114	
Codes and Maps	1100-4832		6	
Cost Reimbursement - Assessment Districts	1100-4865		40	
Cost Reimbursement - CD EIRs	1100-4870		100	
Administrative Hearing Fund	1208-4860		-	
<b>Total Zoning/Planning</b>		<b>4,278</b>	<b>3,199</b>	<b>(1,079)</b>
<b>Public Safety:</b>				
Fire	1100-0600	29,498		
Police	1100-1700	42,307		
CIP-Fire	1410-0600	811		
CIP-Police	1410-1700	-		
Grants-Police	1210-1700	-		
Admin Hearing - Fire	1208-0600	10		
Environ Crimes Investigation- Fire	1236-0600	10		
Federal police grants	1100-4411		70	
State police grants	1100-4421		-	
State POST grant	1100-4424		-	
State grant	1100-4426		213	
COPS-Brulte grant	1237-4432		-	
Alarm System Fees	1100-4601		247	
Fire FIRS Permit Program	1100-4602		461	
Fire Training Facility Revenue	1100-4607		-	
Fire Engineering Dev. Program	1100-4609		500	
Training Tower Use Contracts	1100-4610		60	
Safety Services	1100-4611		43	
Fire Weed & Fuel Mgmt Prg	1100-4612		93	
Hazardous Material Response Fees	1100-4614		-	
Fire CUPA Program	1100-4615		779	
Fire False Alarm Program	1100-4862		65	
Cost Reimbursement - AMR	1100-4866		425	
<b>Total Public Safety</b>		<b>72,636</b>	<b>2,956</b>	<b>(69,680)</b>

**USER FEES VS COSTS**

(WORKSHEET #1)  
(in \$000's)

If revenue fees exceed costs borne then need to reduce appropriation limit. If vice-versa no impact. Based on below calculations the appropriation limit does not need to be adjusted for FY 2013/14.

Source: Expenditure Report and Revenue Report.

	Charge #/ Revenue #	Costs Borne	Fee Revenue	User Fees In Excess 102,804
<b>Public Works:</b>				
Public Works	1100-1000	12,036		
Street Light Fee Fund	1244-1000	-		
CIP (Transportation)	1410-1000	10,043		
Encroachment Permits	1100-4230		269	
Transportation Permits	1100-4240		11	
Engineering and Inspection Fees	1100-4608		255	
Public Improvement Inspection Fees	1100-4677		236	
Plans, Specs, and Codes - PW	1100-4831		8	
Cost Reimbursement - PW Donations	1100-4868		-	
Capital Facilities Fee	1240-4622		400	
PFIF-Local	1241-4690		-	
PFIF-State & Federal	1242-4690		-	
Traffic Signal Fee	1243-4690		-	
Street Light Fee	1244-4690		-	
<b>Total Public Works</b>		<b>22,079</b>	<b>1,179</b>	<b>(20,900)</b>
<b>Recreation, Parks &amp; Community Services:</b>				
Recreation & Parks	1100-0900	14,783		
Art In-Lieu	1204-0900	145		
Change for Kids Program	1260-0900	72		
CIP (Rec & Parks)	1410-0900	2,230		
Other Revenues	1100-49XX		3,857	
Art In-Lieu	1204-4818		123	
Park Acq Fee Zone #1	1246-4813		60	
Park Acq Fee Zone #2	1247-4814		30	
Park Acq Fee Zone #3	1248-4815		15	
Park Acq Fee Zone #4	1249-4816		29	
Change for Kids Program	1260-4464		27	
<b>Total Recreation, Parks &amp; Community Services:</b>		<b>17,230</b>	<b>4,141</b>	<b>(13,089)</b>
<b>General Government:</b>				
City Council	1100-0100	694		
City Manager	1100-0200	1,837		
City Attorney	1100-0300	2,123		
Human Resources	1100-0400	1,618		
Finance	1100-0500	8,857		
Non-Departmental	1100-2000	5,044		
Business Tax Processing Fee	1100-4678		172	
Revenue Division Admin Fees	1100-4684		25	
Miscellaneous Fees & Charges	1100-4690		269	
Interfund Charges	1100-4710		6,826	
Interfund Charges - PW	1100-4715		40	
Interfund Charges-Utility Billing	1100-4750		3,489	
Cost Reimbursement	1100-4860		429	
<b>Total General Government</b>		<b>20,173</b>	<b>11,250</b>	<b>(8,923)</b>
				<b>(113,671)</b>



**City of Santa Rosa  
General Fund Revenue Detail  
2013/14**

<b>Revenue Type</b>	<b>FY 2013-14 Budget</b>
Real and Secured Property Tax	18,851,968
Unsecured Personal Property Tax	813,474
Penalties and Interest	5,901
Supplemental Property Tax	190,367
RPTTF	\$ 873,000
State Subvention - Property Tax Exemptions	197,873
Sales Tax	30,458,122
Sales Tax - Prop 172	829,950
Sales Tax - Measure P	7,515,000
Use Tax - P G & E	5,916,000
Use Tax - Telephone	1,783,387
Use Tax - Cable TV	1,412,460
Use Tax - Other Gas & Electric	405,517
Franchise Fee - P.G. & E.	1,157,482
Franchise Fee - Cable TV	1,922,655
Franchise Fee - Disposal	4,212,162
Franchise Fee - Construction & Demolition Debris H	106,150
Franchise Fee - Towing	54,775
Trailer Coach, Aircraft, Misc Fees	9,925
Lobbyist Registration Fees	1,169
Motor Vehicle License Fees	10,555,629
Business Tax	3,888,813
Real Property Transfer Tax	2,366,837
Occupancy Tax	4,066,916
<b>Total Taxes</b>	<b>97,595,532</b>
Building Division Permit Fees	1,300,484
Encroachment Permits	268,951
Transportation Permits	10,568
<b>Total Licenses and Permits</b>	<b>1,580,003</b>
Municipal Court Fines - Civil Code	\$ 64,921
Municipal Court Fines - Vehicle Code	\$ 269,815
Parking Violations - Bail	\$ 994,587
Vehicle Impound Fees	\$ 92,388
Abandoned Vehicle Abatement Fee	\$ 182,750
Alcohol Sales Permit Fees	\$ 170,511
<b>Total Fines and Forfeits</b>	<b>\$ 1,774,972</b>
Federal Grants	\$ 70,106
State Revenues	\$ -
State POST	\$ -
State Grants	\$ 213,406
Intergovernmental Revenue - County Govt - Other	\$ 87,500
Intergovernmental Revenue - Other Cities - Rohnert	\$ -
Intergovernmental Revenue - Other Cities - Windsor	\$ -
Intergovernmental Revenue - Other Cities - Cotati	\$ -
Intergovernmental Revenue - Other Cities - Petaluma	\$ 37,537
Intergovernmental Revenue - Other Cities - Other	\$ -
Intergovernmental Revenue - Other Govt Agencies	\$ 430,890
Intergovernmental Revenue - Santa Rosa Junior Co	\$ -
Intergovernmental Revenue - REDCOM	\$ -
Contributions - From Private Parties - Others	\$ 908,556
Fire Prevention Public Education Contributions	\$ -
<b>Total Intergovernmental Revenue</b>	<b>\$ 1,747,995</b>

**City of Santa Rosa  
General Fund Revenue Detail  
2013/14**

<b>Revenue Type</b>	<b>FY 2013-14 Budget</b>
Property Rentals	\$ 131,500
Rent- Triple Net Lease Portion	\$ 12,624
Rent- Stony Point Rd Properties	\$ -
Interest on Pooled Investments	\$ 65,280
Interest on Redevelopment Loan	\$ -
Interest - Unallocated	\$ 16,320
Unrealized Gain/Loss on Investments	\$ -
Alarm Systems Fees	\$ 247,281
Fire FIRS Permit Program	\$ 460,958
Planning Fees	\$ 651,011
Building Plan Review Fees	\$ 700,000
Engineering Fees	\$ 255,191
Fire Engineering Development Program	\$ 500,000
Training Tower Use Contracts	\$ 60,364
Safety Services	\$ 43,040
Fire Weed and Fuel Management Program	\$ 93,289
Fire CUPA Program	\$ 779,239
Booking Fees Reimbursement	\$ -
CUPA Fees	\$ 242,100
Mechanical Permit Fee	\$ 80,000
Electrical Permit Fee	\$ 100,000
Plumbing Permit Fee	\$ 80,000
Medical Cannabis Dispensary Permit	\$ 6,585
Public Improvement Inspection Fees	\$ 236,017
Business Tax Compliance Review Fee	\$ 172,136
Revenue Division Administrative Fees	\$ 24,804
Fire-Technology /Micrographics Fee	\$ 76,826
Roseland Fire Fees	\$ 20,444
Miscellaneous Fees and Charges	\$ 269,000
<b>Total Charges for Services</b>	<b>\$ 5,098,285</b>
Interfund Charges	\$ 6,826,340
Interfund Charges - Public Works	\$ 40,000
Interfund Charges- Engineering	\$ 1,618,286
Interfund Charges - Utility Billing	\$ 3,488,966
Interfund Charges - Materials Lab	\$ -
<b>Total Interfund Charges</b>	<b>\$ 11,973,592</b>
Technology Replacement Fee- CD	\$ 28,451
Advance Planning Fees- CD	\$ 114,360
Invoice Penalties and/or Interest	\$ -
Property Damage	\$ 142,714
Sale of Property and Equipment	\$ 52,600
Miscellaneous Sales	\$ 36,900
Plans, Specifications and Codes - Public Works	\$ 7,832
Codes and Maps - Community Development	\$ 6,438
Bad Debts Recovered	\$ 5,260
Cash Overage or Shortage	\$ -
Miscellaneous	\$ 166,589
Cost Reimbursement	\$ 429,216
Fire False Alarm Program	\$ 64,560
Fire Suppression- Restitution	\$ 69,940
Cost Reimbursement-Rec & Parks Trust	\$ -
Cost Reimbursement-Assessment Districts	\$ 40,000
Fire Reimbursement - American Medical Response	\$ 425,020
Human Resources Training	\$ -
Cost Reimbursement - Public Works Donations	\$ -
Cost Reimbursement - Community Development EII	\$ 100,000
Cost Reimbursement - HazMat Response	\$ 32,280
Cost Reimbursement - CD Engineering Plan Check	\$ -
Fire- JAC Training	\$ 10,760
<b>Total Miscellaneous Fees</b>	<b>\$ 1,732,920</b>

**City of Santa Rosa  
General Fund Revenue Detail  
2013/14**

Revenue Type	FY 2013-14 Budget
Lighting Rebates	\$ 23,144
DeTurk Round Barn Rentals	\$ 60,000
Art Program	\$ -
Tennis	\$ 28,000
Drama	\$ -
Church of One Tree Rentals	\$ 30,000
Group Picnic	\$ 62,000
Playgrounds	\$ -
Youth Sports	\$ 62,000
Sports Fees	\$ 167,684
Field Rentals	\$ 59,052
After School Fee Based Classes	\$ 215,000
Neighborhood Services Grant Programs	\$ -
Special Populations Revenue	\$ 3,300
Community Promotions / Publicity Revenue	\$ 15,500
Steele Lane Rentals	\$ 107,000
Finley Center Programs	\$ 369,061
Steele Lane Programs	\$ 81,553
Finley Center Rentals	\$ 230,000
Finley Swim Operations / Rentals	\$ 52,000
Ridgway Swim Operations / Rentals	\$ 200,000
Finley Aquatics Concession	\$ 25,000
Ridgway Aquatics Concession	\$ 25,000
Place to Play	\$ 2,000
Ridgway Swim Programs	\$ 307,473
Howarth Park Programs	\$ 413,186
Day Camp	\$ 383,786
Clubhouse Rentals	\$ 12,200
Finley Swim Programs	\$ 573,000
Senior Center Programs	\$ 90,000
Howarth Park Concessions - Non-taxable	\$ 60,000
School Park Maintenance Fees	\$ -
Park Vending Revenue	\$ 2,500
Senior Center Rentals	\$ 80,000
Howarth Park Rentals	\$ 1,026
Tennis Court Rentals	\$ 1,500
Tennis Court Concessions	\$ 4,000
Rosie Rentals	\$ 17,000
Prince Greenway Revenues	\$ -
Park Events	\$ 12,000
Finley Senior Center Rentals	\$ 35,000
Finley Senior Programming	\$ 70,000
<b>Total Other Revenue</b>	<b>\$ 3,879,965</b>
<b>Total General Fund Revenue</b>	<b>\$ 125,608,988</b>