

RESOLUTION NUMBER 2018-03

**A RESOLUTION OF THE SOLANO COUNTY WATER AGENCY REVISING THE
APPROPRIATIONS LIMIT CALCULATION FOR FISCAL YEAR 2004-2005
THROUGH FISCAL YEAR 2017-18**

WHEREAS, on November 6, 1979 the people of California added Article XIII-B to the State Constitution, placing various limitations – Appropriations Limit - on State and local government appropriations; and

WHEREAS, on June 5, 1990 the people of California amended Article XIII-B of the State Constitution and California Government Code sections 7900, *et seq.* to include additional guidance regarding the calculation of an Appropriations Limit, and to require local governments to adopt a resolution setting their respective annual Appropriations Limit; and

WHEREAS, the Appropriations Limit is required to be established each fiscal year and may be amended in subsequent years to make corrections; and

WHEREAS, The Agency's consultants, RGS, have determined the Agency, by using incorrect annual growth factors, incorrectly calculated the annual Appropriations Limit for each fiscal year since FY 2004-05; and

WHEREAS, The Agency has made the necessary corrections to the Appropriations Limits previously reported for FY 2004-05 through FY 2017-18.

NOW, THEREFORE, the Board of the Solano County Water Agency does hereby resolve as follows:

In accordance with Article XIII B of the California Constitution and Government Code sections 7900 et seq., the revised Appropriations Limits from FY 2004-05 through FY 2017-18 are as set forth in Exhibit A, attached hereto, and;

The annual adjustment growth factors to recalculate the Fiscal Year 2017-18 Appropriations Limit of \$14,720,779 shall be the change by the Statewide per capita personal income percentage and State Department of Finance estimated change in County population as shown in Exhibit B, attached hereto.

I, ROLAND SANFORD, General Manager and Secretary to the Board of Directors of the Solano County Water Agency, do hereby certify that the foregoing resolution was regularly introduced, passed and adopted by said Board of Directors, at a regular meeting thereof held on the 12th day of July 2018, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Roland Sanford
General Manager & Secretary to the
Solano County Water Agency

Attachment: **Exhibit A** – Annual Appropriations Limit Calculation Summary for Fiscal Year 2004-05 through Fiscal Year 2017-18
Exhibit B – Appropriations Limit Calculation Summary for FY 2017-18

Solano County Water Agency
APPROPRIATIONS LIMIT CALCULATION SUMMARY
For Fiscal Year 2004-05 through Fiscal Year 2017-18

Exhibit A

**Appropriation Growth Factors -
Population & Cost of Living**

Fiscal Year	Change Cost of Living Indices [1]		Population	Growth Factor	Prior Year Limit	REVISED Current Year Appropriations Limit [5]	Prior Period Adjustments to Annual Appropriations Limit from FY 04/05 to FY	
Appropriation Limit Fiscal Year	Per Capita Personal Income (PCPI) [2]	Annual Non-Residential Assessed Valuation Growth to Total Growth [3]	Solano County [4]	Allowed Annual Percent Growth in Appropriations Limit			As Originally Adopted	Change from Adopted to Revised
	Apply Highest Factor			[Highest Cost of Living times Population]	Growth Factor times Prior Year Limit			
03/04 [6]						\$ 8,187,592	\$ 8,187,592	\$ -
04/05	3.280	NA	1.120	1.044370	\$ 8,187,592	\$ 8,550,875	\$ 8,550,854	\$ 21
05/06	5.260	4.8300	1.320	1.066490	\$ 8,550,875	\$ 9,119,423	\$ 9,117,437	\$ 1,986
06/07	3.960	3.6500	1.150	1.051560	\$ 9,119,423	\$ 9,589,621	\$ 9,587,897	\$ 1,724
07/08	4.420	5.2700	1.190	1.065230	\$ 9,589,621	\$ 10,215,152	\$ 10,130,572	\$ 84,580
08/09	4.290	0.1100	0.620	1.049370	\$ 10,215,152	\$ 10,719,474	\$ 10,631,022	\$ 88,452
09/10	0.620	(2.6200)	0.940	1.015660	\$ 10,719,474	\$ 10,887,341	\$ 10,797,485	\$ 89,856
10/11	(2.540)	(0.0500)	0.760	1.007100	\$ 10,887,341	\$ 10,964,641	\$ 10,797,485	\$ 167,156
11/12	2.510	(0.0900)	0.220	1.027360	\$ 10,964,641	\$ 11,264,633	\$ 10,913,624	\$ 351,009
12/13	3.770	(0.0300)	0.230	1.040090	\$ 11,264,633	\$ 11,716,232	\$ 11,351,115	\$ 365,117
13/14	5.120	(0.0100)	0.780	1.059400	\$ 11,716,232	\$ 12,412,177	\$ 12,025,360	\$ 386,817
14/15	(0.230)	0.0100	1.020	1.010300	\$ 12,412,177	\$ 12,540,022	\$ 13,209,858	\$ (669,836)
15/16	3.820	0.0100	1.170	1.050350	\$ 12,540,022	\$ 13,171,412	\$ 13,874,314	\$ (702,902)
16/17	5.370	0.0500	1.080	1.065080	\$ 13,171,412	\$ 14,028,608	\$ 14,777,254	\$ (748,646)
17/18	3.690	0.0608	1.200	1.049340	\$ 14,028,608	\$ 14,720,779	\$ 15,508,554	\$ (787,775)

[1] From State Department of Finance per Article XIII B of the California Constitution every May 1st for following Fiscal Year Appropriations Calculation. A 1991 amendment to Article XIII-B dropped use of the Consumer Price Index (CPI) and allowed for revising limit with Per Capita Personal Income (PCPI) or Growth in non-residential assessed valuation multiplied by the higher of City or County population growth factors back to FY 87-88. The Agency may selection by resolution the growth factors to be used to calculate the annual Appropriations Limit. The shaded area indicate the highest factor used in calculation for the individual Fiscal Year.

[2] Per Capita Personal Income (PCPI) - California 4th Quarter - Calculated by State Department of Finance

[3] Determination of the annual growth in non-residential assessed valuation is calculated by the Solano County Auditor-Controller's Office for the County Appropriation Limit and released in August of each year and is applied to the following fiscal year for the appropriations limit calculation purposes. The SCWA jurisdiction is the entire county and the growth in the entire county assessed valuation is applicable. See worksheet 6.1 for details.

[4] Population changes are from the State Department of Finance Demographic unit and updated as of January of each year. The Countywide population growth is applicable to the Agency.

[5] Current Year Appropriations Limit has been adjusted due to prior year incorrect calculations in multiple years and application of non-residential assessed valuation change, as appropriate.

[6] Prior to FY 04-05 Solano County Auditor-Controller's Office calculated the Appropriations Limit for the Solano County Water Agency and only provided the PCPI growth factor.

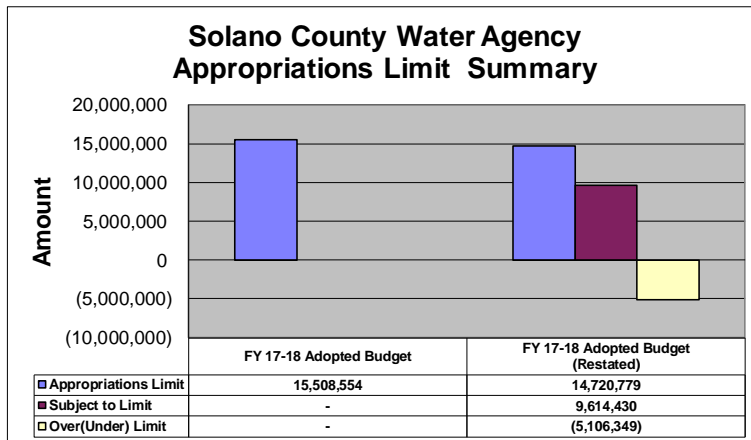
Solano County Water Agency

Appropriations Limit Calculation Summary

Fiscal Year 2017-18 Adopted Budget (Revised)

Exhibit B

Prior Year Revised Appropriation Limit ^[4]	\$ 14,028,608
Allowed Compounded Percentage Increase from Prior Year ^[1]	
Statewide Per Capita Personal Income	3.690%
County Population Growth From State Dept of Finance	1.200%
Compounded Percentage as an Adjustment Factor	4.934%
Growth Factor Adjustment Amount to Appropriation Limit	692,172
Current Year Appropriation Limit From Growth Factors	14,720,779
Annual Other Adjustments to Limit ^[1]	-
Current Year Appropriations Limit	14,720,779
Current Year Adopted Budget Appropriations From Proceeds of Taxes ^[2]	
Proceeds of Taxes From Adopted Budget ^[3]	23,359,216
Less Allowable Exclusion of Certain Appropriations ^[3]	(13,744,786)
Current Year Appropriations Subject to Appropriation Limit	9,614,430
Current Year Appropriations Over or (Under) the Appropriation Limit	\$ (5,106,349)
Percentage Over or (Under) the Limit	-35%



(1) Article XIIb allowed annual adjustments to the Appropriations Limit after calculation of annual growth factors

(2) Proceeds of Taxes are certain revenues as defined by State Law and League of California Cities Article XIIb Appropriations Limit Uniform Guidelines. See Worksheets for details.

(3) Summary of worksheets for above calculations of Appropriations Limit and Appropriations Subject to Limit.

Summary of Appropriations From Proceeds of Taxes	From Non Proceeds of Taxes	From Proceeds of Taxes	Total Appropriations
Admin-Solano Project-Watermaster	7,235,315	8,921,422	16,156,737
State Water Project	2,621,997	13,044,104	15,666,101
Ulatis Flood Control	21,742	1,263,984	1,285,726
Green Valley Flood Control	-	129,707	129,707
Total Proceeds and Non Proceeds of Taxes	9,879,055	23,359,216	33,238,271
Summary of Exclusions			
Court Order Costs	2,196,040		
Federal Mandates	125,701		
Qualified Capital Outlay Over \$100,000 and 10+ year life	-		
Qualified Debt Service	11,423,045		
Total Exclusions to Appropriations Subject to Limit	13,744,786		

(4) Adjustments to prior year calculation of Appropriations Limit due use of appropriate growth factors and calculations from FY 04-05 to FY 16-17. See worksheet details.