

(R-89-2400)

RESOLUTION NUMBER R- 273702

ADOPTED ON JUN 12 1989

WHEREAS, in November 1979, the California voters approved a constitutional amendment (Proposition 4) which added article XIII B to the California Constitution; and

WHEREAS, in 1980, the State Legislature added Division 9 to Title 1 of the California Government Code (commencing with section 7900) to implement article XIII B; and

WHEREAS, said Government Code sections require the governing body of each local jurisdiction in California to establish, by resolution, tax appropriation limit for the following fiscal year predicated upon the appropriations limit for the prior fiscal year multiplied by a determinable factor; and

WHEREAS, the FY 1989 limit was established by Resolution No. R-271145 on June 13, 1988; and

WHEREAS, section 7910 of the Government Code requires that the documentation used to determine the City's tax appropriations limit be made available to the public fifteen (15) days prior to the Council meeting at which the tax appropriations limit resolution is to be considered; NOW, THEREFORE,

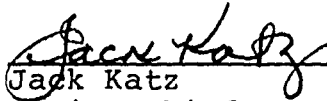
BE IT RESOLVED, by the Council of The City of San Diego, that pursuant to the authority of California Government Code, Division 9, Title 1 (sections 7900 et seq.) there is hereby established the following tax appropriations limit for The City of San Diego:

Established for Fiscal Year 1990 \$345,607,293

BE IT FURTHER RESOLVED, that this Council hereby declares that, pursuant to the requirements of section 7910 of the California Government Code, the documentation upon which the tax appropriations limit herein established has been determined, which is attached hereto as Exhibit A, has been made available for public information and review at the office of the City Clerk since May 26, 1989.

APPROVED: JOHN W. WITT, City Attorney

By



Jack Katz
Senior Chief Deputy

JK:smm
05/24/89
Or.Dept:Fin.Mgmt.
R-89-2400
Form=r.fytax

R 273702

CITY OF SAN DIEGO

TAX APPROPRIATIONS LIMITS FOR FISCAL YEARS 1988, 1989, AND 1990

FY 1988 appropriations limit	\$298,900,060
Adjustment for transfers in financial responsibility to regulatory licenses, user fees and charges	\$ (5,058,267) (1)
Adjusted FY 1988 appropriations limit	\$293,841,793 (2)
FY 1989 appropriations limit	\$319,282,815 (3)
FY 1990 appropriations limit	\$345,607,293 (4)

(1) When the revenue source for the provision of services is transferred, in whole or in part, to regulatory licenses, user charges or user fees, then Subdivision (b) of Section 3 of Article XIII B of the California Constitution requires a corresponding reduction in the appropriations limit for the year of the transfer.

(2) Actual tax appropriations for FY 1988 were \$252,965,721.

(3) Estimated tax appropriations for FY 1989 are \$286 million.

(4) Estimated tax appropriations for FY 1990 are \$307.4 million.

HISTORY OF TAX APPROPRIATIONS LIMIT ADJUSTMENTS
FOR CHANGES IN POPULATION, INFLATION,
AND SPECIAL ADJUSTMENTS
FISCAL YEAR 1979 TO FISCAL YEAR 1990

<u>Adjustment</u> <u>From</u> <u>Fiscal</u> <u>Year</u>	<u>To</u> <u>Fiscal</u> <u>Year</u>	<u>CPI-U/</u> <u>PCI</u> <u>Adj.</u>	<u>Pop.</u> <u>Adj.</u>	<u>Total</u> <u>Adj.</u>	<u>Special</u> <u>Adjustments (1)</u>
1979	1980	10.17%	2.89%	13.35%	\$ 0
1980	1981	12.11	2.49	14.90	0
1981	1982	9.12	2.49	11.84	0
1982	1983	6.79	2.40	9.35	0
1983	1984	2.35	2.13	4.53	0
1984	1985	4.74	2.85	7.73	0
1985	1986	3.74	2.32	6.15	19,431 (2)
1986	1987	2.30	3.06	5.43	15,657 (3)
1987	1988	3.04	2.43	5.54	0
1988	1989	3.93	2.78	6.82	52,016,985 (4)
1989	1990	4.98	3.11	8.24	0

Year Appropriations Limit

1979	\$116,513,949
1980	132,073,121
1981	151,754,049
1982	169,717,309
1983	185,590,901
1984	193,998,271
1985	209,004,242
1986	221,866,905
1987	233,915,121
1988	298,900,060
1989	319,282,815
1990	345,607,293

- (1) Article XIIIIB permits adjustments in the Gann limit to take place in the event of a shift in the financial responsibility among local governmental entities.
- (2) The adjustments to the Fiscal Year 1985 Appropriations Limit are as follows:

Daley Island Reorganization	+\$ 10,920
M.V. Associates Reorganization	+ 7,679
Otay Mesa Reorganization	+ 832
	<u>+\$ 19,431</u>

EXHIBIT A

3. The adjustments to the Fiscal Year 1986 Appropriations Limit are as follows:

Otay Valley/Palm Avenue Reorganization	-\$ 9,417
Palomar/Bay Boulevard Reorganization	- 1,669
Flood Control District Act of 1984	+ 26,743
	<u>+\$ 15,657</u>

4. The adjustments to the Fiscal Year 1988 Appropriations Limit are as follows:

Gann Limit increase authorized by passage of Proposition E in November 3, 1987, election	+\$ 52,000,000
Meanley Park Reorganization	+ 16,985
	<u>\$ 52,016,985</u>

EXHIBIT A

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CITY OF SAN DIEGO

CALCULATION OF PERMITTED GROWTH FOR CITY TAX APPROPRIATIONS LIMIT IN FISCAL YEAR 1990

Price change ⁽¹⁾	4.98%
Civilian population change for the City of San Diego	3.11%
Price change converted to an adjustment factor:	$\frac{4.98 + 100}{100} = 1.0498$
Civilian population change converted to an adjustment factor:	$\frac{3.11 + 100}{100} = 1.0311$
Calculation, FY 1990 adjustment:	$(1.0498) \times (1.0311) = 1.0824$
Permitted growth for the City's FY 1990 tax appropriations limit over the City's FY 1989 tax appropriations limit	$(1.0824) \times (100) - 100 = 8.24\%$

(1) Article XIIIB of the California Constitution and Subsection b, Section 7902, Division 9, Title I of the Government Code specify that the lower of two price changes (i.e., either the March to March percentage change in the U.S. Consumer Price Index or the fourth quarter to fourth quarter percentage change in California per capita personal income) must be used to calculate the permitted growth for tax appropriations. The above income and population change data were provided by the State Department of Finance on May 1, 1989 for use in these calculations.

EXHIBIT A

ADJUSTMENTS TO THE APPROPRIATIONS LIMIT FOR
TRANSFERS OF FINANCIAL RESPONSIBILITY
TO USER FEES

FISCAL YEAR 1988

	<u>1979 Associated Costs</u>	<u>1979 User Fee Revenue</u>	<u>1979 Dollar Amt Allocated From Other Sources</u>	<u>1979 % Subsidy From Non- User Fee Revenue</u>
Refuse Disposal	\$2,871,592	\$ 946,085	\$1,925,507	67%
Building Inspection	3,502,576	3,325,548	177,028	5%
Regulatory Licenses	1,414,133	421,021	993,112	70%
Recreation Services	3,492,663	1,744,582	1,748,081	50%
Election Services	100,515	5,161	95,354	95%
Planning Services	1,915,116	554,475	1,360,641	71%
Engineering Insp./ Processing	3,431,981	1,535,281	1,896,700	55%
Public Safety*	1,894,423	505,438	1,388,985	73%

	<u>1988 Associated Costs</u>	<u>1988 User Fee Revenue</u>	<u>1988 Dollar Amt. Allocated From Other Sources</u>	<u>1988 % Subsidy From Non- User Fee Revenue</u>
Refuse Disposal	\$6,528,347	\$6,606,715	\$ 0	0%
Building Inspection	0	0	0	0%
Regulatory Licenses	782,805	459,693	323,112	41%
Recreation Services	5,965,617	2,612,902	3,352,715	56%
Election Services	1,163,542	4,776	1,158,766	99%
Planning Services	8,642,134	1,606,635	7,035,499	81%
Engineering Insp./ Processing	8,537,537	2,651,309	5,886,228	69%
Public Safety	5,993,811	2,129,421	3,864,390	64%

* Includes Police, Fire and Paramedic services.

EXHIBIT A

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ADJUSTMENTS TO THE APPROPRIATIONS LIMIT FOR
 TRANSFERS OF FINANCIAL RESPONSIBILITY
 TO USER FEES

EXHIBIT A

FISCAL YEAR 1988

	<u>% Change In Subsidy 1979-1988</u>	<u>\$ Change In Subsidy 1979-1988</u>	<u>\$ Increase In Service Level</u>
Refuse Disposal	-67%	-\$ 4,377,494	N/A
Building Inspection	- 5%	-0-	N/A
Regulatory Licenses	-29%	- 226,633	N/A
Recreation Services	+ 6%	+ 336,918	N/A
Election Services	+ 4%	+ 54,967	N/A
Planning Services	+10%	+ 895,484	N/A
Engineering Insp./ Processing	+14%	+ 1,167,919	N/A
Public Safety	- 9%	+ 301,145	+\$ 1,133,937

	<u>Fees in Excess of Costs</u>	<u>\$ Adj. for Discontinued Program</u>	<u>Downward Adj. to Appropriations Limit</u>
Refuse Disposal	\$ 78,368	N/A	-\$ 4,377,494
Building Inspection	N/A	-\$ 454,140	- 454,140
Regulatory Licenses	N/A	N/A	- 226,633
Recreation Services	N/A	N/A	0
Election Services	N/A	N/A	0
Planning Services	N/A	N/A	0
Engineering Insp./ Processing	N/A	N/A	0
Public Safety	N/A	N/A	0

TOTAL DOWNWARD ADJUSTMENT
 TO THE APPROPRIATIONS LIMIT

\$ 5,058,267

EXHIBIT A
 R-273702

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JUN 12 1989

Passed and adopted by the Council of The City of San Diego on.....
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gloria McColi	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Wes Pratt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Struiksma	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Bruce Henderson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

MAUREEN O'CONNOR
Mayor of The City of San Diego, California.

(Seal)

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California.

By *Ellen Board*, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number **R-273702** Adopted **JUN 12 1989**

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