



STAFF REPORT

TO: Board of Commissioners
FROM: Linda Hendy, Accountant
DATE: July 23, 2019
SUBJECT: 2019-20 Appropriations Limit

Recommendation / Proposed Motion

- Recommendation: Review and approve the 2019-20 appropriations limit of \$26,005,741.
- Motion: Adopt Resolution 19-10 approving the 2019-20 appropriations limit.

Policy Implications

Government Code Division 9 Section 7910 requires, by resolution, establishment of the appropriations limit.

Fiscal Implications / Budget Status

None at this time.

Alternatives Considered

The following actions were considered but are not recommended at this time:

- None at this time.

Discussion

Article XIII B of the California State Constitution "Government Spending Limitation" places limits on the amount of tax proceeds that can be spent. Estimated District tax proceeds for fiscal year 2019-2020, including estimated interest income on those proceeds, is \$3,773,165.

Appropriations that are funded by tax proceeds are restricted by an appropriations limit. The calculated appropriations limit is \$26,005,741. The appropriations limit is calculated based on actual appropriations during the 1978-79 fiscal years and increased/decreased each year using the growth of population and inflation. The Port San Luis Harbor District uses the growth of population in the unincorporated areas of San Luis Obispo (0.54%) and the change in California's per capita personal income (3.85%), as published by the California Department of Finance.

The District is below the appropriations limit by \$22,232,576 (appropriations limit \$26,005,741 less tax proceeds of \$3,773,165).

Attachment(s): 1. Appropriations Limit Calculation
2. Proposed Resolution 19-10

PORT SAN LUIS HARBOR DISTRICT
APPROPRIATIONS LIMIT CALCULATION
FOR FISCAL YEAR ENDING JUNE 30, 2020

2018-2019 Appropriations Limit :		\$ 24,907,139
Annual Adjustment Factors:		
Change in California Personal Income	3.85	
SLO Unincorporated Areas Population Growth	0.54	
Per Capita Population Factor	1.0441	
2019-2020 Appropriations Limit:		<u>\$ 26,005,741</u>
Appropriations Subject to Limit 2019-2020 (1)		<u>\$ 3,773,165</u>
Remaining Appropriation Capacity		<u>\$ 22,232,576</u>
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(1) Appropriations Subject to Limit 2019-2020		
<i>Tax Proceeds and Interest Calculation</i>		
Estimated Tax Proceeds		\$ 3,745,000
<u>Other Income</u>		
Operating Income	2,192,700	
Income from Sales	45,800	
Miscellaneous Non-Operating Income	-	
Total Other Income	<u>\$ 2,238,500</u>	
Ratio of Estimated Tax Proceeds to Other Income	0.6259	
Estimated Interest Revenue	\$ 45,000	
Estimated Interest on Tax Proceeds		28,165
Appropriations Subject to Limit		<u><u>\$ 3,773,165</u></u>



**IN THE BOARD OF HARBOR COMMISSIONERS OF
PORT SAN LUIS HARBOR DISTRICT
COUNTY OF SAN LUIS OBISPO
STATE OF CALIFORNIA**

Port San Luis, California

July 23, 2019

***RESOLUTION No. 19-10
APPROVE 2019-2020 APPROPRIATIONS LIMIT***

WHEREAS, California voters in November 1979 passed Proposition 4, which added Article XIII B to the State Constitution, and this Article establishes limits on appropriation of proceeds of taxes; and

WHEREAS, California Government Code Division 9, Section 7910 requires that each local jurisdiction shall, by resolution, establish its appropriations limit for the following fiscal year; and

WHEREAS, the appropriations limit was calculated in accordance with the provisions of Division 9 (commencing with Section 7900) of the California Government Code; and

WHEREAS, Port San Luis Harbor District's fiscal year 2019-2020 appropriations, subject to said limits, are below the limit;

NOW, THEREFORE BE IT RESOLVED that the Port San Luis Harbor Commission, does hereby establish the appropriations limit in the amount of \$26,005,741 for Fiscal Year 2019-2020.

Passed and adopted by the Port San Luis Harbor District, State of California, on the 23rd day of July 2019, by the following vote of said Board:

AYES _____ ABSENT _____ NOES _____ ABSTAIN _____

Bob Vessely, President

Attest: _____
Jim Blecha, Secretary