



Town of Discovery Bay

"A Community Services District"

STAFF REPORT

Meeting Date

July 19, 2017

Prepared By: Dina Breitstein, Finance Manager

Submitted By: Mike Davies, General Manager

MRD [Signature]

Agenda Title

Annual Discovery Bay Lighting and Landscape Zone #8 Appropriations Limit for FY 2017/18 – Adopt and Approve Resolution No. 2017-15.

Recommended Action

Adoption of Resolution No. 2017-15, establishing the Discovery Bay Lighting and Landscape Zone #8 2017/18 Appropriation Limit

Executive Summary

The Discovery Bay Lighting and Landscape Zone #8 (Zone 8) receives annual funding through a portion of property taxes collected within its boundaries. Each year, the Town of Discovery Bay Community Services District (District) is responsible for identifying its appropriation limit in accordance Article XIII B of the California Constitution, known as the Proposition 4 or the GANN limit.

Staff has collected the necessary information from the California Department of Finance and has calculated the Appropriations Limit for Zone 8 for FY 2017/18 to be \$619,784.89. The calculation is based on last year's appropriation limit and factors in the change of California's per capita personal income and local population percentage change.

Staff requests that the Board review and adopt Resolution No. 2017-15, which establishes the FY 2017/2018 Appropriation's Limit for Discovery Bay Lighting and Landscape Zone #8 at \$619,784.89.

Fiscal Impact:

None

Previous Relevant Board Actions for This Item

None

Attachments

Resolution No. 2017-15
Department of Finance – Price and Population Information (May 2017)
(DB Zone 8) Appropriation Limit Calculation Worksheet

AGENDA ITEM: C-4



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

RESOLUTION 2017-15

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TOWN OF DISCOVERY BAY,
A CALIFORNIA COMMUNITY SERVICES DISTRICT,
ANNUAL DISCOVERY BAY LIGHTING AND LANDSCAPE ZONE #8
APPROPRIATIONS LIMIT FOR FY 2017/18**

WHEREAS, Section 7910 of the Government Code requires that each year the governing body of each local jurisdiction establish an appropriations limit for each jurisdiction for the following fiscal year pursuant to Article XIII B of the California Constitution; and

WHEREAS, Article XIII B of the California Constitution provides for the establishing of an appropriations limit based on the change in the cost of living shall be either the percentage change in California per capita personal income from the preceding year, or the percentage change in the local assessment roll from the preceding year for the jurisdiction due to the addition of local non-residential new construction; and

WHEREAS, the percentage change in California per capita personal income is available for the unincorporated areas of Contra Costa County, therefore, the Town of Discovery Bay Community Services District staff has calculated the Appropriation Limit using the change factors as permitted by Article XIII B of the California Constitution; and

WHEREAS, the calculated Appropriation Limit for the Discovery Bay Lighting and Landscape Zone 8 for the FY 2017-2018 is \$619,784.89 as reflected in Attachment A.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Board of Directors selects the percentage change in California per capita personal income from the preceding year as a factor to be used in calculating appropriations limits; and

SECTION 2. The Board of Directors selects the change of population within the unincorporated area of Contra Costa County as the change of population factor to be used in establishing the appropriation limit; and

SECTION 3. The appropriations limit for the District for FY 2017-18 for the Discovery Bay Lighting and Landscape Zone 8 is hereby established at \$619,784.89; and

SECTION 4. The Board Secretary shall certify the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED THIS 19th DAY OF JULY, 2017.

Robert Leete
Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at a regularly scheduled meeting, held on July 19, 2017, by the following vote of the Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

Michael R. Davies
Board Secretary



May 2017

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, requires the Department of Finance (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, 2017, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2017-18. 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 2017-18 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the 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. The Revenue and Taxation Code, section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California 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 requirement should be directed to their county, district legal counsel, or 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, 2017.**

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.

MICHAEL COHEN
Director
By:

AMY M. COSTA
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 2017-18 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2017-18	3.69

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2017-18 appropriation limit.

2017-18:

Per Capita Cost of Living Change = 3.69 percent
 Population Change = 0.85 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.69 + 100}{100} = 1.0369$

Population converted to a ratio: $\frac{0.85 + 100}{100} = 1.0085$

Calculation of factor for FY 2017-18: $1.0369 \times 1.0085 = 1.0457$

Fiscal Year 2017-18

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2016 to January 1, 2017 and Total Population, January 1, 2017

County City	<u>Percent Change</u> 2016-2017	<u>Population Minus Exclusions</u>		<u>Total</u>
		1-1-16	1-1-17	1-1-2017
Contra Costa				
Antioch	0.66	113,495	114,241	114,241
Brentwood	3.38	59,058	61,055	61,055
Clayton	0.20	11,262	11,284	11,284
Concord	0.07	128,280	128,370	128,370
Danville	0.16	43,287	43,355	43,355
El Cerrito	0.45	24,490	24,600	24,600
Hercules	3.08	24,909	25,675	25,675
Lafayette	0.63	25,041	25,199	25,199
Martinez	1.17	37,224	37,658	37,658
Moraga	0.57	16,581	16,676	16,676
Oakley	2.16	40,327	41,199	41,199
Orinda	0.51	18,838	18,935	18,935
Pinole	0.79	18,827	18,975	18,975
Pittsburg	2.47	68,133	69,818	69,818
Pleasant Hill	1.24	34,232	34,657	34,657
Richmond	0.81	110,886	111,785	111,785
San Pablo	0.26	30,972	31,053	31,053
San Ramon	2.31	78,729	80,550	80,550
Walnut Creek	0.90	70,340	70,974	70,974
Unincorporated	0.90	171,829	173,370	173,454
County Total	1.13	1,126,740	1,139,429	1,139,513

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

Discovery Bay Lighting Landscape Zone 8
Appropriations Limit Calculation

	Historical Limit (With Permitted Increases)	Per Capita Personal Income Change	Per Capita Ratio*	Population Change	Population Ratio*	Fiscal Year Factor
Year 04/05	\$ 352,279.00					
Year 05/06	\$ 379,708.29	5.26	1.0526	2.4	1.024	1.0778624
Year 06/07	\$ 402,876.48	3.96	1.0396	2.06	1.0206	1.06101576
Year 07/08	\$ 431,200.71	4.42	1.0442	2.5	1.025	1.070305
Year 08/09	\$ 461,481.34	4.29	1.0429	2.62	1.0262	1.07022398
Year 09/10	\$ 469,171.69	0.62	1.0062	1.04	1.0104	1.01666448
Year 10/11	\$ 458,900.84	-2.54	0.9746	0.36	1.0036	0.97810856
Year 11/12	\$ 474,747.11	2.51	1.0251	0.92	1.0092	1.03453092
Year 12/13	\$ 497,620.79	3.77	1.0377	1.01	1.0101	1.04818077
Year 13/14	\$ 525,557.54	5.12	1.0512	0.47	1.0047	1.05614064
Year 14/15	\$ 530,903.12	-0.23	0.9977	1.25	1.0125	1.01017125
Year 15/16	\$ 556,915.93	3.82	1.0382	1.04	1.0104	1.04899728
Year 16/17	\$ 592,397.12	5.37	1.0537	0.95	1.0095	1.06371015
Year 17/18	\$ 619,784.89	3.69	1.0369	0.9	1.009	1.0462321

* Based on factors provided in the annual
Price and Population Information letter from
the California Department of Finance.
Dated May 2017