



Memo

To: Board of Directors
From: Larrie Ann Davis
Date: May 11, 2016
Subject: Resolution No. 426, Determining Appropriation Limitation

Attached is a draft of Resolution No. 426, determining the District's Appropriation Limitation to be \$1,376,691 for Fiscal Year 2016-17. This is a resolution that is adopted annually. The calculations are based on last year's appropriation limitation and data supplied by the State Department of Finance. There was a typographical error in last year's appropriation limitation beginning balance for 2014-15. This was corrected in this year's calculation.

2016-17 Calculation

1. Prior Year Appropriations Limit			\$1,294,491
2. Change in California per Capita Personal Income	5.37%	1.0537	
3. Change in County Population	0.93%	<u>1.0093</u>	
4. Calculation Factor (2 * 3)			<u>1.0635</u>
2016-17 Proposed Appropriations Limit (1 * 4)			<u><u>\$1,376,691</u></u>

The District selects the change in population within the County of San Bernardino as the "change in population" factor used in determining the annual appropriation limitation.

We recommend that the Board adopt Resolution No. 426 as presented.

Crestline Village Water District

Appropriations Limit Calculations:

2009-10 Calculation

1. Prior Year Appropriations Limit			\$1,071,322
2. Change in California per Capita Personal Income	0.62%	1.0062	
3. Change in County Populator	0.79%	1.0079	
4. Calculation Factor (2 * 3)			1.0141
2009-10 Appropriations Limit (1 * 4)			<u>\$1,086,428</u>

2010-11 Calculation

1. Prior Year Appropriations Limit			1,086,428.00
2. Change in California per Capita Personal Income	-2.54%	0.9746	
3. Change in County Populator	0.80%	1.0080	
4. Calculation Factor (2 * 3)			0.9824
2010-11 Appropriations Limit (1 * 4)			<u>\$1,067,307</u>

2011-12 Calculation

1. Prior Year Appropriations Limit			\$1,067,307
2. Change in California per Capita Personal Income	2.51%	1.0251	
3. Change in County Populator	1.05%	1.0105	
4. Calculation Factor (2 * 3)			1.0359
2011-12 Appropriations Limit (1 * 4)			<u>\$1,105,623</u>

2012-13 Calculation

1. Prior Year Appropriations Limit			1,105,623
2. Change in California per Capita Personal Income	3.77%	1.0377	
3. Change in County Populator	0.86%	1.0086	
4. Calculation Factor (2 * 3)			1.0466
2012-13 Appropriations Limit (1 * 4)			<u>\$1,157,145</u>

2013-14 Calculation

1. Prior Year Appropriations Limit			\$1,157,145
2. Change in California per Capita Personal Income	5.12%	1.0512	
3. Change in County Populator	0.71%	1.0071	
4. Calculation Factor (2 * 3)			1.0587
2013-14 Appropriations Limit (1 * 4)			<u>\$1,225,069</u>

2014-15 Calculation

1. Prior Year Appropriations Limit			1,225,069
2. Change in California per Capita Personal Income	-0.23%	0.9977	
3. Change in County Populator	0.95%	1.0095	
4. Calculation Factor (2 * 3)			1.0072
2014-15 Appropriation Limit (1 * 4)			<u>\$1,233,889</u>

2015-16 Calculation

1. Prior Year Appropriations Limit			1,233,889
2. Change in California per Capita Personal Income	3.82%	1.0382	
3. Change in County Populator	1.09%	1.0109	
4. Calculation Factor (2 * 3)			1.0495
2015-16 Proposed Appropriations Limit (1 * 4)			<u>\$1,294,967</u>

2016-17 Calculation

1. Prior Year Appropriations Limit			1,294,967
2. Change in California per Capita Personal Income	5.37%	1.0537	
3. Change in County Populator	0.93%	1.0093	
4. Calculation Factor (2 * 3)			1.0635
2016-17 Proposed Appropriations Limit (1 * 4)			<u>\$1,377,197</u>

RESOLUTION NO. 426

RESOLUTION OF THE BOARD OF
DIRECTORS OF CRESTLINE VILLAGE
WATER DISTRICT DETERMINING THE
DISTRICT'S APPROPRIATION LIMITATION
FOR THE FISCAL YEAR 2016-17.

WHEREAS, Article XIII B of the California Constitution provided for the establishment of annual appropriations limits on local government entities; and

WHEREAS, pursuant to Government Code Section 7910, the governing body of each local agency is required each year to establish its appropriations limitation and make other necessary determinations by resolution for the following fiscal year in accordance with the procedures set forth therein and in Article XIII B of the California Constitution; and

WHEREAS, in calculating annual appropriations subject to limitation, Article XIII B Section 1 directs the District to adjust its prior year appropriations limitation for the change in the cost of living and the change in population; and

WHEREAS, Article XIII B Section 8(e) (2) defines "change in the cost of living" as either (A) the percentage change in California per capita personal income from the preceding year, or (B) the percentage change in the local assessment roll from the preceding year for the District due to the addition of local nonresidential new construction, and directs the District to select its change in the cost of living annually by a recorded vote of its governing body; and

WHEREAS, Government Code Section 7901(a) defines "change in population" and provides that the District may choose to use either (A) the change in population within its jurisdiction, or (B) within the county in which it is located, and directs the District to select its change in population annually by a recorded vote of its governing body.

NOW, THEREFORE, the Board of Directors of the Crestline Village Water District DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

SECTION 1. The Board of Directors establishes the amount of \$1,376,691 as the District's appropriations limitation for the fiscal year 2016-17.

SECTION 2. The Board of Directors selects the percentage change in California per capita personal income from the preceding year as the "change in the cost of living" factor used in determining the District's annual appropriations limitation.

SECTION 3. The Board of Directors selects the change in population within the County of San Bernardino as the "change in population" factor used in determining the District's annual appropriations limitation.

SECTION 4. As provided in Government Code Section 7910, any challenge to the appropriations limitation herein established or any other determinations made herein must be brought within sixty (60) days of the effective date of this resolution.

Dated: May 17, 2016

President, Crestline Village Water District

ATTEST:

Secretary, Crestline Village Water District



May 2016

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, 2016, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2016-17. 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 2016-17 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, 2016.**

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 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 2016-17 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2016-17	5.37

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2016-17 appropriation limit.

2016-17:

Per Capita Cost of Living Change = 5.37 percent
Population Change = 0.90 percent

Per Capita Cost of Living converted to a ratio: $\frac{5.37 + 100}{100} = 1.0537$

Population converted to a ratio: $\frac{0.90 + 100}{100} = 1.0090$

Calculation of factor for FY 2016-17: $1.0537 \times 1.0090 = 1.0632$

Fiscal Year 2016-17

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2015 to January 1, 2016 and Total Population, January 1, 2016

County City	Percent Change 2015-2016	-- Population Minus Exclusions --		Total Population
		1-1-15	1-1-16	1-1-2016
San Bernardino				
Adelanto	1.13	32,489	32,856	33,497
Apple Valley	1.14	73,811	74,656	74,656
Barstow	0.73	23,777	23,950	24,360
Big Bear Lake	0.66	4,873	4,905	4,905
Chino	1.58	79,405	80,657	85,934
Chino Hills	1.08	78,022	78,866	78,866
Colton	0.66	53,000	53,351	53,351
Fontana	1.40	206,996	209,895	209,895
Grand Terrace	0.65	12,236	12,315	12,315
Hesperia	0.90	92,394	93,226	93,226
Highland	0.57	53,340	53,645	53,645
Loma Linda	0.73	24,405	24,582	24,649
Montclair	0.92	38,332	38,686	38,686
Needles	0.62	5,004	5,035	5,035
Ontario	1.01	168,177	169,869	169,869
Rancho Cucamonga	1.18	173,202	175,251	175,251
Redlands	0.48	68,040	68,368	68,368
Rialto	0.85	106,425	107,330	107,330
San Bernardino	0.76	212,305	213,922	215,491
Twentynine Palms	-0.15	18,039	18,012	26,138
Upland	0.68	75,265	75,774	75,774
Victorville	0.84	118,126	119,120	123,510
Yucaipa	1.26	53,109	53,779	53,779
Yucca Valley	0.65	21,144	21,281	21,281
Unincorporated	0.68	299,430	301,464	309,759
* County Total	0.93	2,091,346	2,110,795	2,139,570

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