

Livermore Area Recreation and Park District

Staff Report

TO: Chair Pierpont and Board of Directors

FROM: Mathew Fuzie, General Manager

PREPARED BY: Jeffrey Schneider, Administrative Services Manager
Julie Dreher, Finance Officer

DATE: June 30, 2021

SUBJECT: Resolution establishing the Fiscal Year 2021–22 Annual Appropriations Limit

RECOMMENDATION: That the Board of Directors approve Resolution No. ____, establishing the FY 21-22 Annual Appropriations Limit at \$25,417,558.

BACKGROUND: On November 6, 1979, California voters approved Proposition 4, commonly known as the Gann Spending Limitation Initiative, establishing Article XIII B of the California Constitution. This proposition mandates an appropriations (spending) limit on the amount of tax proceeds that State and most local government jurisdictions may appropriate within a fiscal year. Charges for services, fees, grants, loans, donations and other non-tax proceeds are excluded. The Appropriations Limit for any year is the Appropriations Limit from the previous fiscal year adjusted for inflation and population growth as provided by State Department of Finance. Notice of Board of Directors meeting to review and approve the new Appropriations Limit is required to be posted publicly at least 15 days prior to Board meeting. Said notice was published in the Valley Times newspaper on June 9, 2021.

Attached are the Annual Appropriations Limit Calculation worksheet (Attachment A) and the Department of Finance Price and Population Information (Attachment B) used to calculate the limit. Our auditor, James Marta & Company, reviewed the annual adjustment factors stating our Appropriations Limit was calculated correctly (Attachment C). They recomputed our calculations and agreed with the Per Capita Income and County Population factors.

The FY 21-22 Appropriations Limit is \$25,417,558. This is an increase of \$1,413,502 over FY 20-21 Appropriations Limit of \$24,004,056. The approved, Final FY 21-22 budget includes \$13,518,092 in tax proceeds, which is \$11,899,466 less than the appropriation limit of \$25,417,558.

Staff recommends approval.

Attachments:

- A - Appropriations Limit Calculation Worksheet
- B - Department of Finance Price and Population Information
- C - Audit Report on FY 2021-2022 Appropriations Limit
- D – Draft Board Resolution