

Appropriation Limit Calculation

CALCULATION OF APPROPRIATION LIMIT

	POP		PERS INCOME		FACTOR	LIMIT	SUBJECT	DIFF
2009/10	4,674,332	0.8103	0.62	1,0144	4,741,426	3,983,768	757,658	
2010/11	4,741,426	0.9314	(2.54)	0.9837	4,664,034	4,220,320	443,714	
2011/12	4,664,034	0.8998	2.51	1.0343	4,824,120	4,201,123	622,997	
2012/13								

POPULATION FACTORS - HIGHER OF:

YEAR ENDED	FAIRFAX		COUNTY	
	start	end	start	end
1/1/2009	7,385	7,434	251,251	253,287
1/1/2010	7,435	7,492	253,271	255,630
1/1/2011	7,433	7,497	246,844	249,065

POPULATION FACTOR 1 - Higher of:

- 1) City Population increase OR
- 2) County population increase

PRICE FACTOR 2 - Higher of:

- 1) Change in Calif per capita personal income OR
- 2) Change in value of commercial building

**TOWN OF FAIRFAX
CALCULATION OF APPROPRIATIONS LIMIT**

REVENUE:

PROCEEDS OF TAXES

		2009-10	2010-11	2011-12
		per FY10 budget	per FY11 budget	per FY12 budget
Property Taxes - Secured	TAXES	1,758,973	1,942,157	1,922,735
Property Taxes - Unsecured	TAXES	40,400	40,400	40,400
Supplemental Property Taxes	TAXES	50,500	35,500	35,500
Real Estate Transfer Tax	TAXES	35,350	30,000	30,000
Sales Tax	TAXES	318,150	338,150	338,150
In-Lieu Sales Tax (Triple Flip)	TAXES	97,210	97,210	97,210
\$50 General Municipal Services Tax	TAXES	188,870	188,870	188,870
Utility Users Tax - Telephone	TAXES	141,400	153,400	153,400
Utility Users Tax - Energy	TAXES	227,250	215,250	215,250
1/2 cent Sales Tax - Prop. 172	TAXES	-	-	-
ERAF Excess Distribution	TAXES	378,750	446,325	406,323
ERAF III Shift to State	TAXES	-	-	-
Property Tax In-Lieu of VLF (VLF Swap)	TAXES	499,918	499,918	562,268
Hotel Users Tax	TAXES	10,100	12,100	12,100
Business Licenses	LICENSES	75,000	105,000	105,000
Vehicle License Fees	OTHER AGENCIES	49,000	21,000	-
Storm Run-Off Fee	OTHER AGENCIES	64,000	64,000	64,000
Homeowners Exemption	OTHER AGENCIES	7,000	11,891	11,000
Off Highway/Trailer Coach Vehicle Fees	OTHER AGENCIES	-	-	-
TOTAL PROCEEDS OF TAXES		3,941,871	4,201,171	4,182,206
		91.081%	91.188%	90.079%

NON PROCEEDS OF TAXES

Garbage	FRANCHISE FEES	165,000	165,000	165,000
Gas & Electric	FRANCHISE FEES	60,000	60,000	60,000
Cable	FRANCHISE FEES	63,000	63,000	117,000
Vehicle Code Fines	FINES	7,500	7,500	7,500
Parking & Other Fines	FINES	47,000	47,000	47,000
Women's Club and Other	RENTAL/MAINT FEES	15,000	12,000	12,000
CYO - Pavilion	RENTAL/MAINT FEES	8,000	14,000	14,000
Pavilion - Other	RENTAL/MAINT FEES	5,000	2,000	2,000
Pavilion - OCA Net Revenue	RENTAL/MAINT FEES			
Police Training Reimbursement (POST)	OTHER AGENCIES	5,000	5,000	5,000
Sale Of Maps & Publications	CHG FOR CURR SERV	500	500	100
Special Police Services (includes booking fees)	CHG FOR CURR SERV	5,000	5,000	5,000
Public Works Services	CHG FOR CURR SERV	-	-	1,000
Miscellaneous - General	CHG FOR CURR SERV	5,000	25,000	25,000
TOTAL NONPROCEEDS OF TAXES		386,000	406,000	460,600

TOTAL REVENUE

4,327,871 4,607,171 4,642,806

ALLOCATION OF INTEREST

Interest Income	INVESTMENT EARNINGS	46,000	21,000	21,000
Interest allocation factor		91.081%	91.188%	90.079%
ALLOCATION TO Proceeds of Taxes		41,897	19,149	18,917

TOTAL PROCEEDS OF TAXES

3,983,768 4,220,320 4,201,123



May 2010

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, Section 2227, mandates 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, 2010, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2010-2011. Enclosure I 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 2010-2011 appropriations limit. Enclosure II provides city and unincorporated county population percentage changes, and Enclosure IIA provides county's and incorporated area's summed population percentage changes. 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. Consult the Revenue and Taxation Code, Section 2228 for further information regarding the appropriation limit. You can access the Code from the following website: "<http://www.leginfo.ca.gov/calaw.html>" check box: "Revenue and Taxation Code" and enter 2228 for the search term to learn more about the various population change factors available to special districts to calculate their appropriations limit. Article XIII B, Section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. Consult the following website: "http://www.leginfo.ca.gov/const/article_13B" for additional information. 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 issue should be referred to their respective county for clarification, or to their legal representation, or to 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, 2010.**

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.

- 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 2010-2011 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2010-2011	-2.54

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2010-2011 appropriation limit.

2010-2011:

Per Capita Cost of Living Change = -2.54 percent
Population Change = 1.03 percent

Per Capita Cost of Living converted to a ratio: $\frac{-2.54 + 100}{100} = .9746$

Population converted to a ratio: $\frac{1.03 + 100}{100} = 1.0103$

Calculation of factor for FY 2010-2011: $.9746 \times 1.0103 = .9846$

Enclosure II
Annual Percent Change in Population Minus Exclusions
January 1, 2009 to January 1, 2010 and Total Population, January 1, 2010

County City	<u>Percent Change</u>	<u>Population Minus Exclusions</u>		<u>Total</u>
	2009-2010	1-1-09	1-1-10	1-1-2010
Marin				
Belvedere	0.79	2,158	2,175	2,175
Corte Madera	0.81	9,737	9,816	9,816
Fairfax	0.77	7,435	7,492	7,492
Larkspur	1.17	12,255	12,398	12,398
Mill Valley	0.99	14,006	14,144	14,144
Novato	0.83	52,919	53,357	53,357
Ross	0.87	2,401	2,422	2,422
San Anselmo	0.79	12,644	12,744	12,744
San Rafael	0.79	58,359	58,822	58,822
Sausalito	0.86	7,531	7,596	7,596
Tiburon	0.68	8,939	9,000	9,000
Unincorporated	1.20	64,887	65,664	70,685
County Total	0.93	253,271	255,630	280,651

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



May 2011

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, Section 2227, mandates 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, 2011, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2011-2012. Enclosure I 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 2011-2012 appropriations limit. Enclosure II provides city and unincorporated county population percentage changes, and Enclosure IIA provides county's and incorporated area's summed population percentage changes. 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. Consult the Revenue and Taxation Code, Section 2228 for further information regarding the appropriation limit. You can access the Code from the following website: "<http://www.leginfo.ca.gov/calaw.html>" check box: "Revenue and Taxation Code" and enter 2228 for the search term to learn more about the various population change factors available to special districts to calculate their appropriations limit. Article XIII B, Section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. Consult the following website: "http://www.leginfo.ca.gov/const/article_13B" for additional information. 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 issue should be referred to their respective county for clarification, or to their legal representation, or to the law itself. No State agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. The Federal 2010 Census population counts for cities and counties have been certified to the State Controller's Office. 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, 2011.**

Please Note: The population estimates provided in this report incorporate 2010 Census numbers as benchmarks. Therefore, the population estimates for 2010 and 2011 published in this report for your jurisdiction may be noticeably different from the previous year estimates.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

- 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 2011-2012 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2011-2012	2.51

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2011-2012 appropriation limit.

2011-2012:

Per Capita Cost of Living Change = 2.51 percent
 Population Change = 0.77 percent

Per Capita Cost of Living converted to a ratio: $\frac{2.51 + 100}{100} = 1.0251$

Population converted to a ratio: $\frac{0.77 + 100}{100} = 1.0077$

Calculation of factor for FY 2011-2012: $1.0251 \times 1.0077 = 1.0330$

Enclosure II
Annual Percent Change in Population Minus Exclusions
January 1, 2010 to January 1, 2011 and Total Population, January 1, 2011

County City	<u>Percent Change</u>	<u>— Population Minus Exclusions —</u>		<u>Total</u>
	2010-2011	1-1-10	1-1-11	1-1-2011
Marin				
Belvedere	0.82	2,066	2,083	2,083
Corte Madera	0.83	9,245	9,322	9,322
Fairfax	0.86	7,433	7,497	7,497
Larkspur	0.84	11,914	12,014	12,014
Mill Valley	1.28	13,886	14,064	14,064
Novato	0.90	51,438	51,901	52,311
Ross	0.91	2,413	2,435	2,435
San Anselmo	0.81	12,326	12,426	12,426
San Rafael	0.81	57,667	58,136	58,136
Sausalito	0.86	7,055	7,116	7,116
Tiburon	0.85	8,955	9,031	9,031
Unincorporated	0.95	62,446	63,040	68,257
County Total	0.90	246,844	249,065	254,692

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