City Of Santa Rosa
Article XIIIIB Appropriations Limit Calculation
FY 2018/19 - Restatement

FY 2017/18 Appropriations Limit $ 249,110,000

Adjustment Factors:
2018/19 Price Factor 1.0367
2018/19 Population Factor 1.0024
Combined Factor 1.0392

FY 2018/19 Appropriations Limit $ 258,875,000

Appropriations Subject to Limitation
Proceeds Of Taxes $ 132,219,000
User Fees and Charges In Excess Of Costs -
Appropriations Subject to Limitation $ 132,219,000

FY 2018/19 Appropriations Limit $ 258,875,000
Less Appropriations Subject to Limit $ 132,219,000
(Over)/Under Limit $ 126,656,000
City Of Santa Rosa
Article XIIIb Appropriations Limit Calculation
FY 2019/20 RESTATEMENT

FY 2018/19 Appropriations Limit $ 258,875,000

Adjustment Factors:
2019/20 Price Factor 1.0385
2019/20 Population Factor 0.9921
Combined Factor 1.0303

FY 2019/20 Appropriations Limit $ 266,718,000

Appropriations Subject to Limitation
Proceeds Of Taxes $ 153,187,000
User Fees and Charges In Excess Of Costs $ -
Appropriations Subject to Limitation $ 153,187,000

<table>
<thead>
<tr>
<th></th>
<th>Original City only</th>
<th>Roseland Annex</th>
<th>Restatement</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019/20 Appropriations Limit</td>
<td>$ 266,718,000</td>
<td>$ 1,133,244</td>
<td>$ 267,851,244</td>
</tr>
<tr>
<td>Less Appropriations Subject to Limit</td>
<td>$ 153,187,000</td>
<td>-</td>
<td>$ 153,187,000</td>
</tr>
<tr>
<td>(Over)/Under Limit</td>
<td>$ 113,531,000</td>
<td>$ 1,133,244</td>
<td>$ 114,664,244</td>
</tr>
</tbody>
</table>
City Of Santa Rosa
Article XIIIB Appropriations Limit Calculation
FY 2017-18

2016-17 Appropriations Limit  $ 238,817,000

Adjustment Factors:
2017-18 Price Factor (Percentage change in California per capita personal income)  1.0369

2017-18 Population Factor (Percentage change in Santa Rosa population)  x 1.0060

Combined Factor  1.0431

2017-18 Appropriations Limit (rounded)  $ 249,110,000

Appropriations Subject to Limitation
FY 2017-18

Proceeds Of Taxes  $ 130,694,000

User Fees and Charges In Excess Of Costs  $ -

Appropriations Subject to Limit  $ 130,694,000

2017-18 Appropriations Limit  $ 249,110,000

Less Appropriations Subject to Limit  $ 130,694,000

(Over) /Under Appropriations Limit  $ 118,416,000
Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit
California Revenue and Taxation Code section 2227 requires the Department of 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, 2018, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2018-19. 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 2018-19 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. California 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 section 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. California 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, 2018.

Please Note: The 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 2018-19 appropriation limit is:

<table>
<thead>
<tr>
<th>Fiscal Year (FY)</th>
<th>Percentage change over prior year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-19</td>
<td>3.67</td>
</tr>
</tbody>
</table>

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2018-19 appropriation limit.

**2018-19:**

Per Capita Cost of Living Change = 3.67 percent  
Population Change = 0.78 percent

Per Capita Cost of Living converted to a ratio: \[ \frac{3.67}{100} = 0.0367 \]

Population converted to a ratio: \[ \frac{0.78}{100} = 0.0078 \]

Calculation of factor for FY 2018-19: \[ 1.0367 \times 1.0078 = 1.0448 \]
## Fiscal Year 2018-19

**Attachment B**

**Annual Percent Change in Population Minus Exclusions**

January 1, 2017 to January 1, 2018 and Total Population, January 1, 2018

<table>
<thead>
<tr>
<th>County</th>
<th>City</th>
<th>Percent Change</th>
<th>1-1-17</th>
<th>1-1-18</th>
<th>Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sonoma</td>
<td>Cloverdale</td>
<td>1.62</td>
<td>8,988</td>
<td>9,134</td>
<td>9,134</td>
</tr>
<tr>
<td></td>
<td>Cotati</td>
<td>3.53</td>
<td>7,453</td>
<td>7,716</td>
<td>7,716</td>
</tr>
<tr>
<td></td>
<td>Healdsburg</td>
<td>2.59</td>
<td>11,757</td>
<td>12,061</td>
<td>12,061</td>
</tr>
<tr>
<td></td>
<td>Petaluma</td>
<td>1.70</td>
<td>61,657</td>
<td>62,708</td>
<td>62,708</td>
</tr>
<tr>
<td></td>
<td>Rohnert Park</td>
<td>2.61</td>
<td>42,490</td>
<td>43,598</td>
<td>43,598</td>
</tr>
<tr>
<td></td>
<td>Santa Rosa</td>
<td>0.24</td>
<td>178,064</td>
<td>178,488</td>
<td>178,488</td>
</tr>
<tr>
<td></td>
<td>Sebastopol</td>
<td>2.12</td>
<td>7,624</td>
<td>7,786</td>
<td>7,786</td>
</tr>
<tr>
<td></td>
<td>Sonoma</td>
<td>2.87</td>
<td>11,072</td>
<td>11,390</td>
<td>11,390</td>
</tr>
<tr>
<td></td>
<td>Windsor</td>
<td>2.07</td>
<td>27,492</td>
<td>28,060</td>
<td>28,060</td>
</tr>
<tr>
<td></td>
<td>Unincorporated</td>
<td>-3.72</td>
<td>147,002</td>
<td>141,540</td>
<td>142,391</td>
</tr>
<tr>
<td></td>
<td>County Total</td>
<td>-0.22</td>
<td>503,599</td>
<td>502,481</td>
<td>503,332</td>
</tr>
</tbody>
</table>

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.*
May 2019

Dear Fiscal Officer:

Subject: Price Factor and Population Information

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KEELY BOSLER
Director
By:

Vivek Viswanathan
Chief Deputy Director

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<table>
<thead>
<tr>
<th>Per Capita Personal Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year</td>
</tr>
<tr>
<td>FY</td>
</tr>
<tr>
<td>2019-20</td>
</tr>
</tbody>
</table>

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2019-20 appropriation limit.

**2019-20:**

Per Capita Cost of Living Change = 3.85 percent  
Population Change = 0.47 percent

Per Capita Cost of Living converted to a ratio: \[
\frac{3.85 + 100}{100} = 1.0385
\]

Population converted to a ratio: \[
\frac{0.47 + 100}{100} = 1.0047
\]

Calculation of factor for FY 2019-20: \[
1.0385 \times 1.0047 = 1.0434
\]
Fiscal Year 2019-20

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019

<table>
<thead>
<tr>
<th>County</th>
<th>City</th>
<th>Percent Change</th>
<th>2018-2019</th>
<th>Population Minus Exclusions</th>
<th>1-1-18</th>
<th>1-1-19</th>
<th>1-1-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sonoma</td>
<td>Cloverdale</td>
<td>1.27</td>
<td>9,141</td>
<td>9,257</td>
<td>9,257</td>
<td>9,257</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cotati</td>
<td>2.33</td>
<td>7,739</td>
<td>7,919</td>
<td>7,919</td>
<td>7,919</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Healdsburg</td>
<td>2.20</td>
<td>12,232</td>
<td>12,501</td>
<td>12,501</td>
<td>12,501</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Petaluma</td>
<td>-0.01</td>
<td>62,251</td>
<td>62,247</td>
<td>62,247</td>
<td>62,247</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rohnert Park</td>
<td>0.37</td>
<td>43,178</td>
<td>43,339</td>
<td>43,339</td>
<td>43,339</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Santa Rosa</td>
<td>-0.79</td>
<td>177,017</td>
<td>175,625</td>
<td>175,625</td>
<td>175,625</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sebastopol</td>
<td>0.99</td>
<td>7,808</td>
<td>7,885</td>
<td>7,885</td>
<td>7,885</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sonoma</td>
<td>1.16</td>
<td>11,423</td>
<td>11,556</td>
<td>11,556</td>
<td>11,556</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Windsor</td>
<td>0.74</td>
<td>28,356</td>
<td>28,565</td>
<td>28,565</td>
<td>28,565</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Unincorporated</td>
<td>-1.24</td>
<td>142,870</td>
<td>141,103</td>
<td>141,781</td>
<td>141,781</td>
<td></td>
</tr>
<tr>
<td>County Total</td>
<td></td>
<td>-0.40</td>
<td>502,015</td>
<td>499,997</td>
<td>500,675</td>
<td>500,675</td>
<td></td>
</tr>
</tbody>
</table>

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.
AGREEMENT FOR TRANSFER OF APPROPRIATIONS LIMIT

This Agreement, dated _________________, 2020 ("Effective Date"), is by and between the City of Santa Rosa ("City") and the County of Sonoma ("County").

RE C I T A L S

1. On November 1, 2017, the territory generally located west of U.S. Highway 101, south of Ninth Street, east of Wright Road, and north of Robles Avenue, in the southwest Santa Rosa area and generally referred to as the Brittain Lane island totaling +/-16 acres, the Roseland island totaling +/-620 acres, the Victoria Drive island totaling +/-19 acres, the West Hearn island totaling +/-34 acres, and the West Third island totaling +/-23 acres was annexed to the City and detached from County Service Area No. 40 (Fire Services) and County Services Area No. 41 (Multi-Services).

2. On November 6, 1979, California voters approved an initiative that added Article XIIIIB to the State Constitution, subsequently amended by Proposition 98 in 1988 and Proposition 111 in 1990. The provisions of this article place limits on the amount of revenue that can be appropriated by all entities of government ("Appropriation Limit"). Each entity’s Appropriation Limit is based on actual appropriations during the 1978-1979 fiscal year (or its first full year of operation, if later), and is increased each year using specified population and inflationary growth factors.

3. Pursuant to Article XIIIIB, if responsibility for a governmental service is transferred from one entity to another, the Appropriations Limits of each affected entity must be adjusted to reflect that transfer. The adjustment is to be in such reasonable amount as the entities mutually agree.

4. As the provision of municipal services in the Annexation Area has transferred to the City, such an agreement is necessary to transfer appropriations limit from the County to the City.

A G R E E M E N T

THE PARTIES agree as follows:

1. As permitted by the California Constitution, Article XIIIIB section 3, the City and County agree that $1,133,244 represents an acceptable value of current Appropriation Limit to transfer for fiscal year 2019-20, with the services to be transferred to the City, including services transferring from the County and services transferring from special districts under the control of the Board of Supervisors.
2. County agrees to reduce its Appropriations Limit by $600,426 for fiscal year 2019-2020, and continuing thereafter, to reflect the transfer of limit to the City.

3. County agrees to reduce the limit of CSA #41 Roseland by $529,885 for fiscal year 2019-2020, and continuing thereafter, to reflect the transfer of limit to the City.

4. County agrees to reduce the limit of CSA #41 Multi Services by $2,933 for fiscal year 2019-2020, and continuing thereafter, to reflect the transfer of limit to the City.

3. City agrees to reflect this increase of limit in its calculation of Appropriations Limit beginning in fiscal year 2019-20, and continuing thereafter.

4. Both parties agree to take such administrative steps as may be necessary to implement this Agreement.

5. This Agreement may be amended by mutual consent expressed in writing of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

CITY OF SANTA ROSA

By: __________________________

ATTEST:

By: __________________________

APPROVED AS TO FORM:

By: __________________________

COUNTY OF SONOMA:

By: __________________________

Chair, Board of Supervisors

ATTEST:

By: __________________________

Clerk of the Board

APPROVED AS TO FORM:

By: __________________________

City Attorney

By: __________________________

County Counsel