

ACTION OF  
SOLANO COUNTY WATER AGENCY

DATE: November 11, 2021

SUBJECT: APPROPRIATIONS LIMIT FOR FISCAL YEAR 2021-2022

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RECOMMENDATIONS:

Approve Resolution Number 2021-05 of the Solano County Water Agency establishing the fiscal year 2021-2022 state appropriations limit of \$17,661,361.

FINANCIAL IMPACT:

None.

BACKGROUND:

California's state appropriation limit, established by Proposition 4 in 1979, places an "upper bound" each year on the amount of monies that can be spent from state tax proceeds. Proposition 4 is intended to limit the growth of government spending and applies to all local governments including special districts. The state appropriation limit is based on actual appropriations during the base year (1986-87) and increases each year using specified growth factors and calculations provided annually by the California Department of Finance (DOF). Certain revenues and expenses – such as water purchases and sales - are exempt and outside of the annual Appropriations Limit. Accordingly, only a portion of the Water Agency's budget is subject to the annual Appropriations Limit.

The Water Agency's adopted FY 2021-2022 budget is in compliance with the FY 2021-2022 appropriation limit.

Recommended: \_\_\_\_\_  
Roland Sanford, General Manager

Approved as  
Recommended

Other  
(see below)

Continued on  
next page

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Modification to Recommendation and/or other actions:

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I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on November 11, 2021 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

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Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

**RESOLUTION NUMBER 2021-05**

**A RESOLUTION OF THE SOLANO COUNTY WATER AGENCY ADOPTING THE  
FISCAL YEAR 2021-22 APPROPRIATIONS LIMIT**

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**WHEREAS**, on November 6, 1979 the people of California added Article XIII-B to the State Constitution, placing various limitations on State and local government appropriations, i.e. an Appropriations Limit; and

**WHEREAS**, on June 5, 1990 the people of California amended Article XIII-B of the State Constitution and California Government Code sections 7900 *et seq.* to include additional guidance regarding the calculation of Appropriations Limits, and to require local governments to adopt a resolution setting their respective annual Appropriations Limit; and

**WHEREAS**, the Appropriations Limit is required to be established each fiscal year and may be amended in subsequent years to make corrections; and

**WHEREAS**, the Agency has complied with the provisions of Article XIII-B of the State Constitution and California Government Code sections 7900 *et seq.* in determining the Appropriations Limit for Fiscal Year 2021-22.

**NOW, THEREFORE**, the Board of the Solano County Water Agency does hereby resolve as follows:

In accordance with Article XIII-B of the California Constitution and Government Code sections 7900 *et seq.*, the annual adjustment growth factors to calculate the Fiscal Year 2021-22 Appropriations Limit of \$17,661,361 shall be the change in the statewide per capita personal income percentage and State Department of Finance estimated change in County population as shown in Exhibit A and attached hereto.

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I, ROLAND SANFORD, General Manager and Secretary to the Board of Directors of the Solano County Water Agency, do hereby certify that the foregoing resolution was regularly introduced, passed and adopted by said Board of Directors, at a regular meeting thereof held on the 11th day of November 2021, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

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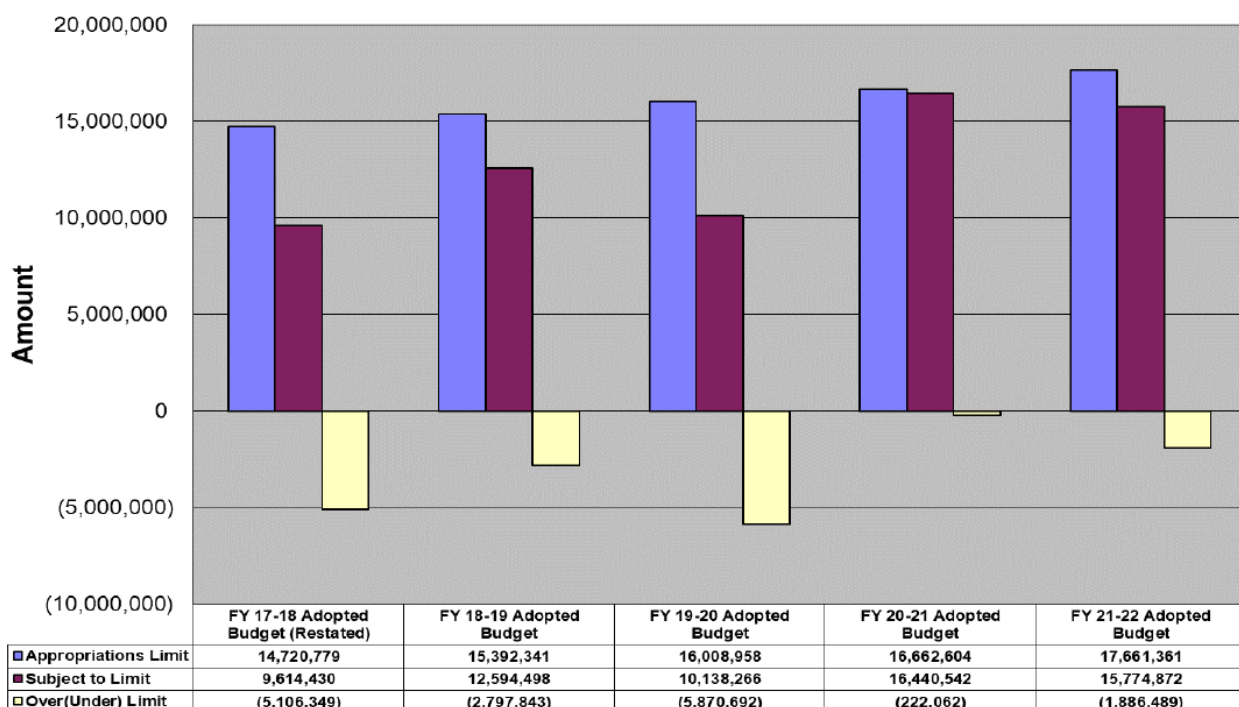
Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

Attachment: **Exhibit A** – Appropriations Limit Calculation Summary for FY 2021-22

## Solano County Water Agency Appropriations Limit Calculation Summary Fiscal Year 2021-22 Adopted Budget

<b>Prior Year Appropriations Limit</b>	<b>\$ 16,662,604</b>
<b>Allowed Compounded Percentage Increase from Prior Year [1]</b>	
Statewide Per Capita Personal Income	5.730%
County Population Growth From State Dept of Finance	0.250%
Compounded Percentage as an Adjustment Factor	5.994%
Growth Factor Adjustment Amount to Appropriations Limit	<b>\$ 998,756</b>
<b>Current Year Appropriations Limit From Growth Factors</b>	<b>\$ 17,661,361</b>
<b>Annual Other Adjustments to Limit [1]</b>	<b>-</b>
<b>Current Year Appropriations Limit</b>	<b>\$ 17,661,361</b>
<b>Current Year Adopted Budget Appropriations From Proceeds of Taxes [2]</b>	
Proceeds of Taxes From Adopted Budget [3]	28,685,009
Less Allowable Exclusion of Certain Appropriations [3]	(12,910,137)
<b>Current Year Appropriations Subject to the Appropriations Limit</b>	<b>\$ 15,774,872</b>
<b>Current Year Appropriations Over or (Under) the Appropriations Limit</b>	<b>\$ (1,886,489)</b>
<b>Percentage Over or (Under) the Limit</b>	<b>-11%</b>

### Solano County Water Agency Appropriations Limit Summary



<small>(1) Article XIII B allows annual adjustments to the Appropriations Limit after calculation of annual growth factors.</small>			
<small>(2) Proceeds of Taxes are certain revenues as defined by State Law and by the League of California Cities Article XIII B Appropriations Limit Uniform Guidelines.</small>			
<small>(3) Summary of worksheets for above calculations of Appropriations Limit and Appropriations Subject to Limit.</small>			
<b>Summary of Appropriations From Proceeds of Taxes</b>	<b>From Non Proceeds of Taxes</b>	<b>From Proceeds of Taxes</b>	<b>Total Appropriations</b>
Total Proceeds and Non Proceeds of Taxes	10,313,150	28,685,009	38,998,159
<b>Summary of Exclusions</b>	<b>From Proceeds of Taxes</b>		
Court Order Costs	262,911	Putah Creek and Lake Berryessa	
Federal Mandates	235,724	FICA/Medicare/Unemployment	
Qualified Capital Outlay Over \$100,000 and 10+ year life	-	Capital Improvements	
Qualified Debt Service for Capital Improvements	12,411,502	State Water Project	
<b>Total Exclusions to Appropriations Subject to Limit</b>	<b>12,910,137</b>		