

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0590-00098-5138

Date: July 19, 2018

To: The Council

From: Richard H. Llewellyn Jr., City Administrative Officer

Subject: **2018-19 APPROPRIATION LIMIT (C.F. 18-0600)****RECOMMENDATIONS**

1. Provide the public, in accordance with Section 7910 of the Government Code, the opportunity to review the attached documentation for at least 15 days before adopting an appropriations limit for 2018-19. To facilitate this effort, the documentation provided on the attachment to this memorandum will be sent to all certified neighborhood councils.
2. Adopt the following factors to be used to calculate the appropriations limit for 2018-19:

Population Percent Change: City	0.82%
Nonresidential New Construction Percent Change: City	5.10%
3. Adopt \$5,669,148,096 as the appropriations limit for 2018-19.

SUMMARY

Section 7910 of the Government Code of the State of California requires that the governing body of each local jurisdiction establish its appropriations limit for the following fiscal year pursuant to Article XIII B of the State Constitution (Gann Initiative). The Gann Initiative limits the amount of revenue that can be appropriated in any fiscal year, which are applicable to revenues that are referred to as "proceeds of taxes." The limit is adjusted annually for population growth, inflation/per capita income or changes to nonresidential new construction, and other factors. Certain appropriations are exempt from the Gann Limit, such as voter-approved debt, court orders, and federal mandates.

The City must make the documentation used to calculate the appropriations limit available to the public fifteen days prior to adopting the limit. Therefore, in addition to submitting this report to the City Clerk for City Council action, this Office is transmitting the documentation to all

Certified Neighborhood Councils. Further, Item No. 13 of the 2018-19 Budget Resolution directs this Office to present a report setting forth the calculations necessary to establish the City's appropriations limit. These calculations reflect the 2018-19 Adopted Budget.

When adjusting the annual appropriation limit, the City has the discretion to either apply the inflation/per capita income rate or the change to nonresidential new construction along with the population change and other factors. If the inflation/per capital income rate is used, the 2018-19 appropriation limit would be \$5,592,160,928. If the change to nonresidential new construction is used, the 2018-19 appropriation limit would be \$5,669,148,096. Both of these amounts exceed the \$4,353,097,592 in actual appropriations that are subject to the limit in the 2018-19 Budget. This Office has reviewed both approaches and recommends using the nonresidential new construction rate for the calculation of the 2018-19 appropriations limit. The calculation of the appropriations limit will be reviewed as part of the City's annual financial audit for 2018-19.

Attachment 3 to this report includes documentation of the base year and subsequent years' appropriations limit calculations.

FISCAL IMPACT STATEMENT

There is no fiscal impact in adopting the recommendations in this report.

RHL:JWW:JL:01190004c

Attachments

CALCULATION OF 2018-19 APPROPRIATIONS LIMIT

2017-18 APPROPRIATIONS LIMIT ADOPTED BY THE CITY COUNCIL \$ 5,415,819,599

Factors used - see Attachment 3 as indicated:

- | | | |
|----|--|--------|
| 1. | Population (paragraph B.1): City | 0.82% |
| 2. | California per capita personal income or nonresidential new construction assessed valuation (paragraph B.2): Los Angeles non-residential new construction assessed valuation | 5.10% |
| 3. | Total Annual Adjustment Factor* | 1.0596 |

Annual Adjustment \$ 322,729,123

\$ 5,415,819,599 x 1.05959008

\$ 5,738,548,722

Reduction in limit due to change in financing from other revenues to user charges:

- | | |
|---|---------------------|
| 1. Increased Fire Fees: | (5,188,000) |
| 2. Metropolitan Transportation Authority Reimbursement for Police Services: | <u>(64,212,626)</u> |

2018-19 APPROPRIATIONS LIMIT

\$ 5,669,148,096

* Total Annual Adjustment Factor was derived as follows:

Population Change converted to a ratio:	(0.82 + 100)/100=	1.00817325
Los Angeles Non-Residential New Construction Assessed Valuation Change converted to a ratio:	(5.1 + 100)/100=	1.05100000
Calculation of Total Annual Adjustment Factor:	1.00817325 x 1.05100000	1.05959008

2018-19 APPROPRIATIONS LIMIT

\$ 5,669,148,096

2018-19 BUDGET APPROPRIATIONS SUBJECT TO LIMITATION

4,353,097,592

DIFFERENCE

\$ 1,316,050,504

**2018-19 BUDGET APPROPRIATIONS
SUBJECT TO LIMITATION**

	2018-19 Budget	Non Proceeds of Taxes	Proceeds of Taxes
General Receipts:			
Property Tax and State Replacement - 1% Fund.....	\$ 1,961,509,000	\$ -	\$ 1,961,509,000
Property Tax - Ex-CRA Increment.....	97,252,000		97,252,000
Utility Users' Tax.....	641,570,000	--	641,570,000
Licenses, Permits, and Fees.....	1,128,045,130	1,128,045,130	--
Business Tax.....	590,000,000	--	590,000,000
Sales Tax.....	557,990,000	--	557,990,000
Documentary Transfer Tax.....	214,548,000	--	214,548,000
Power Revenue Transfer.....	238,000,000	--	238,000,000
Transient Occupancy Tax.....	322,160,000	--	322,160,000
Parking Fines.....	141,900,000	141,900,000	--
Parking User Tax.....	118,400,000	--	118,400,000
Franchise Income.....	78,816,000	78,816,000	--
State Motor Vehicle License Fees.....	2,127,000	--	2,127,000
Grant Receipts.....	12,003,184	12,003,184	--
Tobacco Settlement.....	10,952,000	10,952,000	--
Transfer from Telecommunications Development Account.....		--	--
Residential Development Tax.....	5,280,000	--	5,280,000
Special Parking Revenue Transfer.....	32,115,566	32,115,566	-
Interest.....	32,137,000	7,355,908	24,781,092
Transfer from Reserve Fund.....	5,791,190	5,791,190	--
Transfer from Budget Stabilization Fund.....	--	--	--
Transfer from Tax Reform Fund.....	--	--	--
Total General Receipts.....	<u>\$ 6,190,596,070</u>	<u>\$ 1,416,978,978</u>	<u>\$ 4,773,617,092</u>

Special Funds:

	2018-19 Budget	Non Proceeds of Taxes	Proceeds of Taxes
Property Tax and State Replacement	\$ 119,167,296	\$ -	\$ 119,167,296
Sewer Construction and Maintenance Fund.....	942,283,318	942,283,318	--
Proposition A Local Transit Assistance Fund.....	147,559,766	147,559,766	--
Proposition C Anti-Gridlock Transit Improvement Fund	77,506,675	77,506,675	--
Special Parking Revenue Fund.....	52,306,534	52,306,534	--
Los Angeles Convention and Visitors Bureau Trust Fund.....	24,781,538	24,781,538	--
Solid Waste Resources Revenue Fund.....	378,564,647	378,564,647	--
FAT.....	--	--	--
Fines--State Vehicle Code.....	4,100,000	4,100,000	--
Special Gas Tax Street Improvement Fund.....	178,708,823	178,708,823	--
Housing Dept. Affordable Housing Trust Fund.....	4,537,072	4,537,072	--
Stormwater Pollution Abatement Fund.....	32,640,000	32,640,000	--
Community Development Trust Fund.....	24,533,183	24,533,183	--
HOME Investment Partnerships Program Fund.....	5,498,893	5,498,893	--
Mobile Source Air Pollution Reduction Trust Fund.....	5,250,000	5,250,000	--
City Employees Retirement Fund.....	110,370,050	110,370,050	--
Community Services Administration Grant.....	1,800,000	1,800,000	--
Park and Recreational Sites and Facilities Fund.....	3,500,000	--	3,500,000
Convention Center Revenue Fund.....	30,909,702	30,909,702	--
Local Public Safety Fund.....	45,160,000	45,160,000	--
Neighborhood Empowerment Fund.....	2,426,850	2,426,850	--
Street Lighting Maintenance Assessment Fund.....	67,662,644	67,662,644	--
Telecom. Liquidated Damages and Lost Franchise TDA	17,250,000	17,250,000	--
Older Americans Act Fund.....	2,865,906	2,865,906	--
Workforce Innovation Opportunity Act.....	17,192,925	17,192,925	--
Rent Stabilization Trust Fund.....	14,658,878	14,658,878	--
Arts and Cultural Facilities and Services Trust Fund.....	25,924,791	25,924,791	--
Arts Development Fee Trust Fund.....	3,155,000	3,155,000	--
City Employees Ridesharing Fund.....	3,222,000	3,222,000	--

	2018-19 Budget	Non Proceeds of Taxes	Proceeds of Taxes
Allocations from other sources.....	82,668,029	82,668,029	--
City Ethics Commission Fund.....	3,409,102	3,409,102	--
Staples Arena Special Fund.....	4,368,202	4,368,202	--
Citywide Recycling Fund.....	28,350,000	28,350,000	--
Special Police Communications/911 System Tax Fund.....	--	--	--
Local Transportation Fund.....	6,133,402	6,133,402	--
Planning Case Processing Revenue Fund.....	33,580,000	33,580,000	--
Disaster Assistance Trust Fund.....	9,899,000	9,899,000	--
Landfill Maintenance Special Fund.....	--	--	--
Household Hazardous Waste Special Fund.....	3,765,000	3,765,000	--
Building and Safety Enterprise Fund.....	157,381,280	157,381,280	--
Housing Opportunities for Persons with AIDS Fund.....	624,411	624,411	--
Code Enforcement Trust Fund.....	39,736,761	39,736,761	--
El Pueblo de Los Angeles Historical Monument Revenue Fund.....	5,060,113	5,060,113	--
Zoo Enterprise Trust Fund.....	22,897,949	22,897,949	--
Local Law Enforcement Block Grant Fund.....	--	--	--
Supplemental Law Enforcement Services Fund.....	7,833,000	7,833,000	--
Street Damage Restoration Fee Special Fund.....	70,511,000	70,511,000	--
Municipal Housing Finance Fund.....	5,298,068	5,298,068	--
Measure R Traffic Relief and Rail	46,400,000	46,400,000	--
Efficiency and Police Hires Fund.....	--	--	--
Central Recycling and Transfer Fund.....	8,090,000	8,090,000	--
Multi-Family Bulky Item Fund.....	11,250,000	11,250,000	--
Sidewalk Repair Fund.....	18,916,980	18,916,980	--
Measure M Local Return Fund.....	46,704,000	46,704,000	--
Code Compliance Fund.....	1,674,270	1,674,270	--
Accessible Housing Fund.....	10,148,004	10,148,004	--
Available Balances.....	740,937,349	740,937,349	--
Total Special Receipts.....	<u>\$ 3,709,172,411</u>	<u>\$ 3,586,505,115</u>	<u>\$ 122,667,296</u>
Total	<u>\$ 9,899,768,481</u>	<u>\$ 5,003,484,093</u>	<u>\$ 4,896,284,388</u>

Less: Appropriations Not Subject to Limitation

A. Debt Service on: (supported by taxes)	
1. General Obligation Bonds	\$ (119,167,296)
2. Reserve for Special Police/9-1-1 System Bonds	-
B. Federal Mandates:	
1. Medicare for New Employees	(52,394,080)
2. Fire-Fair Labor Standards Act overtime costs - Firefighters & Civilian	(77,738,823)
3. Police-Fair Labor Standards Act overtime costs - Sworn & civilian	(125,034,948)
4. Unemployment Compensation	(2,800,000)
5. Social Security for employees not in retirement system	(1,594,730)
6. Pensions Savings Plan	(2,729,799)
C. Capital Outlay Projects (fixed assets of \$100,000 or more with a useful life of 10 years or more):	
1. Capital Improvement Expenditure Program:	
a. General Fund - Municipal Facilities Projects	(20,965,796)
b. Park and Recreational Sites and Facilities Fund	(3,500,000)
c. General Fund - Physical Plant Projects	(15,731,630)
2. Capital Finance Administration Program	(121,529,694)
3. Lease Obligation to Convention Center Authority (General Fund financing)	-

2018-19 BUDGET APPROPRIATIONS SUBJECT TO LIMITATION**\$ 4,353,097,592**

CITY OF LOS ANGELES
Calculation of Appropriations (Gann) Limit
(Article XIIB of the State Constitution)

A. Determination of Base Year

1. **Original Determination.** The December 4, 1980 report from the City Administrative Officer (CAO File No. 0230-02771), adopted by City Council December 22, 1980 (C.F. 78-5568-S2) and concurred by the Mayor December 30, 1980 was the basis for the original determination of the base year.
2. **Contributions to Retirement - Santa Barbara Taxpayers Association versus County of Santa Barbara** (194 Cal. App. 3d 674--review denied November 18, 1987). Assumption #3, Attachment I of December 4, 1980 report was negated by this case whereby it was determined that contributions to a retirement fund constitute appropriations subject to limitation and are not considered "indebtedness." The City had previously deducted contributions necessary to meet any unfunded liability existing on January 1, 1979. Similarly, payments for leasebacks are not considered "indebtedness." Attachment 3, section D under "LESS APPROPRIATIONS NOT SUBJECT TO LIMITATION" are restored.
3. **Water and Power Revenue Transfers.** Assumption #2, Attachment 1, indicates that transfers of surplus funds from the Water and Power Department are "proceeds of taxes" except for reimbursement for services provided. An annual review is conducted to ascertain the costs of services provided to the Department of Water and Power by the Controller, Office of Finance-Treasurer, and Personnel Department.
4. **May Adopted City Budget.** The City adopted the 1978-79 Budget in compliance with Charter requirements that a budget must be adopted by the Council by June 1. Assumption #1, Attachment 1, indicates that the adopted budget was used to determine appropriations subject to limitation for 1978-79. This was the conclusion of the City Attorney in a February 15, 1979 report to the City Administrative Officer (page 19) that "... any authorization which existed during the fiscal year 1978-79, including the Budget in effect until July 24, 1978 and interim appropriations during the same fiscal year from the Reserve Fund subsequent to the adoption of the Budget, would be considered 'appropriations subject to limitation' within the meaning of Subsection (b)" of Section 8.
5. **Interim Authorizations added to base.** Council File 78-5568 and S1, adopted by the Council on June 25, 1979, provided for various appropriations that added to the 1978-79 base as follows (see Attachment 3 for additions):

- a. Excess General Fund revenues subject to limitation. The total appropriation of \$40,470,163.89 was reduced to \$30,246,692 by applying a factor of 88.5% to the interest earnings portion.
 - b. The end-of-year Reserve Fund transfer of \$971,614.94 was reduced to \$859,879 by applying a factor of 88.5%.
 - c. For-Hire Trucking revenues of \$8,310.75 exceeding the budget were appropriated.
 - d. Section B is self-explanatory. Section C includes over 30 items that were appropriated from the Reserve Fund throughout the year, exclusive of appropriations for non-limited items (primarily grant advances), for a total of \$9,118,967. Section D is self-explanatory.
6. **Franchise Fees - Santa Barbara County Taxpayers Association versus Santa Barbara County** (209 Cal. App. 3d 940 -- review denied 1989). This case determined that franchise fees are not "proceeds of taxes." In light of this decision, the City reduced the base by eliminating the amount budgeted for Franchise Income (\$3,549,000) and excess General Fund revenues attributable to Franchise Income (revenues of \$4,510,290 exceeded the budget estimate of \$3,549,000 by \$961,290). It is noted that these adjustments do not impact the factor of 88.5 percent, which is applied to interest earnings, etc.
7. **Revised Base Year.** The base year was revised as follows:

APPROPRIATIONS SUBJECT TO LIMITATION
December 4, 1980 Report (C.F. 78-5568-S2)

1978-79 Base Year:	\$763,061,903
Section A.2. (above)	
Restoration of contributions to unfunded liability of retirement systems	
1. City Employees' Retirement Systems	28,558,915
2. Fire and Police Pensions Systems	73,878,573
Restoration of contributions for lease obligations	
1. Convention Center Authority	2,558,130
2. Public Facilities Corporation	4,700,000
3. Los Angeles Mall	1,966,045
Section A.6. (above)	(4,510,290)
 Revised Base: 1978-79	 \$870,213,276

B. Annual Adjustments

1. Population. Prior to the passage of Proposition 111 on the June 5, 1990 ballot, the City used the change in the City population as an adjustment factor each year. Proposition 111 provides that the City may choose either the increase in the City or County population. While the City did not retroactively change the adopted appropriations limit for the years prior to 1990-91, the factors were applied for the limits from 1986-87 to 1989-90. This action was taken in order to have a modified base that was consistent with the newly approved legislation to calculate the limit for 1990-91.

The State Department of Finance provides a population number and the population percent change factor each May 1. Though the population number is usually adjusted the following year, it creates an erosion as the adjustment is generally upward. Below is a listing of adjusted population amounts through 1989 reported by the State Department of Finance. The amounts after 1989 should be adjusted at such time as the City recalculates the limit for all years after that date (when factors are available for the change in nonresidential new construction - see paragraph 2).

Year (As of January 1)	CITY		COUNTY	
	Amount	% Change	Amount	% Change
1978	2,899,690			
1979	2,930,267	1.05		
1980	2,953,310	0.79		
1981	2,978,607	0.86		
1982	3,010,172	1.06		
1983	3,062,957	1.75		
1984	3,103,774	1.33		
1985	3,146,314	1.37		
1986	3,249,047	3.27	8,228,477	
1987	3,313,074	1.97	8,400,370	2.09
1988	3,365,380	1.58	8,532,396	1.57
1989	3,395,273	0.89	8,632,069	1.17
1990 Unadj.	3,428,770	0.99	8,749,615	1.36
1991	3,531,757	3.00	8,964,736	2.46
1992	3,574,521	1.21	9,065,427	1.12
1993	3,602,526	.78	9,139,357	.81
1994	3,615,698	.36	9,208,731	.76
1995	3,590,357	(.71)	9,229,730	.23
1996	3,635,515	1.28	9,356,784	1.38
1997	3,679,165	1.20	9,476,976	1.28
1998	3,719,925	1.11	9,590,909	1.20
1999	3,778,539	1.58	9,744,931	1.61
2000	3,820,095	1.10	9,871,788	1.30
2001	3,799,854	(.53)	9,790,152	(.83)

Year (As of January 1)	CITY		COUNTY	
	Amount	% Change	Amount	% Change
2002	3,804,063	0.11	9,811,918	0.22
2003	3,862,134	0.15	9,968,146	0.16
2004	3,910,607	1.26	10,092,305	1.24
2005	3,956,666	1.18	10,216,040	1.18
2006	3,974,892	0.46	10,235,632	0.78
2007	3,991,768	0.99	10,263,866	0.72
2008	4,041,183	1.24	10,352,128	0.86
2009	4,061,730	1.09	10,382,451	0.90
2010	4,090,497	1.08	10,430,366	0.83
2011	3,805,881	(6.96)	9,848,442	(0.06)
2012	3,822,324	0.43	9,874,366	0.26
2013	3,822,324	0.43	9,874,366	0.26
2014	3,901,605	1.00	10,031,664	0.78
2015	3,953,775	1.09	10,126,867	0.82
2016	4,028,043	1.27	10,231,861	0.85
2017	4,038,817	1.06	10,231,933	0.57
2018	4,018,598	0.82	10,221,926	0.51

2. Cost of Living. Prior to the passage of Proposition 111 on the June 5, 1990 ballot, the City used the lesser of the United States cost of living (CPI) or California per capita personal income change for the annual calculation. Proposition 111 provides that the City may choose either the California per capita personal income change or the change in nonresidential new construction on the local assessment roll. While the City did not retroactively change the adopted appropriations limit for the years prior to 1990-91, the factors were applied for the limits from 1986-87 to 1989-90. This action was taken in order to have a modified base that was consistent with the newly approved legislation to calculate the limit for 1990-91. The following is a listing of the annual factors provided by the State Department of Finance:

Year	Lesser Factor	% Change	Per Capita	
			Income	% Change
1979-80	CPI	10.17		
1980-81	Per Capita Income	12.11		
1981-82	Per Capital Income	9.12		
1982-83	CPI		6.79	
1983-84	Per Capita Income	2.35		
1984-85	CPI		4.74	
1985-86	CPI		3.74	
1986-87	CPI		2.30	
1987-88	CPI		3.04	3.47
1988-89	CPI		3.93	4.66
1989-90	CPI		4.98	5.19

Use either Per Capital Income or Nonresidential New Construction

Year	Lesser Factor	Per Capita % Change	Income % Change
1990-91	Per Capita Income		4.21
1991-92	Per Capita Income		4.14
1992-93	Per Capita Income		(0.64)
1993-94	Per Capita Income		2.72
1994-95	Per Capita Income		0.71
1995-96	Per Capita Income		4.72
1996-97	Per Capita Income		4.67
1997-98	Per Capita Income		4.67
1998-99	Per Capita Income		4.15
1999-00	Per Capita Income		4.53
2000-01	Per Capita Income		4.91
2001-02	Per Capita Income		7.82
2002-03	Per Capita Income		(1.27)
2003-04	Per Capita Income		2.31
2004-05	Per Capita Income		3.28
2005-06	Per Capita Income		5.26
2006-07	Per Capita Income		3.96
2007-08	Per Capita Income		4.42
2008-09	Per Capita Income		4.29
2009-10	Per Capita Income		0.62
2010-11	Per Capita Income		(2.54)
2011-12	Per Capita Income		2.51
2012-13	Per Capita Income		3.77
2013-14	Per Capita Income		5.12
2014-15	Per Capita Income		(0.23)
2015-16	Per Capita Income		3.82
2016-17	Per Capita Income		5.37
2017-18	Nonresidential New Construction		5.12
2018-19	Nonresidential New Construction		5.10

3. Annexations. The City adjusts the appropriations limit annually to reflect the negotiated property tax transfer with the County or other jurisdiction for annexations, de-annexations, or other jurisdictional changes. Such changes have not been significant to date.

4. Transfer from "Proceeds of taxes" to fees. When a new fee is imposed for an existing service or a fee is increased to recover a proportionally greater amount of the cost of a service, the appropriations limit must be reduced since it is presumed that "proceeds of taxes" are being replaced with fees to finance the

service. The methodology used to reduce the limit is to deduct the year-to-year increase in the cost of the service from the increase in revenues from fee increase adjustments or the prior year cost of the service from the new fee.

5. Transfer of Financial Responsibilities. Whenever the financial responsibility of providing a service is transferred between governmental agencies, they are supposed to adjust their limits by an agreed upon amount. In practice, however, the agency that is to adjust its limit downward very likely will not agree to an amount. The City may be able to adjust its limit for such transfers in the future, e.g., the transfer of the financial responsibility of property tax administration and booking of prisoners which occurred in 1990-91.

C. Appropriations Subject to Limitation -- Reserve Fund Transfers

The December 4, 1980 report from the City Administrative Officer and subsequent reports through 1988-89 counted transfers from the Reserve Fund either as part of the Budget (proportionately, as a ratio of General Fund "proceeds of taxes" to total General Fund revenues) or on an interim basis against the appropriations limit. In response to a request from the City Administrative Officer, the City Attorney reported (Opinion No. 88:23, January 26, 1989) that transfers from the Reserve Fund (or by inference, the use of any available balance) do not count against the appropriations limit. All excess revenues (the amount above the Budget estimate) continue to be counted against the limit in the year received when they are appropriated.

D. Calculations for Annual Appropriations Limit

Calculations for the annual appropriations limit are as follows:

REVISED BASE 1978-99 (see paragraph A.7.)	\$ 870,213,276
1979-80 Population Change - 1.05% times CPI Change - 10.17%	11.33%
	\$ 968,808,440

Reduction in limit due to change in financing
from other revenues to user charges:

(1) Harbor Fire Protection. Budget revenues (\$1,650,000) less difference between 1979-80 cost (\$4,203,704 and 1978-79 cost (\$3,847,469)	(1,293,795)
(2) Animal Regulation - dog license late payment fee (new)	(260,000)
	\$ 967,254,675

1980-81	Population Change - 0.79% times Per Capita Personal Income Change - 12.11%	<u>13.00%</u> <u>\$ 1,092,997,783</u>
	Add Property Tax transfers for annexations	<u>3,224</u> <u>\$ 1,093,001,007</u>
1981-82	Population Change - 0.86% times Per Capita Personal Income Change - 9.12%	<u>10.6%</u> <u>\$ 1,202,956,908</u>
	Reduction in limit due to change in financing from other revenues to user charges:	
	(1) Harbor Fire Protection. Increased Budget revenues (\$2,350,000) less difference between 1981-82 cost (\$5,100,000) and 1980-81 cost (\$4,412,619)	\$ (1,662,619)
	(2) Additional Planning fees (new)	<u>(440,000)</u>
		<u>\$ 1,200,854,289</u>
1982-83	Population Change - 1.06% times CPI Change - 6.79%	<u>7.92%</u> <u>\$ 1,295,961,949</u>
	Add Property Tax transfer for annexation. Reduction in limit due to change in financing from other revenues to user charges:	
	(1) Harbor Fire Protection. Increased revenues (\$1,652,000) less difference between 1982-83 cost (\$5,652,000) and 1981-82 cost (\$5,429,378)	(1,429,378)
	(2) Police Burglar Alarm Fees	<u>(500,000)</u>
		<u>\$ 1,294,040,525</u>
1983-84	Population Change - 1.75% times Per Capita Personal Income Change - 2.35%	<u>4.14%</u> <u>\$ 1,347,613,803</u>
	Add Property Tax transfer for annexations	\$ 23,376
	Reduction in limit due to change in financing from other revenues to user charges -- Police Burglar Alarm Fees	<u>(1,500,000)</u>

		<u>\$ 1,346,137,179</u>
1984-85	Population Change - 1.33% times CPI Change - 4.74%	<u>6.13%</u> <u>\$ 1,428,655,388</u>
	Adjust for Property Tax transfers for annexations	<u>(14,153)</u> <u>\$ 1,428,641,235</u>
1985-86	Population Change - 1.37% times CPI Change - 3.74%	<u>5.16%</u> <u>\$ 1,502,359,123</u>
1986-87	Population Change - 3.27% times CPI Change - 2.30%	<u>5.65%</u> <u>\$ 1,587,242,413</u>
1991-92	City Population Change - 3% times Per Capita Personal Income Change - 4.14%	<u>7.26%</u> <u>\$ 2,149,597,445</u>
	Reduction in limit due to change in financing from other revenues to user charges - Stormwater Pollution Abatement Charge for flood control program	<u>(5,217,509)</u> <u>\$ 2,144,379,936</u>
1992-93	City Population Change - 1.21% times Per Capita Personal Income Change - (-0.64)%	<u>0.56%</u> <u>\$ 2,156,388,427</u>
1993-94	County Population Change - 0.81% times Per Capita Personal Income Change - 2.72%	<u>3.55%</u> <u>\$ 2,232,940,188</u>
	Reduction in limit due to change in financing from other revenues to user charges:	
	(1) Sanitation Equipment Charge increase	(20,900,000)
	(2) Water and Electricity -	
	(a) Transfer of Fire Hydrant Service to Department of Water and Power	(5,164,000)
	(b) Transfer of Traffic Signal and	

	Utilitarian Lighting costs to Department of Water and Power	(6,134,129)
	(c) Transfer of General Benefit Lighting costs to Department of Water and Power	<u>(763,875)</u>
		<u>\$ 2,199,978,184</u>
1994-95	County Population Change - 0.76% times Per Capita Personal Income Change - 0.71%	<u>1.48%</u>
		<u>\$ 2,232,537,877</u>
	Reduction in limit due to change in financing from other revenues to user charges: Water and Electricity -	
	a. Transfer of General Benefit Lighting Costs to Department of Water and Power	(763,875)
	b. Transfer of Public Property Lighting to Street Lighting Assessments	<u>(670,000)</u>
		<u>\$ 2,231,104,002</u>
1995-96	County Population Change - 0.23% times Per Capita Personal Income Change - 4.72%	<u>4.96%</u>
		<u>\$ 2,341,766,758</u>
1996-97	County Population Change - 1.38% times Per Capita Personal Income Change - 4.67%	<u>6.11%</u>
		<u>\$ 2,475,949,932</u>
	Reduction in limit due to change in financing from other revenues to user charges: Street Deterioration Fees	<u>(15,000,000)</u>
		<u>\$ 2,460,949,932</u>
1997-98	County Population Change - 1.28% times Per Capita Personal Income Change - 4.67%	<u>6.01%</u>
		<u>\$ 2,601,962,363</u>
1998-99	County Population Change - 1.20% times Per Capita Personal Income Change - 4.15%	<u>5.40%</u>
		<u>\$ 2,774,065,184</u>
1999-00	County Population Change - 1.61% times Per Capita Personal Income Change - 4.53%	<u>6.21%</u>
		<u>\$ 2,931,130,793</u>

2000-01	County Population Change - 1.30% times Per Capita Personal Income Change - 4.91%	<u>6.27%</u> <u>\$ 3,114,912,694</u>
2001-02	City Population Change - (0.53%) times Per Capita Personal Income Change - 7.82%	<u>7.25%</u> <u>\$ 3,340,743,864</u>
2002-03	City Population Change - 0.11% times Per Capita Personal Income Change - (1.27%)	<u>(0.0098%)</u> <u>\$ 3,301,991,235</u>
2003-04	City Population Change - 1.53% times Per Capita Personal Income Change - 2.31%	<u>3.88%</u> <u>\$3,430,108,495</u>
2004-05	City Population Change - 1.26% times Per Capita Personal Income Change - 3.28%	<u>4.58%</u> <u>\$3,587,207,464</u>
2005-06	City Population Change - 1.18% times Per Capita Personal Income Change - 5.26%	<u>6.50%</u> <u>\$3,820,375,949</u>
2006-07	City Population Change – 0.46% times Per Capita Personal Income Change – 3.96%	<u>4.44%</u> <u>\$3,989,932,486</u>
2007-08	City Population Change – 0.99% times Per Capita Personal Income Change – 4.42%	<u>5.45%</u> <u>\$4,207,533,748</u>
2008-09	City Population Change – 1.24% times Per Capita Personal Income Change – 4.29%	<u>5.58%</u> <u>\$4,442,448,604</u>
2009-10	City Population Change – 1.09% times Per Capita Personal Income Change – 0.62%	<u>1.02%</u> <u>\$4,518,714,696</u>
2010-11	City Population Change – 1.08% times Per Capita Personal Income Change – (2.54)%	<u>0.98%</u> <u>\$4,451,501,888</u>

	Reduction in limit due to change in financing from other revenues to user charges:	
	(1) Solid Waste Fees -	(165,537,537)
	(2) Fire Fees -	
	(a) Brush Clearance Initial Inspection	(1,400,000)
	(b) Brush Clearance Reinspection	(650,000)
		<u>\$4,283,914,632</u>
2011-12	City Population Change – (6.96)% times Per Capita Personal Income Change – 2.51%	<u>1.022%</u> <u>\$4,388,385,333</u>
2012-13	City Population Change – 0.43% times Per Capita Personal Income Change – 3.77%	<u>1.037%</u> <u>\$4,554,024,205</u>
2013-14	City Population Change – 1.00% times Per Capita Personal Income Change – 5.12%	<u>1.051%</u> <u>\$4,787,671,114</u>
	Reduction in limit due to change in financing from other revenues to user charges:	
	(1) Public Right-of-Way Construction	(333,000)
	(2) Zoo – Entrance Fee Increase	(750,000)
		<u>\$4,786,591,114</u>
2014-15	City Population Change – 1.00% times Per Capita Personal Income Change –(0.23%)	<u>1.007%</u> <u>\$4,555,372,559</u>
2015-16	City Population Change – 1.09% times Per Capita Personal Income Change – 3.82%	<u>1.05%</u> <u>\$4,780,938,118</u>
	Reduction in limit due to change in financing from other revenues to user charges:	
	(1) Paycheck Fee	(100,000)
	(2) New Engineering Fees	(92,470)
		<u>\$4,780,745,648</u>
2016-17	City Population Change – 1.27% times Per Capita Personal Income Change – 5.37%	<u>1.07%</u> <u>\$5,101,447,580</u>

2017-18	City Population Change – 1.06% times	
	Nonresidential New Construction Change – 5.12%	<u>1.06%</u>
		<u>\$5,419,631,599</u>

Reduction in limit due to change in financing
from other revenues to user charges:

(1) Increased Fire Fees	(980,000)
(2) Increased Planning Fees	(2,800,000)
(3) Public Works - Tree Replacement Fee	(12,000)
(4) Public Works - Collection Fee	<u>(20,000)</u>
	<u>\$ 5,415,819,599</u>

2018-19	City Population Change – 0.82% times	
	Nonresidential New Construction Change – 5.10%	<u>1.06%</u>
		<u>\$5,738,548,722</u>

Reduction in limit due to change in financing
from other revenues to user charges:

(1) Increased Fire Fees	(5,188,000)
(2) Metropolitan Transportation Authority Reimbursement for Police Services	<u>(64,212,626)</u>
	<u>\$ 5,669,148,096</u>