




A Tradition of Stewardship
A Commitment to Service

AUDITOR-CONTROLLER INTER-OFFICE MEMO

Date: September 12, 2017

To: Board of Supervisors

From: Tracy A. Schulze 
Auditor-Controller

Subject: **2017-2018 Appropriation Limit for Napa County Community Facilities District 2013-01
(Devlin Road – Segment C)**

Each year, Article XIII B of the California Constitution requires the District to establish an appropriation limit. On June 5, 1990 the voters of California passed Proposition 111 that amended Article XIII B of the State's Constitution relating to the calculation of a jurisdiction's appropriation limit.

One of the changes to Article XIII B requires the Board of Supervisors to select one of two methodologies to determine the cost-of-living factor used in calculating the appropriation limit. The Board may select one of the following:

- The percentage change in California per capita personal income from the preceding year; or
- The percentage change in the local assessment roll from the preceding year due to the addition of local non-residential new construction.

Each year we calculate the appropriation limit using both factors and recommend to the Board the factor that is most beneficial to the District. The percentage change in change in the local assessment roll for non-residential new construction of 9.89% versus a 3.69% change in the California per capita personal income. Therefore, I am recommending the District's appropriation limit be calculated using the local assessment roll for non-residential new construction factor.

On May 7, 2013, the voters of the Devlin Road Community Facilities District approved Ballot Measure 2 setting the initial appropriation limit for the District at \$2,720,000 for the fiscal year 2013-2014. The limit is adjusted on an annual basis as authorized by section 1 of Article XIII B of the California Constitution. Based on the change in the local assessment roll for non-residential new construction factor of 9.89% and

population growth factor of 0.90%, the 2017-2018 appropriation limit is recommended to be adjusted to \$3,383,304 as permitted by Article XIII B.

Recommended Board Action

Adopt the attached resolution establishing the appropriation limit for the Napa County Community Facilities District 2013-01 (Devlin Road – Segment C) using the cost of living factor indicated above. The appropriation limit and revenue subject to the limit are as follows:

	<u>Appropriations Limit</u>	<u>Revenues Subject to Limit</u>
Napa County Community Facilities District 2013-01	\$3,383,304	\$ 101,674

Calculation Detail

2016-2017 Appropriation Limit	\$ 3,051,172
X Cumulative Growth Factor	<u>1.10885381</u>
2017-2018 Appropriation Limit	<u>\$ 3,383,304</u>

Cost of Living Factor:

Local Non-Residential New Construction Factor (9.89%)	1.09892469
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Population Change:

County of Napa (0.903531%)	<u>1.00903531</u>
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Cumulative Growth Factor:

Calculation: 1.0989×1.00903531	<u>1.10885381</u>
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