

RESOLUTION NO. 7532

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE,
RESCINDING RESOLUTION NO. 7501 AND APPROVING AND ADOPTING THE
REVISED ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2012-13**

WHEREAS, a duly noticed public hearing concerning this matter has been held as required by law on November 13, 2012; and

WHEREAS, the voters of the State of California on November 6, 1979, added Article XIII B to the Constitution of the State of California placing various limitations on the appropriations of the state and local governments; and

WHEREAS, Article XIII B provides that the appropriations limit for fiscal year 2012-13 shall be calculated by adjusting the appropriations limit for the prior fiscal year for changes in the inflation and population, except as otherwise provided for in Article XIII B and implementing state statutes; and

WHEREAS, on June 26, 2012, the City Council held a duly noticed Public Hearing and adopted Resolution No. 7501 approving and adopting the annual appropriations limit for fiscal year 2012-13, and since then has been revised; and

WHEREAS, the information necessary for making such adjustments is attached as Attachment A, which is incorporated herein and by reference made a part hereof; and

WHEREAS, the City of South Gate has complied with the provisions of Article XIII B in determining the appropriations limit for fiscal year 2012-13;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby selects the California per capita personal income as the inflation factor and the County population growth as the population factor.

SECTION 2. The City Council hereby rescinds Resolution No. 7437.

[Remainder of page left blank intentionally]

SECTION 3. An appropriations limit in the total amount of \$49,331,747 is hereby adopted for fiscal year 2012-13, with an amount subject to the limit of \$27,334,448.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

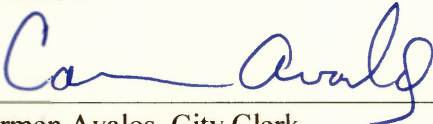
PASSED, APPROVED and ADOPTED this 13th day of November, 2012.

CITY OF SOUTH GATE:



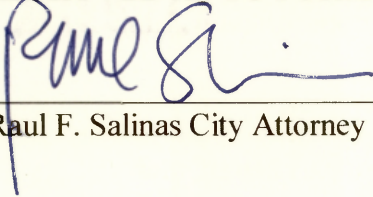
W.H. (Bill) De Witt, Mayor

ATTEST:



Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:



Raul F. Salinas City Attorney

GANN APPROPRIATIONS LIMIT

Article XIII B of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Appropriations Limit, was adopted by California voters in 1980 and placed limits on the amount of proceeds of taxes that state and local governmental agencies can appropriate and spend each year.

The limit is different for each agency and changes each year. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in FY 1978-79 in each agency, modified for changes in inflation and population in each subsequent year. Inflationary adjustments are, by law, based on increases in the California per capita income or the increase in non-residential assessed valuation due to new construction. Population adjustments are based on city population growth or county population growth.

For FY 2012-13, the City of South Gate's estimated tax proceeds to be received, as well as tax proceeds appropriated by the City Council will, as in prior years, continue to be under the legal limit. The appropriations limit for FY 2012-13 is \$49,331,747. This is the maximum amount of tax proceeds the City will be able to appropriate and spend in the coming fiscal year. The City's estimated proceeds of taxes is \$27,334,448 resulting in appropriations being under the limit by \$21,997,299.

Trends

Appropriation Limit

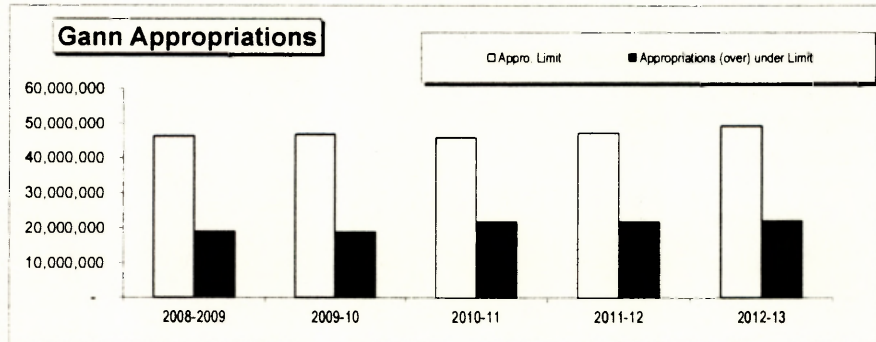
Appropriations Subject to Limit

Appropriations (Over) Under Limit

	2008-2009	2009-10	2010-11	2011-12	2012-13
Appropriation Limit	46,301,802	46,835,794	46,025,028	47,359,541	49,331,747
Appropriations Subject to Limit	27,264,866	28,018,443	24,191,407	25,540,411	27,334,448
Appropriations (Over) Under Limit	19,036,936	18,817,351	21,833,621	21,819,130	21,997,299

Appropriation Limit

Appropriations Subject to Limit



Appropriations Limit Worksheet 2012-13

A. Last Year's Limit (Audited)

47,359,541

B. Adjustment Factors

1 Population % - L.A. Co.

1.0038

State Department of Finance

2 Inflation % - Per Capita

1.0377

State Department of Finance

C. Total Adjustment (B1 x B2)

1.0416

D. Other Adjustments:

0

Sub-Total

0

E. This Year's Limit

\$ 49,331,747

A x C

**APPROPRIATIONS LIMIT
CALCULATION OF PROCEEDS OF TAXES
CITY OF SOUTH GATE
FY: 2012-13**

Worksheet #1

REVENUE	PROCEEDS OF TAXES	NON-PROCEEDS OF TAXES	TOTAL
Taxes:			
Property Tax	\$ 2,283,240		\$ 2,283,240
VLF In-Lieu	7,634,909		7,634,909
Sales & Use Tax	12,600,000		12,600,000
Transient Occupancy Tax	210,000		210,000
Franchise Tax	1,200,000		1,200,000
Refuse Franchise Tax	900,000		900,000
Business License Tax	1,160,000		1,160,000
Material Recovery Facilities Tax	436,000		436,000
Real Estate Transfer Tax	80,000		80,000
State Revenue:			
Motor Vehicle In-Lieu	135,000		135,000
Gasoline Tax		2,650,034	2,650,034
SB 90 State Mandate Reimbursement		25,000	25,000
State Law Enforcement Grants		187,751	187,751
Other State Revenue		80,000	80,000
Other Government Revenue:			
Community Development Block Grant		2,891,353	2,891,353
Housing Grants		4,817,500	4,817,500
Home Improvement		505,391	505,391
Federal Law Enforcement Grants		1,310,000	1,310,000
Proposition A Transit		1,648,856	1,648,856
Proposition C Transit		1,210,083	1,210,083
Measure R		907,585	907,585
AQMD		118,000	118,000
TDA Bikeway		51,694	51,694
ARRA		1,885,862	1,885,862
Other		19,853,660	19,853,660
Local Revenue:			
Licenses & Permits		1,018,200	1,018,200
Rents and Concessions		70,000	70,000
Fines and Forfeitures		1,550,000	1,550,000
User Fees		2,229,900	2,229,900
Administrative Allocation		2,979,856	2,979,856
Assessments		2,000,000	2,000,000
Other Revenue:			
Miscellaneous		-	-
Total Non-Interest Revenue	26,639,149	47,990,725	74,629,874
Interest Earnings	695,299	1,252,589	1,947,888
Total Revenue	27,334,448	49,938,613	76,577,762