

ANNUAL APPROPRIATION LIMIT FISCAL YEAR 2018-2019

Appropriations Limitation, imposed by Propositions 4 and 111, establishes a formula to restrict the amount of revenues that can be appropriated in any fiscal year. The Limit is based on actual appropriations for base fiscal year 1978-79 and is increased annually using the growth in population and the consumer price index as well as commercial property development within the City during the year. Revenues that are restricted to the limitation are those which are referred to as “proceeds of taxes”, such as sales tax, property tax and business license tax.

The City must adopt an appropriation limit for each fiscal year. Beginning with the fiscal year 1990-1991, the law provides the local agency with an option to calculate the adjustment factors by the following formulas:

Inflation - Either the percentage change in the California per capital income or the percentage change in the local assessment roll from the preceding year due to the addition of local non-residential construction.

Population - Either the City’s own population growth or the population growth of the entire County.

Historically Calculated Appropriations Limits:

Fiscal Year	Method Used	Limit
2006-2007	CA Income/San Mateo Population	26,862,903
2007-2008	CA Income/San Mateo Population	28,322,331
2008-2009	CA Income/San Mateo Population	29,912,483
2009-2010	CA Income/San Mateo Population	30,462,125
2010-2011	CA Income/San Mateo Population	30,035,741
2011-2012	CA Income/San Mateo Population	31,048,271
2012-2013	CA Income/San Mateo Population	32,534,535
2013-2014	CA Income/San Mateo Population	34,573,086
2014-2015	CA Income/San Mateo Population	34,897,143
2015-2016	CA Income/San Mateo Population	36,592,519
2016-2017	CA Income/San Mateo Population	38,908,408
2017-2018	CA Income/San Mateo Population	40,570,055
2018-2019	CA Income/San Mateo Population	42,269,940

Calculations:

Fiscal Year 2017-2018 Limit: \$40,570,055

Adjustment Factors:

1. California per capital income change = 3.67%
2. San Mateo County Population change = 0.50%

Total Adjustment: 1.0419