



Date: June 13, 2024
To: Board of Directors
From: David Aranda, Interim General Manager
Subject: Affirming the Establishment of the Appropriations Limit for Fiscal Year 2025

Recommendation

Approve and adopt Resolution No. 2024-07 A Resolution of the Board of Directors of the Kensington Police Protection and Community Services District Affirming the Establishment of the Appropriations Limit for Fiscal Year 2025.

Background

Appropriation limits are imposed on public agencies within the revenue and taxation code as a result of Proposition 4 in 1979. Its purpose is to limit property tax revenue collected in excess of actual operation costs and to limit the accumulation of certain revenues. This only applies to departments that collect and utilize property tax monies.

To determine the limit a baseline was established and then annual adjustments were made depending on changes in population and per capita cost of living changes.

For the fiscal year 2024/2025 the appropriate limit was \$5,591,161. Using the California State Department of Finance numbers for Contra Costa County the following formula was used to determine the appropriations limit for 2024/2025:

Step 1: Per Capita income converted to a ratio:

$$3.62 + 100 \text{ divided by } 100 = 1.0362$$

Step 2: Population change using Contra Costa Unincorporated number:

$$0.15 + 100 \text{ divided by } 100 = 1.0015$$

Step 3: $1.0362 \times 1.0015 = 1.03775$

Step 4: $1.03775 \times \$5,591,161 = 5,802,227$

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While the \$5,802,227 is the appropriation limit for the fiscal year 2025, the property tax dollars expected to be received for the fiscal year are only \$2,522,000. Thus, the district is well within the appropriation limit.

Exhibit

- Resolution No. 2024-07 A Resolution Of The Board Of Directors Of The Kensington Police Protection And Community Services District Affirming the Establishment of the Appropriations Limit for Fiscal Year 2025.

RESOLUTION NO. 2024-07

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
KENSINGTON POLICE PROTECTION AND COMMUNITY
SERVICES DISTRICT AFFIRMING THE ESTABLISHMENT OF
THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2025**

The Board of Directors of the Kensington Police Protection and Community Services District (“Board of Directors”) does find as follows:

The Board of Directors of the Kensington Police Protection and Community Services District does find as follows:

WHEREAS, in November 1979, California voters approved a ballot measure, Proposition 4 adding Article XIII B to the California Constitution, which limits the level of most appropriations from tax sources that the State and most local government entities are permitted to make in any given year; and

WHEREAS, and each year, a local government must adjust its appropriations limit based on two factors, the change in the population and the per capita personal income; and

WHEREAS, for the district the prior years Appropriations Limit is adjusted by the percentage change in California per capita personal income and the change in population for Contra Costa County; and

WHEREAS, the formula for the appropriations limit has determined that for fiscal year 2025 (July 1, 2024-June 30, 2025) will be \$5,802,227; and

WHEREAS, the Kensington Police Protection and Community Services District is well within the Appropriations limit for fiscal year 2025

NOW, THEREFORE THE BOARD OF DIRECTORS DOES RESOLVE AS FOLLOWS:

The Appropriations Limit for Kensington Police Protection Community Services District for Fiscal Year 2025 is established at \$5,802,227.

PASSED AND ADOPTED by the Board of Directors of the Kensington Police Protection and Community Services District upon motion by Director Hacaj, seconded by Vice-President Gough, on Thursday, the 13th day of June, 2024, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAINED:

David Spath
President, Board of Directors

HEREBY CERTIFY the foregoing resolution was duly and regularly adopted by the Board of Directors of the Kensington Police Protection and Community Services District at the regular meeting of said Board held on Thursday, the 13th day of June, 2024.

Lynelle M. Lewis
District Clerk of the Board

David Aranda
Interim General Manger