



**MAY 10, 2018**

**AGENDA ITEM # 7**

**APPROPRIATIONS LIMIT FOR FISCAL YEAR 2018-19**

Action Requested: Adopt resolution

Key Staff: Timothy Jones, Accounting/Finance Manager

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**Recommendation**

Adopt resolution setting the Sacramento Transportation Authority's Fiscal Year 2018-19 Appropriations Limit at **\$270,414,034**.

**Discussion**

Article XIII B, Section 1 of the California Constitution specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The Authority's Board (Board) chose to use *per capita personal income* as its cost of living factor. Each year the Board adopts an updated annual appropriations limit based on adjustments for the changes in population in Sacramento County and statewide per capita personal income. According to the California Department of Finance, using calendar year 2017 data, population in Sacramento County grew by 1.07% and the cost of living factor increased by 3.67% using per capita personal income as the measurement.

To calculate the Appropriations Limit for FY 2018-19, the FY 2017-18 Appropriations Limit of \$258,079,711 is multiplied by the population change factor of 1.0107 and the per capita personal income change factor of 1.0367. This calculation produces a new Appropriations Limit of \$270,414,034.

Appropriations of revenues from Measure A sales tax receipts, the Sacramento County Traffic Mitigation Fee Program (SCTMFP), and investment earnings are subject to the Appropriations Limit but appropriations for debt service are exempt. The Authority's estimated total appropriations are about \$150 million for FY 2018-19, which is well below the Appropriations Limit established above.

*Attachment*