

RESOLUTION 2020-043

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOS GATOS
ESTABLISHING THE FY 2020/21 APPROPRIATIONS LIMIT
FOR THE TOWN OF LOS GATOS**

WHEREAS, Article XIII B of the California Constitution (Limitation of Government Appropriations) was passed by the California electorate on November 6, 1979, and became effective on July 1, 1980; and

WHEREAS, Chapter 1205, Statute of 1980, Section 7900 of the California Government Code formally implements methods for governmental entities to establish and define annual appropriations limits; and

WHEREAS, the growth factors used to calculate the Annual Appropriations Limit are County or Town population change and the increase in the California per capita income;

WHEREAS, in addition to the annual inflation and population adjustments, state law requires the Appropriations Limit to be adjusted in the event that the financial responsibility for providing services is transferred in whole or in part from one entity of government to another; and

WHEREAS, the Town is reached a mutually agreed amount with the County of Santa Clara regarding the Town's annexation of unincorporated islands in 2019;

WHEREAS, the Town is calculating its Annual Appropriations Limit for FY 2020/21 based on the mutually agreed amount as of this date with the County of Santa Clara; and

THEREFORE, BE IT RESOLVED: that the Annual Appropriations Limit for the Town of Los Gatos for FY 2020/21 is \$45,839,363 as reflected in Exhibit A.

ATTACHMENT 1

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 3rd day of November 2020 by the following vote:

COUNCIL MEMBERS:

AYES: Rob Rennie, Marico Sayoc, Barbara Spector, Mayor Marcia Jensen
NAYS: None
ABSENT: None
ABSTAIN: None

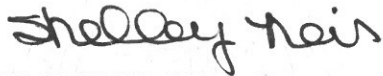
SIGNED:



MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: 11/4/20

ATTEST:



TOWN CLERK OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

DATE: 11/4/2020

APPROPRIATION LIMIT FACTORS

For YE June 30	Beginning Appropriation Limit	County Population Factor	Town Population Factor	Per Capita Income Factor	Ending Appropriation Limit	% Limit Increase
2010	28,426,367	1.0156	1.0108	1.0062	29,048,811	2.19%
2011	29,048,811	1.0126	1.0101	0.9746	28,667,689	-1.31%
2012	28,667,689	1.0089	1.0096	1.0251	29,669,366	3.49%
2013	29,669,366	1.0124	1.0081	1.0377	31,169,671	5.06%
2014	31,169,671	1.0157	1.0147	1.0512	33,279,977	6.77%
2015	33,279,977	1.0150	1.0102	0.9977	33,701,485	1.27%
2016	33,701,485	1.0113	1.0020	1.0382	35,384,256	4.99%
2017	35,384,256	1.0126	1.0070	1.0537	37,754,174	6.70%
2018	37,754,174	1.0081	1.0040	1.0369	39,464,396	4.53%
2019	39,464,396	1.0099	1.0050	1.0367	41,317,775	4.70%
2020	41,317,775	1.0033	0.9998	1.0385	43,180,611 *	4.51%
2021	43,180,611 *	1.0037	1.0234	1.0373	45,839,363	6.16%

FY 2020/21 Calculation

Town Population Factor	Per Capita Income Factor	Appropriation Factor	2019/20 Appropriation Limit	2020/21 Appropriation Limit
1.0234	X	1.0373	=	1.061573
			X	\$ 43,180,611
			=	\$ 45,839,363

Percentage of Appropriation

2020/21 Tax Revenues	2020/21 Appropriation Limit	Percentage of Limit
30,447,571 / \$	45,839,363	= 66%

*FY 2019/20 ending and FY 2020/21 beginning Appropriation Limit includes an adjustment of \$130,503 to address the recently annexed parcels from Santa Clara County. The Town of Los Gatos increasing its base by \$130,503 while the County of Santa Clara decreasing its base with the same amount.

EXHIBIT A