

**TOWN OF YOUNTVILLE**  
**Appropriations Limit Summary**  
**Fiscal Year 2016-17**

Proceeds of Taxes	\$8,747,887
Exclusions	(1,846,752)
Appropriations Subject to Limitation	\$6,901,135
Current Year Limit Calculation Before Override	\$6,126,611
Over (Under) Limit	\$774,524
Available Capacity as a % of Limit	12.64%
Current Year Limit With \$1,500,000 Voter Approved Override	\$7,626,611
Over (Under) Limit With \$1,500,000 Voter Approved Override	(\$725,476)
Available Capacity as a % of Limit	-9.51%

In November 1979, the voters of the State of California approved Proposition 4, commonly known as the Gann Initiative. The Proposition created Article 13B of the State Constitution, a state law that requires the state and local governments to adopt an annual appropriation limit. The appropriation limit, also referred to as the "Gann Limit", establishes a limit on the proceeds of taxes that may be appropriated for spending in a given fiscal year. The limit is adjusted each year based on an economic factor calculated using the change in the cost of living and the change in population.

In order to deal with an increasing number of concerns regarding the restrictions of Proposition 4, and to increase the accountability of local government in adopting their limits, the voters approved Proposition 111 in June 1990. Two of the provisions included in Proposition 111 were to provide for an option for local government to select from adjustment factors that would allow them to be more responsive to local growth and to require an annual review of the appropriation limit calculations. The adjustment factors for the change in cost of living can be based on either a change to California per capita income or a change to non-residential assessed valuation in the Town limits. The adjustment factor for population can be based on either a change to the population in Yountville or a change in Napa County.

The Appropriations Limit imposed by Propositions 4 and 111 creates a restriction on the amount of revenue which can be appropriated in any fiscal year. The base year for the calculation was 1978/79, and the economic factors are used to calculate the adjustment for each year. The calculation includes only revenues that are classified as "proceeds of taxes" and allows for certain exclusions, including interfund transfers, capital outlay, payments for debt service, and appropriations required to comply with mandates of the courts or federal government, such as FLSA overtime or payment of FICA/Medicare tax.

The state law also includes a provision for the voters to approve an override of the calculated appropriations limit for a period not to exceed four years. The Town currently has an override, approved by voters November 2014, of \$1,500,000 which is in effect through June 30, 2019.

**TOWN OF YOUNTVILLE**  
**Spending Limit Calculation**  
**Fiscal Year 2016-17**

**APPROPRIATIONS SUBJECT TO LIMIT**

Fiscal Year 2015-16 Estimated General Fund Revenue:	\$9,811,400
Less:	
Non-tax proceeds	(1,063,513)
Plus:	
User fees in excess of costs	-
Less:	
Exclusions	<u>(1,846,752)</u>
Total appropriations subject to limit:	<u><u>\$6,901,135</u></u>

**APPROPRIATION LIMIT**

FY 2015-16 Limit:	\$5,779,701
A. Cost of living adjustment *	1.0537
B. Population adjustment **	<u>1.0060</u>
Change Factor (A x B)	1.0600
Increase (decrease) in appropriation limit	<u>\$346,910</u>
Fiscal Year 2016-17 Appropriation Limit	\$6,126,611
Voter Approved Override Amount	<u>\$1,500,000</u>
Total 2016-17 Appropriation Limit	<u>\$7,626,611</u>
Remaining Appropriation Capacity Without Override	(\$774,524)
Available capacity as a percent of limit	-12.64%
Remaining Appropriation Capacity With Override	\$725,476
Available capacity as a percent of limit	9.51%

\* Based on Department of Finance per capita personal income growth

\*\* Based on annual population change for Town of Yountville

**TOWN OF YOUNTVILLE**  
**Spending Limit Calculation**  
**Fiscal Year 2016-17**

Revenue Source	Tax Proceeds	Non-Tax Proceeds	TOTAL
Property Tax Secured	\$ 715,000		\$ 715,000
Property Tax Unsecured	27,000		27,000
Property Tax In Lieu (VLF Swap)	440,000		440,000
Property Tax Collection Fee	(7,800)		(7,800)
Sales Tax	1,111,000		1,111,000
Sales Tax Public Safety		20,000	20,000
Franchise Fees		98,000	98,000
Real Property Transfer Tax	40,000		40,000
PEG Fees		12,400	12,400
Transient Occupancy Tax	6,400,000		6,400,000
Business License	14,500		14,500
Building Permits		30,000	30,000
Special Event Permit		6,500	6,500
Tree Removal Permits		1,000	1,000
Encroachment Permits		5,000	5,000
Fines & Forfeitures		3,400	3,400
Rents & Concessions		264,100	264,100
State Motor Vehicle License Fee		1,000	1,000
State COPS Grant		100,000	100,000
State HOPTR	1,500		1,500
Other State Revenues - Grant	-		-
Parks & Recreation Fees		347,700	347,700
Charges for Services		83,600	83,600
Miscellaneous Revenue		90,000	90,000
<b>Subtotal</b>	<b>\$8,741,200</b>	<b>\$1,062,700</b>	<b>\$9,803,900</b>
Percent of Total	89.16%	10.84%	100.00%
Interest Income	\$6,687	\$813	\$7,500
<b>Total General Fund</b>	<b><u>\$8,747,887</u></b>	<b><u>\$1,063,513</u></b>	<b><u>\$9,811,400</u></b>
<i>(excludes interfund transfers)</i>			
EXCLUSIONS FROM LIMITATION:			
-Debt Service - Lease Revenue Bonds	\$ 1,025,312		
-Transfer to Capital Projects Fund	\$ 753,700		
-FLSA Overtime	\$ 8,300		
-FICA/Medicare	<u>\$ 59,440</u>		
<b>TOTAL EXCLUSIONS</b>	<b><u>\$ 1,846,752</u></b>		



**TOWN OF YOUNTVILLE**  
**Appropriation Limit Adjustments**  
**Fiscal Year 2016-17**

Budget Year	(A) Price Factor	(B) Population Factor	(A) x (B) Change Factor	Current Year Adjustment	Current Appropriation Limit	Voter Approved Override	Total Limit
1978-79					322,414		
1979-80	1.1017	1.0158	1.1191	38,402	360,816		360,816
1980-81	1.1211	0.9808	1.0996	35,928	396,744		396,744
1981-82	1.0912	0.9866	1.0766	30,382	427,126		427,126
1982-83	1.0679	1.0561	1.1278	54,591	481,716		481,716
1983-84	1.0235	1.0210	1.0450	21,674	503,390		503,390
1984-85	1.0474	0.9977	1.0450	22,648	526,038		526,038
1985-86	1.0374	1.0210	1.0592	31,134	557,172	300,000	857,172
1986-87	1.0230	1.0026	1.0257	14,297	571,469	300,000	871,469
1987-88#	1.0348	1.0196	1.0551	31,478	602,947	500,000	1,102,947
1988-89*	1.0466	1.0104	1.0575	34,660	637,607	500,000	1,137,607
1989-90*	1.0519	1.0171	1.0699	44,561	682,168	500,000	1,182,168
1990-91@	1.0421	1.0560	1.1005	68,529	750,697	500,000	1,250,697
1991-92@	1.0414	1.0294	1.0720	54,063	804,760	700,000	1,504,760
1992-93+	1.0096	1.0209	1.0307	24,707	829,466	700,000	1,529,466
1993-94@	1.0272	1.0283	1.0563	46,674	876,140	700,000	1,576,140
1994-95+	1.0129	1.0143	1.0274	23,993	900,133	700,000	1,600,133
1995-96+	1.3503	1.0176	1.3741	336,708	1,236,841	300,000	1,536,841
1996-97+	1.0936	1.0149	1.1099	135,922	1,372,764	300,000	1,672,764
1997-98*	1.0467	1.0224	1.0701	96,294	1,469,058	300,000	1,769,058
1998-99#	1.0725	1.0461	1.1219	179,140	1,648,198	300,000	1,948,198
1999-00#	1.3604	1.0390	1.4135	681,457	2,329,655	900,000	3,229,655
2000-01+	1.0696	1.0277	1.0992	231,167	2,560,821	900,000	3,460,821
2001-02*	1.0782	1.0076	1.0864	221,240	2,782,062	900,000	3,682,062
2002-03+	1.0109	1.0648	1.0764	212,441	2,994,502	900,000	3,894,502
2003-04*	1.0231	1.0134	1.0368	110,226	3,104,729	900,000	4,004,729
2004-05+	1.0500	1.0115	1.0621	192,695	3,297,423	900,000	4,197,423
2005-06+	1.1027	1.0117	1.1156	381,187	3,678,611	900,000	4,578,611
2006-07*	1.0396	1.0110	1.0510	187,741	3,866,351	900,000	4,766,351
2007-08*	1.0442	1.0123	1.0570	220,551	4,086,902	900,000	4,986,902
2008-09*	1.0429	1.0935	1.1404	573,847	4,660,749	900,000	5,560,749
2009-10*	1.0062	1.0140	1.0203	94,552	4,755,301	900,000	5,655,301
2010-11*	0.9746	1.0090	0.9834	(79,074)	4,676,227	900,000	5,576,227
2011-12@	1.0251	1.0313	1.0572	267,413	4,943,640	900,000	5,843,640
2012-13*	0.9977	1.0079	1.0056	225,876	5,169,516	900,000	6,069,516
2013-14*	1.0512	1.0047	1.0561	290,220	5,459,736	900,000	6,359,736
2014-15@	0.9977	0.9930	0.9907	(50,688)	5,485,309	900,000	6,309,048
2015-16@	1.0382	1.0149	1.0537	294,392	5,779,701	1,500,000	7,279,701
2016-17	1.0537	1.0060	1.0600	346,910	6,126,611	1,500,000	7,626,611

ADJUSTMENT FACTORS USED :

- \* = California per capita income and County population
- @ = California per capita income and Town population
- + = Non-residential assessed valuation and County population
- # = Non-residential assessed valuation and Town population