

# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



## STAFF REPORT

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**MEETING DATE:** 10/14/2020

**Staff Report No.** 20-249b

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**TO:** AC Transit Board of Directors  
**FROM:** Michael A. Hursh, General Manager  
**SUBJECT:** FY 2020-21 Corrected Appropriations Limit Notice

### ACTION ITEM

#### **RECOMMENDED ACTION(S):**

Consider adoption of Resolution No. 20-052 providing notice of the scheduled adoption of the corrected Appropriations Limit for Fiscal Year 2020-21.

#### **STRATEGIC IMPORTANCE:**

Goal - Financial Stability and Resiliency

Initiative - Financial Efficiency and Revenue Maximization

Noticing of the District's appropriation limits is necessary for compliance with state law.

#### **BUDGETARY/FISCAL IMPACT:**

There are no budgetary or fiscal impacts associated with this report. The corrected amount in this resolution is reduced by less than 0.1%.

#### **BACKGROUND/RATIONALE:**

District must make available to the public the Appropriations Limit for FY 2020-21 and supporting documentation. Article XIII B of the California Constitution places limitations on the annual appropriations of the State and each local government.

For the District, the FY 2020-21 Appropriations Limit allowable growth factor was positively influenced by the 3.73% annual growth rate in the California Per Capita Personal Income Index and combined 0.37% annual growth rate in the Population Factor. The rates for both factors were the result of continued growth in the State and Bay Area economy prior to the coronavirus pandemic. The calculation of the appropriations limit is included as Exhibit B to Resolution 20-033 (Attachment 1).

The District is noticing this adoption of the corrected appropriations limit due to a small error in the original limit calculation for FY 2019-20. The limit calculation is cumulative over all fiscal years, so the error in FY 2019-20 affected the calculation for FY 2020-21. The corrected appropriation limit for FY 2020-21 is reduced by \$710,277, which is a 0.1% change, and does not have any practical effect on the District.

**ADVANTAGES/DISADVANTAGES:**

There is no disadvantage to the establishment of an appropriations limit. State law requires it.

**ALTERNATIVES ANALYSIS:**

There is no alternative to the establishment of an appropriations limit. State law requires it.

**PRIOR RELEVANT BOARD ACTION/POLICIES:**

SR 20-249 - FY 2020-21 Appropriations Limit Notice

**ATTACHMENTS:**

1. Resolution 20-052 (with Exhibits)

**Prepared by:**

Mary Archer, Finance Project Manager

**Approved/Reviewed by:**

Claudia L. Allen, Chief Financial Officer

Chris Andrichak, Acting Deputy Chief Financial Officer

Jill A. Sprague, General Counsel

Linda A. Nemeroff, District Secretary