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CITY OF DANA POINT AGENDA REPORT

DATE: APRIL 21, 2020

TO: CITY MANAGER/CITY COUNCIL

FROM: KATHY M. WARD, CITY CLERK

SUBJECT: BIANNUAL CAMPAIGN CONTRIBUTION AND EXPENDITURE LIMITS ADJUSTMENT

RECOMMENDED ACTION:

That the City Council approve and adopt a Resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, ADJUSTING THE CAMPAIGN CONTRIBUTION AND CAMPAIGN LOAN LIMITS TO REFLECT CHANGES IN THE CONSUMER PRICE INDEX, AS REQUIRED BY SECTION 2.05.058 OF THE DANA POINT MUNICIPAL CODE

BACKGROUND:

Pursuant to Section 2.05.058 of the Dana Point Municipal Code, once every two years the City Clerk is required to adjust the campaign limits for contributions and loans from a single source as set forth in Section 2.05.056. The adjustment is required to be based upon changes in the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles – Riverside – Orange County area over each two year period calculated from the month of February. The Municipal Code provides that the calculations be rounded off to the nearest ten dollars. The adjustments must then be approved by Resolution of the City Council.

The limits for campaign contributions and loans were last adjusted by the Council with Resolution No. 18-04-17-02 on April 17, 2018. That Resolution adjusted both the contribution limit and loan limit from a single person from \$710.00 to \$760.00 for any election. Contributions of less than \$100.00 do not need to be reported per State law.

DISCUSSION:

The CPI-U increase between February 2018 and February 2019 was 2.5%. The CPI-U increase between February 2019 and February 2020 was 3.4% (Supporting Document B). The attached Resolution provides for the two-year adjustment corresponding to the CPI-U increases as follows:

Limits	Current Limit	2018-2019 Increase 2.508%	2019-2020 Increase 3.356%	NEW LIMITS (Rounded)
Single Source Contribution Limit	\$760	\$779.06	\$805.21	\$810.00
Single Source Loan Limit	\$760	\$779.06	\$805.21	\$810.00

- (a) The single source contribution limit is increased from \$760.00 to \$810.00.
- (b) The single source loan limit is increased from \$760.00 to \$810.00.

Contributions of less than \$100 need not be reported in accordance with the Municipal Code and State law.

NOTIFICATION/FOLLOWUP:

Candidates for the local City Council race will receive notice of the campaign limits with their candidacy papers.

The Resolution adjusting the limits will be posted on the City website.

FISCAL IMPACT:

None.

ALTERNATIVE ACTIONS

None.

ACTION DOCUMENTS:

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SUPPORTING DOCUMENTS:

B. [Consumer Price Index for All Urban Consumers](#)5

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ACTION DOCUMENT A**RESOLUTION NO. 20-04-21-XX****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DANA POINT, CALIFORNIA, ADJUSTING THE CAMPAIGN CONTRIBUTION AND CAMPAIGN LOAN LIMITS TO REFLECT CHANGES IN THE CONSUMER PRICE INDEX, AS REQUIRED BY SECTION 2.05.058 OF THE DANA POINT MUNICIPAL CODE**

WHEREAS, the U.S. District Court for the Eastern District of California has permanently enjoined the Fair Political Practices Commission from enforcing Proposition 208, the 1996 California Political Reform Act;

WHEREAS, on November 7, 2000, the voters approved Proposition 34 which took effect on January 1, 2001 and repealed the majority of Proposition 208 dealing with limits on contributions applicable to local elections along with the statutory authority to adopt local voluntary expenditure limits;

WHEREAS, the City of Dana Point adopted campaign finance regulations codified in Chapter 2.05 of the Municipal Code of the City of Dana Point, California (the "Code") independent of Proposition 34 and may be enforced; and

WHEREAS, Section 2.05.058 of the Code states that the campaign contribution limit and the campaign loan limit shall be adjusted every two years by the City Clerk to reflect changes in the Consumer Price Index for All Urban Consumers (CPI-U) in the selected local area of Los Angeles - Anaheim - Riverside, California, through February in each of the previous two years with such adjustments to be adopted by resolution of the City Council; and

WHEREAS, in January 1998, the Federal Bureau of Labor Statistics changed the name of the selected local area of Los Angeles - Anaheim - Riverside, California, to Los Angeles - Riverside - Orange County, California; and

WHEREAS, the Federal Bureau of Labor Statistics has advised that the percentage change in the Consumer Price Index for the period from February 2018 through February 2019, for the selected local area of Los Angeles – Riverside – Orange County, California, was 2.5%; and

WHEREAS, the Federal Bureau of Labor Statistics has advised that the percentage change in the Consumer Price Index for the period from February 2019 through February 2020, for the Los Angeles - Riverside - Orange County, California area was 3.4%.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Dana Point hereby resolves as follows:

SECTION 1. As of April 21, 2020 the dollar amounts set forth in Chapter 2.05, entitled "ELECTIONS," of the Code shall be adjusted as follows:

- A. The dollar amount set forth in Section 2.05.056 (a) pertaining to contributions shall be adjusted to EIGHT HUNDRED TEN DOLLARS (\$810.00);
- B. The dollar amount set forth in Section 2.05.056 (b) pertaining to loans shall be adjusted to EIGHT HUNDRED TEN DOLLARS (\$810.00).
- C. The dollar amount set forth in Section 2.05.056 (c) pertaining to single source anonymous contributions shall remain at \$100.00 in accordance with the Code and State law;

SECTION 2. The City Clerk shall certify to the adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, APPROVED and ADOPTED this 21st day of April, 2020.

RICHARD A. VICZOREK, MAYOR

ATTEST:

KATHY M. WARD, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF DANA POINT)

I, Kathy M. Ward, City Clerk of the City of Dana Point, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 20-04-21-XX adopted by the City Council of the City of Dana Point, California, at a regular meeting thereof held on the 21st of April, 2020, by the following vote:

AYES:
NOES:
ABSENT:

(SEAL)

KATHY M. WARD, CITY CLERK

SUPPORTING DOCUMENT C

CITY OF DANA POINT

Campaign Contribution/Loan Limit Calculation

April-20

Authority: Chapter 2.05.058 of Dana Point Municipal Code

	CPI-U	Percentage Change in CPI-U	Computed Campaign Contribution / Loan Limits	Effective Loan Limit (Rounded*)
Effective Limit				\$ 760.00
February-18	263.012			
February-19	269.608	2.508%	\$ 779.06	
February-20	278.657	3.356%	\$ 805.21	\$ 810.00

* Rounded to the nearest multiple of 10