



FY 2015 GANN LIMIT

**FIFTEEN-YEAR HISTORY OF PRICE AND POPULATION FACTORS &
TAX APPROPRIATIONS LIMITS
FOR FISCAL YEARS 2001 TO 2015**

Fiscal Year	Per Capita Adjustment		Population Adjustment	=	Total Adjustment	Appropriations Limit
2001	1.0491	X	1.0040	=	1.0533	6,470,309
2002	1.0782	X	1.0020	=	1.0804	6,990,240
2003	0.9873	X	1.0053	=	0.9925	6,938,041
2004	1.0231	X	1.0159	=	1.0394	7,211,173
2005	1.0328	X	1.0127	=	1.0459	7,542,286
2006	1.0526	X	1.0201	=	1.0738	8,098,584
2007	1.0396	X	1.0094	=	1.0494	8,498,429
2008	1.0442	X	1.0001	=	1.0443	8,874,947
2009	1.0429	X	1.0434	=	1.0882	9,657,379
2010	1.0062	X	1.0156	=	1.0219	9,868,844
2011	0.9746	X	1.0116	=	0.9859	9,729,746
2012	1.0251	X	1.0219	=	1.0475	10,192,393
2013	1.0377	X	1.0238	=	1.0624	10,828,370
2014	1.0512	X	1.0077	=	1.0593	11,470,430
2015	0.9977	X	1.0093	=	1.0070	11,550,478

Source: California Department of Finance Demographic Research Unit

DETERMINING THE FY 2015 RATE FACTOR		
Per Capital Personal Income FY 2014-2015 % change vs PY	-0.023	Attachment A
Population change by percent per DOF	0.93	Attachment B
Per Capita Cost of Living converted to a ratio:	-0.23+100 100	0.9977
Population converted to a ration:	.93+ 100 = 100	1.0093
Calculation of factor for FY 2014-2015	0.9977 X 1.0093 =	1.0070

Source: California Department of Finance Letter Dated May 2014

Attachment 1

FY 2015 TAX APPROPRIATIONS SUBJECT TO THE GANN LIMIT	
Property Tax Secured	266,037
Property Tax Unsecured	13,539
Sales Tax	501,000
Business Licenses	62,500
Local Measure R Tax	141,453
S&U Tax Triple Flip (SB1096)	201,769
Property Transfer	3,500
Transient Occupancy Tx	40,000
Utility Users Tax	657,130
Pub Safety 1/2 Cent Fund	37,411
COPS SLESF	100,000
Total Unadjusted Appropriations subject to the Limit	2,024,339

Source: FY 2015 Proposed Budget and/or Tulare County Auditor-Controller Property Tax Revenue Estimates FY13/14

Gann Limit for Fiscal Year 2015 11,550,478

Projected appropriations are below limit by: 9,526,138



May 2014

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, section 2227, mandates the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2014, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2014-15. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2014-15 appropriations limit. Attachment B provides city and unincorporated county population percentage change. Attachment C provides population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. Consult the Revenue and Taxation Code section 2228 for further information regarding the appropriations limit. Article XIII B, section 9(C), of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. The Code and the California Constitution can be accessed at the following website: <http://leginfo.legislature.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this issue should be referred to their respective county for clarification, or to their legal representation, or to the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2014.**

Please Note: Prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

KEELY M. BOSLER
Chief Deputy Director

Attachment

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2014-15 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2014-15	-0.23

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2014-15 appropriation limit.

2014-15:

Per Capita Cost of Living Change = -0.23 percent
 Population Change = 0.95 percent

Per Capita Cost of Living converted to a ratio: $\frac{-0.23 + 100}{100} = 0.9977$

Population converted to a ratio: $\frac{0.95 + 100}{100} = 1.0095$

Calculation of factor for FY 2014-15: $0.9977 \times 1.0095 = 1.0072$

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2013 to January 1, 2014 and Total Population, January 1, 2014

County City	<u>Percent Change</u> 2013-2014	<u>Population Minus Exclusions</u>		<u>Total Population</u> 1-1-2014
		1-1-13	1-1-14	
Tulare				
Dinuba	2.47	23,096	23,666	23,666
Exeter	0.42	10,495	10,539	10,539
Farmersville	0.36	10,893	10,932	10,932
Lindsay	0.93	12,533	12,650	12,650
Porterville	0.38	55,074	55,285	55,697
Tulare	1.01	61,238	61,857	61,857
Visalia	0.82	128,525	129,582	129,582
Woodlake	0.52	7,671	7,711	7,711
Unincorporated	0.50	145,974	146,709	146,812
County Total	0.75	455,499	458,931	459,446

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.