



Barstow Fire Protection District Appropriations Limit Calculations Fiscal Year 2017/18

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BACKGROUND

Under California Law, the Barstow Fire Protection District annually calculates its Appropriation Limit, a "ceiling" on the amount of monies that can be spent from local government tax proceeds. This calculation has its origin in Proposition 4, commonly known as the Gann Limit.

The adoption of Proposition 4 in 1979 and later amended by Proposition 111 in 1990 established the requirement and procedure for establishing an Appropriations Limit for local agencies. In brief, the amount of revenue that the District is annually authorized to appropriate is limited by factors relating to changes in population and the economy. The population factor selected may either be the rate of change in population for the 77% of City and 22% of Unincorporated or for the County. The economic factor selected may either be the change in California's per capita personal income or the change in non-residential assessed property valuation. In other words, the formula works as follows:

$$\frac{(\% \text{ change in population (City or County)} + 100)}{100}$$

TIMES (multiplied by)
EITHER

$$\frac{(\% \text{ change in California per capita income} + 100)}{100}$$

OR

$$\frac{(\% \text{ change in non-residential assessed valuation} + 100)}{100}$$

The value determined by the formula set forth above is then applied to the previous year's Limit to yield the new Appropriations Limit for the fiscal year.

BARSTOW FIRE PROTECTION DISTRICT'S CALCULATION

For fiscal year 2017-18, the percentage increase in County population growth was used since it was greater than the City's and the Unincorporated area (1.16% vs. 0.52% and 0.62%) With respect to the economy criterion, the percentage change in California's per capita personal income was used since it was greater than the change in non-residential assessed property valuation (3.69% vs. 0.69%.) The Appropriations Limit for Fiscal Year 2017-18 maybe set at \$5,359,428 (1.0093 x 1.0369 x Fiscal Year 2016-17 Appropriations Limit of \$5,109,433.) The calculation of Fiscal Year 2017-18 Proceeds of Taxes subject to the appropriations limit is \$4,219,999. Therefore, the City of Barstow is under its Appropriations Limit by \$1,139,429.

For complete calculation, please see attached worksheets.

BARSTOW FIRE PROTECTION DISTRICT APPROPRIATIONS LIMIT CALCULATION FISCAL YEAR 2017/18
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FY 2016-17 Appropriations Limit	\$ 5,109,433
Change in County Population* = 1.16% OR	1.16%
Change in City and Unincorporated County Population growth = .52% and .62%	
Change in Non-Residential Assessed Valuation** = .69% OR	3.69%
Change in Per Capita Income* = 3.69%	
Cumulative Compound Change Factor (1.0093 X 1.0369)	1.0489
FY 2017-18 Appropriations Limit	\$ 5,359,428

SUMMARY

FY 2017-18 Total Proceeds of All Funds Subject to Limit	\$ 4,866,535
Less: Non -Tax Proceeds	646,536
FY 2016-17 Net Proceeds of Taxes Subject to the Limit	4,219,999
Less: FY 2017-18 Appropriation Limit	\$ (5,359,428)
Budget Appropriation Over (Under) the Limit	\$ (1,139,429)

*Number provided from Department of Finance.

**Number provided from HDL.

**BARSTOW FIRE PROTECTION DISTRICT
APPROPRIATIONS LIMIT CALCULATION**

Each city may choose:

- or: The % change in California Per Capita Personal Income
- or: The % change in local assessment roll due to the addition of local nonresidential new construction

and:

- or: The population growth of the city
- or: The population growth of the county

Date:	Growth in nonresidential assessed valuation due to new construction*	Ratio to use	OR	Growth in California Personal Income COB & Unincorporated	OR	Population Growth**		Ratio to use	OR	Population growth of County**	
						COB 77%	Uninc Co. 23%			COB & Unincorporated	Ratio to use
16-17	3.6000	1.036000		5.37		0.73	0.68	1.00719		0.93	4,804,359
17-18	0.6900	1.006900		3.69		0.52	0.62	1.00543		1.16	5,109,433
											5,359,428

*Report from HDL.

** Report from Department of Finance.