



City of Loma Linda

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Fiscal Year 2024-2025 Appropriations Limit

Notice is hereby provided that the City Council of the City of Loma Linda shall consider a resolution establishing the Fiscal Year 2024-2025 Appropriations Limit in accordance with Article XIII B of the California State Constitution at a regularly held Council Meeting on July 9, 2024 at 7:00 p.m.

Further, in accordance with Article XIII B the City is providing exhibits and schedules used in determination of the Appropriations Limit, as attached herein, fifteen days prior to the meeting being held to establish the Appropriations limit.

Sonia Fabela
Finance Director
June 25, 2024

GANN APPROPRIATIONS LIMIT - FISCAL YEAR 2024-2025

Article XIII B of the California State Constitution, commonly referred to as the Gann Initiative or Gann Appropriations Limit, was adopted by California voters in 1979 and placed limits on the amount of proceeds of taxes that state and local governmental agencies can appropriate and spend each year.

The limit is different for each agency and changes each year. Each year's limit is based on the amount of tax proceeds that were authorized to be spent in the base Fiscal Year 1978-79 in each agency, modified for changes in inflation and population in each subsequent year. Inflationary adjustments are, by law, based on increases in the California per capita income or the increase in non-residential assessed valuation due to new construction. Population adjustments are based on city population growth or county population growth. The annual adjustment factors used in making this calculation are the cost of living adjustment - CPI based on the percentage change in California per capita income and the population adjustment based on the annual population change for the County of San Bernardino.

As established by the following calculations, the City of Loma Linda's appropriations limit for Fiscal Year 2024-2025 is \$65,483,185.

Fiscal Year 2023-2024 Appropriation Limit		\$62,931,199
A.	Cost of living adjustment (based on change in CA per capita income)	1.0362
B.	Population adjustment (based on the County's population change)	1.0042
	Aggregate Change Factor (A x B)	<u>1.0405520</u>
	Increase in appropriation limit	<u>\$ 2,551,986</u>
	Fiscal Year 2024-2025 Appropriation Limit	<u>\$65,483,185</u>

April 30, 2024

Dear Fiscal Officer:

Price Factor and Population Information

Appropriations Limit

California Revenue and Taxation Code section 2227 requires the Department of 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, 2024, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2024-25. Attachment A provides the change in California's per capita personal income and an example for utilizing the factors to calculate the 2024-25 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the 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. [California Revenue and Taxation Code section 2228](#) provides additional information regarding the appropriations limit. [Article XIII B, section 9\(C\) of the California Constitution](#) exempts certain special districts from the appropriations limit calculation mandate. 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 requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. California 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, 2024.** Please note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

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

/s Richard Gillihan

RICHARD GILLIHAN
Chief Operating Officer

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 2024-25 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2024-25	3.62

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2024-25 appropriation limit.

2024-25:

Per Capita Cost of Living Change = 3.62 percent
Population Change = 0.17 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.62 + 100}{100} = 1.0362$

Population converted to a ratio: $\frac{0.17 + 100}{100} = 1.0017$

Calculation of factor for FY 2024-25: $1.0362 \times 1.0017 = 1.0379$

Fiscal Year 2024-25

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2023 to January 1, 2024 and Total Population, January 1, 2024

County City	Percent Change	--- Population Minus Exclusions ---		Total Population
	23-24	1-1-23	1-1-24	1-1-24
San Bernardino				
Adelanto	-0.80	36,422	36,131	36,131
Apple Valley	-0.24	74,500	74,322	74,322
Barstow	-0.34	24,124	24,043	24,669
Big Bear Lake	0.20	4,948	4,958	4,958
Chino	0.57	88,580	89,088	92,585
Chino Hills	-0.17	76,547	76,414	76,414
Colton	-0.12	52,841	52,778	52,778
Fontana	0.68	212,772	214,223	214,223
Grand Terrace	-0.17	12,793	12,771	12,771
Hesperia	0.75	99,338	100,087	100,087
Highland	0.12	55,612	55,676	55,676
Loma Linda	-0.02	24,923	24,919	24,965
Montclair	-0.09	37,246	37,211	37,211
Needles	-0.23	4,780	4,769	4,769
Ontario	0.93	179,555	181,224	181,224
Rancho Cucamonga	0.56	172,344	173,316	173,316
Redlands	1.28	71,776	72,696	72,696
Rialto	0.71	102,367	103,097	103,097
San Bernardino	0.39	224,316	225,188	226,541
Twentynine Palms	-1.12	15,397	15,224	25,346
Upland	0.56	77,849	78,285	78,285
Victorville	0.96	132,537	133,805	138,202
Yucaipa	0.33	53,635	53,810	53,810
Yucca Valley	0.40	21,509	21,594	21,594
Unincorporated	0.02	286,864	286,926	295,763
County Total	0.42	2,143,575	2,152,555	2,181,433

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