



**DEPARTMENT OF  
FINANCE**  
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR  
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 2013

Dear Fiscal Officer:

**Subject: Price and Population Information**

**Appropriations Limit**

The California Revenue and Taxation Code, section 2227, mandates 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, 2013, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2013-14. 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 2013-14 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, 2013.**

**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.

ANA J. MATOSANTOS  
Director  
By:

MICHAEL COHEN  
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 2013-14 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2013-14	5.12

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2013-14 appropriation limit.

**2013-14:**

Per Capita Cost of Living Change = 5.12 percent  
 Population Change = 0.79 percent

Per Capita Cost of Living converted to a ratio:  $\frac{5.12 + 100}{100} = 1.0512$

Population converted to a ratio:  $\frac{0.79 + 100}{100} = 1.0079$

Calculation of factor for FY 2013-14:  $1.0512 \times 1.0079 = 1.0595$

**Attachment B**  
**Annual Percent Change in Population Minus Exclusions\***  
**January 1, 2012 to January 1, 2013 and Total Population, January 1, 2013**

County City	<u>Percent Change</u>	<u>Population Minus Exclusions</u>		<u>Total</u>
	2012-2013	1-1-12	1-1-13	1-1-2013
Napa				
American Canyon	0.65	19,734	19,862	19,862
Calistoga	0.25	5,181	5,194	5,194
Napa	0.47	77,513	77,881	77,881
St Helena	0.29	5,837	5,854	5,854
Yountville	0.00	1,997	1,997	2,983
Unincorporated	0.43	25,277	25,386	26,609
<b>County Total</b>	<b>0.47</b>	<b>135,539</b>	<b>136,174</b>	<b>138,383</b>

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