



May 2018

Dear Fiscal Officer:

Subject: 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, 2018, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2018-19. 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 2018-19 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. The code section 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 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, 2018.**

Please Note: The 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.

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Director
By:

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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 2018-19 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2018-19	3.67

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2018-19 appropriation limit.

2018-19:

Per Capita Cost of Living Change = 3.67 percent
 Population Change = 0.78 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.67 + 100}{100} = 1.0367$

Population converted to a ratio: $\frac{0.78 + 100}{100} = 1.0078$

Calculation of factor for FY 2018-19: $1.0367 \times 1.0078 = 1.0448$

Fiscal Year 2018-19

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2017 to January 1, 2018 and Total Population, January 1, 2018

County City	Percent Change 2017-2018	--- Population Minus Exclusions ---		Total Population
		1-1-17	1-1-18	1-1-2018
Contra Costa				
Antioch	0.70	112,280	113,061	113,061
Brentwood	2.70	61,383	63,042	63,042
Clayton	0.78	11,342	11,431	11,431
Concord	0.68	128,282	129,159	129,159
Danville	0.79	44,048	44,396	44,396
El Cerrito	1.07	24,674	24,939	24,939
Hercules	0.50	26,185	26,317	26,317
Lafayette	0.94	25,416	25,655	25,655
Martinez	0.70	37,831	38,097	38,097
Moraga	0.74	16,866	16,991	16,991
Oakley	1.52	41,116	41,742	41,742
Orinda	0.98	19,012	19,199	19,199
Pinole	0.71	19,101	19,236	19,236
Pittsburg	1.83	71,342	72,647	72,647
Pleasant Hill	0.35	34,944	35,068	35,068
Richmond	0.77	110,114	110,967	110,967
San Pablo	0.67	31,383	31,593	31,593
San Ramon	1.58	81,354	82,643	82,643
Walnut Creek	0.15	70,558	70,667	70,667
Unincorporated	0.25	171,998	172,429	172,513
County Total	0.88	1,139,229	1,149,279	1,149,363

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