



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: $1.0362 \times 1.0017 = 1.0379$

Tehama unappropriated
 $- .67 + 100 = 99.33$

Fiscal Year 2024-25

Attachment C
Annual Percent Change in Population Minus Exclusions*
January 1, 2023 to January 1, 2024

County	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>	
	23-24	1-1-23	1-1-24
Sierra			
Incorporated	-0.41	727	724
County Total	-0.50	3,187	3,171
Siskiyou			
Incorporated	-0.12	19,636	19,613
County Total	-0.15	43,430	43,363
Solano			
Incorporated	0.06	417,409	417,662
County Total	0.04	434,801	434,963
Sonoma			
Incorporated	-0.22	348,147	347,375
County Total	-0.27	478,480	477,187
Stanislaus			
Incorporated	0.64	437,381	440,200
County Total	0.55	545,753	548,744
Sutter			
Incorporated	1.90	78,432	79,924
County Total	1.90	98,248	100,110
Tehama			
Incorporated	-0.50	22,913	22,798
County Total	-0.61	64,578	64,182
Trinity			
Incorporated	0.00	0	0
County Total	-0.11	15,878	15,860
Tulare			
Incorporated	1.08	340,642	344,328
County Total	0.90	474,294	478,547

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

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	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total Population</u>
	23-24	1-1-23	1-1-24	1-1-24
Tehama				
Corning	0.29	8,053	8,076	8,076
Red Bluff	-0.94	14,435	14,300	14,300
Tehama	-0.71	425	422	422
Unincorporated	-0.67	41,665	41,384	41,510
County Total	-0.61	64,578	64,182	64,308

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