

Attachment 4 : Gann Limit

Proposition 4 Calculation For Fiscal Year 2021-22

Spending Limit Calculation

[a]	2020-21 Limit	\$ 145,033,094
	<u>Calculation of Growth Factor</u>	
	Change in Population	5.730%
	Non-resident, New Const. Assessment Growth	-0.046
	Change in California Per Capita Person Income	
[b]	Growth Factor (1.0573 * .9944)	<u>1.05137912</u>
[c]	2021-22 Limit ([a] multiplied by [b])	<u>\$ 152,484,767</u>

2021-22 Gann Limit Proposed Spending

	Proposed General Fund Spending	\$ 47,376,666
	Less Non-tax General Fund Revenues:	
	Transfers In (non-tax)	(151,900)
	Use of Money and Property	(2,928,426)
	Fees	(10,753,254)
	In-lieu Charges	-
	Other non-tax revenue	<u>-</u>
[d]	Spending Subject to the Gann Limit	<u>\$ 33,543,086</u>
	Remaining Capacity ([d] subtracted from [c])	<u>\$ 118,941,681</u>

- 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 2021-22 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2021-22	5.73

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2021-22 appropriation limit.

2021-22:

Per Capita Cost of Living Change = 5.73 percent
Population Change = -0.46 percent

Per Capita Cost of Living converted to a ratio: $\frac{5.73 + 100}{100} = 1.0573$

Population converted to a ratio: $\frac{-0.46 + 100}{100} = 0.9954$

Calculation of factor for FY 2021-22: $1.0573 \times 0.9954 = 1.0524$

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2020 to January 1, 2021 and Total Population, January 1, 2021

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total Population</u>
	2020-2021	1-1-20	1-1-21	1-1-2021
Santa Cruz				
Capitola	-0.50	10,142	10,091	10,091
Santa Cruz	-13.00	64,547	56,156	56,156
Scotts Valley	0.35	11,714	11,755	11,755
Watsonville	-0.56	51,656	51,366	51,366
Unincorporated	-0.40	132,232	131,705	131,747
County Total	-3.41	270,291	261,073	261,115

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