



AMERICAN CANYON FIRE PROTECTION DISTRICT

BOARD AGENDA

JUNE 24, 2025

STAFF REPORT

CONSENT

ITEM NUMBER: 8.

TITLE

Annual Appropriations Limit

RECOMMENDATION

Adopt a Resolution approving the annual appropriations limit for the American Canyon Fire Protection District for fiscal year 2025-2026.

CONTACT

Geoff Belyea, Fire Chief

BACKGROUND & ANALYSIS

In November 1979, California voters added Article XIII-B to the State Constitution, which placed limitations on the appropriations of State and local governments. The Article, as implemented by State Legislation, requires that local agencies set an annual spending limit for budget appropriations funded from the proceeds of taxes, as defined by the law and accepted statewide guidelines.

In June 1990, voters approved Proposition 111, which amended Article XIII-B. The amendment changed both how the limit was calculated and the appropriations that were subject to the limit and added governing body adoption and independent audit requirements.

Calculating the Appropriations Limit

The base year was set as fiscal year 1978-79 and the first appropriations limit was applied to public agency budgets beginning in fiscal year 1980-81. The appropriations limit is revised annually by a prescribed formula that uses a combination of the percentage change in California's per capita personal income or non-residential assessed valuation, if available, and the local jurisdictions change in population measured as of January 1st of each year. The percentage change in per capita personal income and the percentage change in population are provided by the California Department of Finance.

There are no penalties under Article XIII-B for failure to adopt a limit. Compliance with the law is intended to be locally enforced by citizens. The State Government Code limits a civil court challenge of the appropriations limit calculation to a 45-day period after adoption.

Proceeds of Taxes and Appropriations Subject to Limit

After the annual appropriations limit is calculated, the appropriations that are subject to the limit are determined. The appropriations limit only applies to appropriations that are funded from the proceeds of taxes, which are defined in the statewide guidelines.

American Canyon Fire Protection District Appropriation Limit

Consistent with prior years, the fiscal year 2025-2026 appropriations limit was calculated using the statewide per capita personal income increase of 6.44% and the City of American Canyon population change of 2.94%. Applying these factors results in an increase in the prior year appropriations limit of 9.57%, or \$1,562,203. This amount is added to the FY 2024-2025 appropriations limit of \$16,323,961, resulting in a FY 2025-2026 appropriations limit of \$17,886,164. The appropriations subject to the limit were determined to be \$6,827,190, which is \$11,058,974 under the appropriation limit. The detailed calculations are presented in the attached Appropriations Spending Limit Worksheet (Attachment 2).

FISCAL IMPACT

None.

BOARD PRIORITY PROGRAMS AND PROJECTS

Public Safety: "Ensure American Canyon remains a safe community"

ENVIRONMENTAL REVIEW

None.

ATTACHMENTS:

1. [FY26 Fire Appropriations Limit Resolution](#)
2. [American Canyon Fire Protection District Appropriation Limit Detail](#)
3. [Price Factor and Population CoverLetter](#)
4. [2025 Napa Annual Population Percentage Change](#)