



AMERICAN CANYON FIRE PROTECTION DISTRICT
BOARD AGENDA
JUNE 28, 2022

STAFF REPORT
CONSENT
ITEM NUMBER: 13.

TITLE

Annual Appropriations Limit for Fiscal Year 2022-2023.

RECOMMENDATION

Adopt [Resolution 2022-14](#) approving the annual appropriations limit for the American Canyon Fire Protection District for fiscal year 2022-2023.

CONTACT

Michael P. Cahill, 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.

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 changes 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.

In June 1990, Proposition 111 was approved, 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.

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 2022-23 appropriations limit was calculated using the statewide per capita personal income increase of 7.55% and the City of American Canyon population change of 0.43%. Applying these factors results in an increase in the prior year appropriations limit of 8.01%, or \$1,114,253; and when added to the FY 2021-22 appropriations limit of \$13,910,774, results in a FY 2022-23 appropriations limit of \$15,025,027. The appropriations subject to the limit were determined to be \$5,373,698, which is \$9,651,329 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

ENVIRONMENTAL REVIEW

ATTACHMENTS:

1. [Appropriations Limit Resolution 2022-14](#)
2. [2022-23 Spending Limit](#)