The voters of California, during a special election in 1979, approved Article XIII(B) of the California State Constitution which provides that the Fire District's annual appropriations be subject to certain state limitations. This appropriations limit is often referred to as the GANN Limit.

In 1980 the State Legislature added Section 9710 to the Government Code providing that the governing body of each local jurisdiction must establish, by resolution, an appropriations limit for the following year. The appropriations limit for any fiscal year is equal to the previous year's limit adjusted for population changes and the changes in the US Consumer Price Index (or California per capital personal income, if smaller). The necessary statistical information is provided each year by the California Department of Finance.

The Fire District's limitation is calculated each year and established by a resolution of the City Council as part of the annual Operating Budget process.

Using the population and per capita personal income data provided by the California Department of Finance, the Fire District's appropriation limit for Fiscal Year 2022-23 is $175,144,957. Appropriations subject to the limitation in the 2022-23 Operating Budget total $51,158,200, which is $123,986,757 or 71% less than the computed allowable limit.

The Article XIII(B) limitation is not a restricting factor for the Fire Protection District but will be monitored annually and budget adjustments recommended if they are required in future years.

Appropriations Limit

2021-22 Appropriations Limit		$160,624,502
2022-23 Adjustment Factors:		
Population (1.39%)	1.0139	
Per capita income change (7.55%)	1.0755	
Total adjustment		1.0904
2022-23 Appropriations Limit		$175,144,957

Appropriations Subject to Limit

Proceeds of taxes	
Less: qualified capital outlay	
Appropriations subject to limit	$51,158,200
Percentage of Appropriations Limit used	29%

Five-Year History of Appropriations Limit