

GANN Limit, Staffing, Fund Descriptions, and Financial Policies

Appendix

FY 2023–24 Budget

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Appropriation Limit

California voters approved propositions, amending the State Constitution, which requires that the annual Town budget include a calculation of the Appropriations Limit, sometimes referred to as the Gann Limit. This requirement was imposed by Proposition 4 (1979) and later amended by Proposition 111 (1990).

The requirement imposes a restriction on the amount of governmental revenues, which may be appropriated in any fiscal year. The Appropriations Limit was first based on actual appropriations during the base year (1986-87), and it can be increased each year based on a specific formula and specified growth factors. The Appropriations Limit does not apply to all funds. It only applies to funds that are “proceeds of taxes.”

Each year, the adjustment to the Appropriations Limit takes into consideration two factors: 1) the change in the cost of living, and 2) the change in population. For each of these factors, the Town may select between two optional factors.

Selection of Optional Factors

1. Change in Population (Town of Colma vs. San Mateo County)
 - a. Town of Colma had a population of 1,371 on 1/1/2022 and 1,359 on 1/1/2023, a decrease of 0.43%
 - b. County of San Mateo had a population of 740,711 on 1/1/2022 and 737,515 on 1/1/2023, a decrease of 0.88%
2. Change in State per capita Personal Income vs. Colma Non-Residential Building Construction
 - a. Change in State Per Capital Personal Income was 4.44%
 - b. Change in Colma Non-Residential Assessed Valuation was not available.

For the Fiscal Year 2023-24 calculation, the Town selected the County’s population growth rate of -0.43% and the change in the State Per Capita Income of 4.44%

Appropriation Limit Calculation 2023-24

Appropriations Limit			
City	Town of Colma	FY	2023-24
		Amount	Source
a) Prior Year Appropriations Limit		61,031,996	Prior year schedules
b) Adjustment Factors	percent	ratio	
1) Population Change	-0.43%	0.996	
	Population in city or county?	County	"city" or "county"
2) Cost of Living	4.44%	1.044	
	State CPI or % New non-residential?	CPI	"CPI" or "%new non-resid AV"
3) Combined adjustment factor		1.0399	b1 * b2
c) Adjusted Limit		63,467,173	a * b3
d) Alterations			
Transfer of Financial Responsibility			
Transfer to Fees			
Emergency			
Voter Override			
Total Alterations		-	sum of d
e) Appropriations Limit - Current Year		63,467,173	c + d

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Appropriations Subject to Limitation			
City	Town of Colma	FY	2023-24
		Amount	Source
a) Proceeds of Taxes		18,708,300	
b) Exclusions		-	
c) Appropriations Subject to Limitation		18,708,300	a-b
d) Appropriations Limit (current year)		63,467,173	
e) Under (Over) Limit		44,758,873	d-c

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The 2023-24 Appropriations subject to the limit ("Proceeds of Taxes") total \$18,708,300, which means the Town is \$44,758,873 below the authorized limit.

Appropriation Limit History

Fiscal Year	Reso	Population Change [a]	Population Factor [b] = ([a]-1)/1	State per Capita Personal Income [c]	Per Capita Factor [d]=([c]-1)/1	Calculation of Factor [e] = [b] x [d]	Appropriation Limit Prior Year x [e]
2023-24	2023-XX	-0.43%	0.9957	4.44%	1.0444	1.0399	\$ 63,467,173
2022-23	2022-20	-0.92%	0.9908	7.55%	1.0755	1.0656	\$ 61,031,996
2021-22	2021-17	-0.75%	0.9925	5.73%	1.0573	1.0494	\$ 57,274,771
2020-21	2020-27A	14.05%	1.1405	3.73%	1.0373	1.1830	\$ 54,582,281
2019-20	2019-34	0.70%	1.0070	3.85%	1.0385	1.0458	\$ 46,137,229
2018-19	2018-36	0.50%	1.0050	3.67%	1.0367	1.0419	\$ 44,103,586
2017-18	2018-35	0.56%	1.0056	3.69%	1.0369	1.0427	\$ 42,330,631
2016-17	2016-27	0.91%	1.0091	5.37%	1.0537	1.0633	\$ 40,596,875
2015-16	2015-29	1.00%	1.0100	3.82%	1.0382	1.0486	\$ 40,571,394
2014-15	2014-33	1.17%	1.0117	-0.23%	0.9977	1.0094	\$ 40,553,428

Staffing List

<insert chart>