DEPARTMENT OF FINANCE
ARNOLD SCHWARZENEGGER, GOVERNOR
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 2, 2005

Dear Fiscal Officer:

Subject: Price and Population Information

Appropriations Limit

The California Revenue and Taxation Code, Section 2227, mandates the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2005, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2005-06. Enclosure I provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2005-06 appropriations limit. Enclosure II provides city and unincorporated county population percentage changes, and Enclosure IIA provides county and incorporated areas population percentage changes. The population percentage change data excludes federal and state institutionalized populations and military populations, as noted.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. Consult the Revenue and Taxation Code, Section 2228, for the various population options available to special districts to assess population change in their district. Article XIII B, Section 9, of the State Constitution exempts certain special districts from the appropriations limit calculation mandate. Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. No State agency reviews the appropriations limit.

Population Certification

The population certification program applies only to cities and counties. Revenue and Taxation Code Section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 3, 2005**.

Please Note: City population estimates are controlled to independently calculated county population estimates. Due to county estimates revisions for 2001 through 2004 prior year city population estimates for local areas have also been revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

Sincerely,

TOM CAMPBELL
Director
By:

STEPHEN W. KESSLER
Chief Deputy Director

Enclosure

May 2, 2005 **Enclosure I**

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 2005-2006 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2005-2006	5.26

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2005-2006 appropriation limit.

2005-2006:

Per Capita Change = 5.26 percent
Population Change = 1.50 percent

Per Capita converted to a ratio: $\frac{5.26+100}{100}$ = 1.0526

Population converted to a ratio: $\frac{1.50+100}{100}$ = 1.015

Calculation of factor for FY 2005-2006: $1.0526 \times 1.015 = 1.0684$

Enclosure II
Annual Percent Change in Population Minus Exclusions
January 1, 2004 to January 1, 2005 and Total Population, January 1, 2005

County City	Percent Change 2004-2005	--- Population Minus Exclusions --- 1-1-04	 1-1-05	Total Population 1-1-2005
SAN DIEGO				
CARLSBAD	2.62	92,719	95,146	95,146
CHULA VISTA	4.35	207,884	216,917	217,543
CORONADO	0.16	16,615	16,642	26,973
DEL MAR	0.00	4,543	4,543	4,543
EL CAJON	0.35	97,359	97,703	97,703
ENCINITAS	0.60	62,401	62,774	62,774
ESCONDIDO	0.90	140,088	141,350	141,350
IMPERIAL BEACH	0.04	27,698	27,710	27,710
LA MESA	0.18	55,003	55,101	55,983
LEMON GROVE	0.05	25,517	25,531	25,531
NATIONAL CITY	-0.15	52,774	52,696	63,773
OCEANSIDE	1.32	172,800	175,085	175,085
POWAY	0.38	50,391	50,583	50,675
SAN DIEGO	1.13	1,271,980	1,286,320	1,305,736
SAN MARCOS	8.67	67,226	73,054	73,054
SANTEE	1.15	53,361	53,973	54,476
SOLANA BEACH	0.06	13,392	13,400	13,400
VISTA	0.36	93,773	94,109	94,109
UNINCORPORATED	0.05	426,730	426,933	465,716
COUNTY TOTAL	1.27	2,932,254	2,969,570	3,051,280

(*) Exclusions include residents on federal military installations and group quarters residents in state mental institutions and state and federal correctional institutions.