


APPROPRIATIONS LIMITATION COMPLIANCE CALCULATION FOR FISCAL YEAR 2022 ADOPTED BUDGET

(\$ IN MILLIONS)

Total Budgeted Appropriations	General Fund	Capital Projects Funds	Special Revenue Funds	Debt Service Fund	Combined Funds
FY 2022 Adopted Budget	\$ 197.89	\$ 54.75	\$ 23.47	\$ 7.56	\$ 283.67
Less:					
Interfund Transfers	\$ (13.51)	\$ 2.38	\$ (18.57)	\$ -	\$ (29.70)
Allocated Charges	\$ (17.43)	\$ -	\$ -	\$ -	\$ (17.43)
Non-Proceeds	\$ (30.88)	\$ (50.18)	\$ (6.79)	\$ (7.09)	\$ (94.93)
Net Appropriations Subject to Limit	\$ 136.08	\$ 6.96	\$ (1.89)	\$ 0.47	\$ 141.62
 CITY OF PALO ALTO	FY 2022 Per Capita Income Change (CA Department of Finance)				5.73%
	<i>Factor A</i>				1.0573
	FY 2022 Population Change (Santa Clara County)				-0.56%
	<i>Factor B</i>				0.9999
	FY 2021 Adopted Appropriations Limit				\$ 179.86
	Factor A x Factor B				1.0572
	FY 2022 Adopted Appropriations Limit				\$ 190.16
	Net Appropriations Subject to Limit				\$ 141.62
	Amount Under the Limit				\$ 48.54

The City of Palo Alto remains well within its appropriations limit in FY 2022. Future year limit trends can be made based on the average change in regional population and income growth. The appropriations subject to limitation includes proceeds of taxes from the General Fund, Capital Projects Fund, and Special Revenue Funds.

Fiscal Year	Per Capita Income Factor	Population Change Factor	Total Adjustment Factor	Appropriations Limit	Appropriations Subject to Limit	Amount Under the Limit
2021	1.0373	1.0037	1.0411	\$ 179.86	\$ 113.06	\$ 66.81
2020	1.0385	1.0033	1.0419	\$ 171.75	\$ 127.42	\$ 45.34
2019	1.0367	1.0040	1.0408	\$ 164.83	\$ 114.94	\$ 50.87
2018	1.0369	1.0082	1.0454	\$ 158.36	\$ 131.49	\$ 26.88
2017	1.0537	1.0130	1.0674	\$ 151.48	\$ 109.51	\$ 41.97
2016	1.0382	1.0113	1.0499	\$ 141.92	\$ 100.60	\$ 41.31
2015	0.9977	1.0150	1.0127	\$ 135.17	\$ 82.93	\$ 52.24
2014	1.0512	1.0157	1.0677	\$ 133.48	\$ 90.28	\$ 43.20
2013	1.0377	1.0124	1.0506	\$ 125.01	\$ 96.73	\$ 28.28
2012	1.0251	1.0089	1.0342	\$ 119.00	\$ 89.00	\$ 30.00
2011	0.9746	1.0144	0.9886	\$ 115.06	\$ 78.94	\$ 36.12

On November 6, 1979, California voters approved Proposition 4, an initiative that added Article XIII B to the state Constitution. The provisions of this article place limits on the amount of revenue that can be appropriated by all entities of government. The Appropriations Limit is based on actual appropriations during the 1978-1979 fiscal year, as increased each year using specified population and inflationary growth factors.

The above preliminary calculations include FY 2022 Proposed Operating and Capital Budget figures as of May 5, 2021 and will be updated to include changes made during the City Council adoption process culminating on June 21, 2021.