



# *County of El Dorado*

OFFICE OF AUDITOR-CONTROLLER

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Assistant Auditor-Controller

**May 11, 2022**

**To: All Special Districts**

**From: Bob Toscano, Assistant Auditor-Controller**

**Subject: 2022-2023 Proposition 4 - Appropriation Limitation**

**Your district needs to calculate and adopt the new tax spending limit for FY 2022-23 in accordance with the provisions of the spending limitation legislation implementing Proposition 4 (the 1979 Gann Spending Limit Initiative). Government Code Section 7910 requires that: “. . . the governing body of each local jurisdiction to establish appropriation limits by resolution for the following fiscal year at a regular or special meeting.”**

**The district’s new limit for the 2022-2023 year will be calculated on the basis of the prior year’s limit increased by a growth factor. The growth factor results from combining the change in Per Capita Personal Income and the change in population for your district (as certified by the State’s Department of Finance) or the change reported for “unincorporated areas” for our County.**

**The change in the “cost of living” factor (Per Capita Personal Income) has been reported to be 7.55% and reported increase in population in the County’s unincorporated areas to be a decrease of -.19%. Therefore, the ratio of change to be applied to last year’s limit is:**

$$1.0755 \quad (\text{X}) \quad 0.9981 \quad = \quad 1.0735$$

**Attached is a sample format for the required “NOTICE OF PUBLIC HEARING” and a sample resolution (which includes the calculation formula).**