BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting on June 28, 2022

RESOLUTION NO. 22-83

RESOLUTION OF THE HUMBOLDT COUNTY BOARD OF SUPERVISORS ESTABLISHING THE FISCAL YEAR 2022-2023 APPROPRIATIONS LIMIT UNDER ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION, AND ESTABLISHING THE PERIOD FOR CONTESTING SUCH LIMITS FOR THE COUNTY

WHEREAS, Article XIII B of the California Constitution, added by Proposition 4 (November 1979) and subsequently amended by Proposition 98 (November 1988) and Proposition 111 (June 1990) provides that the state and each local government shall establish an annual Appropriations Limit; and

WHEREAS, Article XIII B § 8(e)(2) requires the Governing Body to select the Change in Cost of Living methodology each year by recorded vote of the governing body; and

WHEREAS, the percentage change in in the California per capita income provides a higher Change in Cost of Living index result than the change in local assessment roll from the preceding year due to the addition of local nonresidential new construction; and

WHEREAS, the Chief Financial Officer of the County of Humboldt has prepared the calculation and made the same available for public review during business hours for fifteen days prior to the June 28, 2022, Board of Supervisors meeting in compliance with California Government Code § 7910(a); and

WHEREAS, the Clerk of the Board published notice on or before June 12, 2022 of the location where the applicable statements were available for public inspection.

NOW, THEREFORE, BE IT RESOLVED that the County of Humboldt selects the percentage change in California per-capital income and the percentage change in the population within the incorporated portion of the county as its adjustment factors; and

BE IT FURTHER RESOLVED that the Appropriations Limit for the County of Humboldt for the fiscal year 2022-2023 as shown on Attachment A is hereby established as \$234,822,887 and that such Appropriations Limit may be adjusted at a later date in accordance with §§ 3 and 11 of Article XIII B of the California Constitution; and

BE IT FURTHER RESOLVED that the Appropriations Limit for the county for the fiscal year 2022-2023 may be adjusted at a later date in the event that revenues which are unanticipated and classified as proceeds of taxes in accordance with § 8(c) of Article XIII B of the California Constitution, are received and appropriated; and

BE IT FURTHER RESOLVED that any judicial action or proceeding to attack, review, set aside, void or annul the Appropriations Limit established by this resolution shall be commenced within 45 days from the date of this resolution in accordance with Division 9 of Title 1 of the California Government Code.

PASSED AND ADOPTED by the Board of Supervisors of the County of Humboldt, State of California, this 28th day of June, 2022, by the following vote:

Virginia Bass, Chair of the Board Humboldt County Board of Supervisors

Adopted on motion by Supervisor Madrone, Seconded by Supervisor Bushnell, and the following vote:

AYES:

Supervisors: Bohn, Bass, Bushnell, Madrone

NAYS:

ABSENT: Supervisor:

or: Wilson

ABSTAIN:

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be a full, true, and correct copy of the original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California as the same now appears of record in my Office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.

NIKKI TURNER

Deputy Clerk of the Board of Supervisors of the County of Humboldt, State of California

Humboldt County, California Fiscal Year 2022-23 Appropriations Limit Calculations Article XIII B of the California Constitution and California Government Code Title I, Division 9 (Commencing with Section 7900)

Gann Limit Summary

In November 1979, California voters approved Proposition 4 (the Gann Initiative) and added Article XIII B to the California State Constitution. In 1980, the State Legislature added Division 9 (commencing with Section 7900) to Title I of the Government Code to implement Article XIII B. This legislation required the governing body of each local jurisdiction in California to establish an Appropriations Limit (also referred to as the GANN Limit) on or before June 30 of each year for the following fiscal year. The Appropriations Limit is based on actual appropriations during the fiscal year (FY) 1986-87 and adjusted each year using population and inflation factors.

On June 5, 1990, California voters approved Proposition 111, amending Article XIII B. Proposition 111 allows local jurisdictions to choose among measures of inflation and population growth to compute the adjustment factor. The measures for inflation (price factors) include growth in California per capita income or growth in the county's gross assessed valuation due to new non-residential construction; while measures for population growth include population growth within the county, county and contiguous counties or all cities within the county.

The proposed Appropriations Limit for Humboldt County for FY 2022-23 is \$234,822,887. In accordance with Proposition 111 guidelines, the FY 2022-23 Tax Appropriations Limit was calculated by adjusting the prior year's Appropriation Limit using the adjustment factors described in Government Code Section 7901. The alternative adjustment factors applicable to FY 2022-23 are shown on page 1-2 of the attached calculations. The recommended adjustment factor was calculated using the price factor based on the percent change in State per capital income (7.55%) and the population factor based on the percent growth in the incorporated portion of the county (-.15%), resulting in an adjustment factor of 1.07548.

The Appropriations Limit does not apply to all county revenues, or all General Fund revenues, but only to proceeds of taxes including property tax, sales tax, transient occupancy tax, and other local taxes. Excluded from the appropriations subject to the limit are costs required to comply with court or federal mandates, qualified capital outlays and debt service costs for qualified capital projects. Other revenues, including fees, licenses and permits, rents and concessions, interfund transfers and state funds provided for a specific purpose are not subject to the limit. Charges for services or fees cannot exceed the cost of providing the service or regulation and thus are also excluded. The appropriations subject to the limit total \$86,024,795; \$148.8 million below the calculated appropriations limit of \$234,822,887.

GANN LIMIT CALCULATIONS

Fiscal Year 2022-23 Alternative Adjustment Factors & Calculation of Tax Appropriations Limit

Price Factor (A)

Percent growth in State Per Capita Personal Income.

(Source: California Dept. of Finance, Price Factor and Population letter dated May 2022)

Price Factor =

7.55000

Price Factor converted to Adjustment Factor = (price factor + 100)/100

Adjustment Factor (A) =

1.07550

Price Factor (B)

Percentage change in the local assessment roll from the preceding year due to the addition of local nonresidential new construction.

(Source: Humboldt County Assessor Proposition 111 Report)

(a) Prior year total secured and unsecured assessment roll value =

\$ 14,939,122,497 FY 2020-21

(b) New nonresidential construction value =

Price Factor = b/a 0.00195

\$ 29,102,994 FY 2020-21*

Price Factor converted to Adjustment Factor = (price factor + 100)/100

Adjustment Factor (B) =

1.00002

*The Humboldt County Assessor has not completed the Proposition 111 FY 2022-23 Report, so nonresidential construction is unavailable. For comparison purposes only the FY 20-21 value is used, however this inflation price factor is not used in the Limit calculation because the construction value would need to exceed the average value for the last three years by a factor of at least 40 times.

Population Factor (C)

Percent growth in population within the county combined with population growth in all counties having borders contiguous to the county.

(Source: California Dept. of Finance, Price Factor and Population letter dated May 2022)

Percent growth in counties population = (0.00289)

Population Factor converted to Adjustment Factor = (population factor + 100)/100

Adjustment Factor (C) =

0.99997

Population Factor (D)

Percent growth in population within the incorporated portion of the county.

(Source: California Dept. of Finance, Price Factor and Population letter dated May 2022)

Percent growth in cities population =

(0.00151)

Population Factor converted to Adjustment Factor = (population factor + 100)/100

Adjustment Factor (D) =

0.99998

Fiscal Year 2022-23 Alternative Adjustment Factors & Calculation of Tax Appropriations Limit (continued)

Population Factor (E)

Percent growth in population within the the county.

(Source: California Dept. of Finance, Price Factor and Population letter dated May 2022)

Percent growth in Humboldt County =

(0.00226)

Population Factor converted to Adjustment Factor = (population factor + 100)/100

Adjustment Factor (E) =

0.99998

Annual Adjustment Factors

Based on the actual data, the six alternative adjustment factors are as follows:

The recommended limit is (A x C), which results in a 7.548% increase over the fiscal year 2021-22 Annual Tax Appropriations Limit. Of the six adjustment factors listed above this represents the largest allowable increase to the appropriations limit.

Calculation of the Fiscal Year 2022-23 Appropriations Limit:

(Prior Year Limit) x (Recommended Adjustment Factor) = New Limit

Appropriations Subject to the Tax Appropriations Limit *				
Property Tax	\$	34,904,486		
Sales Tax		7,300,000		
Sales Tax Measure Z		14,383,388		
Transient Occupancy Tax		3,060,000		
Property Transfer Tax		897,000		
Business License Tax		75,000		
Cannabis Excise Tax		5,000,000		
Timber Yield Tax		678,000		
Motor Vehicle License Fee		20,950,000		
Homeowners Property Tax Relief Reimb.		265,000		
State Mandate Reimbursements		90,000		
Other Discretionary State Aid		9,200		

Total Unadjusted Appropriations subject to Limit [A] \$ 87,662,442

50,368

Adjustment for Appropriations Not Subject to the Tax Appropriations Limit *

Debt Service

Interest Earnings

2003 COP Refunding Jail, Regional Center and Library 2012 COP Juvenile Hall and Earthquake Projects	8	876,857 445,230
Total Adjustment	[B]	\$ 1,637,647

Total Adjusted Appropriations Subject to the Limit [C = A - B] \$86,024,795

Difference between the Tax Appropriations Limit and Appropriations Subject to the Limit

Tax Appropriations Limit for Fiscal Year 2022-23 [D] \$ 234,822,887

Adjusted Appropriations are below the Limit by [E= D - C] \$ 148,798,092

^{*} Source: Fiscal Year 2022-23 County Adopted Budget, Estimated Revenue by Source (Schedule 5)

Interest Allocation Fiscal Year 2022-23

		Amount	Source
a)	Non-interest Tax Proceeds	\$ 87,662,442	Appropriations
b)	Minus Exclusions	 1,637,647	Appropriations
c)	Net Invested Proceeds from Taxes	86,024,795	(a-b)
d)	Total Revenue	527,023,714	Revenue Schedule 5
e)	Proceeds of Taxes as a Percentage of Revenues	16.32%	(c/d)
f)	Interest Earnings - Total	320,800	Revenue Schedule 5
g)	Amount of interest Earned from Proceeds of Taxes	\$ 52,363	(e x f)

County of Humboldt
Calculation to Determine Appropriation Limit in Accordance
with Article XIIB of the California Constitution
Population of Humboldt County Cities
Fiscal Year 2022-23

63,511

Total

	us Exclusions		
City	January 1, 2021	January 1, 2022	Change
Arcata	17,633	18,059	426
Blue Lake	1,165	1,151	(14)
Eureka	27,134	26,768	(366)
Ferndale	1,376	1,367	(9)
Fortuna	12,523	12,432	(91)
Rio Dell	3,380	3,342	(38)
Trinidad	300	296	(4)

Percentage Change ____(0.00151)

(96)

63,415

Source: California Department of Finance, Price Factor and Population Information letter dated May 2022

County of Humboldt
Calculation to Determine Appropriation Limit in Accordance
with Article XIIB of the California Constitution
Population of Contiguous Counties
Fiscal Year 2022-23

Popu	lation	Minus	Exc	lusions
, opu	IGUIOII	INITIAS	LAU	usions

January 1, 2021	January 1, 2022	Change
25,330	25,187	(143)
135,464	135,158	(306)
28,697	28,596	(101)
43,926	43,787	(139)
16,012	15,981	(31)
249,429	248,709	(720)
	25,330 135,464 28,697 43,926 16,012	25,330 25,187 135,464 135,158 28,697 28,596 43,926 43,787 16,012 15,981

Percentage Change (0.00289)

Source: California Department of Finance, Price Factor and Population Information letter dated May 2022



1021 O Street, Suite 3110 . Sacramento CA 95814 . www.dof.ca.gov

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

California Revenue and Taxation Code section 2227 requires the Department of 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, 2022, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2022-23. Attachment A 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 2022-23 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: http://leginfo.legislature.ca.gov/faces/codes.xhtml.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. California 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 1, 2022**.

Please Note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

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

KEELY MARTIN BOSLER Director By:

ERIKA LI Chief Deputy Director

Attachment

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 fiscal year 2022-23 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY) Percentage change over prior year

2022-23

7.55

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2022-23 appropriation limit.

2022-23:

Per Capita Cost of Living Change = 7.55 percent Population Change = -0.30 percent

Per Capita Cost of Living converted to a ratio:

7.55 + 100 = 1.0755

100

Population converted to a ratio:

-0.30 + 100 = 0.997

100

Calculation of factor for FY 2022-23:

 $1.0755 \times 0.997 = 1.0723$

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022 and Total Population, January 1, 2022

County	Percent Change	Population Min	<u>Total</u> <u>Population</u>	
City	2021-2022	1-1-21	1-1-22	1-1-2022
Humboldt				
Arcata	2.42	17,633	18,059	18,059
Blue Lake	-1.20	1,165	1,151	1,151
Eureka	-1.35	27,134	26,768	26,768
Ferndale	-0.65	1,376	1,367	1,367
Fortuna	-0.73	12,523	12,432	12,432
Rio Dell	-1.12	3,380	3,342	3,342
Trinidad	-1.33	300	296	296
Unincorporated	-0.29	71,953	71,743	71,753
County Total	-0.23	135,464	135,158	135,168

^{*}Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Attachment C

Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022

County	Percent Change	Population Minu	s Exclusions	
	2021-22	1-1-21	1-1-22	
Alameda				
Incorporated	-0.53	1,507,763	1,499,840	
County Total	-0.62	1,659,616	1,649,285	
Alpine				2411
Incorporated	0.00	0	0	
County Total	0.42	1,195	1,200	
Amador	77.45			TEC, IT
Incorporated	1.23	13,780	13,949	
County Total	0.16	36,382	36,440	
Butte		- 1		
Incorporated	0.44	138,002	138,604	
County Total	-2.44	206,640	201,608	
Calaveras			THE PARTY NAMED IN	
Incorporated	-0.49	3,641	3,623	
County Total	-0.40	45,166	44,986	
Colusa		111111111111111111111111111111111111111		
Incorporated	0.50	11,886	11,946	
County Total	0.16	21,773	21,807	
Contra Costa			F 7	
Incorporated	-0.38	983,397	979,614	
County Total	-0.41	1,161,240	1,156,471	
Del Norte	10 g/3 - 120 - 140 as 2- 10 g/3 - 120			
Incorporated	-0.88	4,111	4,075	
County Total	-0.56	25,330	25,187	
El Dorado	St. Carlo Harris			
Incorporated	-0.93	32,144	31,845	
County Total	-0.32	190,989	190,383	

^{*}Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Attachment C

Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022

County	Percent Change 2021-22	Population Mir 1-1-21	nus Exclusions 1-1-22
Fresno			
Incorporated	0.37	843,814	846,968
County Total	0.19	1,003,895	1,005,767
Cooliny folds	0.17	1,005,075	1,003,767
Glenn			
Incorporated	0.20	14,664	14,694
County Total	-0.13	28,788	28,750
Humboldt			
Incorporated	-0.15	63,511	63,415
County Total	-0.23	135,464	135,158
Imperial			
Incorporated	0.35	142,240	142,737
County Total	0.07	173,157	173,278
Inyo			
Incorporated	0.03	3,868	3,869
County Total	-0.04	18,926	18,919
Kern	10		
Incorporated	0.53	584,219	587,304
County Total	0.05	889,874	890,340
Kings			
Incorporated	-0.54	108,760	108,177
County Total	-0.63	133,978	133,138
Lake			
Incorporated	-0.28	21,569	21,508
County Total	-0.33	67,585	67,365
Lassen			
Incorporated	1.06	9,677	9,780
County Total	0.49	25,227	25,351

^{*}Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Attachment C

Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022

County	Percent Change	Population Mir	Population Minus Exclusions		
	2021-22	1-1-21	1-1-22		
Los Angeles					
Incorporated	-0.71	8,907,581	8,844,059		
County Total	-0.71	9,923,635	9,853,284		
Madera	E		1 - 1 -	All	
Incorporated	-0.66	79,979	79,453		
County Total	0.33	151,653	152,155		
Marin	3			The last	
Incorporated	-1.08	191,936	189,869		
County Total	-1.11	256,537	253,686		
Mariposa			A	No.	
Incorporated	0.00	0	0		
County Total	-0.20	17,018	16,984		
Mendocino					
Incorporated	-0.35	28,697	28,596		
County Total	-0.78	90,655	89,951		
Merced	He to the state of			TEN	
Incorporated	0.41	192,660	193,455		
County Total	0.88	280,833	283,311		
Modoc	, T		31 82		
Incorporated	1.00	2,699	2,726		
County Total	0.98	8,606	8,690		
Mono			27		
Incorporated	0.56	7,324	7,365		
County Total	0.61	13,167	13,247		
Monterey					
Incorporated	-0.39	314,094	312,883		
County Total	-0.62	419,835	417,224		

^{*}Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Attachment C

Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022

County	Percent Change 2021-22	Population Mi 1-1-21	nus Exclusions 1-1-22
Napa			
Incorporated	-0.78	112,875	111,995
County Total	-0.92	135,759	134,512
Nevada			
Incorporated	-0.12	34,091	34,051
County Total	-0.67	101,875	101,195
Orange			
Incorporated	-0.21	3,035,639	3,029,167
County Total	-0.23	3,168,941	3,161,604
Placer			
Incorporated	0.97	293,504	296,338
County Total	0.37	407,517	409,025
Plumas			
Incorporated	0.74	2,027	2,042
County Total	-3.23	19,574	18,942
Riverside			
Incorporated	0.33	2,024,440	2,031,128
County Total	0.42	2,417,461	2,427,569
Sacramento			
Incorporated	0.08	966,759	967,512
County Total	-0.28	1,576,263	1,571,784
San Benito			
Incorporated	1.38	44,039	44,647
County Total	1.10	64,769	65,479
San Bernardino			
Incorporated	0.23	1,862,086	1,866,337
County Total	0.14	2,154,958	2,157,869

^{*}Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Attachment C

Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022

County	Percent Change 2021-22	Population Min	us Exclusions 1-1-22	
San Diego				
Incorporated	-0.04	2,745,332	2,744,337	
County Total	-0.08	3,226,278	3,223,583	
San Francisco				
Incorporated	-0.79	849,259	842,529	
County Total	-0.79	849,259	842,529	
San Joaquin				14
Incorporated	0.59	619,274	622,907	
County Total	0.44	778,272	781,688	
San Luis Obispo		Tou Tou		n la l
Incorporated	-0.94	159,205	157,711	
County Total	0.28	275,671	276,431	
San Mateo		7 7 7 7	127	100
Incorporated	-0.91	689,376	683,093	
County Total	-0.92	751,464	744,552	
Santa Barbara				· Page
Incorporated	-1.70	307,661	302,422	
County Total	0.14	438,522	439,133	
Santa Clara			1 - 2	
Incorporated	-0.69	1,822,894	1,810,306	
County Total	-0.69	1,906,879	1,893,770	
Santa Cruz				
Incorporated	3.27	132,260	136,587	
County Total	0.00	266,511	266,522	
Shasta				- 510 100
Incorporated	-0.95	115,241	114,151	
County Total	-0.82	181,837	180,347	

^{*}Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Attachment C

Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022

		Population Minus Exclusions	
County	Percent Change 2021-22		
		1-1-21	1-1-22
Sierra			
Incorporated	0.00	737	737
County Total	0.12	3,225	3,229
Siskiyou			
Incorporated	-0.66	19,923	19,791
County Total	-0.32	43,926	43,787
olano			
Incorporated	-0.56	421,401	419,057
County Total	-0.58	439,181	436,647
Sonoma			
Incorporated	-0.93	353,563	350,260
County Total	-0.54	484,109	481,513
itanislaus			
Incorporated	-0.29	439,690	438,432
County Total	-0.41	551,737	549,466
utter			
Incorporated	0.32	78,805	79,057
County Total	0.24	98,908	99,145
ehama			
Incorporated	-0.66	23,282	23,129
County Total	-0.47	65,257	64,948
rinity		· · · · · · · · · · · · · · · · · · ·	
Incorporated	0.00	0	0
County Total	-0.19	16,012	15,981
ulare			
Incorporated	0.33	338,444	339,546
County Total	0.21	473,786	474,770

^{*}Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Attachment C

Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022

County	Percent Change 2021-22	Population Minus 1-1-21	Exclusions 1-1-22	
Tuolumne				
Incorporated	0.45	5,121	5,144	
County Total	0.80	52,660	53,081	
Ventura				
Incorporated	-0.79	743,771	737,860	
County Total	-0.64	835,215	829,909	
Yolo				1 119
Incorporated	-1.90	188,861	185,265	
County Total	1.81	217,237	221,165	
Yuba	A A A			1,0
Incorporated	-1.33	16,711	16,488	
County Total	0.35	79,776	80,055	

^{*}Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.