

Attachment 1

Fiscal Year 2016 Appropriations Limit: Calculation

Based on the provisions in Article XIII B of the California Constitution as approved by the voters in November 1979, the appropriations limit for each succeeding year through 1987 is determined by the District's 1979 appropriations base times a cumulative composite factor. The base year was later revised to 1987. The cumulative composite factor consists of the product of:

- 1) The lesser of the relative year change in the all urban consumer price index (SF/Oakland/SJ CPI-U) or the California per capita personal income, and
- 2) At the District's discretion, the relative year-to-year change in District wide population, or the population for the District's county that has the highest assessed valuation. Election of the higher of the two growth factors results in a higher appropriations limit.

The District's appropriations limit for Fiscal Year 2016 is calculated on the basis of the urban consumer price index (CPI-U SF/Oakland/SJ) and Alameda County population gains. Steps in the calculations are as follows:

Relevant data, percent change:

- CPI-U SF/Oakland/SJ, 2.5320% (applies this year per option 1 above)
- Population Change, Alameda County, 1.2748% (applies this year per option 2 above)

District Population

	<u>As of 1/1/14</u>	<u>As of 1/1/15</u>	<u>% Change</u>
Alameda	1,574,497	1,594,569	1.2748%
Contra Costa	1,089,219	1,102,871	1.2534%
<u>San Francisco</u>	<u>834,903</u>	<u>845,602</u>	<u>1.2815%</u>
Total	3,498,619	3,543,042	1.2697%

FY16 Cumulative Adjustment Factor:

CPI-U SF/Oakland/SJ	x	Population Factor	=	Current Adjustment Factor
(1 + 2.532%)	x	(1 + 1.2748%)	=	1.0384
Current Adjustment Factor	x	Prior Year Adjustment	=	Cumulative Adjustment Factor
1.0384	x	2.9049	=	3.0164

FY16 Appropriations Limit:

FY87 Appropriations Base	x	FY16 Cumulative Adj Fctr	=	FY16 Appropriations Limit
181,568,000	x	3.0164	=	<u>\$547,685,850</u>