County Connection

Agenda Item # 5.d.

To: Board of Directors **Date:** June 9, 2026

From: Amber Johnson, Chief Financial Officer **Reviewed by:** WC.

SUBJECT: Adoption of Gann Appropriations Spending Limitation for FY 2026-2027

Background:
Pursuant to California Constitution Article XIII (B) (Proposition 4), public entities are required to conform to budgetary guidelines set forth in the Gann Initiative. The purpose of Article XIII (B) is to constrain fiscal growth in government by limiting the proceeds of taxes that may be appropriated each year. Each year's limit may be adjusted for increase in cost of living (California per capita income) and population. For special districts, if the district is located entirely within one county, the county's population change factor is to be used. That is the case with County Connection. The limit may also be changed in the event of a transfer of fiscal responsibility.

The California Revenue and Taxation Code, section 2227, mandates that the Department of Finance transmit an estimate of the percentage change in population to local governments. The Department of Finance also transmits the change in the cost of living, or price factor.

Gann Limit Calculation:
The formula for calculating the appropriations spending limit is:
1. Population percentage change x price increase/decrease factor = ratio of change
2. Ratio of change x 2025-26 spending limit = 2026-27 spending limit.

Based on the above formula, the spending limit for County Connection is:
1. Population percentage change x price increase/decrease factor=ratio of change
   0.9969 x 1.0495 = 1.0462
2. Ratio of change x 2025-2026 spending limit = 2026-2027 spending limit:
   1.0462 x $106,034,564 = $110,938,391

Based on the above calculations, **the Gann appropriations spending limit for FY 2026-2027 is $110,938,391** (Attachment 1). The actual County Connection non-federal appropriations budget for FY 2026-2027 is $60,896,625, which is $50,041,766 below the spending limitation.

Financial Implications:
There is no direct financial implication as a result of the calculation of the Gann limit, since the limit far exceeds the appropriations budget.

Recommendation:
The A&F Committee and staff recommend that the Board review and approve the calculation of the Gann appropriations spending limitation of $110,938,391 for FY 2026-2027.

Action Requested:
By State law, the County Connection Board of Directors must adopt an appropriations limitation. The A&F Committee and staff request that the Board approve the calculation of the Gann appropriations spending limitation of $110,938,391 for FY 2026-2027 with Resolution 2026-29

Attachments:
Attachment 1: Computation of Gann Appropriations Spending Limit for FY 2027
Attachment 2: Resolution 2026-29

COMPUTATION OF GANN APPROPRIATIONS SPENDING LIMIT FOR FY 2027

Contra Costa County change in population*	-0.31		
Converted to a ratio		0.9969	(1)
Percentage change in per capita personal income*	4.95		
Converted to a ratio		1.0495	(2)
Ratio of change:		1.0462	(1)*(2) = (3)
FY 2026 appropriations limit		$106,034,654	(4)
FY 2027 appropriations limit		$110,938,391	(3)*(4) = (5)
FY 2027 operating budget	$59,324,125		
Less expenses paid by federal funds	($1,610,000)		
	$57,714,125		
FY 2027 capital budget	$ 3,182,500		
Less expenses paid by federal funds	$0		
	$3,182,500		
Operating and capital appropriation		$60,896,625	
Under limit		$50,041,766	

* Source: California Department of Finance

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RESOLUTION NO. 2026-29

BOARD OF DIRECTORS, CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA

*** * ***

ADOPT AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2026-27

WHEREAS, the County of Contra Costa and the Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (Member Jurisdictions) have formed the Central Contra Costa Transit Authority (CCCTA), a joint exercise of powers agency created under California Government Code Section 6500 *et seq*., for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions and certain unincorporated portions of Contra Costa County (Service Area);

WHEREAS, Government Code Section 7910 requires the CCCTA to adopt an appropriations limit for each fiscal year;

WHEREAS, Government Code Section 7910 requires that, fifteen (15) days prior to adoption of the CCCTA appropriations limit, documentation used in determination of the limit, and other necessary determinations, shall be available to the public;

WHEREAS, CCCTA staff has prepared the appropriations limit documentation (attached hereto and marked Exhibit A) which has been made available to the public for review more than fifteen (15) days prior to the date this resolution was scheduled for consideration by the Board.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the CCCTA Board of Directors that pursuant to Article XIII B of the California State Constitution and SB 1352 (1980 Stats.), the appropriations limit for the Central Contra Costa Transit Authority shall be $110,938,391, which shall be applicable to fiscal year 2026-27 as set forth in the attached appropriations limit documentation.

Regularly passed and adopted this 18th day of June, 2026 by the following vote:

AYES: Directors Andersen, Diaz, Farley, Hillis, Hoffmeister, Noack, Rubio, Storer, Wilk and Worth

NOES: None

ABSTAIN: None

ABSENT: Director Tatzin

Signed by:
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Robert Storer, Chair, Board of Directors

ATTEST:

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Lathina Hill
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Lathina Hill, Clerk to the Board