



Legislation Details (With Text)

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Title: RECALCULATION OF GANN APPROPRIATION LIMIT FY 2023-2024
Sponsors:
Indexes:
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Attachments: 1. EXHIBIT NO.1:GANN Limit Calculation Worksheet FY 23-24, 2. EXHIBIT NO.2:GANN Appropriation FY 23-24 Reso Worksheet

Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, December 05, 2023

Consent

SUBJECT:

RECALCULATION OF GANN APPROPRIATION LIMIT FY 2023-2024

I. SUMMARY

The purpose of this report is to present the recalculation of GANN Appropriation Limit for FY 2023-2024. The Article XIII-B of the California Constitution requires the adoption of an annual appropriation limit, which restricts the amount of tax revenues that State and Local government agencies can appropriate annually.

II. RECOMMENDATION

ADOPT Resolution No. 23-196 to rescind and replace Resolution No. 23-096 .

III. ALTERNATIVES

TAKE another action as deemed appropriate by the City Council.

IV. BACKGROUND

Annually, the Finance Department calculates and publishes the City's GANN Appropriation Limit during the Annual Budget adoption.

Article XIII-B of the California Constitution places limit on the amount of tax revenues that can be spent by the State and Local government entity. It is the responsibility of the City to calculate the annual appropriations limit by choosing between two population growth factors and two cost of living factors. The City used the City population growth factor, which was -.60%, and the growth in California per capita income, which was 4.44%.

Resolution No. 23-096 for the original FY 2023-2024 GANN Appropriation has been approved at the meeting of June 20th, 2023. During the Annual Financial Audit, it was discovered that FY 2023-2024 GANN Appropriation limit was calculated by using FY 2021-2022 Appropriation amount as prior year amount inadvertently. After the Audit, FY 2023-2024 GANN Appropriation Limit was recalculated and updated by using FY 2022-2023 as prior year appropriation amount. (Exhibit 1 - Worksheet)

V. FISCAL IMPACT

No Fiscal Impact.

VI. EXHIBITS

1. Resolution No. 23-196 Adopting the recalculations of the Annual Appropriations Limit for Fiscal Year 2023-24 (pgs. 3-5)
2. Resolution No.23-096 Adopting the Annual Appropriations Limit for Fiscal Year 2023-24 (pgs.6-8)

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