



RESOLUTION NO. 2014-97

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, SELECTING METHOD TO DETERMINE GANN APPROPRIATION LIMIT, RELATING TO THE FISCAL YEAR 2014-2015 CITY BUDGET

WHEREAS, In November 1979, Proposition 4 (the Gann Initiative) was approved, which added Article XIIB to the State Constitution, placing limits on the amount of revenue that all government entities may spend; and

WHEREAS, the purpose of Proposition 4 was to limit the growth in the appropriations of state and local governments to changes in the cost of living and population in order to control spending levels (the "Gann Limit"); and

WHEREAS, Proposition 4 requires the City to adopt an annual appropriations limit in conjunction with the adoption of the City's annual budget; and

WHEREAS, the Gann Limit is calculated by applying the growth rates in population and consumer prices to the previous fiscal year's limit amount; and

WHEREAS, staff has prepared two alternative methods, shown in Attachment A, for calculating the Gann Limit, each of which complies with Proposition 4, as amended.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. In conjunction with the adoption of the FY 2014-2015 annual budget, the Council adopts Per Capita Personal Income and City population, shown as Method A in Attachment A, as the factors for the purpose of determining the City's FY 2014-2015 Gann Limit.

Date Adopted :06/19/2014
Date Approved :06/30/2014
Effective Date :06/30/2014



CLERK'S CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the 19th day of June, 2014.

AYES : Baines, Brand, Caprioglio, Olivier, Brandau
NOES : Quintero, Xiong
ABSENT : None
ABSTAIN : None

Mayor Approval: _____ June 30, 2014
Mayor Approval/No Return: _____ N/A, 2014
Mayor Veto: _____ N/A, 2014
Council Override Vote: _____ N/A, 2014

YVONNE SPENCE, CMC
City Clerk

BY: 
Deputy

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY:  7.2.14
Raj Singh Badhessa, Deputy City Attorney

COMPUTATION OF SPENDING LIMIT SELECTING METHOD A or B FOR 2015

GANN CALCULATION

Fiscal Year 2015

Method A (Recommended Method)

Using: 1) Percent change in Per Capita Personal Income
2) Percent change in City Population

Beginning Balance	\$ 485,733,146
Adjustment*	<u>0</u>

Beginning Balance	<u>\$ 485,733,146</u>
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Per Capita Income Change Ratio	0.9977
City Population Growth Ratio	<u>1.0130</u>
FY 2014-2015 Factor	<u>1.0106701</u>
Appropriations Limit Fiscal Year 2015	<u>\$ 490,915,967</u>
Net Annual Adjustment in Dollars	5,182,821

Source: May 2014, State of California, Department of Finance letter on website

Per Capital Personal Income Change Over Prior Year	-0.23%
County Population Growth	1.16%
City Population Growth	1.30%

GANN CALCULATION

Fiscal Year 2015

Method B (Alternative Calculation)

Using: 1) Percent change in Per Capita Personal Income
2) Percent change in County Population

Beginning Balance	\$ 485,733,146
Adjustment*	<u>0</u>

Beginning Balance	<u>\$ 485,733,146</u>
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Per Capita Income Change Ratio	0.9977
County Population Growth Ratio	<u>1.0116</u>
FY 2014-2015 Factor	<u>1.00927332</u>
Appropriations Limit Fiscal Year 2015	<u>\$ 490,237,505</u>
Net Annual Adjustment in Dollars	4,504,359





June 20, 2014

RECEIVED

Council Adoption: 6/19/2014
Mayor Approval:
Mayor Veto:
Override Request:

TO: MAYOR ASHLEY SWEARENGIN
FROM: YVONNE SPENCE, CMC
City Clerk
2014 JUN 30 PM 4 58
CITY CLERK, FRESNO CA

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the Council meeting of 6/19/14, Council adopted the attached Resolution No. 2014-97 entitled, **Selecting method to determine GANN appropriation limit, relating to the fiscal year 2011-12 City Budget.** Item No. 1:30 P.M. A3, by the following vote:

Ayes : Baines, Brand, Brandau, Caprioglio, Olivier
Noes : Quintero, Xiong
Absent : None
Abstain : None

Please indicate either your formal approval or veto by completing the following sections and executing and dating your action. Please file the completed memo with the Clerk's office on or before June 30, 2014. In computing the ten day period required by Charter, the first day has been excluded and the tenth day has been included unless the 10th day is a Saturday, Sunday, or holiday, in which case it has also been excluded. Failure to file this memo with the Clerk's office within the required time limit shall constitute approval of the ordinance, resolution or action, and it shall take effect without the Mayor's signed approval.

Thank you.

APPROVED/NO RETURN: _____

VETOED for the following reasons: (Written objections are required by Charter; attach additional sheets if necessary.)

Ashley Swearengin, Mayor

Date: 6/30/14

COUNCIL OVERRIDE ACTION:

Date: _____

Ayes :
Noes :
Absent :
Abstain :