RESOLUTION NO. 2022-155

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, SELECTING METHOD TO DETERMINE GANN APPROPRIATION LIMIT, RELATING TO THE FISCAL YEAR 2022-2023 CITY BUDGET

WHEREAS, In November 1979, Proposition 4 (the Gann Initiative) was approved, which added Article XIIIB 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 per capita income 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 per capita income 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 2022-2023 annual budget, the Council adopts Per Capita Personal Income and County population, shown as Method B in Attachment A, as the factors for the purpose of determining the City’s FY 2022-2023 Gann Limit.

Date Adopted: 06/30/2022
Date Approved: 07/05/2022
Effective Date: 07/05/2022

Resolution No. 2022-155
STATE OF CALIFORNIA
COUNTY OF FRESNO
CITY OF FRESNO

I, TODD STERMER, 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 30th day of June, 2022.

AYES : Soria, Karbassi, Arias, Maxwell, Chavez, Bredefeld
NOES : Esparza
ABSENT : None
ABSTAIN : None

Mayor Approval: _______________ July 5th, 2022
Mayor Approval/No Return: NA, 2022
Mayor Veto: NA, 2022
Council Override Vote: NA, 2022

TODD STERMER, CMC
City Clerk

BY: [Signature] 7/18/2022
Deputy Date

APPROVED AS TO FORM:
RINA GONZALES
Interim City Attorney

BY: [Signature] 7/1/22
RAJ SINGH BADHESHA
Assistant City Attorney Date
### GANN CALCULATION
**Fiscal Year 2023**
**Method A**

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td>$ 703,261,565</td>
</tr>
<tr>
<td><strong>Adjustment</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Beginning Balance</strong></td>
<td>$ 703,261,565</td>
</tr>
<tr>
<td><strong>Per Capita Income Change Ratio</strong></td>
<td>1.0755</td>
</tr>
<tr>
<td><strong>City Population Growth Ratio</strong></td>
<td>1.0017</td>
</tr>
<tr>
<td><strong>FY 2022-2023 Factor</strong></td>
<td>1.07732835</td>
</tr>
<tr>
<td><strong>Appropriations Limit Fiscal Year 2023</strong></td>
<td>$ 757,643,621</td>
</tr>
</tbody>
</table>

**Net Annual Adjustment in Dollars** 54,382,056

Source: May 2022, State of California, Department of Finance letter

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Capital Personal Income Change Over Prior Year</td>
<td>7.55%</td>
</tr>
<tr>
<td>County Population Growth</td>
<td>0.19%</td>
</tr>
<tr>
<td>City Population Growth</td>
<td>0.17%</td>
</tr>
</tbody>
</table>

### GANN CALCULATION
**Fiscal Year 2023**
**Method B**

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td>$ 703,261,565</td>
</tr>
<tr>
<td><strong>Adjustment</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Beginning Balance</strong></td>
<td>$ 703,261,565</td>
</tr>
<tr>
<td><strong>Per Capita Income Change Ratio</strong></td>
<td>1.0755</td>
</tr>
<tr>
<td><strong>County Population Growth Ratio</strong></td>
<td>1.0019</td>
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<tr>
<td><strong>FY 2022-2023 Factor</strong></td>
<td>1.07754345</td>
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<tr>
<td><strong>Appropriations Limit Fiscal Year 2023</strong></td>
<td>$ 757,794,893</td>
</tr>
</tbody>
</table>

**Net Annual Adjustment in Dollars** 54,533,328
July 1, 2022

TO: MAYOR JERRY DYER
FROM: TODD STERMER, CMC
City Clerk

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the City Council meeting of June 30, 2022, Council adopted the attached Resolution No. 2022-155, ***RESOLUTION - FY 2023 Gann Appropriation Limit Resolution (Subject to Mayor's Veto). Item 9:00 A.M. (D), File ID 22-1048, by the following vote:

Ayes: Soria, Karbassi, Arias, Maxwell, Chavez, Bredfeld,
Noes: Esparza
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 July 11, 2022. 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.

APPROVED/NO RETURN: __________

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

____________________________

Date: 7/5/22

Jerry Dyer, Mayor
COUNCIL OVERRIDE ACTION:
Ayes:
Noes:
Absent:
Abstain:

Date: __________