



RESOLUTION NO. 2010-140

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, SELECTING METHOD TO DETERMINE GANN APPROPRIATION LIMIT, RELATING TO THE FISCAL YEAR 2010-2011 CITY BUDGET

WHEREAS, In November 1979, Proposition 4 (the Gann Initiative) was approved, which added Article XIII B 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 2010-2011 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 2010-2011 Gann Limit.

* * * * *

Adopted 06-25-10

Approved 07-01-10

Effective 07-01-10



CLERK'S CERTIFICATION

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

I, REBECCA E. KLISCH, 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 25th day of June, 2010.

AYES : Borgeas, Brand, Dages, Sterling, Westerlund
NOES : Perea, Xiong
ABSENT : None
ABSTAIN : None

Mayor Approval: July 1, 2010
Mayor Approval/No Return: N/A, 2010
Mayor Veto: N/A, 2010
Council Override Vote: N/A, 2010

REBECCA E. KLISCH
City Clerk

BY: Rebecca Klisch
Deputy

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY: David P. Hale
David P. Hale, Chief Assistant City Attorney

COMPUTATION OF SPENDING LIMIT SELECTING METHOD A FOR 2011

GANN CALCULATION

Fiscal Year 2011
Method A (Recommended Method)

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

Beginning Balance	\$ 421,994,473
Per Capita Income Change Ratio	0.9746
City Population Growth Ratio	1.0143
FY 2010-2011 Factor	0.98853678
Appropriations Limit FY 2011	\$ 417,157,058
Adjustment*	1,866,388
Appropriations Limit FY 2011 Including Adjustments	\$ 419,023,446

Source: May 2010, State of California, Department of Finance letter

Per Capital Personal Income Change Over Prior Year	-2.54%
County Population Growth	1.38%
City Population Growth	1.43%

* Adjustment is the result of variance between 2010 State Department of Finance City Growth factor of 1.0218 and 1.0201722 City growth factor computed and used by City.

GANN CALCULATION

Fiscal Year 2011
Method B (Alternative Calculation)

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

Beginning Balance	\$ 421,994,473
Per Capita Income Change Ratio	0.9746
County Population Growth Ratio	1.0138
FY 2010-2011 Factor	0.98804948
Appropriations Limit FY 2011	\$ 416,951,420
Adjustment*	1,866,388
Appropriations Limit FY 2011 Including Adjustments	\$ 418,817,808

Source: May 2010, State of California, Department of Finance letter

Per Capital Personal Income Change Over Prior Year	-2.54%
County Population Growth	1.38%
City Population Growth	1.43%

* Adjustment is the result of variance between 2010 State Department of Finance City Growth factor of 1.0218 and 1.0201722 City growth factor computed and used by City.



June 25, 2010

Council Adoption: 06/25/10

Mayor Approval:

Mayor Veto:

Override Request:



RECEIVED

Jul 1 PM 3

2:35 PM

TO: MAYOR ASHLEY SWEARENGIN
FROM: REBECCA E. KLISCH, CMC
City Clerk
CITY CLERK, FRESNO CA

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the Council meeting of 6/25/10, Council adopted the attached Resolution No. 2010-140 entitled **Selecting method to determine GANN appropriation limit**, Item No. 3, by the following vote:

Ayes	:	Borgeas, Brand, Dages, Sterling, Westerlund
Noes	:	Perea, 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 July 6, 2010. 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:

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

Ashley Swearengin
Ashley Swearengin, Mayor

Date: 7/1/10

COUNCIL OVERRIDE ACTION:

Date: _____

Ayes	:	
Noes	:	
Absent	:	
Abstain	:	



Fiscal Year 2011

(July 1, 2010 – June 30, 2011)

Salary Resolution

Personnel Services Department

Winner IPMA Award for Excellence

Adopted 06-25-10
Approved 07-01-10
Effective 07-01-10

2010-141