BOARD OF TRUSTEES
Agenda Item Description

BOARD MEETING DATE: 6/12/2014

SUBJECT: Appropriations Limits – “Gann Limits”

PROPOSAL:
By September 30 of each year, Education Code sections 1629 and 42132 specify that each year county offices and district governing boards shall adopt a resolution identifying their estimated appropriations limit for the current year and their actual appropriations limit for the preceding year. The documentation supporting the appropriations resolution shall be made available to the public.

RECOMMENDATION:
Adopt the resolution establishing a projected Gann Limit for fiscal year 2014/2015.

SUPPORTING INFORMATION:

Background & Summary:
In November of 1979, California voters approved Proposition 4, an initiative that added Article XIII-B to the California Constitution. This constitutional amendment, known as the Gann Initiative, placed limits on the growth of expenditures for publicly funded programs. Division 9 of Title 1, beginning with Section 7900 of the Government Code, was then added to law to specify the process for calculating state and local government appropriation limits and appropriations subject to limitation under Article XIII-B of the Constitution. These constitutional and statutory sections explain and define the appropriations limit and appropriations subject to limitation as they apply to state and local government, and require that each entity of government formally “adopt” its appropriations limit for a given fiscal year.

Fiscal Impact of Proposal:
Minimal staff time to prepare and submit documentation.

Submitted By: Glenna Aguada
Director, Fiscal Services

Approved for Consideration By: Ron Kraft
Superintendent/President

Attachments? Yes ☒ No □
Gann Resolution & Worksheet

Backup Packet Page 1 of 3
Napa Valley Community College District

Resolution No. 14-21

RESOLUTION OF THE BOARD OF TRUSTEES
OF NAPA VALLEY COMMUNITY COLLEGE DISTRICT
ESTABLISHING 2014/2015 APPROPRIATIONS (“GANN”) LIMIT

WHEREAS, in November of 1979, the California electorate did adopt proposition 4, commonly called the Gann Amendment, which added Article XIII-B to the California Constitution; and,

WHEREAS, the provisions of that Article establish maximum appropriation limitations, commonly called “Gann Limits”, for public agencies, including school districts; and,

WHEREAS, the District must establish a projected Gann Limit for the 2014/2015 fiscal year in accordance with the provisions of Article XIII-B and applicable statutory law;

NOW, THEREFORE, BE IT RESOLVED that this Board does provide public notice that the attached calculations and documentation of the Gann Limit for the 2014/2015 fiscal year are made in accord with applicable constitutional and statutory law;

AND BE IT FURTHER RESOLVED that this Board does hereby declare that the appropriations in the budget for the 2014/2015 fiscal year does not exceed the limitations imposed by Proposition 4;

AND BE IT FURTHER RESOLVED that the Superintendent/President provides copies of this resolution along with the appropriate attachments to interested citizens of this district.

PASSED AND ADOPTED by the Governing Board of the Napa Valley Community College District in Napa County, California, this 12th day of June, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Mr. Bruce Ketron, President
Napa Valley Community College
Board of Trustees

Ronald D. Kraft, Ph.D., Secretary
Napa Valley Community College
Board of Trustees
I. 2014-15 APPROPRIATIONS LIMIT:

A. 2013-14 Appropriations Limit $43,838,754

B. 2014-15 Price Factor: 0.9977

C. Population factor:
   1. 2012-13 Second Period Actual FTES 5,448.13
   2. 2013-14 Second Period Actual FTES 5,541.79
   3. 2014-15 Population change factor 1.0172
      (line C.2. divided by line C.1.)

D. 2013-14 Limit adjusted by inflation and population factors
   (line A multiplied by line B and line C.3.) $44,490,217

E. Adjustments to increase limit:
   1. Transfers in of financial responsibility $......................
   2. Temporary voter approved increases
      Total adjustments - increase -0-
      Sub-Total $44,490,217

F. Adjustments to decrease limit:
   1. Transfers out of financial responsibility $......................
   2. Lapses of voter approved increases
      3. Total adjustments - decrease < -0- >

G. 2014-15 Appropriations Limit $44,490,217

II. 2014-15 APPROPRIATIONS SUBJECT TO LIMIT:

A. State Aid (General Apportionment, Apprenticeship
   Allowance, Basic Skills, and Partnership for Excellence) $3,273,702

B. State Subventions (Home Owners Property Tax Relief,
   Timber Yield tax, etc.) 130,207

C. Local Property taxes 17,998,391

D. Estimated excess Debt Service taxes

E. Estimated Parcel taxes, Square Foot taxes, etc.

F. Interest on proceeds of taxes 4,217

G. Local appropriations from taxes for unreimbursed State,
   court, and federal mandates < -0- >

H. 2014-15 Appropriations Subject to Limit $21,406,417