

Proposition 4

The Gann Limit, or better known as the Appropriations Limit, was established by the State of California to assure voters, per Article XIII B of the California State Constitution, that annual appropriations of tax proceeds for all municipalities will not exceed a base year adjusted by the rate of inflation and changes in City population. For Santa Clarita, the base year was 1985-86.

The base year limit is increased every year by the Federal Consumer Price Index or California Per Capita Personal Income, whichever is lower, plus the change in the City population. Using the limit of \$42,498,812 for 1985-86 and increasing it to the 1990-91 limit, the calculation would be as follows:

A.	Computation of 1986-87 limit		
	Add 1985-86 limit	\$42,498,812	
	Consumer price index		
	increase of 2.3%	<u>977,473</u>	
		\$43,476,285	
	Change in population		
	increase of 8.91%	<u>3,873,737</u>	
	APPROPRIATION LIMIT 1986-87		<u>\$47,350,022</u>
B.	Computation of 1987-88 limit		
	Add 1986-87 limit	\$47,350,022	
	Consumer price index		
	increase of 3.04%	<u>1,439,441</u>	
		\$48,789,463	
	Change in population		
	increase of 12.82%	<u>6,254,809</u>	
	APPROPRIATION LIMIT 1987-88		<u>\$55,044,272</u>
C.	Computation of 1988-89 limit		
	Add 1987-88 limit	\$55,044,272	
	Consumer price index		
	increase of 3.93%	<u>2,163,240</u>	
		\$57,207,512	
	Change in population		
	increase of 12.29%	<u>7,030,803</u>	
	APPROPRIATION LIMIT 1988-89		<u>\$64,238,315</u>
D.	Computation of 1989-90 limit		
	Add 1988-89 limit	\$64,238,315	
	Consumer price index		
	increase of 4.98%	<u>3,199,068</u>	
		\$67,437,383	
	Change in population		
	increase of 5.85%	<u>3,945,087</u>	
	APPROPRIATION LIMIT 1989-90		<u>\$71,382,470</u>
E.	Computation of 1990-91 limit		
	Add 1989-90 limit	\$71,382,470	
	Consumer price index		
	increase of %	<u> </u>	
		\$	
	Change in population		
	increase of %	<u> </u>	
	APPROPRIATION LIMIT 1990-91		<u>\$</u>

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City Council of the City of Santa Clarita, at a regular meeting thereof, held on the _____ day of _____, 19____, by the following vote of the Council:

AYES: COUNCILMEMBERS

NOES: COUNCILMEMBERS

ABSENT: COUNCILMEMBERS

CITY CLERK

RESOLUTION NO. ____-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARITA, CALIFORNIA, APPROVING AND ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 1990-91.

The City Council of the City of Santa Clarita hereby resolves as follows:

SECTION 1. The City Council of the City of Santa Clarita hereby finds and determines:

A. That the Department of Finance has notified the City of the change in the cost of living or change in California per capita personal income, whichever is less, and such change is _____, for the prior calendar year.

B. That the Department of Financed has notified the City the change in population, which change is an increase of _____, for the prior calendar year.

C. That, pursuant to California Constitution Article XIII B, Section 1 and Government Code sections 7900 et seq., the City appropriations limit must be adjusted for changes in the cost of living and population for the fiscal year ending June 30, 1991.

D. That the appropriations limit documentation applicable to this Resolution has been available for public inspection for fifteen days prior to approval by the City Council, pursuant to Government Code Section 7910.

Section 2. That the appropriations limit for the City of Santa Clarita for the fiscal year ending June 30, 1991, is \$_____.

Section 3. That the City Clerk shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 19____.

MAYOR

ATTEST:

CITY CLERK