Atascadero City Council
Staff Report – Administrative Services Department

2020-2021 Annual Spending Limit

RECOMMENDATION:

Council adopt the attached Draft Resolution establishing the annual spending limit for fiscal year 2020-2021.

DISCUSSION:

The City’s annual spending limit (Gann Limit) must be approved by Council at the beginning of each fiscal year. Staff calculates the new limit based on the formula set forth in Proposition 111.

The limit was calculated as follows:

A. Prior Year Spending Limit $ 36,743,695
B. Population Factor (County) 0.9958
C. Inflation Factor (Per Capita) 1.0373
D. Adjustment Factor (B * C) 1.0329
E. Total Adjustment (A*(D-1)) 1,208,868
F. Current Year Limit (A + E) $ 37,952,563

FISCAL IMPACT:

None.

ATTACHMENT:

Draft Resolution- Adopting the Fiscal Year 2020-2021 Annual Spending Limit
DRAFT RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ADOPTING THE FISCAL YEAR 2020-2021 ANNUAL SPENDING LIMIT

WHEREAS, Proposition 111 revises the methodology used to calculate the Annual Spending Limit; and

WHEREAS, the City of Atascadero must select the most appropriate criteria to be used in calculating the annual limit.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero

SECTION 1. That the City of Atascadero elects to use the following criteria for fiscal year 2020-2021 in establishing its new Annual Spending Limit:

- County Population
- Growth in California Per Capita Personal Income

SECTION 2. That the annual spending limit for 2020-2021 is calculated as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Percentage Change</th>
<th>New Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020-2021</td>
<td>3.29%</td>
<td>$37,952,563</td>
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</table>

SECTION 3. Any judicial action or challenge must be commenced within 45 days of the effective date of this resolution.

SECTION 4. Documentation used in determining the Annual Spending Limit is available to the public in the Administrative Services Department, 6500 Palma Avenue, Atascadero, California.
On motion by Council Member _______________________ and seconded by Council Member ________________________, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:

NOES:

ABSENT:

ADOPTED:

CITY OF ATASCADERO

By: __________________________________________________________________________
Heather Moreno, Mayor

ATTEST:

____________________________________________________________________________
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

____________________________________________________________________________
Brian A. Pierik, City Attorney