



**Department:** Administrative Services  
**Date:** 6/11/24  
**Placement:** Consent

**TO:** JAMES R. LEWIS, CITY MANAGER

**FROM:** JERI RANGEL, DIRECTOR OF ADMINISTRATIVE SERVICES

**PREPARED BY:** CINDY CHAVEZ, DEPUTY DIRECTOR OF ADMINISTRATIVE SERVICES

**SUBJECT:** 2024-2025 Appropriations Limit (Gann)

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**RECOMMENDATION:**

Council adopt the attached Draft Resolution establishing the annual spending limit for fiscal year 2024-2025.

**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         |               | \$ | 51,205,862        |
| B. Population Factor (County)        | 0.9992        |    |                   |
| C. Inflation Factor (Assessed Value) | <u>1.1017</u> |    |                   |
| D. Adjustment Factor (B * C)         | <u>1.1008</u> |    |                   |
| E. Total Adjustment (A*(D-1))        |               |    | <u>5,161,551</u>  |
| F. Current Year Limit (A + E)        |               | \$ | <u>56,367,413</u> |

**FISCAL IMPACT:**

None.

**REVIEWED BY OTHERS:**

This item has been reviewed by Administrative Services Director.

**REVIEWED AND APPROVED FOR COUNCIL AGENDA**

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James R. Lewis, City Manager

**ATTACHMENT:**

1. Draft Resolution

**DRAFT RESOLUTION**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, ADOPTING THE FISCAL YEAR 2024-2025 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 2024-2025 in establishing its new Annual Spending Limit:

County Population and  
Growth in Non-Residential Assessed Valuation

**SECTION 2.** That the annual spending limit for 2024-2025 is calculated as follows:

| <b>Fiscal Year</b> | <b>Percentage Change</b> | <b>New Limit</b> |
|--------------------|--------------------------|------------------|
| 2024-2025          | 10.08%                   | \$56,367,413     |

**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