

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Hugh Riley, Assistant City Manager 
BY: Steve Klotzsche, Interim Finance Director

DATE: June 3, 2008 (Council Meeting of June 18, 2008)

SUBJECT: Consider Resolution Establishing the Appropriation Limitation for Fiscal Year 2008/2009 for the City of Moorpark at \$22,189,171

BACKGROUND

Proposition 4 was approved by the voters of California in 1979 adding Article XIII B to the State Constitution. The Proposition places a limit on the growth of General Fund appropriations by government entities.

DISCUSSION

Proposition 4 (the "Gann Limitations") was adopted by California voters in November 1979 and added Article XIII B to the State Constitution. The Proposition limited the growth in appropriations of state and local governments to the increase in the jurisdiction's population and the increase in the State price index or increases in the non-residential new construction. For FY 2007/2008 the limitation was \$20,788,056.

The information provided by the State Department of Finance, as required by the Government Code, indicated a 4.29% change in cost index and a 2.13% change in population. Information regarding the changes in non-residential new construction of 4.51% has been provided by the City's property tax consultants (HDL). Accordingly, the City of Moorpark's limitation for Fiscal Year 2008/2009 is \$22,189,171. General Fund appropriations which are subject to this limitation (some appropriations are exempt) for FY 2008/2009 are estimated to be \$10,169,255 which is well below this amount.

RESOLUTION NO. 2008-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, ESTABLISHING THE CITY'S APPROPRIATION LIMITATION FOR FISCAL YEAR 2008/2009

WHEREAS, Article XIII B of the State Constitution limits annual appropriations for certain General Fund revenues for state and local governments; and

WHEREAS, Government Code Section 7910 requires that a city establish its annual appropriations limitation by resolution at a public meeting of the legislative body; and

WHEREAS, the Fiscal Year 2008/2009 appropriations limitation has been calculated in accordance with the State Constitution and applicable sections of the Government Code by adjusting its Fiscal Year 2007/2008 appropriations limit of \$20,788,056 by a non-residential new construction change of 4.51% and a City of Moorpark population change of 2.13% as determined by the California Department of Finance.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The appropriations limitation for the City of Moorpark during Fiscal Year 2008/2009 is hereby determined to be \$22,189,171.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original Resolutions.

PASSED AND ADOPTED this 18th day of June, 2008.

Patrick Hunter, Mayor

ATTEST:

Deborah S. Traffenstedt, City Clerk