

**City of Huntington Beach**  
**Gann Appropriation Limit**  
**FY 2019/20**



June 17, 2019

Presented by the Finance Department

# Gann Appropriation Limit

- State Government Code section 7910 requires adoption of appropriation limit annually before the start of a fiscal year, pursuant to Article 13B of the State of California Constitution (November 1979)
- Gann Limit establishes a limit on the proceeds of taxes that may be appropriated for spending in a fiscal year
- Limit may increase annually in two ways:
  - Per Capita Personal Income in California or Assessment Roll of Local Non-Residential New Construction (whichever is greater)
  - County or City Population (whichever is greater)

# Gann Limit Calculation

Description	Amount
FY 2018/19 Appropriation Limit	\$921,344,622
Multiplied by percentage growth in State Per Capita Personal Income	1.0385
Multiplied by change in City Population	1.0082
Proposed FY 2019/20 Appropriation Limit	\$964,662,284

- General Fund appropriation for FY 2019/20 is \$231.8 million which is significantly below the Gann Limit

# Recommended Action

- Adopt Resolution No. 2019-42, a Resolution of the City Council of the City of Huntington Beach Establishing the Gann Appropriation Limit for Fiscal Year 2019/2020