

# The County of Yuba

Auditor/Controller

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**TO:** Board of Supervisors

**FROM:** Auditor/Controller, Richard Eberle

**SUBJECT:** Adopt by resolution establishing the annual Appropriations Limit for the Yuba County for the fiscal year 2020-2021

**DATE:** 9/8/2020

**NUMBER:** 70/2020

## *Recommendation*

Adopt the resolution establishing the Appropriations (GANN) Limit for the fiscal year 2020-2021.

## *Background*

Pursuant to Article XIII B of the California State Constitution the appropriation limit for counties is calculated each fiscal year using the Price and Population per capita information from the Department of Finance as required by R&T Code section 2227.

## *Discussion*

The Appropriations, or GANN, Limit was established in 1979 to limit the rate of growth of appropriations of the state and most governmental agencies. An analysis is done for each jurisdiction to verify that actual revenues subject to the limitation are below the limit. Should a jurisdiction exceed the calculated limit in any given year, the jurisdiction must remedy the situation using methods up to refunding monies to taxpayers. Each year since implementation, a growth factor is calculated using one of a number of methods and based on information provided by the State Department of Finance. The Auditor-Controller calculates the year-over-year change and applies the change to the appropriations limit from the previous year to arrive at the limit for the new year and also performs an analysis of the actual revenues to determine if Yuba County is within the calculated limit. It is the determination of the

Auditor-Controller that the actual revenues subject to the limit for County of Yuba are below the calculated appropriations limit.

*Committee Action*

Not taken before committee, as this is a routine item.

*Fiscal Impact*

Due to this item dealing only with the calculation of the limit and that the revenues subject to the limit are below the calculated limit, there is no fiscal impact related to this item.

*Attachments*

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Resolution