



SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item 10.2

Meeting Date: September 17, 2015

Subject: Approve Resolution No. 2853: Estimate Gann Appropriation Limitation for 2015-16 and Gann Amendment Calculation for 2014-15

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: _____)
- Conference/Action
- Action
- Public Hearing

Division: Business Services

Recommendation: Approve Resolution No. 2853 – Estimate Gann Appropriation Limitation for 2015-16 and the Gann Amendment Calculation for 2014-15.

Background/Rationale: The Gann Limit (named for Paul Gann, the author of Proposition No. 4, which amended the State Constitution to establish this limit), is intended to constrain the growth in state and local government spending by linking year-to-year changes in expenditures to changes in inflation and population. Inflation for these purposes is currently the annual percentage change in California per capita personal income. For school agencies, change in Average Daily Attendance is used as a measurement of the change in population. Established in 1979 following the enactment of Proposition 13 and subsequently amended by Proposition 111, the Gann Limit applies to the state of California, cities, counties and special districts as well as to school districts and county offices of education.

One of the provisions included in the Gann Limit (Proposition No. 4), is notification to the public prior to the adoption of the Gann Limitation for this district. This agenda item is official notice of the Board of Education's intent to adopt a resolution on September 17, 2015. Also, included with this agenda is Resolution No. 2853 relative to the 2015-16 Gann Appropriation Limitation and the worksheets for identifying the appropriation limitation.

Financial Considerations: Provide detailed calculations for Gann Appropriation Limitation.

LCAP Goal(s): Family and Community Engagement

Documents Attached:

1. Resolution No. 2853: Estimate Gann Appropriation Limitation for 2015-16
2. 2014-15 Appropriations Limit Calculations

Estimated Time of Presentation: N/A

Submitted by: Gerardo Castillo, CPA, Chief Business Officer
Michael Smith, Director, Fiscal Services

Approved by: José Banda, Superintendent

**SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION**

RESOLUTION NO. 2853

**RESOLUTION TO ESTIMATE GANN APPROPRIATION
LIMITATION FOR 2015-16**

WHEREAS, the California electorate did adopt at the November election of 1979, Proposition No. 4, commonly called the “Gann Amendment”; and

WHEREAS, the provisions of that amendment establish maximum appropriation limitations, commonly called the “Gann Appropriation Limitations,” for public agencies, including school districts; and

WHEREAS, the Sacramento City Unified School District must establish a revised Gann Appropriation Limitation for 2014-15 and a projected Gann Appropriation Limitation for 2015-16, in accordance with the provisions of the amendment and applicable statutory law; and

WHEREAS, the Board of Education finds that the proposed appropriations of the 2015-16 budget do not exceed the Gann Limitation;

NOW, THEREFORE, BE IT RESOLVED that the Sacramento City Unified School District Board of Education resolves the following:

1. Provide public notice that the attached Gann Appropriation Limitation calculations are made in accordance with the law and that this board does hereby declare that the proposed appropriation of the 2014-15 and 2015-16 actuals and budget does not exceed the limitations imposed by Proposition No. 4 of 1979.
2. That the Superintendent provides copies of the resolution, along with appropriate attachments, to interested citizens of this District.

PASSED AND ADOPTED by the Sacramento City Unified School District Board of Education on this 17th day of September, 2015 by the following vote:

AYES: _____
NOES: _____
ABSENT: _____
ABSTAIN: _____

ATTESTED TO:

José L. Banda
Secretary of the Board of Education

Darrel Woo
President of the Board of Education

	2014-15 Calculations			2015-16 Calculations		
	Extracted Data	Adjustments*	Entered Data/Totals	Extracted Data	Adjustments*	Entered Data/Totals
A. PRIOR YEAR DATA (2013-14 Actual Appropriations Limit and Gann ADA are from district's prior year Gann data reported to the CDE)	2013-14 Actual			2014-15 Actual		
1. FINAL PRIOR YEAR APPROPRIATIONS LIMIT (Preload/Line D11, PY column)	243,211,224.89		243,211,224.89			237,653,211.19
2. PRIOR YEAR GANN ADA (Preload/Line B3, PY column)	41,662.05		41,662.05			40,805.24
ADJUSTMENTS TO PRIOR YEAR LIMIT	Adjustments to 2013-14			Adjustments to 2014-15		
3. District Lapses, Reorganizations and Other Transfers						
4. Temporary Voter Approved Increases						
5. Less: Lapses of Voter Approved Increases						
6. TOTAL ADJUSTMENTS TO PRIOR YEAR LIMIT (Lines A3 plus A4 minus A5)		0.00				0.00
7. ADJUSTMENTS TO PRIOR YEAR ADA (Only for district lapses, reorganizations and other transfers, and only if adjustments to the appropriations limit are entered in Line A3 above)						
B. CURRENT YEAR GANN ADA (2014-15 data should tie to Principal Apportionment Software Attendance reports and include ADA for charter schools reporting with the district)	2014-15 P2 Report			2015-16 P2 Estimate		
1. Total K-12 ADA (Form A, Line A6)	38,926.79		38,926.79	38,172.79		38,172.79
2. Total Charter Schools ADA (Form A, Line C9)	1,878.45		1,878.45	1,862.17		1,862.17
3. TOTAL CURRENT YEAR P2 ADA (Line B1 plus B2)			40,805.24			40,034.96
C. LOCAL PROCEEDS OF TAXES/STATE AID RECEIVED TAXES AND SUBVENTIONS (Funds 01, 09, and 62)	2014-15 Actual			2015-16 Budget		
1. Homeowners' Exemption (Object 8021)	739,164.52		739,164.52	656,229.00		656,229.00
2. Timber Yield Tax (Object 8022)	27.09		27.09	0.00		0.00
3. Other Subventions/In-Lieu Taxes (Object 8029)	0.00		0.00	0.00		0.00
4. Secured Roll Taxes (Object 8041)	57,156,163.67		57,156,163.67	55,414,518.00		55,414,518.00
5. Unsecured Roll Taxes (Object 8042)	2,414,989.70		2,414,989.70	15,000.00		15,000.00
6. Prior Years' Taxes (Object 8043)	(55,709.40)		(55,709.40)	4,641,631.00		4,641,631.00
7. Supplemental Taxes (Object 8044)	979,263.69		979,263.69	309,833.00		309,833.00
8. Ed. Rev. Augmentation Fund (ERAF) (Object 8045)	5,929,810.33		5,929,810.33	2,811,681.00		2,811,681.00
9. Penalties and Int. from Delinquent Taxes (Object 8048)	0.00		0.00	0.00		0.00
10. Other In-Lieu Taxes (Object 8082)	11,700.34		11,700.34	0.00		0.00
11. Comm. Redevelopment Funds (objects 8047 & 8625)	3,063,860.85		3,063,860.85	623,996.00		623,996.00
12. Parcel Taxes (Object 8621)	0.00		0.00	0.00		0.00
13. Other Non-Ad Valorem Taxes (Object 8622) (Taxes only)	0.00		0.00	0.00		0.00
14. Penalties and Int. from Delinquent Non-LCFF Taxes (Object 8629) (Only those for the above taxes)	0.00		0.00	0.00		0.00
15. Transfers to Charter Schools in Lieu of Property Taxes (Object 8096)	(5,486,324.00)		(5,486,324.00)	(8,045,190.00)	2,738,861.53	(5,306,328.47)
16. TOTAL TAXES AND SUBVENTIONS (Lines C1 through C15)	64,752,946.79	0.00	64,752,946.79	56,427,698.00	2,738,861.53	59,166,559.53
OTHER LOCAL REVENUES (Funds 01, 09, and 62)						
17. To General Fund from Bond Interest and Redemption Fund (Excess debt service taxes) (Object 8914)	0.00		0.00	0.00		0.00
18. TOTAL LOCAL PROCEEDS OF TAXES (Lines C16 plus C17)	64,752,946.79	0.00	64,752,946.79	56,427,698.00	2,738,861.53	59,166,559.53

	2014-15 Calculations			2015-16 Calculations		
	Extracted Data	Adjustments*	Entered Data/Totals	Extracted Data	Adjustments*	Entered Data/Totals
EXCLUDED APPROPRIATIONS						
19. Medicare (Enter federally mandated amounts only from objs. 3301 & 3302; do not include negotiated amounts)			264,246.62			237,666.30
OTHER EXCLUSIONS						
20. Americans with Disabilities Act						
21. Unreimbursed Court Mandated Desegregation Costs						
22. Other Unfunded Court-ordered or Federal Mandates						
23. TOTAL EXCLUSIONS (Lines C19 through C22)			264,246.62			237,666.30
STATE AID RECEIVED (Funds 01, 09, and 62)						
24. LCFF - CY (objects 8011 and 8012)	266,158,479.00		266,158,479.00	302,447,092.00		302,447,092.00
25. LCFF/Revenue Limit State Aid - Prior Years (Object 8019)	(822,938.84)		(822,938.84)	0.00		0.00
26. TOTAL STATE AID RECEIVED (Lines C24 plus C25)	265,335,540.16	0.00	265,335,540.16	302,447,092.00	0.00	302,447,092.00
DATA FOR INTEREST CALCULATION						
27. Total Revenues (Funds 01, 09 & 62; objects 8000-8799)	448,473,998.23		448,473,998.23	483,155,492.00		483,155,492.00
28. Total Interest and Return on Investments (Funds 01, 09, and 62; objects 8660 and 8662)	93,304.14		93,304.14	50,000.00		50,000.00
APPROPRIATIONS LIMIT CALCULATIONS						
D. PRELIMINARY APPROPRIATIONS LIMIT			2014-15 Actual			2015-16 Budget
1. Revised Prior Year Program Limit (Lines A1 plus A6)			243,211,224.89			237,653,211.19
2. Inflation Adjustment			0.9977			1.0382
3. Program Population Adjustment (Lines B3 divided by [A2 plus A7]) (Round to four decimal places)			0.9794			0.9811
4. PRELIMINARY APPROPRIATIONS LIMIT (Lines D1 times D2 times D3)			237,653,211.19			242,068,337.30
APPROPRIATIONS SUBJECT TO THE LIMIT						
5. Local Revenues Excluding Interest (Line C18)			64,752,946.79			59,166,559.53
6. Preliminary State Aid Calculation						
a. Minimum State Aid in Local Limit (Greater of \$120 times Line B3 or \$2,400; but not greater than Line C26 or less than zero)			4,896,628.80			4,804,195.20
b. Maximum State Aid in Local Limit (Lesser of Line C26 or Lines D4 minus D5 plus C23; but not less than zero)			173,164,511.02			183,139,444.07
c. Preliminary State Aid in Local Limit (Greater of Lines D6a or D6b)			173,164,511.02			183,139,444.07
7. Local Revenues in Proceeds of Taxes						
a. Interest Counting in Local Limit (Line C28 divided by [Lines C27 minus C28] times [Lines D5 plus D6c])			49,508.56			25,077.96
b. Total Local Proceeds of Taxes (Lines D5 plus D7a)			64,802,455.35			59,191,637.49
8. State Aid in Proceeds of Taxes (Greater of Line D6a, or Lines D4 minus D7b plus C23; but not greater than Line C26 or less than zero)			173,115,002.46			183,114,366.11
9. Total Appropriations Subject to the Limit						
a. Local Revenues (Line D7b)			64,802,455.35			
b. State Subventions (Line D8)			173,115,002.46			
c. Less: Excluded Appropriations (Line C23)			264,246.62			
d. TOTAL APPROPRIATIONS SUBJECT TO THE LIMIT (Lines D9a plus D9b minus D9c)			237,653,211.19			

	2014-15 Calculations			2015-16 Calculations		
	Extracted Data	Adjustments*	Entered Data/Totals	Extracted Data	Adjustments*	Entered Data/Totals
10. Adjustments to the Limit Per Government Code Section 7902.1 (Line D9d minus D4; if negative, then zero) If not zero report amount to: Michael Cohen, Director State Department of Finance Attention: School Gann Limits State Capitol, Room 1145 Sacramento, CA 95814			0.00			
Summary	2014-15 Actual			2015-16 Budget		
11. Adjusted Appropriations Limit (Lines D4 plus D10)			237,653,211.19			242,068,337.30
12. Appropriations Subject to the Limit (Line D9d)			237,653,211.19			

* Please provide below an explanation for each entry in the adjustments column.

The adjustment in line 15, FY 2015-16 is for the dependent charter schools in-lieu of property taxes that will be allocated during FY 2015-16.

Michael Smith, Director Fiscal Services
Gann Contact Person

(916) 643-9405
Contact Phone Number