

San Geronio Pass Water Agency

DATE: July 17, 2023
TO: Board of Directors
FROM: Lance Eckhart, General Manager
BY: Tom Todd, Jr., Chief Financial Officer
SUBJECT: ADOPT RESOLUTION 2023-13 APPROPRIATIONS LIMIT

RECOMMENDATION

Adopt Resolution 2023-13, Appropriations Limit for FY 2023-24

BACKGROUND

The Gann Limit was approved by voters on November 6, 1979 and incorporated into the California Constitution in Article XIII B. Also known as the Appropriations Limit, this bill was intended to keep California legislators from overspending limited tax resources during a time when other voter-approved measures severely limited available tax revenue (think Proposition 13).

Ballot initiatives in 1988 and 1990 weakened the Gann Limit, so that today, the calculation and adoption of the Appropriations Limit by public agencies is considered a housekeeping item, with little or no impact on an agency's ability to disburse tax revenue.

ANALYSIS

The attached calculation of the Appropriations Limit for the San Geronio Pass Water Agency shows that we are limited to spending a bit over \$81 million in FY 2023-24. The combined expenditure budgets for the Agency are likely to total around \$50 million, so the Agency is well within the Appropriations Limit.

FISCAL IMPACT

There is no fiscal impact as a result of this action.

ACTION

Adopt Resolution 2023-13, Appropriations Limit for FY 2023-24

ATTACHMENTS

Appropriations Limit calculation for FY 2023-24
Resolution 2023-13, Appropriations Limit for FY 2023-24

RESOLUTION NO. 2023-13

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SAN GORGONIO PASS WATER AGENCY ESTABLISHING THE
APPROPRIATIONS LIMIT FOR FISCAL YEAR 2023-24**

WHEREAS, Article XIII B of the California Constitution places an annual limitation upon appropriations from proceeds of taxes by each local government of the State of California; and

WHEREAS, Section 7910 of the California Government Code implements Article XIII B of the California Constitution by requiring each local jurisdiction to establish, by resolution, its appropriations limit for each fiscal year, and to make the documentation used in determining the appropriations limit available to the public fifteen days prior to adoption of the resolution establishing the appropriations limit; and

WHEREAS, The San Gorgonio Pass Water Agency has documented its calculations of the Agency's appropriations limit for Fiscal Year 2023-24, and notice of said calculations has been posted on the Agency's outside Bulletin Board (said notice being visible from the public walkway in front of the Agency's building) and the calculations have been made available to the public at least fifteen days prior to the adoption of this resolution;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the San Gorgonio Pass Water Agency as follows:

1. The appropriation limit applicable to this Agency pursuant to Article XIII B of the California Constitution for Fiscal Year 2023-24 is hereby established and determined to be the sum of \$81,056,683.
2. A copy of the documentation used in the determination of the Fiscal Year 2023-24 appropriations limit shall be affixed hereto and shall be available for public inspection.
3. Pursuant to Section 7910 of the California Government Code, any judicial action or proceeding to attach, review, set aside, void or annul the establishment of the Fiscal Year 2023-24 appropriations limit as set forth herein must be commenced within forty-five days of the adoption of this resolution.

Resolution No. 2023-13 was adopted by the following roll call vote:

Ayes:

Noes:

Abstain:

Absent:

I hereby certify that the foregoing is a true and correct copy of Resolution No. 2023-13 adopted by the Board of Directors of San Gorgonio Pass Water Agency at its meeting on July 17, 2023.

Robert Ybarra, Secretary to the Board



**SAN GORGONIO PASS WATER AGENCY
 APPROPRIATIONS LIMIT
 FISCAL YEAR ENDING 6/30/2024**

APPROPRIATIONS LIMIT FYE 6/30/2023		77,347,783
	<u>Percent</u>	<u>Ratio</u>
ADJUSTMENT FOR PERCENTAGE CHANGES		
California Per Capita Personal Income From 2023	4.44	1.0444
Annual Polpulation Change From 2023	0.34	1.0034
PERCENT CHANGE AS A FACTOR:		<u>104.7951%</u>
APPROPRIATIONS LIMIT FYE 6/30/2024		<u><u>81,056,683</u></u>

THE ABOVE APPROPRIATION LIMITS WERE CALCULATED IN ACCORDANCE WITH PROPOSITION 111 WHICH AMENDED ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION.

Posted June 26, 2023