

**LAKE COUNTY OFFICE OF EDUCATION  
Office of the Superintendent**

**Resolution Adopting the Gann Limit  
Resolution No. 1920-03**

**ISSUE**

Current law (Education Code section 42132) required that the governing board adopt a resolution to identify the appropriations limit for the agency for the preceding fiscal year (2018-19). The resolution must be adopted at a regular or special meeting of the governing board.

**BACKGROUND/PREVIOUS BOARD ACTIVITY**

The Lake County Office of Education's 2018-19 Gann Limit was increased by Resolution No. 1819-03.

**DISCUSSION**

School Services provides a great explanation of how the Gann Limit works: Envision the dollar amount of your agency's Gann Limit as a bucket and this bucket can hold \$50 million (the calculated Gann Limit). First, put your local property taxes that count toward your Local Control Funding Formula (LCFF) entitlement, as well as an appropriate portion of your district's interest income. Next, pour all of the agency's other unrestricted state aid into this bucket. Under state law (Government Code [G.C.] Section 7906), the amount of the state aid that fills up the bucket counts toward the agency's Gann Limit, while the amount that overflows the bucket counts toward the state's Gann Limit. (note that all state aid for categorical programs always counts toward the state's Gann Limit.) Through this process, as much state aid as possible counts toward school agency Gann Limits. By reducing the amount of state aid that counts toward the state's Gann Limit in this manner, this process helps the state avoid being over its Gann Limit.

Through this process, as much state aid as possible counts toward every local education agency's Gann Limits. By reducing the amount of state aid that counts toward the state's Gann Limit in this manner, this process helps the state avoid being over its Gann Limit.

The Lake County Office of Education's Gann Limit is inflated because the formula compares appropriations on a per ADA basis, which is declining in the county operated schools, and LCFF appropriations are held harmless at the 2012-13 funding level (flat funded).

**FISCAL, STAFFING, AND FACILITIES**

Increasing the Gann Limit does not affect the agency's appropriations. It does however, reduce the State's Gann Limit by an equal amount.

**SUPERINTENDENT'S RECOMMENDATION**

The County Superintendent of Schools recommends adoption of Resolution 1920-03.

Report prepared by: Denise Shannon

**LAKE COUNTY BOARD OF EDUCATION  
RESOLUTION NO. 1920-03  
ADOPTING THE “GANN” LIMIT**

WHEREAS, in November of 1979, the California electorate did adopt Proposition 4, commonly called the Gann Amendment, which added Article XIII-B to the California Constitution; and,

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

WHEREAS, the District must establish a revised Gann limit for the 2018-19 fiscal year and a projected Gann Limit for the 2019-20 fiscal year in accordance with the provisions of Article XIII-B and applicable statutory law; and,

WHEREAS, Government Code Section 7902.1 provides that school districts may increase their Gann Limits under specified circumstances;

NOW, THEREFORE, BE IT RESOLVED that this Board does provide public notice that the attached calculations and documentation of the Gann limits for the 2018-19 and 2019-20 fiscal years are made in accord with applicable constitutional and statutory law;

AND BE IT FURTHER RESOLVED that this board does provide public notice that the attached calculations and documentation of the Gann Limits for the 2018-19 and 2019-20 fiscal years include an increase of \$111,655.58 to the 2018-19 Gann Limit pursuant to the provisions of Government Code Section 7902.1;

AND BE IT FURTHER RESOLVED that the Superintendent notifies the Director of the State Department of Finance of the increase to the 2018-19 Gann Limit;

AND BE IT FURTHER RESOLVED that this Board does hereby declare that the appropriations in the Budget for the 2018-19 and 2019-20 fiscal years do not exceed the limitations imposed by Proposition 4;

AND BE IT FURTHER RESOLVED that the Superintendent provides copies of this resolution along with the appropriate attachments to interested citizens of this district.

PASSED AND ADOPTED this 18th day of September, 2019 at a regular meeting of the Lake County Board of Education.

David Browning:	Aye_____	Nay_____	Abstain_____	Absent_____
Mark Cooper:	Aye_____	Nay_____	Abstain_____	Absent_____
Melissa Kinsel:	Aye_____	Nay_____	Abstain_____	Absent_____
Denise Loustalot:	Aye_____	Nay_____	Abstain_____	Absent_____
Anna Ravenwoode:	Aye_____	Nay_____	Abstain_____	Absent_____

APPROVED: \_\_\_\_\_  
Board President

ATTEST: \_\_\_\_\_  
Lake County Superintendent of Schools