

STATE OF CALIFORNIA

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

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**FISCAL SERVICES ADMINISTRATIVE MEMO 2007/
May 16, 2007**

FS07-04

TO: District Chief Business Officer

FROM: Frederick E. Harris, Assistant Vice Chancellor
College Finance & Facilities Planning

SUBJECT: Price Change Information and Worksheet for Determination of 2007-2008 Appropriation Limit per Article XIII-B, California Constitution (Gann Limit)

Synopsis: Pursuant to Article XIII-B of the Constitution and Government Code Section 7900, all community college districts are required to compute an annual appropriation limit. That appropriation limit is adjusted annually for changes in price index, population, and other applicable factors.

Government Code Section 7908(c), requires each community college district to report to the Chancellor of the California Community Colleges at least annually its appropriation limit, appropriations subject to limit, the amount of State aid apportionments and subventions included within the proceeds of taxes of the district, and amounts excluded from the appropriations subject to limit. A form for computing these four items is attached for your convenience. This information is to be reported on the Annual Financial and Budget Report, CCFS-311 Gann Appropriation Limit page.

Government Code Section 7909 requires that the Department of Finance notify the California Community Colleges System Office by May 1 each year of the price factor to be used in establishing the appropriation limit. The price factor to be used is defined as the change in fourth quarter California per capita personal income. The price factor to be used in setting the 2007-2008 appropriation limit is 4.42%. The Department of Finance price information is available at <http://www.dof.ca.gov/Budgeting/documents/PricePop2007.pdf>

Action Requested/Date Due: Please complete the enclosed Gann Limit Worksheet as part of the process for developing the tentative budget for 2007-2008. The appropriation limit must be approved by your district's governing board in accordance with Government Code Section 7910. After board approval, keep the worksheet for your files for later reference in reporting the necessary Gann Limit information on the CCFS-311, which is due on or before October 10, 2007.

Contact: If you have questions about this memorandum, or if the projected appropriations exceed the 2007-2008 Gann Limit, please contact Patricia Laurent at (916) 327-6225.

Attachment

CALIFORNIA COMMUNITY COLLEGES
GANN LIMIT WORKSHEET
2007-2008

DISTRICT NAME: Ohlone Community College District DATE: May 23, 2007

I. 2007-2008 APPROPRIATIONS LIMIT:

A.	2006-2007 Appropriations Limit		<u>\$ 63,438,831</u>
B.	Price factor for 2007-08: 1.0442		
C.	Population factor:		
1.	2005/2006 Second Period Actual FTES <u>7990.92</u>		
2.	2006/2007 Second Period Actual FTES <u>8297.12</u>		
3.	2006/2007 Population change factor <u>1.03832</u> (line C.2. divided by line C.1.)		
D.	2006-2007 Limit adjusted by inflation and population factors (line A multiplied by line B and line C.3.)		<u>\$ 68,781,153</u>
E.	Adjustments to increase limit:		
1.	Transfers in of financial responsibility	\$	
2.	Temporary voter approved increases	_____	
3.	Total adjustments - increase		-0-
	Sub-Total		\$
F.	Adjustments to decrease limit:		
1.	Transfers out of financial responsibility	\$	
2.	Lapses of voter approved increases	_____	
3.	Total adjustments - decrease		< _____ >
G.	2007-2008 Appropriations Limit		<u>\$ 68,781,153</u>

II. 2007-2008 APPROPRIATIONS SUBJECT TO LIMIT:

A.	State Aid (General Apportionment, Apprenticeship Allowance, Basic Skills, and Partnership for Excellence)		<u>\$ 27,409,804</u>
B.	State Subventions (Home Owners Property Tax Relief, Timber Yield tax, etc.)		130,000
C.	Local Property taxes		11,811.000
D.	Estimated excess Debt Service taxes		-0-
E.	Estimated Parcel taxes, Square Foot taxes, etc.		-0-
F.	Interest on proceeds of taxes		349,220
G.	Local appropriations from taxes for unreimbursed State, court, and federal mandates		< -0- >
H.	2007-2008 Appropriations Subject to Limit		<u>\$ 39,700,025</u>