

CITY OF CYPRESS ANNUAL APPROPRIATIONS LIMIT

Fiscal Year 2009-10

Under Article XIII B of the California Constitution, State and local government agencies are subject to an annual "appropriations limit". Article XIII B, adopted in 1979 and more commonly known as the "Gann Initiative", limits the proceeds of tax revenue which the City can legally appropriate. The appropriations are based on the City's 1978-79 actual appropriations adjusted annually by a formula utilizing the percentage growth in California Per Capita Income and under Proposition 111 either the population growth in the City or County.

As provided by Proposition 111, the City of Cypress has elected to utilize the percentage of population growth in the County of Orange population to calculate the fiscal year 2009-10 Appropriation Limitation of \$56,557,336. The total appropriations subject to the limitation for 2009-10 are \$25,420,872 which is \$31,136,464 or 55.1% below the calculated appropriation limit.

APPROPRIATIONS

