

RESOLUTION NO. 6587

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, ESTABLISHING ITS APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022-2023

WHEREAS, the Government Code section 7910 requires the City Council to establish its appropriations limit pursuant to Article XIII B of the State Constitution; and

WHEREAS, said appropriations limit for fiscal year 2022-2023 has now been calculated to be \$132,903,741.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:

SECTION 1. That the spending limit calculation for fiscal year 2022-2023 is set forth in "Exhibit A" attached hereto and incorporated herein as if fully set forth. The annual adjustment factors used in making such calculation are the cost of living adjustment – CPI based on the percentage change in California per capita income and the population adjustment based on the annual population change for Los Angeles County.

"The City of Gardena reserves the right to change or revise any growth factors associated with the calculation of the Proposition 111 limit if such changes or revisions would result in a more advantageous appropriations limit."

SECTION 2. That this Resolution shall be effective immediately.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the passage and adoption of this Resolution; shall cause the same to be entered among the original Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting at which the same is passed and adopted.


Passed, approved, and adopted this 28th day of June 2022.


TASHA CERDA, Mayor

ATTEST:


MINA SEMENZA, City Clerk

APPROVED AS TO FORM:


CARMEN VASQUEZ, City Attorney

CALCULATION OF THE GANN LIMIT FOR THE CITY OF GARDENA FOR FISCAL YEAR 2022-2023 IN ACCORDANCE WITH PROPOSITION III AND ARTICLE XIII (B)

EXECUTIVE SUMMARY: In November 1979, the voters of California approved Proposition 4, commonly known as the Gann Initiative. This proposition created Article XIII B of the State Constitution placing limits on the amount of revenue that can be appropriated by all government entities in any fiscal year. The legislation mandates all governing bodies including the City of Gardena to annually establish the Appropriations Limit.

FISCAL IMPACT: There is no impact to the City of Gardena budget. The fiscal year 2022-2023 Appropriations Limit is \$132,903,741 and will exceed the estimated General Fund spending plan of \$76,616,761 in an amount of \$56,286,980.

CITY OF GARDENA
Appropriations Limit Schedule
 For the Fiscal Year Ending June 30, 2023

	<u>Amount & Calculation</u>	<u>Source</u>
A. Appropriations Limit Fiscal Year 2021-2022	\$124,453,358	Prior Fiscal Year
B. Calculation Factors:		
1) Population decrease factor - .71% (Los Angeles County)	$\frac{-0.71 + 100}{100} = 0.9929$	State Department of Finance
2) Per Capita Cost of Living Change - 7.55%	$\frac{7.55 + 100}{100} = 1.0755$	State Department of Finance
C. Calculated Factor for Fiscal Year 2022-2023	$0.9929 \times 1.0755 = 1.0679$	B(1) x B(2)
D. Appropriations Limit Fiscal Year 2022-2023	$\$124,453,358 \times 1.0679 = \$132,903,741$	A x C
E. Annual Adjustment Increase:	\$8,450,383	D - A

STAFF ANALYSIS:

Appropriations subject to the Limit for the prior fiscal year 2021-2022 totaled \$66,865,341 against the Adopted Limit of \$124,453,358 for that year.

CITY OF GARDENA
Calculation on FY 2022-2023 Budget
Against
FY 2022-2023 Appropriations Limit

FY 2022-2023 Appropriations Limit	\$132,903,741
FY 2022-2023 Adopted Budget Subject to Limit (*)	<u>76,616,761</u>
Remaining Appropriation Capacity (Deficit)	\$56,286,980
Available Capacity as a Percentage of Appropriation Limit	42.3517%
(*) Actual Appropriations Subject to Limit	
Fund# 010 - General Fund FY 2022-2023 Adopted Budget:	\$76,616,761

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF GARDENA)

I, **MINA SEMENZA**, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being **Resolution No. 6587** duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the **28th day of June, 2022**, and that the same was so passed and adopted by the following roll call vote:

AYES: COUNCIL MEMBERS HENDERSON AND FRANCIS, MAYOR PRO TEM
 TANAKA, COUNCIL MEMBER KASKANIAN, AND MAYOR CERDA

NOES: NONE

ABSENT: NONE



City Clerk of the City of Gardena, California

(SEAL)