

RESOLUTION NO. 6739

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA, ESTABLISHING ITS APPROPRIATIONS LIMIT FOR FISCAL YEAR 2026-2027

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 2026-2027 has now been calculated to be \$162,192,853.

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 2026-2027 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 the City of Gardena.

"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 23rd day of June, 2026.

Tasha Cerda, Mayor

TASHA CERDA, Mayor

ATTEST:

Mina Semenza

MINA SEMENZA, City Clerk

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APPROVED AS TO FORM:



CARMEN VASQUEZ, City Attorney

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EXHIBIT A

CALCULATION OF THE GANN LIMIT FOR THE CITY OF GARDENA FOR FISCAL YEAR 2026-2027 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.

CITY OF GARDENA
Appropriations Limit Schedule
 For the Fiscal Year Ending June 30, 2027

	<u>Amount & Calculation</u>	<u>Source</u>
A. Appropriations Limit Fiscal Year 2025-2026	\$153,171,077	Prior Fiscal Year
B. Calculation Factors:		
1) Population increase factor - 0.90% (City of Gardena)	$\frac{0.90 + 100}{100} = 1.0090$	State Department of Finance
2) Per Capita Cost of Living Change - 4.95%	$\frac{4.95 + 100}{100} = 1.0495$	State Department of Finance
C. Calculated Factor for Fiscal Year 2026-2027	$1.0090 \times 1.0495 = 1.0589$	B(1) x B(2)
D. Appropriations Limit Fiscal Year 2026-2027	$\$153,171,077 \times 1.0589 = \$162,192,853$	A x C
E. Annual Adjustment Increase:	\$9,021,776	D - A

FISCAL IMPACT: There is no impact to the City of Gardena budget. The fiscal year 2026-2027 Appropriations Limit is \$162,192,853, and will exceed the estimated General Fund spending plan of \$89,812,078, in an amount of \$72,380,775.

CITY OF GARDENA
Calculation on FY 2026-2027 Budget
Against
FY 2026-2027 Appropriations Limit

FY 2026-2027 Appropriations Limit	\$162,192,853
FY 2026-2027 Adopted Budget Subject to Limit (*)	<u>89,812,078</u>
Remaining Appropriation Capacity (Deficit)	\$72,380,775
Available Capacity as a Percentage of Appropriation Limit	44.6264%
(*) Actual Appropriations Subject to Limit	
Fund # 010 - General Fund FY 2026-2027 Adopted Budget:	\$89,812,078

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. 6739** 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 **23rd day of June 2026**, and that the same was so passed and adopted by the following roll call vote:

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

NOES: NONE

ABSENT: COUNCIL MEMBER LOVE

Becky Romero
for _____
City Clerk of the City of Gardena, California

(SEAL)