



CITY HALL

CITY OF ANGELS PO Box 667, 200 Monte Verda St. Suite B, Angels Camp, CA 95222 P: (209) 736-2181

DATE: July 7, 2026

TO: City Council

FROM: Michelle Gonzalez, Finance Director

RE: ADOPTION OF RESOLUTION 26-67 ESTABLISHING THE FISCAL YEAR 2026-27 GANN APPROPRIATIONS LIMIT FOR THE CITY OF ANGELS

RECOMMENDATION:

Adopt Resolution No. 26-67, authorizing the appropriations limit at \$5,013,498 for the Fiscal Year 2026-27.

BACKGROUND:

In 1979, Proposition 4 was approved by voters, which required limits or ceilings on the appropriations of tax proceeds that can be made by government entities. As such, the State established Article XIII B of the State Constitution, which requires each government agency to establish an Appropriations Limit (sometimes referred to as the Gann Limit). Subsequently, procedures in the calculation of the Appropriations Limit and the appropriations subject to the limit have been modified by the approval of Propositions 98 and 111. Ultimately, the effect of the limit is to require government agencies to return tax revenues to taxpayers if actual appropriations, as adjusted by regulatory exclusions, exceed the calculated limit.

Each year the City Council is required to authorize the Gann Appropriations Limit for the upcoming fiscal year. Limits are calculated as the previous year's Appropriations Limit adjusted by factors for the change of personal income within the State and the greater of the change of population within the City or within the County.

DISCUSSION:

The Appropriations Limit approved for the fiscal year 2025-2026 was \$4,785,649. The Per Capita Personal Income increased by 4.95% and the County's population increased by 0.00%. This would establish the new limit for the fiscal year 2026-2027 as \$5,013,498, calculated as follows:

$$\$4,785,649 \times (1.047611 \times 1.0000) = \$5,013,498$$

FINANCIAL IMPACT:

There is no financial impact related with this item since expected appropriations for the fiscal year will not exceed the recommended limit to be established by City Council.

ATTACHMENTS:

1. Resolution No. 26-67
2. Gann Limit Trends



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