RESOLUTION NO. 2021-38-CC

CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE
APPROVING AND ADOPTING THE ANNUAL GANN APPROPRIATIONS LIMIT
FOR FISCAL YEAR 2021/22 AS AMENDED BY PROPOSITION 111 PURSUANT TO
SECTION 7900 ET SEQ. OF THE GOVERNMENT CODE

WHEREAS, the voters of the State of California on November 6, 1979, added Article
XIII B to the Constitution of the State of California placing various limitations on the
appropriations of state and local governments; and

WHEREAS, Article XIII B provides that the appropriations limit for Fiscal Year
2021/22 shall be calculated by adjusting the appropriations limit for the prior fiscal year for
changes in inflation and population, except as otherwise provided for in Article XIII B and
implementing state statutes; and

WHEREAS, Section 7902 of the Government Code provides the process with which to
calculate the appropriations limit for Fiscal Year 2021-22 and subsequent years pursuant to
Article XIII B; and

WHEREAS, Section 7910 of the Government Code requires cities to adopt a Resolution
setting the annual appropriation limitation at a regularly scheduled meeting or a noticed special
meeting; and

WHEREAS, the information necessary for making such adjustments is attached as
Attachment A, which is incorporated herein and by reference made a part hereof; and

WHEREAS, the City of South Gate has complied with the provisions of Article XIII B
in determining the appropriations limit for Fiscal Year 2021/22;

NOW, THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF
SOUTH GATE, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City selects the percent increase in Non-Residential Assessed Valuation due
to New Construction (NRAV-NC) as the inflation factor and the percent increase in the City of
South Gate population growth as the population factor as stipulated in Exhibit A of this
Resolution.

[Remainder of page left blank intentionally]
SECTION 2. An appropriations limit for Fiscal Year 2021/22 pursuant to Section 7902 of the Government Code shall be $93,797,393 and the Appropriations Subject to Limitation in Fiscal Year 2021-22 shall be $45,045,116.

SECTION 3. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

PASSED, APPROVED, and ADOPTED this 23rd day of August 2021.

CITY OF SOUTH GATE:

Al Rios, Mayor

ATTEST:

Carmen Avalos, City Clerk
(SEAL)

APPROVED AS TO FORM:

Raul F. Salinas, City Attorney
Step 1: Determine % change in population. (Use the higher %)

<table>
<thead>
<tr>
<th>Population Change</th>
<th>City</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population 1/1/20</td>
<td>97,003</td>
<td>10,172,951</td>
</tr>
<tr>
<td>Population 1/1/21</td>
<td>96,553</td>
<td>10,037,774</td>
</tr>
<tr>
<td>Increase/(Decrease)</td>
<td>(450)</td>
<td>(135,177)</td>
</tr>
<tr>
<td>% of Change</td>
<td>-0.46%</td>
<td>-1.33%</td>
</tr>
</tbody>
</table>

Step 2: Determine Inflation Adjustment Factor. (Use the higher factor)

- Net change in California Per Capita Income (PCI) 5.73%
- Net change in non-residential new construction 16.13%

Step 3: Calculate Growth Factor

<table>
<thead>
<tr>
<th>% Change</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1: Change in Population - City</td>
<td>-0.46%</td>
</tr>
<tr>
<td>Step 2: Net change in non-residential new construction</td>
<td>16.13%</td>
</tr>
</tbody>
</table>

Growth Factor for FY 2020/21 1.1559

Step 4: Calculate the Appropriation Limit

Appropriations Limit for prior fiscal year 2020-21. $81,145,742
X Growth Factor for FY 2021/22 (from step 3) 1.1559

Appropriations Limit for 2021/22 $93,797,393

Appropriations Subject to Limit:

- Proceeds of Taxes 45,045,116
- Minus Exclusions

Appropriations Subject to Limit 45,045,116

Appropriations Over (Under) Limit $ (48,752,277)
STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

CITY OF SOUTH GATE

I, Carmen Avalos, City Clerk of the City of South Gate, California, hereby certify that the whole number of Members of the City Council of said City is five; that Resolution No. 2021-38-CC was adopted by the City Council at their Special Meeting held on August 23, 2021, by the following vote:

Ayes: Council Members: Rios, Avalos, Davila, Diaz and Hurtado

Noes: Council Members: None

Absent: Council Members: None

Abstain: Council Members: None

Recused: Council Member: None

Witness my hand and the seal of said City on September 21, 2021.

Carmen Avalos, City Clerk
City of South Gate, California