

RESOLUTION R2026-__

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
NAPA, STATE OF CALIFORNIA, ESTABLISHING THE
GANN APPROPRIATIONS LIMIT FOR FISCAL YEAR
2026/27**

WHEREAS, Article XIIB of the California Constitution (enacted with the passage of Proposition 4 in 1979; with modifications under Proposition 111, passed by the voters of California in June 1990; and implemented by California Government Code sections 7900, and following), limits increases of appropriations by governmental entities by an amount not to exceed the change in population and the change in either the California per capita income or the changed in non-residential assessed valuation due to new construction within the City (this limitation on appropriations by governmental agencies is known as the “Gann Appropriations Limit”); and

WHEREAS, documentation used in the determination of the 2026/27 fiscal year appropriations limit has been available to the public prior to City Council’s determination in this matter, as required by Government Code Section 7910; and

WHEREAS, the City Council has considered all information related to this matter, as presented at the public meetings of the City Council identified herein, including any supporting reports by City staff, and any information provided during public meetings.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Napa, as follows:

1. Pursuant to the appropriations limit formula set forth in California Government Code Sections 7900-7913, the City Council hereby establishes the appropriations limit for Fiscal Year 2026/27 for the City of Napa as documented in Exhibit “A,” attached hereto and incorporated here by reference.
2. The City Council hereby finds that the facts set forth in the recitals to this resolution are true and correct, and establish the factual basis for the City Council’s adoption of this resolution.
3. This Resolution shall take effect immediately upon its adoption.

ATTACHMENT 1

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City Council of the City of Napa at a public meeting of said City Council held on the 21st day of July, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
Tiffany Carranza
City Clerk

Approved as to form:

Christopher Diaz
Interim City Attorney

EXHIBIT A

The calculations required by the Gann appropriation limits are set forth in Article XIIIB of the California Constitution (enacted with the passage of Proposition 4 in 1979, with modifications under Proposition 111 passed in June 1990 and implemented by California Government Code sections 7900, and following). The City's appropriation growth rate is limited to changes in population and either the change in California per capita income or the change in the local assessment roll due to new, non-residential construction.

The formula to be used in calculating the growth rate is:

$$\frac{\% \text{ change in population (City or County)} + 100}{100}$$

times

either

$$\frac{\% \text{ change in per capita income} + 100}{100}$$

or

$$\frac{\text{Change in non-residential assessments} + 100}{100}$$

The resultant rate times the previous appropriation limit equals the new appropriation limit.

Both the California per capita personal income price factor and the population percentage change factors are provided by the State Department of Finance to local jurisdictions each year. Population percentage change factors estimate changes in the City's and County's population between January 2025 and January 2026. Reports that present changes in new, non-residential assessments are provided by the County of Napa. These numbers provide the basis for the factor to be used in the City's calculation of the Gann Limit.

In May 2026 the State Department of Finance notified each city of the population changes and the percentage change in per capita personal income to be used in determining appropriation limits. The data provided to Napa includes the following:

- Napa County population on January 1, 2026 as compared to the population of January 1, 2025 decreased by 0.14%.
- City of Napa population over that same period decreased by 0.31%.
- Per capita personal income for the State of California increased by 4.95%.

ATTACHMENT 1

Of the factors above, the City is using the population growth factor for County of Napa and the per capital personal income increase. The factor for determining the year to year increase is computed as:

$$\frac{-0.14 + 100}{100} \times \frac{4.95 + 100}{100} = 1.0480$$

Applying this year's factor of 1.0480 to last year's limit of \$656,170,067, the Gann Limit for FY 2026/27 yields **\$687,686,375**.