

## **Resolution No. 2026-058**

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA  
BARBARA ESTABLISHING THE CITY'S APPROPRIATION  
LIMITATION FOR FISCAL YEAR 2027

WHEREAS, Section 7900 of the Government Code, added by Chapter 220 of the Statutes of 1980, Division 9, provides for the effective and efficient implementation of Article XIII B of the California Constitution;

WHEREAS, Section 7910 requires each local government to establish its appropriations limit each year pursuant to Article XIII B of the California Constitution;

WHEREAS, in 1990, the voters of California adopted Proposition 111 which amended Article XIII B of the California Constitution;

WHEREAS, among the changes implemented by Proposition 111 are adjustments to the growth factors used to calculate the annual appropriation limit;

WHEREAS, Proposition 111 requires that the City annually choose, by a recorded vote of the City Council, which growth factors to use in calculating the annual appropriations limit;

WHEREAS, Proposition 111 establishes Fiscal Year 1986-87 as the base year for calculating the annual Appropriation Limit and permits the City to re-establish the annual Appropriation Limit for all succeeding years based upon the new growth factors; and

WHEREAS, a resolution establishing the annual appropriations limit is to be adopted at a regularly scheduled meeting of the City Council.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT:**

Section 1. The Council of the City of Santa Barbara elects to use the change in California per capita income as the cost-of-living adjustment factor and the annual population change for the County of Santa Barbara as the population adjustment factor.

Section 2. The appropriations limit for the Fiscal Year 2027 is hereby set at \$204,323,728, as detailed in the attached Exhibit, which is hereby made a part of this Resolution.

Section 3. The City reserves the right to adjust or amend the appropriations limit based upon the use of alternative growth factors as authorized by Proposition 111, if such

changes or revisions would result in a more advantageous appropriation limit, now or in the future.

Section 4. Notice is hereby given that any judicial action or proceeding to attack, review, set aside, void, or annul this action shall be commenced within 45 days of the effective date of this resolution.

**CITY OF SANTA BARBARA**  
**Annual Appropriations Subject to Gann Limit**  
**Fiscal Year 2026**

**Appropriations Subject to Limitation**

Fiscal year 2026 adopted revenues		\$ 265,230,000
Less:		
Nonproceeds of tax		(72,610,681)
Qualified Capital Outlay		(27,065,550)
Federal Mandates:		
Medicare	(1,320,272)	
FLSA - Fire Department	(534,633)	(1,854,905)
Plus: User fees in excess of costs		-
Total Appropriations Subject to Limitation		\$ 163,698,864

**Appropriation Limit**

Fiscal year 2026 appropriation limit, adopted		196,217,229
A. Inflation adjustment, CPI	1.0495	
B. Population adjustment	0.9922	
Change factor (A X B)	1.0413	
Increase in appropriation limit		8,106,499
Fiscal year 2027 appropriation limit		\$ 204,323,728
Remaining appropriation capacity		\$ 40,624,864
Available capacity as a percent of appropriation limit		-19.88%

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STATE OF CALIFORNIA            )  
  )  
COUNTY OF SANTA BARBARA    ) ss.  
  )  
CITY OF SANTA BARBARA         )

I HEREBY CERTIFY that the foregoing resolution was adopted by the Council of the City of Santa Barbara at a meeting held on June 30, 2026, by the following roll call vote:

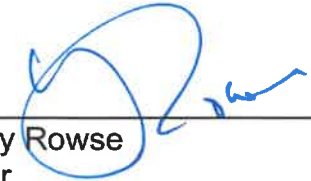
- AYES:                    Councilmembers Eric Friedman, Oscar Gutierrez, Meagan Harmon, Mike Jordan, Wendy Santamaria, Kristen W. Sneddon; Mayor Randy Rowse.
  
- NOES:                   None.
  
- ABSENT:                None.
  
- ABSTENTIONS:       None.

IN WITNESS WHEREOF, I have hereto set my hand and affixed the official seal of the City of Santa Barbara on June 30, 2026.



  
\_\_\_\_\_  
Sarah P. Gorman, MMC  
City Clerk Services Manager

I HEREBY APPROVE the foregoing resolution on June 30, 2026.

  
\_\_\_\_\_  
Randy Rowse  
Mayor