



STAFF REPORT

TO: CLAYTON CITY COUNCIL

FROM: Dennis Bozanich

DATE: April 7, 2026

SUBJECT: Adopt Resolution No.03-2026 to Revise the City of Clayton's Appropriations (Gann) Limits Applicable During Fiscal Year 2024-25 and Fiscal Year 2025-26

RECOMMENDATION

Staff recommends that the City Council approve the Resolution that revises the City's Appropriation Limit for FY2024-25 and FY 2025-26.

BACKGROUND

The city's auditor identified the transposition of a number in the calculation of the Gann Limit adopted by the City Council (Resolution 34-2024) on July 16, 2024.

ANALYSIS

Adopting the Resolution will revise and correct the past two Appropriation Limit resolutions because the calculation requires a correct base number before incorporating the growth factors allowed under state statute. This correction will also provide the correct basis for a resolution later this year establishing the Appropriations Limit for FY2026-27.

CEQA

Not applicable

FISCAL IMPACT

No fiscal impact from correcting the error. The City has a significant annual tax gap (estimated appropriations below the limit) of over \$8.6 million.

ATTACHMENTS

[Resolution 03-2026 Approving A Revised Appropriations \(Gann\) Limit for FY2024-25.pdf](#)

[Exhibit A - Revised FY24-25 Appropriation Limit Calculation.pdf](#)

[Exhibit B - Revised FY25-26 Appropriation Limit Calculation.pdf](#)