

# South Gate AZTECS Youth Football & Cheer, Inc.

South Gate, California 90280

<https://www.facebook.com/SouthGateAztecs>

<http://www.instagram.com/wearesouthgateaztecs>

STATE ID: C1476332 \* FEDERAL ID: 95-4321732 \* CHARITY REGISTRY: 075927

**TO: PARENTS WITHIN THE SOUTH GATE COMMUNITY**

**DATE: JANUARY 20, 2026**

**RE: PUBLIC ANNOUNCEMENT**

This letter has been drafted on behalf of the Executive Board Members of the South Gate Aztecs Youth Football & Cheer Organization. We have been operating within our community for the past 35 years, we are approaching our 36 season/year in 2026.

The following has been written to educate our parents living in the City of South Gate and asking for your support to our organization as we begin to plan for a new season, BUT, what is happening within the city budget needs to be supported with the implementation of a Utility Users Tax (UUT) and we need your YES vote on the upcoming June 2, 2026 Special election Ballot...here are the reasons...

## BACKGROUND...

We are considered a PARTNER ORGANIZATION with the City of South Gate Parks and Recreation Department. Although we do not receive financial support for the operation of our organization, we do get their support to pay for facility use and past permits for LAUSD property. We were never charged fees for permit use at an LAUSD school for 28 years until 2019. LAUSD permits range from \$21,000-\$23,000 when we were able to secure a permit for all practices and games, BUT...since 2025 LAUSD has not been very cooperative. Fees for practices at local parks were waived as a Partner Organization, but availability of lighted space has been limited. The payment of our facility fees comes from the City's General Fund: Parks & Recreation budget.

## ABOUT THE CITY...

Yes, the City of South Gate is facing a budget deficit as it makes plans to plan their FY Budget for 2026-27 (July-1 to June 30). Projections show a growing General Fund deficit expected to hit around \$2 million by FY 2026-27, partly due to lower-than-expected revenues and higher expenses, addressed through measures like sewer rate increases and budget cuts.

### Key Details on the Deficit:

- **Projected Growth:** The General Fund deficit was anticipated to reach \$2 million by Fiscal Year 2026-27, notes [the City of South Gate's sewer rate increase information page](#).
- **Causes:** This stems from lower revenue growth (especially for sales tax) and increased costs in areas like Medi-Cal, alongside ongoing infrastructure needs.



### Executive Board 2026-27:

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Vice President Admin.

Spirit Director

- **Budgetary Impact:** The deficit reflects an inability to maintain the city's target of a 1.0% to 1.5% budget surplus, indicating a structural issue.

**Actions Being Taken:**

- **Sewer Rate Increase:** A proposed sewer rate hike aims to fund system upgrades, maintenance, and create an emergency reserve, preventing further strain on the General Fund.
- **Budget Adjustments:** For Fiscal Year 2025-26, proposed cuts were made to address a significant remaining shortfall, as detailed in [the city's adopted budget documents](#).

**AS A RESULT:**

The City's new fiscal year will begin July 1, 2026. What is being considered as the city seeks options to increase their general fund budget is all the nonprofit youth groups affiliated with the Parks & Recreation budget and is targeted for substantial reductions; I.E., loss of a season of play in baseball & basketball, AYSO will go from 2-seasons to 1-season, the Aquatic Swim Program will not be able to use the South Gate Park Swim Stadium for 6-months of the year (they are a year-round program), and we will not be able to get support to pay facility fees (LAUSD or recently at St.Matthias/PiusX Academy for games, and we will also get billed for park facility use).

(For us, we would have to raise our fees by \$130 per participant to pay for practice and game day facility use in 2026).

**THE CITY IS SEEKING RESOLVE...**

The City of South Gate is reaching out to the community for their support to put on the June 2, 2026 special election ballot the Utility Users Tax (UUT).

(First and foremost, you may want to say that South Gate has the highest sales tax than most, but did you know that out of a total of .1075% the city only receives 2%, the rest goes to the county and state. Not everything taxed in this city goes 100% to the city budget. This is just one example. Likewise, the City of South Gate received "free" money from the state in the form of grants to upgrade Tweedy Blvd. and to build Orchid Park and upgrade the parks on the east side of town, none of which came from the city budget).

**WHAT IS A UTILITY USERS TAX (UUT)?...**

The Utility Users Tax (UUT) is a small local tax applied to utility services such as electricity, gas, water, sewer, cable, and telephone (landline and mobile). It is collected monthly on utility bills and must be approved by local voters.

More than 160 cities and public agencies across California have adopted UUT to help fund essential services. Cities surrounding South Gate who have had a UUT put into place:

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## Comparing UUT Tax Rates

0% <b>South Gate</b> Population: 92,955	5.5% <b>Paramount</b> Population: 52,371	9% <b>Lynwood</b> Population: 66,660	5% <b>Downey</b> Population: 111,871
10% <b>Bell</b> Population: 33,315	2% <b>Carson</b> Population: 91,812	5% <b>Gardena</b> Population: 60,263	9.75% <b>Huntington Park</b> Population: 53,051
5% <b>Bellflower</b> Population: 76,656	5.5% <b>Norwalk</b> Population: 101,075	4.5% <b>Pico Rivera</b> Population: 60,858	5% <b>Whittier</b> Population: 87,850

Amounts from FY 24-25 Adopted Budget Documents

## Comparing UUT Revenues

\$0 <b>South Gate</b> Population: 92,955	\$4.8 Million <b>Paramount</b> Population: 52,371	\$5.4 Million <b>Lynwood</b> Population: 66,660	\$8.6 Million <b>Downey</b> Population: 111,871
\$4.7 Million <b>Bell</b> Population: 33,315	\$10.0 Million <b>Carson</b> Population: 91,812	\$6.7 Million <b>Gardena</b> Population: 60,263	\$6.4 Million <b>Huntington Park</b> Population: 53,051
\$3.7 Million <b>Bellflower</b> Population: 76,656	\$5.7 Million <b>Norwalk</b> Population: 101,075	\$4.2 Million <b>Pico Rivera</b> Population: 60,858	\$8.6 Million <b>Whittier</b> Population: 87,850

Amounts from FY 24-25 Adopted Budget Documents

### UUT RATES AS EXPLAINED BY A CITY COUNCILMAN...

Keep in mind that every city has a different level because of whatever their needs may be.

For example:

- A smaller population city may have an overall budget that is a fraction of what our city has. Others may have a higher population; therefore their resources are different and their needs are different. I'll use these two cities for context.

Downey has a 5% UUT that generates \$10 million.

Carson has a 2% UUT that generates \$13 million.

(These numbers may be different from year to year due to usage)

As you can see, each city has to determine this % that will work for their city.
- An additional factor to keep in mind is that other cities have other sources of revenue. Some have a revenue source that comes from the sale of cannabis. We don't have this. Some cities have a revenue source from their casinos. We don't have a casino. And still others have both cannabis and casino funds. These are just two factors.

- Other revenue sources from some neighboring cities are increases to their property tax. More recently, Downey had an increase to their property tax of .5% that will be used to pay for road improvements. Santa Fe Springs just added an additional .5% to their sales tax which brings them to 11% sales tax. These are not new.
- Keep in mind that when a shopper shops in South Gate, the sales tax is 10.75%. What most people don't understand is that the city only has a 2% sales tax. The other 8.75% goes to the state and the county. Last year the city was at 10.25%. It went up to 10.75% due to a county tax that voters supported in the November election. This additional .5% is not for us. It's for county firefighters equipment. The City of South Gate didn't get this money. The county firefighters did for new equipment.

## **GENERAL FUND OVERVIEW**

The General Fund is the City's single largest fund. It provides funding for core services, including Police, Parks and Recreation, Planning, Code Enforcement, Engineering, Facilities, and City Administrative functions. In preparing for the budget, departments evaluated their budgets and took into consideration several factors that could impact their budgets, such as inflation, potential tariffs, and increased costs. The General Fund supports key public-facing operations such as:

- Police (\$43.3 million or 55% of the GF budget)
- Parks and Recreation (\$12.7 million)
- Public Works (\$7.0 million)
- Community Development (\$6.4 million)

## **CITY WEBSITE: UNDERSTAND THE UTILITY USERS TAX (UUT)**

Please see the City of South Gate website at the following link. There is documentation written in English and Spanish. Be well informed of what is at issue and help us to save the nonprofit youth organizations that is 100% run by adult volunteers.

<https://www.cityofsouthgate.org/Government/Departments/Administrative-Services/Finance/Budgets-Financial-Transparency/Understanding-the-Utility-Users-Tax-UUT>

## **THE SOUTH GATE AZTECS YOUTH FOOTBALL & CHEER ORGANIZATION STATEMENT OF REBUTTAL CONCERNING THIS SUBJECT, written and sent to City Officials, 11/11/2025 and again 01/13/2026...**

Youth programs benefit communities by fostering positive youth development, leading to improved academic and career readiness, reduced risky behaviors, and a more engaged and responsible citizenry. They build self-esteem, social and emotional skills, and provide positive adult role models, while also supporting working families by offering a safe and supervised environment for children.

### **For youth**

- **Develops key life skills:** Programs help young people build social and emotional skills, confidence, and competence in areas like academics, vocational skills, and leadership.
- **Improves physical and mental health:** Many programs promote physical activity and healthy habits, contributing to overall well-being.
- **Fosters a sense of purpose:** Participation helps youth develop a sense of contribution and "mattering" to their community.
- **Reduces risky behaviors:** Providing a positive and engaging environment with opportunities for skill-building and positive encounters is linked to lower rates of risky behaviors.

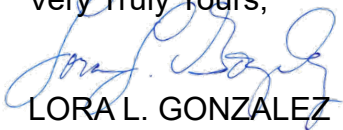
### **For the community**

- **Increases civic engagement:** Youth who participate in programs often become more engaged citizens, as programs encourage community involvement and civic duty.

- **Strengthens the workforce:** Programs can provide early exposure to different fields and job training, helping to prepare the future workforce.
- **Reduces crime rates:** By offering productive activities as an alternative to crime, youth programs can contribute to safer communities.
- **Supports families:** Programs provide a safe and secure place for youth while parents are working, which can improve the overall financial stability of families.
- **Builds a stronger social fabric:** Youth programs foster a culture of reciprocity and mutual support, with the success of one young person often inspiring others.

Reducing the ability of our youth programs to continue our organizations would be detrimental to our community. Any such reduction in current benefits provided by the city would mean the added cost would be put upon our parents; a singular action which would surely cause our South Gate families to go elsewhere for family events as well as youth athletic programs.

Very Truly Yours,



LORA L. GONZALEZ  
President  
South Gate Aztecs

