

**CITY OF PLEASANTON  
PLEASANTON, CALIFORNIA**

**INDEPENDENT ACCOUNTANT'S REPORT ON  
AGREED-UPON PROCEDURES APPLIED TO  
APPROPRIATIONS LIMIT SCHEDULE**

**FOR THE FISCAL YEAR ENDING JUNE 30, 2013**



**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED UPON  
PROCEDURES OVER COMPLIANCE WITH THE PROPOSITION 111  
2012-2013 APPROPRIATIONS LIMIT INCREMENT**

To the Honorable Mayor and Members of City Council  
of the City of Pleasanton  
Pleasanton, California

We have applied the procedures below to the Appropriations Limit Worksheet for the City of Pleasanton for the year ended June 30, 2013. These procedures, which were suggested by the League of California Cities and presented in their Article XIII B Appropriations Limitations Uniform Guidelines, were performed solely to assist you in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The sufficiency of the procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. This report is intended for the information of management and the City Council; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

The procedures you requested us to perform and our findings were as follows:

- A. We obtained the Appropriations Limit Worksheet and determined that the 2012-2013 Appropriations Limit of \$410,031,764 and annual adjustment factors were adopted by resolution of the City Council. We also determined that the population and inflation options were selected by a recorded vote of the City Council.

*Findings:* No exceptions were noted as a result of our procedures.

- B. For the Worksheet, we recomputed the 2012-2013 Appropriations Limit by multiplying the 2011-2012 Appropriations Limit by the 2012-2013 Adjustment Factors.

*Findings:* No exceptions were noted as a result of our procedures.

- C. For the Appropriations Limit Worksheet, we agreed the Per Capita Income, County and City Population Factors to California State Department of Finance Worksheets.

*Findings:* No exceptions were noted as a result of our procedures.

These agreed-upon procedures are substantially less in scope than an audit, the objective of which is the expression of an opinion on the Appropriations Limitation Worksheet. Accordingly, we do not express such an opinion.

Based on the application of the procedures referred to above, nothing came to our attention which causes us to believe that the accompanying Appropriations Limit Worksheet was not computed in accordance with Article XIII B of the California Constitution, as interpreted in the California League of Cities Article XIII B Appropriations Limit Uniform Guidelines. Had we performed additional procedures or had we made an audit of the Appropriations Limit Worksheet and the other completed worksheets described above, matters might have come to our attention that would have been reported to you.

Varrinek, Trine, Day & Co., LLP.

Pleasanton, California  
December 26, 2012

**CITY OF PLEASANTON**

**APPROPRIATIONS LIMIT SCHEDULE  
FOR THE FISCAL YEAR ENDING JUNE 30, 2013**

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	<u>Amount</u>	<u>Source</u>
<b>A. Appropriations limit for the year ended June 30, 2012</b>	\$ 391,068,060	Prior year schedule
<b>B. Calculation Factors:</b>		
1. Population increase %	1.0104 *	City of Pleasanton
2. Inflation increase %	<u>1.0377</u>	State Department of Finance
3. Total adjustment factor %	1.04849208	B1 x B2
<b>C. Annual adjustment Increase</b>	18,963,704	[(B3-1)A]
<b>D. Other Adjustments:</b>		
Loss responsibility (-)	-	N/A
Transfers to private (-)	-	N/A
Transfers to fees (-)	-	N/A
Assumed responsibility (+)	-	N/A
<b>E. Total Adjustments</b>	<u>18,963,704</u>	(C+D)
<b>F. Appropriations limit for the year ending June 30, 2013</b>	<u><u>\$ 410,031,764</u></u>	(A+E)
* Greater of population increase % for:		
City of Pleasanton	1.0104	
Alameda County	1.0098	

# **CITY OF PLEASANTON**

## **NOTES TO APPROPRIATIONS LIMIT SCHEDULE FOR THE YEAR ENDED JUNE 30, 2013**

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### **1. PURPOSE OF AGREED-UPON PROCEDURES**

Under Article XIII B of the California Constitution (the Gann Spending Limitations Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. Effective for years beginning on or after July 1, 1990, under Section 1.5 of Article XIII B, the annual calculation of the appropriation limit is subject to a limited procedures review in connection with the annual audit.

### **2. METHOD OF CALCULATION**

Under Section 10.5 of Article XIII B, for fiscal years beginning on or after July, 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-87, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

### **3. POPULATION FACTORS**

A California governmental agency may adjust its appropriations limit by either the annual percentage change of the jurisdiction's own population or the annual percentage change in population of the county where the jurisdiction is located. The factor adopted by the City of Pleasanton for the year 2012-2013 represents the annual percentage change in population for the City of Pleasanton.

### **4. INFLATION FACTORS**

A California governmental agency may adjust its appropriations limit by either the annual percentage change in the 4<sup>th</sup> quarter per capita personal income (which percentage is supplied by the State Department of Finance) or the percentage change in the local assessment roll from the preceding year due to the change of local nonresidential construction. The factor adopted by the City of Pleasanton for the year 2012-2013 represents the change of the California per capita personal income.

### **5. OTHER ADJUSTMENTS**

A California government agency may be required to adjust its appropriations limit when certain events occur, such as the transfer of responsibility for municipal services to, or from, another government agency or private entity. The City had no such adjustment for the year ending June 30, 2013.