

**CITY OF PLEASANTON
PLEASANTON, CALIFORNIA**

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

FOR THE FISCAL YEAR ENDING JUNE 30, 2014



**INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED UPON
PROCEDURES OVER COMPLIANCE WITH THE PROPOSITION 111
2013-2014 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 ending June 30, 2014. 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. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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.

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

- A. We obtained the Appropriations Limit Worksheet and determined that the 2013-2014 Appropriations Limit of \$484,380,003 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 2013-2014 Appropriations Limit by multiplying the 2012-2013 Appropriations Limit by the 2013-2014 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.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the Appropriations Limitation Worksheet. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users listed above and is not intended to be used by anyone other than those specified parties.

Varrinet, Trine, Day & Co. LLP.

Pleasanton, California
December 31, 2013

CITY OF PLEASANTON

**APPROPRIATIONS LIMIT SCHEDULE
FOR THE FISCAL YEAR ENDING JUNE 30, 2014**

	<u>Amount</u>	<u>Source</u>
A. Appropriations limit for the year ended June 30, 2013	\$ 410,031,764	Prior year schedule
B. Calculation Factors:		
1. Population increase %	1.0121 *	Alameda County
2. Inflation increase %	<u>1.1672</u>	State Department of Finance
3. Total adjustment factor %	1.18132312	B1 x B2
C. Annual adjustment Increase	74,348,239	[(B3-1)A]
D. Other Adjustments:		
Loss responsibility (-)	-	N/A
Transfers to private (-)	-	N/A
Transfers to fees (-)	-	N/A
Assumed responsibility (+)	-	N/A
E. Total Adjustments	<u>74,348,239</u>	(C+D)
F. Appropriations limit for the year ending June 30, 2014	<u>\$ 484,380,003</u>	(A+E)

* Greater of population increase % for:

City of Pleasanton	1.0098
Alameda County	1.0121

CITY OF PLEASANTON

NOTES TO APPROPRIATIONS LIMIT SCHEDULE FOR THE YEAR ENDED JUNE 30, 2014

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 2013-2014 represents the annual percentage change in population for Alameda County.

4. INFLATION FACTORS

A California governmental agency may adjust its appropriations limit by either the annual percentage change in the 4th 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 2013-2014 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, 2014.