

**CITY OF BISHOP**

**PROPOSITION 4  
CALCULATIONS**

**JUNE 30, 2019**

**CITY OF BISHOP**

**PROPOSITION 4  
CALCULATIONS**

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## An Accounting Corporation

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### INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES APPLIED TO APPROPRIATION LIMIT WORKSHEETS

To the City Council  
City of Bishop  
Bishop, California

We have applied the procedures enumerated below to the accompanying Appropriations Limit worksheet of the City of Bishop, California (City) for the fiscal year ended June 30, 2019. These procedures, which were agreed to by the City and the League of California Cities (as presented in the League publication entitled *Article XIII B Appropriations Limitation Uniform Guidelines*) were performed solely to assist the City in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution.

This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the 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 performed and our findings were as follows:

1. We obtained the price and population information for the City and calculated the appropriations limit and annual adjustment factors included in those worksheets. We also compared the population and inflation factors included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.

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

2. For the accompanying Appropriations Limit Calculation worksheet, we added the limit at June 30, 2018, last year's limit, to the total adjustments in the appropriations limit for fiscal year 2018-19, and compared the limit at June 30, 2019 to the subject proceeds of tax.

Finding: The City is under the Appropriations Limit at June 30, 2019

3. We compared the current year information presented in the accompanying Appropriations Limit worksheet to the other worksheets described in No. 1 above.

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

4. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit worksheet to the prior year appropriations limit adopted by the City Council.

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

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit. 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. No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by the League publication entitled *Article XIII B Appropriations Limitation Uniform Guidelines*.

This report is intended solely for the use of the City of Bishop, California and the State of California Controllers Office and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Larry Bain, CPA,  
An Accounting Corporation  
June 8, 2020

**CITY OF BISHOP**

**Proposition 4 Limit Summary  
For the Fiscal Year Ended June 30, 2019**

Appropriations Subject to Limit (Schedule A)	\$7,146,987
Appropriations Limit (Schedule B)	<u>8,871,180</u>
Amount Under the Legal Limit	<u><u>\$1,724,193</u></u>

**CITY OF BISHOP**

**Schedule A**

**Calculation of Appropriations Subject to Proposition 4 Limit  
For the Fiscal Year Ended June 30, 2019**

	<u>Proceeds</u>	<u>Non-Proceeds</u>	<u>Total</u>
<u>General Fund</u>			
Taxes			
Property-secured	\$ 503,417	\$ -	\$ 503,417
Property-unsecured	45,681		45,681
Prior year	5,637		5,637
Homeowners	2,530		2,530
Sales	2,267,089		2,267,089
DWP Water Agreement Payment		203,621	203,621
Transient occupancy	2,923,223		2,923,223
Sales tax - public safety	17,764		17,764
Real property transfer	10,869		10,869
Total Taxes	<u>5,776,210</u>	<u>203,621</u>	<u>5,979,831</u>
Licenses and Permits			
Business licenses		71,192	71,192
Use permits		4,524	4,524
Building permits		79,255	79,255
Electrical			-
Plumbing			-
Electrical franchise		32,165	32,165
TV franchise		16,535	16,535
Total Licenses and Permits		<u>203,671</u>	<u>203,671</u>
Fines, Forfeitures and Penalties			
Forfeited deposits			-
Citation		9,183	9,183
Total Fines, Forfeitures and Penalties		<u>9,183</u>	<u>9,183</u>
Aid from Other Governmental Agencies			
Motor vehicle in lieu (includes VLF swap)	332,737		332,737
Off-highway motor vehicle fees		1,883	1,883
Reimbursement - highway sweeping		18,333	18,333
Reimbursement - fire district		305,753	305,753
Reimbursement - BUSD			-
Peace officers training		3,104	3,104
Dispatch contracts		4,196	4,196
Mandated cost reimbursement			-
Grants		76,582	76,582
Total Aid from Other Governmental Agencies	<u>332,737</u>	<u>409,851</u>	<u>742,588</u>
Subtotal Forward	<u>\$ 6,108,947</u>	<u>\$ 826,326</u>	<u>\$ 6,935,273</u>

The Notes to Proposition 4 Calculations is an Integral Part of this Schedule

	<u>Proceeds</u>	<u>Non-Proceeds</u>	<u>Total</u>
<u>General Fund (Continued)</u>			
Subtotal Forwarded	<u>\$ 6,108,947</u>	<u>\$ 826,326</u>	<u>\$ 6,935,273</u>
Charges for Current Services			
Fingerprinting		32,420	32,420
After school program		63,194	63,194
Park and recreation		173,245	173,245
Total Charges for Current Services		<u>268,859</u>	<u>268,859</u>
Use of Money and Property			
Interest and investment income	58,070	12,833	70,903
Willow Housing Interest			-
Rents		131,272	131,272
Total Use of Money and Property	<u>58,070</u>	<u>144,105</u>	<u>202,175</u>
Other			
Insurance refunds and dividends			-
Miscellaneous		61,104	61,104
Total Other		<u>61,104</u>	<u>61,104</u>
Total General Fund	<u>6,167,017</u>	<u>1,300,394</u>	<u>7,467,411</u>
<u>Special Revenue/Capital Project Funds</u>			
T.U.T - Measure A	694,379		694,379
Street projects		116,046	116,046
Gas tax	141,569		141,569
Traffic safety		10,500	10,500
Valley Apt Solar Project		216,202	216,202
Asset forfeiture			-
HOME program		10,075	10,075
Public safety	144,022		144,022
Total Revenues - Special Revenue Funds	<u>979,970</u>	<u>352,823</u>	<u>1,332,793</u>
Total Revenues - General, Special-Revenue and Cap Project Funds	<u>\$ 7,146,987</u>	<u>\$ 1,653,217</u>	<u>\$ 8,800,204</u>

CITY OF BISHOP

Schedule B

Appropriation Limit Calculation  
For the Fiscal Year Ended June 30, 2019

A. Limit at June 30, 2018	\$ 8,589,774
B. Adjustment factors supplied by the Department of Finance, report dated May, 2018	
Per Capita Income Change for the fiscal year 2018-2019, 3.67%	
Per Capital Income converted to a ratio	1.0367
Population change for the fiscal year 2018-2019, -.38%	
Population change converted to a ratio	<u>0.9962</u>
Calculation of Factor for Fiscal Year 2018-2019	<u>1.0328</u>
C. Annual increase (decrease) in Appropriation Limit	281,406
D. Other adjustments	<u>                    </u>
E. Total adjustments	<u>281,406</u>
F. Limit at June 30, 2019	<u><u>\$ 8,871,180</u></u>



**CITY OF BISHOP**

**Notes to Proposition 4 Calculations  
For the Fiscal Year Ended June 30, 2019**

Note 1: Summary of Significant Policies

A. Background

The voters of the State of California, in November 1979, passed Proposition 4, which added Article XIII B to the State Constitution. This article establishes limits on the appropriations of proceeds of taxes. This report presents the calculation that the City of Bishop is required to make to conform to the provisions of this law.

B. Accounting Basis

The City of Bishop prepares the annual budget using a modified accrual basis of accounting. This method is in accordance with U.S. generally accepted accounting principles; accordingly, the calculation included in this report has been prepared on the budgetary basis of accounting used by the City.

C. Proceeds/Non-Proceeds of Tax

The revenue for each governmental-type fund has been allocated between proceeds and non-proceeds of tax based on guidelines established by the office of the State Controller.

Note 2: Interest Allocation

Interest earned is required to be allocated between proceeds and non-proceeds of taxes. We performed the following calculation to make this allocation:

	<u>Total</u>	<u>Proceeds</u>	<u>Non- Proceeds</u>
Total General Fund Revenue Amount Excluding Interest	\$ 8,729,301	\$ 7,088,917	\$ 1,640,384
Percentage	100.0%	84.16%	15.84%
Allocated Interest	<u>\$ 70,903</u>	<u>\$ 58,070</u>	<u>\$ 12,833</u>

Note 3: Population and Price Indexes

The State of California provides to each agency subject to the provisions of Article XIII B the population information in conjunction with a change in the cost of living, or price factor for the applicable county. We used the factors made available as of May 2018, to make the 2018/19 fiscal year calculations presented in this report.