

**CITY OF BISHOP**

**PROPOSITION 4  
CALCULATIONS**

**JUNE 30, 2020**

**CITY OF BISHOP**

**PROPOSITION 4  
CALCULATIONS**

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# LARRY BAIN, CPA

An Accounting Corporation

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2148 Frascati Drive, El Dorado Hills, CA 95762 / 916.601-8894  
[lpbain@sbcglobal.net](mailto:lpbain@sbcglobal.net)

## 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, 2020. 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, 2020 to the subject proceeds of tax.

Finding: The City of under the Appropriations Limit at June 30, 2020

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

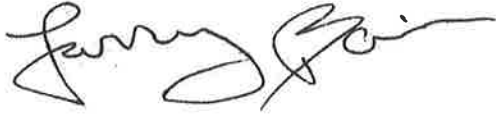
Finding: No exceptions were noted as a result of our procedures.

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.

A handwritten signature in black ink, appearing to read "Larry Bain". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Larry Bain, CPA,  
An Accounting Corporation  
April 27, 2021

**CITY OF BISHOP**

**Proposition 4 Limit Summary  
For the Fiscal Year Ended June 30, 2020**

Appropriations Subject to Limit (Schedule A)	\$6,834,678
Appropriations Limit (Schedule B)	<u>9,209,957</u>
Amount Under the Legal Limit	<u><u>\$2,375,279</u></u>

**Calculation of Appropriations Subject to Proposition 4 Limit  
For the Fiscal Year Ended June 30, 2020**

	<u>Proceeds</u>	<u>Non-Proceeds</u>	<u>Total</u>
<u>General Fund</u>			
Taxes			
Property-secured	\$ 543,329	\$ -	\$ 543,329
Property-unsecured	43,780		43,780
Prior year			-
Homeowners	447		447
Sales	2,303,199		2,303,199
DWP Water Agreement Payment		210,340	210,340
Transient occupancy	2,630,318		2,630,318
Sales tax - public safety	18,599		18,599
Real property transfer	9,775		9,775
Total Taxes	<u>5,549,447</u>	<u>210,340</u>	<u>5,759,787</u>
Licenses and Permits			
Business licenses		56,227	56,227
Use permits		5,921	5,921
Building permits		171,386	171,386
Electrical			-
Plumbing			-
Electrical franchise		31,447	31,447
TV franchise		13,199	13,199
Total Licenses and Permits		<u>278,180</u>	<u>278,180</u>
Fines, Forfeitures and Penalties			
Forfeited deposits			-
Citation		8,081	8,081
Total Fines, Forfeitures and Penalties		<u>8,081</u>	<u>8,081</u>
Aid from Other Governmental Agencies			
Motor vehicle in lieu (includes VLF swap)	354,529		354,529
Off-highway motor vehicle fees			-
Reimbursement - highway sweeping		44,845	44,845
Reimbursement - fire district		77,987	77,987
Reimbursement - BUSD		11,800	11,800
Peace officers training		13,137	13,137
Dispatch contracts			-
Mandated cost reimbursement			-
Grants		72,528	72,528
Total Aid from Other Governmental Agencies	<u>354,529</u>	<u>220,297</u>	<u>574,826</u>
Subtotal Forward	<u>\$ 5,903,976</u>	<u>\$ 716,898</u>	<u>\$ 6,620,874</u>

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

## CITY OF BISHOP

Schedule A (continued)

**Calculation of Appropriations Subject to Proposition 4 Limit  
For the Fiscal Year Ended June 30, 2020**

	<u>Proceeds</u>	<u>Non-Proceeds</u>	<u>Total</u>
<u>General Fund (Continued)</u>			
Subtotal Forwarded	\$ 5,903,976	\$ 716,898	\$ 6,620,874
Charges for Current Services			
Fingerprinting		27,929	27,929
After school program		70,935	70,935
Park and recreation		122,661	122,661
Total Charges for Current Services		221,525	221,525
Use of Money and Property			
Interest and investment income	19,180	6,652	25,832
Willow Housing Interest		16,887	16,887
Rents		135,226	135,226
Total Use of Money and Property	19,180	158,765	177,945
Other			
Insurance refunds and dividends		24,300	24,300
Miscellaneous		18,852	18,852
Total Other		43,152	43,152
Total General Fund	5,923,156	1,140,340	7,063,496
<u>Special Revenue/Capital Project Funds</u>			
T.U.T - Measure A	590,408		590,408
Street projects		1,093,534	1,093,534
Gas tax	170,493		170,493
Traffic safety		17	17
Public safety	150,621		150,621
Total Revenues - Special Revenue Funds	911,522	1,093,551	2,005,073
Total Revenues - General and Special Revenue & Cap Proj Funds	\$ 6,834,678	\$ 2,233,891	\$ 9,068,569

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

CITY OF BISHOP

Schedule B

Appropriation Limit Calculation  
For the Fiscal Year Ended June 30, 2020

A. Limit at June 30, 2019	\$ 8,871,180
B. Adjustment factors supplied by the Department of Finance, report dated May, 2019	
Per Capita Income Change for the fiscal year 2019-2020, 3.85%	
Per Capital Income converted to a ratio	1.0385
Population change for the fiscal year 2019-2020, -.03%	
Population change converted to a ratio	<u>0.9997</u>
Calculation of Factor for Fiscal Year 2019-2020	<u>1.0382</u>
C. Annual increase (decrease) in Appropriation Limit	338,777
D. Other adjustments	<u>                    </u>
E. Total adjustments	<u>338,777</u>
F. Limit at June 30, 2020	<u><u>\$ 9,209,957</u></u>



CITY OF BISHOP

Notes to Proposition 4 Calculations  
For the Fiscal Year Ended June 30, 2020

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	\$ <u>9,042,737</u>	\$ <u>6,815,498</u>	\$ <u>2,227,239</u>
Percentage	100.0%	75.37%	24.63%
Allocated Interest	\$ <u>25,832</u>	\$ <u>19,180</u>	\$ <u>6,652</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 2019, to make the 2019/20 fiscal year calculations presented in this report.