



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

City Council
City of Clearlake
Clearlake, California

We have performed procedures enumerated below to be the accompanying Appropriations Limit worksheet of the City of Clearlake, for the year ended June 30, 2023. These procedures, which were agreed to by the City of Clearlake and the League of California Cities (as presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII B of the California Constitution*), were performed solely to assist the City in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The City's management is responsible for the Appropriations Limit worksheet. 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 those parties specified in 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 performed and our findings were as follows:

1. We obtained the completed worksheets and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned documents 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 worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

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

3. We agreed the current year information presented in the accompanying Appropriations Limit worksheet to the other documents referenced in #1 above.

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

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

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Finding: No exceptions were noted as a result of our procedures, except that the prior year appropriations limit was not calculated properly, resulting in an understatement of approximately \$452,000 in the prior year.

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

This report is intended solely for the use of the City Council and management of the City of Clearlake and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Van Lant & Fankhaed, LLP

September 24, 2024

CITY OF CLEARLAKE
APPROPRIATIONS LIMIT COMPUTATION
2022-2023

	<u>2022 - 2023</u>
Change in Per Capita Personal Income	7.55%
Population Change	
County Population Growth	-0.33%
A. Change in Per Capita Personal Income Converted to a Ratio	1.0755
B. Population Growth Converted to a Ratio	0.9967
Calculation of Growth Factor (A x B)	1.07195085
2021 - 2022 Appropriations Limit	<u>\$ 8,832,158</u>
2022 - 2023 Appropriations Limit (\$8,832,158 x 1.07195085)	<u>\$ 9,467,639</u>