

**CITY OF PASADENA**

**APPROPRIATIONS LIMIT WORKSHEET NO. 6**

**WITH INDEPENDENT ACCOUNTANTS' REPORT  
ON AGREED-UPON PROCEDURES  
APPLIED TO APPROPRIATIONS LIMIT WORKSHEET NO. 6**

**FOR THE YEAR ENDED JUNE 30, 2020**





INDEPENDENT ACCOUNTANTS' REPORT ON  
AGREED-UPON PROCEDURES  
APPLIED TO APPROPRIATIONS LIMIT WORKSHEET NO. 6

Honorable Mayor and  
Members of the City Council  
of the City of Pasadena  
Pasadena, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet No. 6 of the City of Pasadena, California for the year ended June 30, 2020. These procedures, which were agreed to by the City of Pasadena, California and the League of California Cities (as presented in the League publication entitled "Article XIII-B Appropriations Limit Uniform Guidelines") were performed solely to assist the City of Pasadena, California in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The City of Pasadena's management is responsible for the Appropriations Limit Worksheet No. 6. 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 Worksheet No. 6 for the year ended June 30, 2020, and compared the limit and annual adjustment factors included in that worksheet 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 worksheet to those that were selected by a recorded vote of the City Council.

No exceptions were noted as a result of performing this procedure.

2. For the accompanying Appropriations Limit Worksheet No. 6, we added last year's limit to the total adjustments, and compared the resulting amount to this year's limit.

No exceptions were noted as a result of performing this procedure.

3. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet No. 6 to the prior year appropriations limit adopted by the City Council for the prior year.

No exceptions were noted as a result of performing this procedure.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Appropriations Limit Worksheet No. 6. Accordingly, we do not express such an opinion or conclusion. 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 Limit Uniform Guidelines.”

This report is intended solely for the information and use of the City Council and management of the City of Pasadena, California and is not intended to be and should not be used by anyone other than these specified parties.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Irvine, California  
February 8, 2021

CITY OF PASADENA

APPROPRIATIONS LIMIT WORKSHEET NO. 6

For the year ended June 30, 2020

Appropriations limit for fiscal year ended June 30, 2019 (Note 2) \$ 299,147,643

Adjustment factors for the fiscal year ended June 30, 2020 (Note 2):

<u>Inflation Factor (Note 3)</u>	<u>Population Factor (Note 4)</u>	<u>Combined Factor</u>	
1.0385	1.0090	1.04784650	x <u>.04784650</u>

Adjustment for inflation and population 14,313,168

Appropriations limit for fiscal year ended June 30, 2020 \$ 313,460,811

See accompanying notes to Appropriations Limit Worksheet No. 6.

CITY OF PASADENA

NOTES TO APPROPRIATIONS LIMIT WORKSHEET NO. 6

For the year ended June 30, 2020

1. PURPOSE OF LIMITED PROCEDURES REVIEW

Under Article XIII B of the California Constitution (the Gann Spending Limitation 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 appropriations limit is subject to an agreed-upon 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 1, 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 at Notes 3 and 4 below.

3. 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 percentages are 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 Pasadena for the fiscal year 2019-2020 represents the annual percentage change for per capita personal income.

4. 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 in the County where the jurisdiction is located. The factor adopted by the City for fiscal year 2019-2020 represents the annual percentage change in population for the City of Pasadena.

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 of Pasadena had no such adjustments for the year ended June 30, 2020.