

CITY OF MOUNTAIN VIEW, CALIFORNIA

Independent Accountant's Report on
Applying Agreed-Upon Procedures Related to
the Article XIII-B Appropriations Limit

For the Fiscal Year Ended June 30, 2018



Certified
Public
Accountants



Independent Accountant's Report on Applying Agreed-Upon Procedures Related to the Article XIII-B Appropriations Limit

Honorable Mayor and Members
of the City Council
City of Mountain View, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet of the City of Mountain View, California (City), for the fiscal year ended June 30, 2018. These procedures, which were agreed to by the City and recommended by the California Committee on Municipal Accounting (CCMA) (as presented in the CCMA White Paper titled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*), were performed on the City's calculation of the appropriations limit in accordance with Section 1.5 of Article XIII-B of the California Constitution. The City's management is responsible for the Appropriations Limit Worksheet. The sufficiency of these procedures is solely the responsibility of the City's management. 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 and associated findings are as follows:

1. We obtained the completed worksheets setting forth the calculations necessary to establish the City's appropriations limit 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 worksheets to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were found as a result of applying the procedure.

2. For the accompanying Appropriations Limit Worksheet, we added the prior year appropriations limit to the total adjustment and compared the resulting amount to the current year appropriations limit.

Finding: No exceptions were found as a result of applying the procedure.

3. We agreed the current year information presented in the accompanying Appropriations Limit Worksheet to the appropriate supporting worksheets described in No. 1 above.

Finding: No exceptions were found as a result of applying the procedure.

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.

Finding: No exceptions were found as a result of applying the 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 Appropriations Limit Worksheet. 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 appropriations limit for the base year, as defined by Article XIII-B of the California Constitution.

This report is intended solely for the information and use of the Mayor, City Council, and City's management and is not intended to be and should not be used by anyone other than those specified parties. This report is a matter of public record and this does not limit the distribution of this report.

Macias Gini & O'Connell LLP

Walnut Creek, California
November 14, 2018

CITY OF MOUNTAIN VIEW, CALIFORNIA

Appropriations Limit Worksheet

For the Fiscal Year Ended June 30, 2018

2016-2017 appropriations limit, as adopted	\$ 242,260,201
Adjustment factors:	
Population ⁽¹⁾	1.0113
Inflation ⁽²⁾	× 1.0369
Total adjustment factors (rounded) ⁽³⁾	<u>1.0486</u>
Total adjustments	<u>11,777,957</u>
2017-2018 appropriations, as adopted	<u><u>\$ 254,038,158</u></u>

- (1) The population factor may be based on the change in population of 1) the City or 2) the County of Santa Clara, as provided by the State of California’s Department of Finance. The population factor adopted by the City for the current year appropriation limit represents the change in population of the City.
- (2) The inflation factor may be based on 1) the change in per capita personal income for the State of California, as provided by the State of California’s Department of Finance; or 2) the change in the assessed valuation due to new non-residential construction within the City. The inflation factor adopted by the City for the current year appropriation limit represents the change in per capita personal income.
- (3) The total adjustment factor is calculated by multiplying the population factor by the inflation factor.