

**COUNTY OF LASSEN
CALIFORNIA**

APPROPRIATIONS LIMIT (GANN)

**FOR THE YEAR ENDED
JUNE 30, 2015**

COUNTY OF LASSEN
CALIFORNIA
APPROPRIATIONS LIMIT (GANN)
JUNE 30, 2015

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INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Supervisors
County of Lassen
Susanville, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Schedule of the County of Lassen (the County) for the year ended June 30, 2015. These procedures, which were agreed to by the County were performed solely to assist the County in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The County'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 these procedures is solely the responsibility of the County. 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 used by the County to calculate its appropriations limit for the fiscal year ended June 30, 2015, and determined that the limit and annual calculation factors were adopted by resolution of the Board of Supervisors. We also determined that the population and inflation options were selected by a recorded vote of the Board of Supervisors.

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

2. For the accompanying Appropriations Limit Schedule, we added the prior year's limit to the total adjustments, and compared the resulting amount to the current 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 Schedule to corresponding worksheets used by the County.

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 Schedule to the prior year appropriations limit adopted by the Board of Supervisors during the prior year.

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

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit Schedule. 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 Article XIII B of the California Constitution.

This report is intended solely for the information and use of the Board of Supervisors and management of the County, 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.

Price Page & Company

Clovis, California
February 18, 2016

COUNTY OF LASSEN
CALIFORNIA

APPROPRIATIONS LIMIT SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

GANN Limit for the fiscal year ending June 30, 2014		\$ 29,557,470
Per capita personal income factor	0.9977	
	X	
Population change factor	<u>0.9711</u>	
		X
GANN Limit increase factor		<u>0.9689</u>
GANN Limit for the fiscal year ending June 30, 2015		<u>\$ 28,638,232</u>

The accompanying notes are an integral part of this worksheet.

**COUNTY OF LASSEN
CALIFORNIA**

**APPROPRIATIONS LIMIT SCHEDULE
NOTES TO THE APPROPRIATIONS LIMIT SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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 a limited 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 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-1987, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

3. POPULATION FACTORS

There are three methods for calculating the change in population that a county may choose in determining the GANN limit: (1) The change in population within its jurisdiction; (2) The change in population within its jurisdiction, combined with the changes in population within all counties having borders that are contiguous to that county; (3) The change in population within the incorporated portion of the County. The County may use either of these methods in any year. The method adopted by the County for fiscal year 2015 represents the change in population within its jurisdiction.

4. INFLATION FACTORS

A California governmental agency may adjust its appropriations limit by either the annual percentage change in the fourth quarter per capita personal income (which percentage is 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 County of Lassen for the fiscal year 2015 represents the change of per capita personal income.

5. PER CAPITA PERSONAL INCOME FACTOR

The per capita personal income factor was obtained by using the percentage factor from the State Department of Finance letter dated May 2014. The CPI change was -0.023 percent. This factor is converted to a ratio which for calculation purposes was 0.9977.

6. OTHER ADJUSTMENTS

A California governmental 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 governmental agency or private entity. The County had no such adjustments for the year ended June 30, 2015.