

Cosumnes Community Services District

Elk Grove, California

*Independent Accountants' Report on
Agreed-Upon Procedures Applied to
Appropriations Limit Worksheet*

For the year ending June 30, 2020

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INDEPENDENT ACCOUNTANTS' REPORT ON LIMITED PROCEDURES REVIEW OF APPROPRIATIONS LIMIT UNDER ARTICLE XIII-B OF THE CALIFORNIA CONSTITUTION

To the Board of Directors
of the Cosumnes Community Services District
Elk Grove, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Schedule of the Cosumnes Community Services District (District) for the fiscal year ending June 30, 2020. These procedures, which were agreed to by the City 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 you in meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. The District management is responsible for the Appropriations Limit Schedule. 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 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 any other purpose.

The procedures performed and our findings are described below:

1. We obtained the completed worksheets used by the District to calculate its appropriations limit for the fiscal year ending June 30, 2020, and determined that the limit and annual calculation factors were adopted by resolution of District's Board of Directors. We also determined that the population and inflation options were selected by a recorded vote of District Board of Directors.

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 agreed 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 information in worksheets used by the District.

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

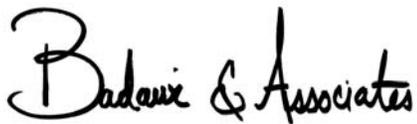
4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit Schedule to the prior year appropriations limit adopted by the District's Board of Directors during the prior year.

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

To the President of the Board and District Board of Directors
of the Cosumnes Community Services District
Elk Grove, California
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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 Appropriation 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 District's Board of Directors and management of the District 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.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates
Certified Public Accountants
Berkeley, California
December 24, 2019

Cosumnes Community Services District
Appropriations Limit Schedule
For the year ending June 30, 2020

	City of Elk Grove Amount	City of Galt Amount	District's Total Amount	Source
A. Appropriations limit for the year ended June 30, 2019	\$ 161,433,565	\$ 5,998,232	\$ 167,431,797	Prior year schedule
B. Calculation Factors:				
1. Population increase %	1.0091	1.0071		State Department of Finance
2. Inflation increase %	1.0385	1.0385		State Department of Finance
3. Total adjustment factor %	1.0480	1.0459		B1 * B2
C. Annual Adjustment Increase	7,740,796	275,159	8,015,955	[(B3-1)A]
D. Other Adjustments:				
Loss responsibility (-)	-	-	-	N/A
Transfers to private (-)	-	-	-	N/A
Transfers to fees (-)	-	-	-	N/A
Assumed responsibility (+)	-	-	-	N/A
E. Total Adjustments	7,740,796	275,159	8,015,955	(C+D)
F. Appropriations limit for the year ending June 30, 2020	\$ 169,174,361	\$ 6,273,391	\$ 175,447,752	(A+E)

* A weighted average factor based on the Population Change of the specific areas multiplied by the Assessed Valuation of the area:

	Population Change	Assessed Valuation	Adjusted Assessed Valuation	Weighted Average Percentage Change
City of Elk Grove	0.97	17,017,267,968	16,506,749,929	
Unincorporated - Elk Grove	0.62	3,211,849,235	1,991,346,526	
		20,229,117,203	18,498,096,455	0.91
City of Galt	0.73	2,094,859,176	1,529,247,198	
Unincorporated - Galt	0.62	522,291,060	323,820,457	
		2,617,150,236	1,853,067,656	0.71

Cosumnes Community Services District
Notes to Appropriations Limit Schedule
For the year ending 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 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 1986-87, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

3. POPULATION FACTORS

A California governmental agency may use as its population factor either the annual percentage change of the jurisdiction's own population or the annual percentage change in population of the County where the jurisdiction is located. The factors adopted by the District for fiscal year 2020 represents the weighted population changes of each jurisdiction located within the District.

4. INFLATION FACTORS

A California governmental agency may use as its inflation factor either the annual percentage change in the 4th 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 District for fiscal year 2020 represents the annual percentage change in the 4th quarter per capita personal income provided by the State Department of Finance.

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 District had no such adjustments for the fiscal year ending June 30, 2020.