

ORANGE COUNTY SANITATION DISTRICT

Independent Accountant's Report on Applying
Agreed-Upon Procedures Related to
Appropriations Limit Calculation

Year Ended June 30, 2020



Certified
Public
Accountants



Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Directors
Orange County Sanitation District

We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet of the Orange County Sanitation District (OCSD) for the year ended June 30, 2020. These procedures, which were agreed to by OCSD and the League of California Cities as presented in the publication titled *Agreed-Upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*, were performed solely to assist OCSD in meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. OCSD's management is responsible for the Appropriations Limit Worksheet. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings are as follows:

1. We obtained the completed worksheets setting forth the calculations necessary to establish OCSD'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 OCSD's Board of Directors. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of OCSD's Board of Directors.

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

2. For the accompanying Appropriations Limit Calculation, we added Line A, last year's limit, to Line E, total adjustments, and compared the resulting amount to Line F, current year's limit.

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

3. We compared the current year information presented in the accompanying Appropriations Limit Calculation to the appropriate supporting calculations described in item 1 above.

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

4. We compared the prior year Appropriations Limit presented in the accompanying Appropriations Limit Calculation to the prior year Appropriations Limit adopted by the Board of Directors for the prior year.

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

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 Calculation of OCSD. 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 Board of Directors and management of OCSD, and is not intended to be, and should not be, used by anyone other than these specified parties.

Macias Gini & O'Connell LLP

Newport Beach, California
October 28, 2020

ORANGE COUNTY SANITATION DISTRICT
 Appropriations Limit Calculation
 Year Ended June 30, 2020

	Amount	Source
A. Last year's limit	\$ 110,229,598	
B. Adjustment factors:		
1. Population change	0.99960000	State Finance
2. Per capita change	<u>1.03850000</u>	State Finance
Total adjustments [(B.1 x B.2)-1.0]	<u>0.03808460</u>	
C. Annual adjustment	<u>4,198,050</u>	(BxA)
D. Other adjustments:		
1. Lost responsibility (-)	-	
2. Transfer to private (-)	-	
3. Transfer to fees (-)	-	
4. Assumed responsibility (+)	-	
Subtotal	<u>-</u>	
E. Total adjustments	<u>4,198,050</u>	(C+D)
F. This year's limit	<u><u>\$ 114,427,648</u></u>	(A+E)