

CITY OF BURBANK
REPORT ON AGREED-UPON PROCEDURES
ON MEASURE P SALES TAX FUNDS
FISCAL YEAR ENDED
JUNE 30, 2021



WEALTH ADVISORY | OUTSOURCING
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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Members of the City Council
City of Burbank
Burbank, California

We have performed the procedures enumerated below on City of Burbank (the City), oversight of Measure P sales tax revenues and expenditures for the year ended June 30, 2021. The City is responsible for oversight of Measure P sales tax funds.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose for oversight of Measure P sales tax funds. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated results are as follows:

- a. For the fiscal year ended June 30, 2021, we observed the transfer of \$4.7 million from the General Fund to the Municipal Infrastructure Fund, maintaining the baseline General Fund commitment established by the adoption of the Infrastructure, Maintenance, Repair, and Improvement Funding Commitment Policy adopted by the City Council on October 30, 2018.

Result

\$4.7 million was transferred from the General Fund to the Municipal Infrastructure Fund.

- b. We observed evidence of a presentation of an accounting of Measure P tax revenues received and expenditures made during the fiscal year ended June 30, 2020, to the City Council, prior to the adoption of the budget for the fiscal year ended June 30, 2022 by reading the minutes of the City Council meeting.

Result

A combined presentation of Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020 and Measure P tax revenues received and expenditures was made to City Council on December 8, 2020, which was prior to the adoption of the budget for the fiscal year ended June 30, 2022, which was adopted on May 25, 2021.

- c. We will compare the Measure P revenues recorded in the general ledger for fiscal year ended June 30, 2021 to amounts reported by the State of California for collection of Measure P revenues.

Result

Tax payments reported by the California Department of Tax and Fee Administration on their website totaling \$26,029,678, less administrative fees of \$155,250, agreed to Measure P sales tax revenues of \$25,874,428 recorded in the general ledger for the fiscal year ended June 30, 2021.

- d. For fiscal year ended June 30, 2021, we observed that 50 percent of the revenues collected for the fiscal year were recorded to the Municipal Infrastructure Fund, and will tested a sample of 25 transaction to determine if expenditures within the Municipal Infrastructure Fund were expended on infrastructure improvements, maintenance, and repairs by comparing invoices to the expenditures.

Result

50 percent of the revenues collected were recorded to the Municipal Infrastructure Fund and the expenditures of all 25 transactions tested were determined to be expended on infrastructure improvements, maintenance, and repairs.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the City's oversight of Measure P sales tax funds. 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.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Irvine, California
November 23, 2021

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