

CITY OF HERCULES
MEASURE B –
TRANSACTIONS AND USE TAX REVENUES
YEAR ENDED JUNE 30, 2018



CITY OF HERCULES

Measure B – Transactions and Use Tax Revenues
Agreed-Upon Procedures

Table of Contents

Independent Accountants' Report.....	1-2
--------------------------------------	-----

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Honorable Mayor and Members
of the City Council of the City of Hercules
Hercules, California

We have performed the procedures enumerated below, which were agreed to by the City of Hercules' management, on the City's Measure B revenues received for the fiscal year ending June 30, 2018. The City of Hercules' management is responsible for receipt of Measure B – Transactions and Use Tax revenues and deposit of such proceeds into the City's general fund. The sufficiency of these procedures is solely the responsibility of the City of Hercules' 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 performed and our findings are listed below:

1. We confirmed Measure B payments with the California State Board of Equalization and calculated variances to the receipts summarized per the general ledger of the City for the year ended June 30, 2018.

FINDINGS

Date Posted to G/L	Receipts Per G/L	Payments Per BOE	Variance
8/22/2017 *	84,800	84,800	-
8/31/2017 *	63,600	63,600	-
10/3/2017	113,832	113,832	-
10/31/2017	70,300	70,300	-
11/28/2018	93,700	93,700	-
1/2/2018	123,305	123,305	-
1/30/2018	70,300	70,300	-
3/6/2018	93,700	93,700	-
3/29/2018	118,077	118,077	-
5/1/2018	66,600	66,600	-
5/30/2018	103,188	103,188	-
6/28/2018	106,004	106,004	-
6/30/2018 **	168,073	168,073	-
	<u>\$ 1,275,479</u>	<u>\$ 1,275,479</u>	<u>\$ -</u>

* The City accrued \$148,400 at the end of FY 2017. These payments apply to that accrual.

** Accrued at year-end. BOE confirmed that \$87,497 was paid towards the accrual in July and \$80,576 in August.


2. We traced the proceeds of the tax levied and confirmed at procedure 1 to the City's General Fund for use by the City, in accordance with Ordinance 470 Sec 8-9.12 Use of Tax Proceeds and Ordinance 481 Sec 8-9.12 Use of Tax Proceeds (amends ordinance 470).

FINDINGS

Proceeds of taxes levied and confirmed under Measure B were paid into the City's General Fund for use by the City with no exceptions.

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 revenue received by the City from Measure B – Transactions and Use Tax revenues. 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.

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



CliftonLarsonAllen LLP

Roseville, California
January 8, 2019