

# **Menlo Park Fire Protection District**

Menlo Park, California

## **Independent Accountants' Report on Applying Agreed-Upon Procedures to Appropriations Limit Schedule**

*For the Year Ending June 30, 2019*





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

To the Honorable Board of Directors  
of the Menlo Park Fire Protection District  
Menlo Park, California

We have performed the procedures enumerated below, which were agreed to by Menlo Park Fire Protection District (the "District"), 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*) on assisting you in meeting the requirements of Section 1.5 of Article XIII-B of California for the year ending June 30, 2019. The District's management is responsible for the Appropriations Limit Schedule. The sufficiency of these procedures is solely the responsibility of the District. 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.

Our procedures and findings are as follows:

1. We obtained the completed worksheets used by the District to calculate its appropriations limit for the year ending June 30, 2019, and verified that the limit and annual calculation factors were adopted by resolution of Board of Directors. We also verified that the population and inflation options were selected by a recorded vote of the 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 verified 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 verified the appropriations limit presented in the accompanying Appropriations Limit Schedule to the appropriations limit adopted by the Board of Directors.

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

To the Honorable Board of Directors  
of the Menlo Park Fire Protection District  
Menlo Park, California  
Page 2

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 Schedule. 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 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.

*The PwC Group, LLP*

Santa Ana, California  
February 11, 2019

**Menlo Park Fire Protection District**  
**Appropriations Limit Schedule**  
**For the Year Ending June 30, 2019**

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	<u>Amount</u>	<u>Source</u>
A. Appropriations Limit FY 2017-2018	\$ 124,812,544	Prior year appropriations limit adopted by the District
B. Calculation Factors:		
1) Population increase %	1.0050	California Department of Finance
2) Inflation increase %	<u>1.0367</u>	California Department of Finance
3) Total adjustment %	1.0419	(B1xB2)
C. Annual Adjustment Increase	5,227,586	[(B3-1)x A]
D. Other Adjustments:		
1) Loss responsibility (-)	-	N/A
2) Transfer to private (-)	-	N/A
3) Transfer to fees (-)	-	N/A
4) Assumed responsibility (+)	-	N/A
E. Total Adjustments	<u>5,227,586</u>	(C+D)
F. Appropriations Limit FY 2018-2019	<u>\$ 130,040,130</u>	(A+E)

**Menlo Park Fire Protection District**  
**Notes to Appropriations Limit Schedule**  
**For the Year Ending June 30, 2019**

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**Note 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.

**Note 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.

**Note 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 factor adopted by the District for the year ending June 30, 2019, represents the annual percentage change in population for County of San Mateo.

**Note 4 – Inflation Factors**

A California governmental agency may use as its inflation factor either the annual percentage change in the 4<sup>th</sup> quarter per capita personal income (which percentage is supplied by the California 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 the year ending June 30, 2019, represents the annual percentage change for per capita personal income.

**Note 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 year ending June 30, 2019.