

# **Menlo Park Fire Protection District**

Menlo Park, California

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

*For the Year Ending June 30, 2017*





**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 to the accompanying Appropriations Limit Schedule of the Menlo Park Fire Protection District (the "District") for the year ending June 30, 2017. These procedures, which were agreed to by 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*), 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 year ending June 30, 2017, and determined that the limit and annual calculation factors were adopted by resolution of Board of Directors. We also determined 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 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 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

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 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 Pw Group, LLP*

Walnut Creek, California  
December 19, 2016

**Menlo Park Fire Protection District**  
**Appropriations Limit Schedule**  
**For the Year Ending June 30, 2017**

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	Amount	Source
A. Appropriations Limit FY 2015-2016	\$ 112,575,766	Prior year
B. Calculation Factors:		
1) Population increase %	1.0091	State Department of Finance
2) Inflation increase %	1.0537	State Department of Finance
3) Total adjustment %	1.0633	(B1*B2)
C. Annual Adjustment Increase	7,124,770	[A*(B3-1)]
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	7,124,770	(C+D)
F. Appropriations Limit FY 2016 -2017	\$ 119,700,536	(A+E)

**Menlo Park Fire Protection District**  
**Notes to Appropriations Limit Schedule**  
**For the Year Ending June 30, 2017**

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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 2016-2017 represents the annual percentage change in population for San Mateo County.

**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 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 the year 2016-2017 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 2016-2017.