

IMPARTIAL ANALYSIS OF MEASURE _____

Article XIII B of the California Constitution restricts the spending of tax revenues by local government agencies above an annually-adjusted limit. This limit is known as an appropriations limit. The Constitution allows voters to increase a local government's appropriations limit above this base level for a period not to exceed four years. A measure increasing the appropriations limit passes if a majority of those voting on it vote for the measure.

If a jurisdiction receives more funds than allowed under its appropriations limit, it cannot spend the excess amount and must return it to taxpayers. Because of this rule, jurisdictions that have revenues above their appropriations limit face the risk of having to decrease services.

According to the Menlo Park Fire Protection District (the "District"), its base appropriations limit for fiscal year 2015-16 is approximately \$28 million, and its revenues subject to the appropriations limit are approximately \$36 million. However, in November 2011, District voters approved an increased annual appropriations limit for the District of \$40 million for a four-year period. The increased appropriations limit will expire in June 2016. By this measure, the Board of Directors of the Menlo Park Fire Protection District proposes to increase its appropriations limit to \$50 million for the period commencing July 1, 2016, and ending June 30, 2020.

The District has stated in a report to its Board of Directors that its appropriations in fiscal years 2010-11 through 2015-16 have been above its base appropriations limit but within the \$40 million voter-increased limit. The District's Board of Directors states that this measure is necessary to continue the current level of services that protect people and property in Menlo Park, East Palo Alto, Atherton, and unincorporated areas of the District. If an increased appropriations limit is not approved for four years, the District will be restricted from appropriating and spending certain of the revenues which it expects to receive.

Passage of this measure will not increase taxes; it simply allows full use of those revenues that the District receives.

A "yes" vote on this measure would authorize the Menlo Park Fire Protection District to increase its appropriations (spending) limit to \$50 million for a four-year period, commencing July 1, 2016, and ending June 30, 2020.

A "no" vote on this measure would not allow the base appropriations limit for the Menlo Park Fire Protection District to be increased for four years, resulting in a decrease to the funding which the District may spend.

This measure passes if a majority of those voting on the measure vote "yes".