



Date: July 14, 2022
To: Board of Directors
From: Anthony Constantouros, Interim General Manager
Subject: Election to Establish Appropriations Limit

Recommendations

1. Adopt Resolution No. 2022-18 – A Resolution Of The Board Of Directors Of The Kensington Police Protection And Community Services District Calling An Election For The Purpose Of Submitting To The Qualified Electors Of The District The Question Of Establishing The District’s Appropriations Limit Under Article XiiiB Of The California Constitution, Fixing The Date Of Said Election And Requesting The Services Of The County Clerk.
2. Submit the suggested argument in favor in support of the proposed measure or delegate the finalization of the language to a two-person subcommittee (see #3 below); and
3. Select a two-member subcommittee to prepare any rebuttal and/or finalize the argument in favor.

Background

In 1979, Proposition 4 set the appropriation limits for California local governments (the “Gann Limit”). Article XIII B of the California Constitution authorizes a public entity to establish or change its appropriations limit for up to four years upon approval of a majority of voters voting on the measure. Changing the appropriations limit will not result in an increase in taxes and allows the District to fully use revenue that is already received.

Discussion

Since 1981 the District has successfully brought Gann Limit measures to the voters every four years, as required by Proposition 4. The District voters last approved the appropriations limit at the November 6, 2018 election. The results of that election were 82.73% of the voters in favor of the measure and 17.27% opposed. The last election established the limit through fiscal year 2022-2023; the limit for fiscal year 2022-2023 is \$5,399.362.00.

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Proposition 4 now requires a new vote of the electorate to establish the limit for the fiscal years from 2023-2024 to 2026-2027. As in prior years, the appropriations limit will be subject to adjustments in the cost of living and population. The next general election is scheduled for November 8, 2022, and the filing deadlines for this election are summarized below.

2022 Filing Period

August 12	Last day to place a measure on the ballot
August 18	Local measure letter assigned
August 24	Deadline for Primary Arguments For/Against
August 29	Deadline for Rebuttal Arguments
September 8	Last day to file Writ of Mandate
September 20	Estimated Voter Information Guide mailing

SOURCE: Guide to Filing Measure Arguments, Contra Costa County Elections, 2022

Resolution 2018-18 is included in the Board's agenda packet. The resolution calls for a vote on November 8, 2022, and establishes the 2022-2023 limit of \$5,399.362.00 as the base year for calculating the limit for the next four fiscal years 2023-2024 through 2026-2027.

The Board may submit an argument in favor of the measure. A draft suggested argument in favor is included in the Board's agenda packet that is based on an argument used in a previous election. It is recommended that the Board select a two-member subcommittee to draft a rebuttal statement should an argument be filed opposing the measure. A number of procedural rules control the drafting of arguments and rebuttals for the proposed measure.

If the measure should pass, it will set the District's appropriations limit through fiscal year 2026-2027. If the measure should fail the District will not be able to fully fund its operations. The District will need to go to the voters again no later than June 2027 to allow the continuation of this past practice.

ATTACHMENTS:

Resolution No. 2022-13

Resolution No. 2022-18

Suggested argument in favor of measure

RESOLUTION NO. 2022-13**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
KENSINGTON POLICE PROTECTION AND COMMUNITY
SERVICES DISTRICT AFFIRMING THE ESTABLISHMENT OF
THE APPROPRIATIONS LIMIT FOR FY 2022-23**

The Board of Directors of the Kensington Police Protection and Community Services District “Board of Directors”) does find as follows:

WHEREAS, in November 1979, California voters approved a ballot proposition (Proposition 4), adding Article XIII B to the California Constitution, which limits the level of most appropriations from tax sources that the state and most local government entities are permitted to make in any given year; and

WHEREAS, and each year, a local government must adjust its Appropriations Limit for two factors: 1) the change in the cost of living; and 2) the change in population; and

WHEREAS, for the District; the prior year Appropriations Limit is adjusted by the percentage change in California per capita personal income and the change in population for Contra Costa County. The formula for adjusting the Limit is:

Prior year Appropriations Limit X Cost of Living Factor X Population Factor

A summary of the KPPCSD Appropriations Limit for FY 2022-23 is as follows:

FY 2021-22 Appropriations Limit	<u>\$5,048,492</u>
Annual Adjustments (prior year multipliers)	
Change in Population	.9945
Change in California Per Capita Personal Income	1.0755
Calculation: 1.0755 x .9945	<u>1.0695</u>
FY 2022-23 Appropriations Limit	<u><u>\$5,399,362</u></u>

NOW, THEREFORE, THE BOARD OF DIRECTORS DOES RESOLVE AS FOLLOWS: the Appropriations Limit for KPPCSD for FY 2022-23 is established as \$5,399,362.

DS
SH

DS
TC

DS
LML

Resolution No. 2022-13

June 9, 2022

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PASSED AND ADOPTED by the Board of Directors of the Kensington Police Protection and Community Services District upon motion by President Hacaj, seconded by Director Logan, on Thursday, the 9th day of June, 2022, by the following vote to wit:

AYES: Directors Deppe, Logan, Nottoli, Sherris-Watt and Hacaj.

NOES: None.

ABSENT: None.

ABSTAINED: None.

DocuSigned by:

Sylvia Hacaj

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Sylvia Hacaj
President, Board of Directors

HEREBY CERTIFY the foregoing resolution was duly and regularly adopted by the Board of Directors of the Kensington Police Protection and Community Services District at the special meeting of said Board held on Thursday, the 9th day of June, 2022.

DocuSigned by:

Lynelle M. Lewis

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Lynelle M. Lewis
District Clerk of the Board

DocuSigned by:

Tony Constantouros

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Tony Constantouros
Interim General Manger

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RESOLUTION NO. 2022-18

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT CALLING AN ELECTION FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED ELECTORS OF THE DISTRICT THE QUESTION OF ESTABLISHING THE DISTRICT'S APPROPRIATIONS LIMIT UNDER ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION, FIXING THE DATE OF SAID ELECTION AND REQUESTING THE SERVICES OF THE COUNTY CLERK

The Board of Directors of the Kensington Police Protection and Community Services District (hereafter referred to as the "Board of Directors") does resolve as follows:

WHEREAS, Article XIII B of the California Constitution provides that the appropriations limit otherwise applicable to a government entity may be changed by majority vote of the electors of such entity, subject to and in conformity with constitutional and statutory voting requirements; and

WHEREAS, the Board of Directors believes that it would be in the best interests of the peace and safety of the residents of the Kensington Police Protection and Community Services District (the "District") for the appropriations limit for Fiscal Year 2023-2024 to be established by the voters of the District and for the appropriations limit for the ensuing three years to be determined accordingly.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Kensington Police Protection and Community Services District as follows:

Section 1. An election (the "election") is hereby ordered and called and will be held in the District on Tuesday, November 8, 2022, at which election the following issue shall be submitted to all persons possessing all requirements of electors under the general election laws of the State of California and who are duly qualified electors residing within the District.

"Shall the appropriations limit of the Kensington Police Protection and Community Services District for Fiscal Year 2022-2023 be established at \$5,399,362.00 and the limit for Fiscal Year 2022-2023 (i.e., \$5,399,362.00) be used to determine the limits for Fiscal Years 2023-2024 through 2026-2027?"

Section 2. The election shall be and is hereby consolidated, pursuant to law, with the statewide election to be held on November 8, 2022, and the election precincts, polling places and officers of election within the area of the District for the election shall be the same as those selected and designated by the County Clerk of Contra Costa County for said statewide election. All proceedings incidental to and connected with the election shall be regulated and done in accordance with the provisions of law regulating the said statewide election.

Section 3. This resolution shall also constitute a request to the Board of Supervisors of Contra Costa County and to the County Clerk to consolidate the election called by the Board of Directors with the statewide election on November 6, 2018.

Section 4. The County Clerk is notified that the appropriations limit measure must be approved by a majority of the electors.

Section 5. The County Clerk is notified that the boundaries of the District have not changed since the District's previous election.

Section 6. The County Clerk is authorized and directed, at the District's proportionate expense, to provide all necessary election services and to canvass the results of said election.

PASSED AND ADOPTED by the Board of Directors of the Kensington Police Protection and Community Services District on _____, the ____ day of _____, 2022, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAINED:

Sylvia Hacaj
President, Board of Directors

I HEREBY CERTIFY the foregoing resolution was duly and regularly adopted by the Board of Directors of the Kensington Police Protection and Community Services District at the regular meeting of said Board held on Thursday, the ____ day of ____, 2022.

Lynelle M. Lewis
Clerk of the Board

Anthony Constantouros
General Manager

Draft Argument in Favor of Measure

This measure is necessary in order to ensure that your Police Protection and Community Services District can continue the present levels of staffing for the next four years. It will not result on any increase in your taxes but will allow the District to make full use of the revenues it already receives.

An amendment to the State Constitution in 1979 imposed a limit on expenditures of most local government agencies, including the District. This “appropriations limit” was originally based on the level of the agencies expenditures during Fiscal Year 1978-79. That based year was one before the District voters approved a special tax to be used only for police protection services furnished by the district. As a result, the State-imposed expenditure limit would have prevented the District from making use of funds that an overwhelming majority of District voters has approved.

The State Constitution allows local agency voters to correct situations of this kind by approving temporary increases in the local appropriations limit. Kensington voters approved such an increase in 1981 and authorized its continuation at elections in 1984, 1986, 1990, 1994, 1989, 2002, 2006, 2010, 2014 and 2018. Your Board of Directors is asking that the increased limit be continued for an additional four years. This will ensure that we do not have to reduce our complement of public safety officers.

- Passage of this measure will not increase your taxes or other costs.
- It will allow the District to maintain the current level of police protection, using funds it already receives.

We want to provide you high quality police service and consider this measure necessary to do so. Please vote yes on this Measure.

Sylvia Hacaj, President

Mike Logan, vice-President

Eileen Nottoli, Director

Rachelle Sherris-Watt, Director

Christopher Deppe, Director