

## KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

### DRAFT

Finance Committee

February 12, 2019

Committee Members Present: President Eileen Nottoli, Director Rachelle Sherris-Watt, Paula Black, Karl Kruger, Mike Logan, and Jim Watt.

Staff Present: Debbie Russell, Lynn Wolter, and Bill Zenoni

The meeting started at 3:04.

Public Comments. Linda Lipscomb objected to the timing of the meeting during the day and would prefer an evening meeting.

Budget Calendar. Bill Zenoni presented the Budget Calendar. President Nottoli asked for an account of expenses to date, money left within KPPCSD, and grants and donations for the Community Center renovations in advance of a Board meeting. She asked Director Sherris-Watt to work with Bill Zenoni and Tony Constantouros to prepare a report that would include any options under consideration as well as any needed financing. Bill Zenoni has had preliminary conversations with CSDA. With bids coming in on February 20, Director Sherris-Watt will plan to have a report by mid-March so that it can be presented to the Board on March 28.

Revenue and Expense Report. Bill Zenoni presented the FY 2018-19 Revenue and Expense Report. He and Debbie Russell answered questions on various entries. Jim Watt asked why the \$247,036 payment (entry 521-T) for unfunded retiree health benefits had not been paid to take advantage of interest in the trust account. Bill Zenoni explained that it was held off to make sure the District would have enough for operating expenses and that payment can be made now. President Nottoli said she would alert Tony to make payment. Jim Watt also questioned why the District had not followed the Finance Committee's recommendation to pay down the unfunded CalPERS liability at the accelerated 15-year rate instead of the 30-year rate. Mike Logan explained that the Board was concerned about the expenses for the Community Center renovations and opted to stay with the 30-year rate. Karl Kruger noted that the District has not spent much money on recruiting police and asked that more efforts be put into recruiting police. Several present said that all police departments are having difficulty hiring officers.

Draft Financial Audit. Debbie Russell and Lynn Wolter said that they had just received the draft financial audit. They agreed that they would work with Chang to complete the audit in time to present to the Board at its March 28 meeting.

Actuarial Report. The proposed actuarial report by Nicolay Consulting would be \$5,000 for FY2018-19 and \$2,800 for FY2019-20. Director Sherris-Watt said that the proposed price was reasonable and Nicolay produced an improved report over the prior consultant. Paula Black

moved, and Jim Watt seconded, to accept the proposal for General Manager Constantouros to authorize the FY2018-19; the portion for FY2019-20 will be presented to the Board for approval as this is over the General Manager's authority of \$5,000. The voice vote was six in favor with no dissenting vote.

Copier Lease. Lynn Wolter explained the benefits of the proposed copier lease. Paula Black moved, and Jim Watt seconded, to accept the proposed lease. The voice vote was six in favor with no dissenting vote.

Next Meeting. President Nottoli suggested that the next Finance Committee meeting be during the week of March 18. There was agreement to have the meeting at 3 PM on March 18 in order to submit recommendations to the Board at its March 28 meeting.

Paula Black moved to adjourn the meeting and Director Sherris-Watt seconded. The voice vote was six in favor with no dissenting vote. The meeting ended at 4:43.