

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS MEETING

JUNE 14, 2018

ITEM 9.b.

RESOLUTION (2018-06) OF THE BOARD OF DIRECTORS OF THE KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT ADOPTING THE BUDGET FOR FISCAL YEAR 2018-19

BACKGROUND

The Board of Directors annually adopts a spending plan for operating and capital costs for the coming fiscal year. Over the past several months, staff has developed a Proposed Budget for the fiscal year beginning July 1, 2018. The Fiscal Year 2018-19 Proposed Budget projects revenue of \$3,285,185 to fund operating and capital costs of \$3,195,967.

Revenue

The District's main source of revenue is property tax revenue. It is anticipated that the general tax levy will generate \$1,812,000, with an additional \$682,000 from the Special Police Tax and \$564,500 from the Measure G Supplemental Tax. Overall, tax revenue is expected to account for 93 percent of District revenue for Fiscal Year 2018-19. The remaining sources of revenue include anticipated grant funding (\$100,000), franchise fee revenue (\$54,285), assessment district revenue (\$37,500), Community Center revenue (\$14,000), interest earnings (\$8,200) and miscellaneous other revenue totaling \$12,700.

Operating Expenditures

District operating expenses for Fiscal Year 2018-19 are projected to be \$3,134,667. Of this amount, \$2,474,163 (79 percent) will fund police activities, \$118,955 (4 percent) will fund parks and recreations activities with the remaining \$541,549 (17 percent) is allocated to general district administration activities.

Capital Expenditures

The Fiscal Year 2018-19 Proposed Budget includes a total of \$61,300 in capital expenses. The items to be funded include the purchase of two radar speed guns (\$8,800), replacement computer hardware/software (\$3,000), purchase and installation of four bus benches and five garbage containers along Arlington Avenue (\$40,000), park/playground equipment (\$4,500) and funding for the study and disposal of serpentine rock (\$5,000).

Unbudgeted Items

The following items have not been included in the budget figures presented for consideration as cost information is not available at this time.

- The District contracted with outside consultants for a review of police services and administrative organizational structure. Once those studies have been finalized and

Board review of recommendations has been completed, budget adjustments may be required. It is anticipated that this information will be available during the second quarter of the fiscal year.

- The preliminary cost estimate of the Community Center Project is \$1.6 million with approximately \$1.3 million in funding identified. It is anticipated that the final project cost will be identified when bids are received during the next several months. This project is identified as an information only item in the Capital section of the budget (page 19). Once final costs have been determined, and should the Board decide to move forward with this project, the actual fiscal impact will be determined and the budget will be adjusted accordingly.

The Finance Committee reviewed the Proposed Budget in detail on May 1 and May 30, 2018. The Finance Committee recommended adoption of the Budget by the Board of Directors with the understanding that all budget accounts would be up for potential review at such time as the Board takes action on funding the police services/administrative organizational changes and Community Center Project.

RECOMMENDATION:

1. Discuss and receive comments;
2. Adopt Resolution 2018-07

FISCAL IMPACT: Anticipated annual revenue of \$3,285,185 and expenditures of \$3,195,967

ATTACHMENTS:

Proposed Budget – Fiscal Year 2018-19
Resolution 2018-07

SUBMITTED BY: Anthony Constantouros, General Manager

RESOLUTION NO. 2018-07
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
ADOPTING THE BUDGET FOR FISCAL YEAR 2018-19

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, The General Manager has prepared and submitted to the Board of Directors a Proposed Budget for the fiscal year commencing July 1, 2018 and ending June 30, 2019;

WHEREAS, the Board of Directors and Finance Committee have reviewed the Proposed Budget in detail.

WHEREAS, the Board of Directors held a public hearing on the Proposed Budget on June 14, 2018, where all interested persons were heard.

NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS, AS FOLLOWS:

1. The Board of Directors hereby adopts the Budget for Fiscal Year 2018-19 as presented and amended at this meeting.
2. The sums of money therein set forth are hereby appropriated from revenues of the District to the departments, functions and activities therein set forth for expenditures during the Fiscal Year 2018-19.

PASSED AND ADOPTED by the Board of Directors of the Kensington Police Protection and Community Services District on _____, the ____ day of _____, 2018, by the following vote to wit:

AYES:

Rachelle Sherris-Watt, President

NOES:

Eileen Nottoli, Vice President

ABSENT:

Len Welsh, Director

Sylvia Hacaj, Director

Christopher Deppe, Director

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 _____, the ____ day of _____, 2018.

Tony Constantouros, General Manager