

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

REVISED A G E N D A

A Special Meeting (Closed Session) of the Board of Directors of the Kensington Police Protection and Community Services District will be held **Thursday, May 14, 2015, at 6:00 P.M.**, at the Community Center, 59 Arlington Avenue, Kensington, California. The Board will commence its monthly Regular Meeting in open session at **7:30 P.M.** If further Closed Door Session is required, the Board will return to Closed Door Session following the end of the Regular Meeting.

Roll Call
Public Comments

SPECIAL MEETING; CLOSED SESSION 6:00 P.M

1. Pursuant to California Government Code Section 54957. (b)(1):
 - a. The Board will enter into closed session to interview candidates for the Interim General Manager/ Chief of Police position.
2. Pursuant to California Government Code Section 54957.6:
 - a. The Board will enter into closed session to discuss the status of the proposed MOU with the Kensington Police Officer's Association.
3. Pursuant to California Government Code Section 54956.9(a):
 - a. Conference with Legal Counsel-Existing Litigation- Leonard Schwartzburd et al v. Kensington Police Protection & Community Services District (Case Number N12-1625).

The Board will return to Open Session at approximately 7:25 PM and report out on the Closed Door Session.

A Regular Meeting of the Board of Directors of the Kensington Police Protection and Community Services District will be held **Thursday, May 14, 2015, at 7:30 P.M.**, at the Community Center, 59 Arlington Avenue, Kensington, California.

Note: All proceedings of the open session meeting will be videotaped.

REGULAR MEETING; OPEN SESSION 7:30 P.M.

Roll Call
Public Comments
Board Member/ Staff Comments

APPROVAL OF CONSENT CALENDAR

- a) Minutes of the Special & Regular Meeting March 12, 2015, (Tabled from the April 9th meeting) Page 3
- b) Minutes of the Special & Regular Meeting April 9, 2015, Page 15
- c) Unaudited Profit & Loss Report for March 2015, Page 33
- d) Five Year Budget Projection Report for March, Page 38
- e) Board Member Reports- None This Month
- f) Police Report April 2015, Page 47
- g) Training/ Reimbursement Report- None this Month
- h) Correspondence in April, Page 59
- i) Recreational Report, Page 64
- j) Monthly Calendar, Page 65
- k) General Manager's April Report, Page 67

DISTRICT OLD BUSINESS

1. The Board will receive an update on the formation of a committee to research and report back to the Board on possible alternatives to the current General Manager/ Chief of Police position and other issues related to District structure and mission statement. This item was continued over from the April 9th meeting. Board Action.
2. The Board will have an update on the Interim Chief of Police selection process. This item was continued over from the April 9th meeting. Board Action.

DISTRICT NEW BUSINESS

1. The Board will be presented with and have a discussion on the overview of the Public Management Group's analysis of the budgetary impact of the proposed MOU with the Kensington Police Officer's Association. Board Action. Page 73
2. General Manager/ Chief of Police Greg Harman will request the Board adopt Resolution 2015-04, a resolution of the Board of Directors of the Kensington Police Protection & Community Services District confirming the assessment and ordering the levy for the Kensington Park Assessment District for Fiscal Year 2015-2016. Board Action. Page 108
3. The Board will hold a discussion on possibly changing the June Regular meeting date. Board Action.

ADJOURNMENT

General Information

Accessible Public Meetings

NOTE: UPON REQUEST THE KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT WILL PROVIDE WRITTEN AGENDA MATERIALS IN APPROPRIATE ALTERNATIVE FORMATS, OR DISABILITY-RELATED MODIFICATION OR DISABILITIES TO PARTICIPATE IN PUBLIC MEETINGS. PLEASE SEND A WRITTEN REQUEST, INCLUDING YOUR NAME, MAILING ADDRESS, PHONE NUMBER AND A BRIEF DESCRIPTION OF THE REQUESTED MATERIALS AND PREFERRED ALTERNATIVE FORMAT OR AUXILARY AID OR SERVICE AT LEAST 2 DAYS BEFORE THE MEETING. REQUESTS SHOULD BE SENT TO:

General Manager/ Chief of Police Greg Harman, Kensington Police Protection & Community Services District, 217 Arlington Ave, Kensington, CA 94707

POSTED: Public Safety Building-Colusa Food-Library-Arlington Kiosk- and at www.kensingtoncalifornia.org
Complete agenda packets are available at the Public Safety Building and the Library.

All public records that relate to an open session item of a meeting of the Kensington Police Protection & Community Services District that are distributed to a majority of the Board less than 72 hours before the meeting, excluding records that are exempt from disclosure pursuant to the California Public Records Act, will be available for inspection at the District offices, 217 Arlington Ave, Kensington, CA 94707 at the same time that those records are distributed or made available to a majority of the Board.

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AGENDA

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Meeting Minutes for 3/12/15

A Special Meeting (Closed Session) of the Board of Directors of the Kensington Police Protection and Community Services District was held Thursday, March 12, 2015, at **6:00 P.M.**, at the Community Center, 59 Arlington Avenue, Kensington, California.

A Regular Meeting (Open Session) of the Board of Directors of the Kensington Police Protection and Community Services District followed.

ATTENDEES

<u>Elected Members</u>	<u>Speakers/Presenters</u>
Len Welsh, President	Kim Manolius, Hanson Bridgett
Pat Gillette, Vice President	Deborah Russell, CPA
Chuck Toombs, Director	Craig Fechter, CPA/Auditor
Vanessa Cordova, Director	Leonard Schwartzburd
Rachelle Sherris-Watt, Director	Catherine de Neergaard
	Celius Concus
	Melissa Holmes Snyder
<u>Staff Members</u>	Jan Stensland
Master Sgt. Rickey Hull (on duty)	David Bergen
Sgt. Hui (on duty)	Linda Lipscomb
Lynn Wolter, District Administrator	Brian Eckler
	Paul Dorroh
<u>Press</u>	Chris Hafner
	Kevin Padian
	Bill Stanton
	Maria Ling
	Haig Harris
	Andrew Gutierrez
	Peter Conrad
	Sandy Waters
	Gloria Morrison
	Donna Stanton
	Ryan Anderson
	David Spath
	Gail Feldman
	Sylvia Hacaj
	Kate Dragolovich
	A. Stevens Delk
	Rick Ardis

President Welsh called the meeting to order at 6:07 P.M. President Welsh, Vice President Gillette, Director Toombs, Director Cordova, Director Sherris-Watt, Master Sergeant Hull (sitting in for General Manager/Chief of Police Harman), and District Administrator Wolter were present.

PUBLIC COMMENTS

Donna Stanton said she was the wife of one of the petitioners. She said there had been several emails sent from the petitioners' lawyer to Hanson Bridgett asking for an opportunity to speak to the Board. She asked if Hanson Bridgett had conveyed this to the Board and said that the petitioners had tried to settle.

Vice President Gillette asked Ms. Stanton to provide a copy of the paperwork. President Welsh responded that the petitioners could have dismissed the three individual Directors.

Leonard Schwartzburd said offers of a settlement had not been responded to.

Catherine de Neergaard said she had gone before a judge in January to get herself removed from the Writ. She said she still had concerns about the case and that offers to settle had been made. She said there were good legal points as to why the petitioners should not have to pay and that the Board needed to put an end to the matter. She said the District needed a new law firm and that the only winner had been Hanson Bridgett. She asked the Board to stop its pursuit of attorneys' fees.

Celia Concus read a letter from John Sullivan about settling the Writ of Mandate. In the letter, Mr. Sullivan asked why the Board hadn't taken a re-vote on the GM/COP's contract and said a re-vote in August 2012 would have removed procedural doubt. His letter said that, because there hadn't been a re-vote, angry residents had filed a Writ of Mandate and that, subsequently, the Board had made an Anti-SLAPP motion to silence public opposition. The letter stated that the mounting costs of legal fees had been reported on the front page of the Outlook. Mr. Sullivan's letter also said that, in the past month, there had been changes made by Kensington Community Council (KCC) and changes within the KPPCSD and that these changes had required real leadership. The letter said there were questions about police services and about the safety of the Community Center. The letter concluded by saying that the Board should walk away from the legal scuffle.

Melissa Holmes Snyder said she was speaking on behalf of herself and her husband and that she was the President of the Kensington Improvement Club (KIC). She said it was astonishing that the Board had been sued and that three individual Directors had been sued. She said she hoped that mediation would yield monetary compensation for what the petitioners had cost the community.

Jan Stensland said she was speaking on behalf of eleven neighbors and that she agreed with what Ms. Holmes Snyder had said. She said the petitioners should bear financial responsibility, that this had been an intentional lawsuit, and that both sides had known what was being spent. She said that, if someone had caused \$200,000 of damage, they would be held responsible.

David Bergen said he disagreed with Ms. Holmes Snyder and Ms. Stensland. He said the petitioners had tried to stop the process, the Board could have avoided the lawsuit by taking a re-vote, the Anti-SLAPP motion was inappropriate, and the Board shouldn't try to recover legal fees. He asked how much more money would be spent on the continuation of the matter and said the Board should end the proceedings.

Linda Lipscomb said the petitioners had sued the Board and individuals, and she cited the impact the lawsuit had had on her personally. She said the petitioners had received poor legal advice and that this might provide recourse for the petitioners. She read portions of the Court of Appeals document regarding the Writ of Mandate that had been Certified for Publication, which included the following: "The petition complains of two alleged violation of the Board's Manual: (1) continuing the meeting after 10:00 P.M. on only a three-two vote in favor of doing so; and (2) failing to properly notice the substance of July 12, 2012 Board meeting. The record on appeal reveals these contentions lack merit. Thus, there is not a reasonable probability that petitioners' action can succeed."



Ms. Lipscomb said money should be collected and that the Board should not be held hostage in the future, and that the fundamental first amendment right should be protected. Ms. Lipscomb cited section 1020 of the District's Policy and Procedures Manual, with respect to conflicts of interest, and said that Directors with close relationships to petitioners should not be involved.

Brian Eckler said it was hard for an outsider to understand what had happened and asked if the Board could prepare something simple that would provide an explanation.

Paul Dorroh congratulated the petitioners on a good turnout. He assured the Board that many more members of the community were of the opinion that the Board should and must pursue recovery of legal fees. He said the lawsuit was over and that the Court of Appeals had rendered a unanimous decision that it was wrong to sue individual Board members because of the First Amendment. He said that, with respect to the lawsuit brought against the District, the case had lacked merit and the petitioners had lost. He said that Section 425.16(c) of the California Civil Procedures said that a prevailing defendant on a special motion to strike shall be entitled to recover attorney's fees and costs. He said the Board had a legal obligation to recover the maximum amount of money that had been spent to fight a legal attempt at intimidation.

Chris Hafner said the Board should drop the matter, it shouldn't spend more money, and the petitioners should be thanked.

Kevin Padian said watershed action was going to occur at the meeting, the Board should heal the community, the Board shouldn't continue to pursue the matter, and that the Board shouldn't incur more cost.

Bill Stanton said the Writ of Mandamus process existed so that the powerless could be heard. He said the current situation was a cockamamie thing that had been cooked up by Hanson Bridgett to silence the petitioners. He said the petitioners didn't want money; they had just wanted the Board to take a re-vote and to allow an extra month so that people could have known that the GM/COP's contract was to be discussed.

Maria Ling said that some citizens had sued the Board and lost because their case had lacked merit, that Kensington had spent money to defend itself, and it was only fair for Kensington to get this money back.

Haig Harris said he didn't represent all the petitioners. He said he represented Cathie Kosel, whom he cited as the one individual who should have been let off; that she had not been a party to the litigation. He said she had had her name removed initially because she had changed her mind. He asked the Board to instruct its attorneys that Cathie Kosel was not part of the litigation.

Andrew Gutierrez said the Board could have settled the matter with a re-vote and the only winners were Hanson Bridgett.

BOARD MEMBER COMMENTS

None

STAFF COMMENTS

None

MOTION: Vice President Gillette moved, and President Welsh seconded, that the Board enter into Closed Session.

Motion passed: 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

The Board entered into Closed Session at 7:03 P.M.

Closed Session Agenda

Pursuant to California Government Code Section 54956.9(a):

- a. Conference with Legal Counsel – existing Litigation – Leonard Schwartzburd et al v. Kensington Police Protection & Community Services District (Case Number N12-1625).

Pursuant to California Government Code Section 54957(b)(1):

- a. Conference with Legal Counsel – Employee Personnel Matter.

Pursuant to California Code Section 54956.9(3)(C) & 54957(b)(1):

- a. Receipt of Claim Against the District in the amount of \$1,024.14 as a result of an Employee Personnel Matter.

The Board entered into Open Session at 8:39 P.M.

President Welsh took roll call. Vice President Gillette, Director Cordova, Director Sherris-Watt, Director Toombs, and President Welsh were present.

President Welsh reported:

- Item 1 – The Board gave instruction to Director Sherris-Watt and Vice President Gillette on how to proceed with mediation.
- Item 2 – The Board took no action.
- Item 3 – The Board gave instruction to Legal Counsel on how to proceed.

PUBLIC COMMENTS

Peter Conrad questioned District Administrator Wolter's salary. President Welsh responded that this decision had been up to the GM/COP and that the item had been included in the budget, which had been discussed at Finance Committee meetings. Director Sherris-Watt asked which Finance Committee meetings. District Administrator Wolter replied that she would provide the meeting dates.

Sandy Waters said she was a 50-year resident and a retired Berkeley police officer. She said she was unhappy that the Chief had not attended the meeting and that she wanted an explanation for why there had been a night with no police coverage in Kensington. She said that Richmond had said there had been an incident one night and that, because an officer couldn't be located, the Fire Department had had to respond. Master Sergeant Hull responded that he had heard about this and that he, Corporal Stegman, and the Chief had looked into it. He said that none of them could find any evidence that such an incident had occurred. Master Sergeant Hull added that, on February 14th, he had been on duty and that, when he got out of his patrol car for lunch, he had failed to turn on his radio. He said his radio remained off for twenty minutes. He said there was no evidence of a nighttime incident and that Richmond's Dispatch Supervisor could find no documentation to support the allegation. Director Cordova thanked Master Sergeant Hull for his candor.

President Welsh asked how Ms. Waters had found out about the cited incident. Ms. Waters responded that she had learned about this from rumors. President Welsh replied that one couldn't find truth in rumors.

BOARD MEMBER COMMENTS

President Welsh spoke about the last agenda item, the District Transparency Certificate, noting that Director Cordova had asked that this be on the agenda. He also said that, longer-term, he wanted the Board to consider law enforcement’s CALEA certification. He said he acknowledged that there were strong feelings among members of the community. He said that the police department was functioning well, it was in excellent shape, and the service it provided was excellent – even with recent events.

Director Cordova said that, in January, she had met with the United States Postal Service (USPS) about putting a satellite post office back in Kensington and about re-siting mailboxes. She said the USPS wanted to improve service.

Vice President Gillette thanked everyone for attending and said she appreciated the comments that had been made on both sides. She thanked volunteers who had stepped up and thanked Master Sergeant Hull and District Administrator Wolter for taking on additional responsibilities.

Direct Sherris-Watt said Tony Thurmond had invited her to join him in a leadership effort on how to improve police service without the use of deadly force. She said she would gather information and bring it back to the Board.

STAFF COMMENTS

None.

CONSENT CALENDAR

Leonard Schwartzburd asked the Board to amend the minutes to reflect the complete statement he had made so that the meaning of his statement would be conveyed. District Administrator Wolter read what Mr. Schwartzburd had said, verbatim. The Board asked that the minutes be amended to include what Mr. Schwartzburd had said, verbatim, and asked that this replace the summary comment that had originally appeared.

MOTION: Director Toombs moved, and President Welsh seconded, that the Consent Calendar be adopted, with the minutes as amended.

Motion passed: 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

President Welsh reported that the Chief was not at the meeting because he had the flu and asked that Agenda Item 5 be considered at this time.

DISTRICT NEW BUSINESS

5. Craig Fechter presented the Independent Auditor’s Report for the Year Ended June 30,2013.

Craig Fechter reported that the KPPCSD financial statements were in accordance with GAAP and that they fairly presented the financial position of the KPPCSD. He said he had reviewed allegations regarding the credit card, noting that he had reviewed these documents for a four-month period and found no irregularities. He said that Management’s Discussion and Analysis, which was produced by the District, provided highlights. He said that the two statements with the most meaning were the Statement of Net Position, which reported the District’s assets, liabilities, and change in net position; and the Statement of Revenues, Expenditures, and Changes in fund Balance Budget and Actual, which reported that the District had a shortfall of \$28,626 for the fiscal year 2013.

Mr. Fechter reported that the District received property tax revenue from the County and that he had confirmed, with the County, the amount received. He reported that he found no irregularities with the credit card or any other payables.

Ryan Anderson asked about the District's reserves. Mr. Fechter responded that there were no reserve regulations that applied to the District.

Mr. Fechter reported that he had tested expense reimbursements and general disbursements and that he had found appropriate documentation for these.

David Spath asked what was the scope of the audit. Mr. Fechter and CPA Deborah Russell responded that the scope of the financial statements was to determine whether what management presented was fair and true.

Paul Dorroh asked if Mr. Fechter had found any weaknesses in internal controls. Mr. Fechter responded that he had not.

Mr. Fechter concluded by advising the Board that, in 2016, GASB 68 would go into effect and that this would change some aspects of District's financial reports.

MOTION: Vice President Gillette moved, and President Welsh seconded, that the Board accept the Audit as presented.

Motion passed: 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

1. The Board reported out on the votes of individual board members, taken at the February 16, 2015 Closed Session Board meeting, to discontinue the Chief's contract.

President Welsh reported that the vote not to continue the GM/COP's contract had been 4 to 1, with President Welsh, Vice President Gillette, Director Sherris-Watt, and Director Cordova voting in the affirmative and Director Toombs voting in the negative.

Kevin Padian asked if the Board had taken votes in Closed Session, with respect to the mediation. In response, Mr. Padian was told that mediation votes were not reportable but that, once a decision was made, the Board would report the vote.

2. The Board received an update on the formation of a committee to conduct a search for an Interim Chief of Police.

Vice President Gillette reported that she and Director Sherris-Watt had communicated and that they had agreed that the goal would be to establish a term of one year, maximum, and six months, minimum. She reported that she and Director Sherris-Watt would develop a job description, collect resumes to review, and then select five candidates from whom the Board could make a selection. She said the goal was to make this happen quickly. She reported that the position would be open to both Kensington officers and outside candidates and that someone would be in place by the end of May.

Director Sherris-Watt reported that the salary should be based off steps that are in place for the officers and that, specifically, the Interim Chief should be paid 3% more than the second step for the Master Sergeant plus an additional 10% if the candidate were also to serve as the General Manager. Vice President Gillette said that the officers should have input into the decision.

President Welsh asked if the search would be for a Police Chief and not for a General Manger. District Administrator Wolter said that, by law, the District needed to have a General Manager.

Linda Lipscomb said that the Board should take a comprehensive view of the position, while, at the same time, studying whether the jobs of GM and COP should be separated. She said that the Board needed an Interim GM/COP until, if, or when there was a new structure.

Vice President Gillette said that the Board had done a large salary survey and therefore had information that would be needed for the search.

Gloria Morrison asked if there was a budget. Vice President Gillette said there wasn't.

At 9:45 President Welsh interrupted the meeting to ask if there was a motion to extend the meeting.

MOTION: Vice President Gillette moved, and President Welsh seconded, that the meeting be extended beyond 10:00 PM.

Motion passed: 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

Peter Conrad said that the head of the Police Department had to be a manager and that, because the budget would be modest, the Board likely would find a retired senior member of a police department.

Simon Braufman suggested that Board coordinate the two committees. Vice President Gillette responded that the Board needed to address the immediate need.

Catherine de Neergaard suggested that the Board reach out to all communities, especially women. Vice President Gillette responded that affirmative action was still in effect.

Director Cordova said that the next steps should be to identify sources of candidates and to establish a job description and that significant progress be made by the next meeting.

Andrew Gutierrez said the Board should "farm out" police services to El Cerrito. President Welsh responded that, in the long term, the community needed to re-examine this option but that it shouldn't jump into this option quickly.

David Spath asked if the Board was looking only for an interim person. Vice President Gillette responded that, if the Board found the right candidate and that candidate was interested in a long-term position, the Board would consider this.

President Welsh said he hoped there would be lots of candidates from which to choose.

3. The Board received an update on the formation of a committee to research and report back to the Board on possible alternatives to the current General Manager/Chief of Police position and other issues related to the District.

President Welsh introduced the agenda item.

Vice President Gillette said that she would like to open nominations up to lots of people and that, out of a large pool of candidates, each Director would choose two people so that the resulting committee would include ten community members. She said she thought this would be a more transparent process.

Director Cordova said that she would like there to be fresh members and that people serving on other committees should not be included. Vice President Gillette said people shouldn't be disqualified just because they were serving on other committees and there were some wonderful people serving on other committees. Vice President Gillette said that she envisioned a pool of 20 to 25 people from which to select ten for the committee.

President Welsh said he had a list of people who had submitted their names, noting that both he and District Administrator had the full list.

Director Toombs recommended that the Board interview candidates, much in the same way as had been done when he had applied to serve on the District's Park Advisory Committee in 1995. He said that, at that time, the Board had collected resumes and had conducted interviews of every candidate to determine what each candidate would bring to the committee. President Welsh responded that this would be a longer, but more thorough, process. Director Toombs said that the Board was looking at the District's structure and that a longer process might produce a better result. He said that, when the park master plan was developed, it had taken two years.

President Welsh said that the interview concept should be considered in order to determine if candidates would understand the need to "roll up their sleeves" and to make a serious commitment of time. President Welsh clarified that the Board would need to hold a special meeting for that purpose.

Director Toombs predicted that the time commitment, for the whole process, would be between a year and a year-and-a-half, at a minimum.

Director Cordova said she agreed with Director Toombs. She said that, for KMAC, candidates filled out a form that asked about things such as area of expertise, availability, and why one wanted to serve on the Council. She said KMAC members read the applications and then brought in individuals for interviews. She wondered if the process could be streamlined with such a form.

Director Toombs said that District Administrator Wolter might have the file from 1995 that might contain the questionnaire application form that Park Committee members had completed at that time. He said it had been a pretty regimented process. Director Toombs asked if District Administrator Wolter could find the form. District Administrator Wolter responded that she might have it among her files. District Administrator Wolter said that, when the Board was establishing the Park Advisory Committee the full Board had conducted the interviews, it had established goals and objectives, and it had set some basic parameters, including a timeline. She said it might be beneficial for the Board to establish a framework for the current committee. Director Cordova said she agreed but that she didn't want anyone to be intimidated by the process.

Director Toombs said he wanted to establish a reasonable protocol and that the idea of a questionnaire was a good one. He said he wanted the committee to be diverse and to include some new faces, new ideas, and new energy.

Vice President Gillette said she agreed with the idea of a questionnaire and that there should be a timeline.

Director Toombs questioned what the scope of the committee would be – just determining whether or not the GM/COP positions should be separated or doing a major structural review of everything.

President Welsh said the Board would need to identify no more than four topics for the committee to address, including the structure, the possible separation of the GM/COP position, the finances of the Services and Fire Districts, and contracting out with El Cerrito. He said these were all substantial topics that would need to be prioritized and tackled.

Director Sherris-Watt asked if a questionnaire could be in place by the April 9th Board meeting and if nominees could be voted on by May. Vice President Gillette and Director Toombs said this schedule seemed a little too aggressive. Vice President Gillette said the Board probably could have the questionnaire by April, get the questionnaires in by May, and conduct interviews by June.

Linda Lipscomb handed out a chart that contained FBI crime statistics for 2013 – the most recent year for which the statistics were available. She said this chart was relevant in the context of contracting out. She said the chart showed that, compared to neighboring communities, Kensington's crime statistics

were very good and that the differences in these statistics showed why contracting out with El Cerrito would be a bad idea and that doing so would be a mistake.

President Welsh said the Board was going to have to revisit contracting out because there were many people who wanted to do this.

Linda Lipscomb noted that Kensington had experience with contracting out through the Fire Department. She said that Kensington had pre-paid \$2.3 million to El Cerrito for fire service, that Kensington paid 30% of El Cerrito's Fire Department's budget, and that this contracting out hadn't worked out well.

President Welsh said there would be two issues that would need to be addressed: quality of service and cost. He said that contracting out needed to be re-examined because the last time it had been explored had been in 2009 and that there were a lot of questions in the community about it. Director Cordova said there were no "sacred cows".

Gail Feldman suggested that the Board keep the subject matter broad and that looking at things like contracting out would be good. She said this was a great opportunity to, perhaps, even look at why things may not have worked out with the fire contract. With respect to the selection, she said that the Kensington Property Owners' Association (KPOA) would be holding its annual meeting on May 3rd and so broadcasting the opportunity to apply could be included in the information the KPOA would send out to the community and could occur at the meeting itself. Ms. Feldman recommended that applicants bring some sort of experience to the committee. She added that she had served on the Park Advisory Committee with Director Toombs and that the work of that committee would not have happened if there hadn't been some professional planners and architects on the committee. She concluded by saying that not everyone would need to be a professional but that some key people would be needed.

Vice President Gillette said there should be a minimum of items into which the committee should look:

- Current structure
- Splitting the GM/COP position
- Contracting out
- Consolidating with the Fire District

She said that the Board should leave it open to the committee to decide if other things should be studied.

President Welsh said two Board members were needed to shepherd the process. Directors Toombs and Cordova agreed to do so.

A. Stevens Delk asked that the Directors speak into the microphones more directly. President Welsh said the Board was working on a new system. Ms. Delk said she wanted to correct one thing that she thought had been misstated at the prior month's meeting about the Brown Taylor Report on contracting out with El Cerrito. She said a salient feature of Taylor's task was that the high quality of service then provided to the Kensington community was to be the minimum planning threshold; there would be no reduction in service, contrary to what Director Toombs had said.

MOTION: Director Cordova moved, and Vice President Gillette seconded, that an ad hoc committee be formed and that President Welsh appoint Director Toombs and herself to that ad hoc committee to research and report back on the possible change in structure to the General Manager/Chief of Police position and other structural items.

Motion passed: 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

4. The Board considered the appointment of an expert to conduct a security and data policy/procedure review.

President Welsh introduced the item, saying that the document in the Board Packet, which citizen Ryan Anderson had prepared, addressed the general nature of the problems. He said this topic had been addressed at the prior month's meeting and that people were concerned about doing unnecessary investigations. President Welsh said there were true security issues at the police department that included electronic and files security. He said good management indicated that these issues needed to be addressed. He said Mr. Anderson's scope document summarized some of the generic issues: unauthorized access to physical facilities, location of data or property, unauthorized access to computer systems or data, intentional breach of data by external sources, accidental loss of data, accidental threats, and password policies. President Welsh said he had spoken with staff and that there was not a single person at the office who didn't feel nervous about the laxness with which critical items are maintained. President Welsh asked the Board to consider hiring some sort of expert to perform "triage" of the major items promptly. He said he was unsure what a consultant would cost but said he thought the Board could begin with a \$5,000 contract to do a brief review that would identify those things that could be addressed with minimal effort.

Master Sergeant Hull said he agreed.

Sylvia Hacaj asked what the project would cover. President Welsh responded that the Board needed to explore the following:

- What may have been done wrong
- What had been done right
- Status of office security

He said these items should have been done earlier and that they needed to be dealt with now.

Kate Dragolovich asked why the Board was adding a new cost and whether it had \$5,000 to spend on the project. President Welsh said that he was not proposing a massively expensive thing – just someone to point the Board in the right direction and that the District had \$5,000 for the project. Vice President Gillette said she had had no idea that things were so lax at the police department. She said she didn't object to spending \$5,000 to make the police department more secure for the protection of the officers and protection of the public. She said that, if she made a complaint about someone, she would want to know that not just anyone could access it.

Director Cordova asked why more documents hadn't been attached to the item, especially with respect to the fiscal impact and names of consultants. She recommended hiring a locksmith in case new locks were needed. President Welsh said the issues were more complex. Vice President Gillette said the Board needed to identify the issues and how much it would cost to fix them.

Director Sherris-Watt said she would like to know what security policies and procedures were currently in place for staff and if best practices were in place and said she wanted to be clear about the scope of service.

Ryan Anderson said the perimeter security and IT analysis should be within the scope but that forensic items would be out of the scope.

President Welsh said that modern corporations were going through this same process and that security procedures were under constant review.

Vice President Gillette said there was not in-house expertise to perform a state-of-the-art analysis.

David Spath asked if this should be a collaborative effort with the Fire District. President Welsh responded that much of what was in the Police Department was not appropriate for Fire personnel to have access to and said that the District would work in tandem with the Fire District.

Director Sherris-Watt offered to make an examination of best practices, to approach the Fire Board and talk to them, and to bring to next month's meeting a synopsis of her findings, along with some recommendations for service providers and a description of the scope of work.

President Welsh said that, although the Fire Department and the Police Department shared the same space, the Police Department maintained a lot of sensitive records to which Fire personnel should not have access.

Director Cordova suggested that Director Sherris-Watt work with Sergeant Hull or Chief Harman and suggested contacting El Cerrito and other agencies to find out what they were doing.

Rick Ardis said a technology expert would be needed and that attacks occur even when professional were engaged. He added that computer security and back up/retrieval were important, and that any small company would have to go outside to find expertise.

President Welsh said that talking to other police departments made sense, as other agencies may have gone through security reviews recently.

Director Toombs suggested that, in addition to the items discussed, the police cars and their computers be considered in the security review.

Vice President Gillette summarized that the Board should have Director Sherris-Watt look into what other police departments are doing and that Rick Ardis and Ryan Anderson should volunteer to help the Board define the scope of work and vet possible consultants.

MOTION: Director Cordova moved, and President Welsh seconded, that the item be continued to the next meeting, pending further information from Director Sherris-Watt.

Motion passed: 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

6. The Board discussed and considered entering into the process of obtaining a District Transparency Certificate of Excellence from the CSDA Special District Leadership Foundation.

Director Cordova provided the background information on this item. She reported that the District participates in programming offered by the California Special Districts Association (CSDA). She said there were over 3,000 special districts in California and that 33 of them are police protection districts. She said the CSDA has a foundation arm, called the Special District Leadership Foundation (SDLF), that offers Directors, General Managers, and District staff the opportunity to hone their skills and earn certificates. She noted that Chief Harman had earned a certificate in management from the SDLF and that the Fire District was known as a District of Distinction for their transparent operation. She said that, if one went to the Fire District's website, one would find a budget, three years of audits, and biographies on its Directors and that these limited the public records requests that Fire District Manager, Brenda, received.

Director Cordova said she had spoken with four other Special Districts in Contra Contra County that had earned this excellence in transparency and that the District was already doing many of the items required for consideration. She said this could be consolidated with things the Board was already considering, such as a reserve policy. She noted that the Board Packet contained specific information that would be required for the application and that the cost to the District would be minimal. She indicated that this would take a lot of time and that it would take some staff time. She said that, in the long run, this would be cost neutral because it would reduce the number of inquiries to which District Administrator Wolter would have to respond.

Director Toombs asked if Director Cordova would be willing to manage the process. Director Cordova said she would. President Welsh asked Director Cordova if she could provide a timeframe. She

responded that she thought the process could be completed by the end of Fiscal-Year 2016. President Welsh asked if the Board's other business might impede progress. Director Cordova said she didn't think so.

President Welsh said he thought this was a good idea.

David Bergen said the Board should approve the item because, by earning the certificate, the Board would restore the confidence of the community.

Master Sergeant Hull asked to make a staff comment. Director Sherris-Watt noted that the Board needed to complete the agenda item with a motion.

MOTION: Director Cordova moved, and Vice President Gillette seconded, to direct staff to work with her and any community members who would like to join in on the fun to start coordinating the completion of the requirements for certification excellence for transparency and that the Board direct staff to and Board Directors and committee chairs to incorporate that into their work plans for fiscal year 2015-2016.

Motion passed: 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

Master Sergeant Hull reported on the status of one of the District employees. He said that Sergeant Barrow would not be coming into work for the subsequent four weeks.

MOTION: Vice President Gillette moved, and President Welsh seconded, that the meeting be adjourned.

Motion passed: 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

The meeting was adjourned at 10:54 P.M.

Len Welsh
KPPCSD Board President

Lynn Wolter
District Administrator

Meeting Minutes for 4/9/15

A Special Meeting (Closed Session) of the Board of Directors of the Kensington Police Protection and Community Services District was held Thursday, April 9, 2015, at **6:00 P.M.**, at the Community Center, 59 Arlington Avenue, Kensington, California. A Regular Meeting, in Open Session, followed.

ATTENDEES

<u>Elected Members</u>	<u>Speakers/Presenters</u>
Len Welsh, President	Teresa Stricker, Public Law Group
Pat Gillette, Vice President	Adam Benson, Public Law Group
Chuck Toombs, Director	Rich Carlson
Vanessa Cordova, Director	Sandy Waters
Rachelle Sherris-Watt, Director	Ron Wiselman
	Mabry Benson
	Marilyn Stollon
<u>Staff Members</u>	Catherine de Neergaard
GM/COP Gregory Harman)	Donna Stanton
Lynn Wolter, District Administrator	Chris Hall
	Bill Stanton
<u>Press</u>	David Bergen
	Kevin Padian
	Kathy Stein
	Barbara Steinburg
	Peter Liddell
	Simon Brafman
	Karl Kruger
	Tony Lloyd
	Peter Conrad
	Ryan Anderson
	Anthony Knight
	Gail Feldman
	Jim Watt
	Linda Spath
	Celia Concus

President Welsh called the meeting to order at 6:10 PM and took roll call. President Welsh, Vice President Gillette, Director Toombs, Director Cordova, Director Sherris-Watt, and District Administrator Wolter were present.

President Welsh solicited public comments on the Closed Session agenda items.

PUBLIC COMMENTS

Rich Carlson said he had practiced law for thirty-three years, that he had worked with the Public Law Group, and that it was one of the best, if not the best, public law firms he had worked with. He said Louise Renne had been San Francisco's City Attorney, that she had won numerous awards, and that she had founded the firm. He said he highly recommended the firm.

Sandy Waters said she didn't know the District had been looking for a new law firm and wanted to know if the search had been put out to bid. President Welsh said a decision had not been made yet and that the process had not been put out to bid. He said that the firm was being considered because it was one of the best.

Ron Wiselman said he understood that the officers needed a raise, but the negotiation process had been tainted by GM/COP Harman and Sergeant Barrow. He said the officers should be given a 1 – 2% raise now, but the current MOU was not a good document.

Mabry Benson said there had been a change made between the old MOU and the proposed MOU: The old MOU contained a provision that allowed for the GM/COP and the Board to fire any police officer for cause; but the proposed MOU would grant this authority only to the Chief. She said the Board should retain the ability to do so.

Marilyn Stollon said that the new law firm proposed transparency, inclusiveness, and a budget for all members of the Board to contact them, whereas in the past only the Board President had been allowed to contact the District's attorneys. She asked if the Board would reach agreement on this point. President Welsh said he supported the proposal and clarified that past practice had not been such that only the Board President had been allowed to contact the attorneys. He said that the Closed Session would be where the Board would deliberate the law firm's proposal.

Mabry Benson said she supported the full Board having access to legal counsel.

David Bergen asked if Hanson Bridgett was still working for the District. President Welsh responded that there were items the District was still finishing up with the firm. Mr. Bergen asked why the Board wasn't considering at least two other law firms and said he hoped that legal fees wouldn't continue to be so high. Mr. Bergen said he didn't think it was a good idea to continue with the proposed MOU without a good understanding of the District's financial situation.

Kevin Padian said it was good to have new legal counsel and asked what was the role and function of legal counsel. He said he hoped that new legal counsel would advise the Board strictly on legal matters and not on political ones. With respect to the MOU, Mr. Padian said a realistic budget – one that would account for highs and lows – would be needed for the next five years. He said he thought forecasts had been cobbled together to pay for the MOU and that, without a budget, the community couldn't evaluate the kind of police force it would really need. He suggested that even the short-term search for the GM/COP position should be based on the position being split because the Chief shouldn't oversee him or herself. He noted that such a change would require a change in the Policy and Procedures Manual.

Catherine de Neergaard thanked the Board for searching for new general counsel. She said it didn't seem like the right time to proceed with the MOU and that, instead, the Board should continue with the current contract on a month-to-month basis because there were ongoing problems with the police department.

Donna Stanton said there should have been more notice about the District looking for new legal counsel and that the decision about this law firm should not have been made among just the five Directors. She said

a few firms should have been pursued for the community to consider. She said the community felt it was not being heard.

Chris Hall said the District should put the law firm selection process out to bid. He said he thought the legal fees had been high.

Bill Stanton said the positions of GM and COP should be separate. He said the transparency issue was not being fully dealt with and that coming with just one law firm didn't show much due diligence.

The Board entered into Closed Session at 6:34 PM.

1. Pursuant to California Government Code Section 54957, the Board entered into Closed Session to discuss the possible engagement of the Public Law Group as General Counsel.
2. Pursuant to California Government Code Section 54957.6, the Board entered into Closed Session to discuss the status of the MOU with the Kensington Police Officers' Association.

The Board came back into Open Session at 7:44 PM.

President Welsh took roll call. President Welsh, Vice President Gillette, Director Toombs, Director Cordova, Director Sherris-Watt, GM/COP Harman, and District Administrator Wolter were present.

President Welsh reported that no action had been taken on either item during Closed Session but that action would be taken in the Open Session.

President Welsh said he would like to address New Business Item 1, engaging Public Law Firm as General Counsel, instead of addressing Old Business first.

President Welsh addressed the lack of a sound system and that he and Director Sherris-Watt were checking on the legality of accepting contributions from K-groups for a new system.

PUBLIC COMMENTS

Kathy Stein said that she understood that there had been a posting on Next Door claiming that the District had not made its payment to CalPERS for Other Post Employment Benefits (OPEB) in 2013. She said she had attended the prior month's meeting at which the auditor had reported that the District's fiscal year 2013 audit had been clean. She said she didn't understand how the audit could have been clean if the OPEB payment hadn't been made and then asked if the payment had, indeed, been made. GM/COP Harman replied that the payment had been made. President Welsh asked GM/COP Harman to explain what OPEB was. GM/COP Harman explained that this was a mechanism to ensure that there would be sufficient money to meet future retiree medical benefits, and he confirmed that the District had funded 2012, 2013, and 2014 and that the District was fully funded based on the District's actuarial report.

Barbara Steinburg said she had read about possible re-structuring and that she had appreciated the police services throughout the years. President Welsh noted that this was an item on the agenda and asked Ms. Steinburg to hold her comments until then.

Peter Liddell announced that the Kensington Public Safety Council would present a program by Barbara Morita on disaster triage on Thursday, April 16th at 7:00 PM.

Simon Brafman commended Officer Turner for helping to resolve a safety issue with cars parking on a certain section the Arlington, such that the cars were blocking crosswalk visibility. He said that Officer Turner had contacted the County and that, in response, the County would be painting the curb red in this area.

Karl Kruger said that, at the prior month's meeting he had noted that most of the questions asked of the auditor had to do with trust. He wondered where the lack of trust had come from and how the District was going to get its fiscal house in order.

Catherine de Neergaard said she wanted to mourn the passing of her pug dog that was kicked to death at the Kensington School. She said she was very disappointed that there had been no investigation. She said there was a need for a citizens' advisory commission to review complaints against the police department. President Welsh replied that he was so sorry about Ms. de Neergaard's dog. She said it wasn't her dog; it was someone else's.

Tony Lloyd said that Next Door had been used to conduct District business. He said the Board needed to develop a policy about social media to avoid potential legal exposure. He noted that, because only a small percentage of Kensington residents participated in certain social media sites, there was a lack of transparency. Vice President Gillette responded that using limited social media might not be sufficient for communicating with the community because not everyone participated. She said the Board might need some direction from legal counsel on the matter with respect to what's appropriate and what's not. President Welsh said more information should be available on the District's website. Director Cordova said the District should employ a multi-channel approach to communication and that messages communicated should be consistent.

David Bergen noted that Next Door had a thousand participants, that many in the community were not on the Internet, and that many did not see meeting notices that were posted throughout the community. Mr. Bergen said he had questions about the new District Administrator position. He said that, in the absence of a hiring policy, the District needed to follow State guidelines. President Welsh said that the District Administrator had always held that title and that the title had not been changed. Mr. Bergen asked why the District Administrator's salary had been increased. President Welsh responded that this had been the Chief's decision and that it had been within his purview. Vice President Gillette and President Welsh noted that the salary increase had been included in the budget. Mr. Bergen said this didn't look transparent.

Mr. Bergen questioned Directors' use of private email for District business and questioned GM/COP Harman's use of Directors' personal email as well. President Welsh said he would have a discussion with the attorney about the matter. He said this was a volunteer position and that those serving on the Board had limited time in which to accomplish all that needed to be done. He said that if it proved not to be legal, he would change. He said he had nothing to hide; his use of private email was a matter of efficiency. Director Cordova noted that the District's current system didn't allow Directors to send emails from their District email addresses. Director Sherris-Watt said the IT team felt the problem could be addressed and that, in the near future, Directors would be able to send outgoing email from their District addresses. GM/COP Harman said he used only his District email address.

Marilyn Stollon asked if the two new Directors were being kept in the loop. Director Cordova said all could do better and that the on-boarding process had not been easy. She said Director Toombs had been cordial and responsive and that there were opportunities to build better relationships. Director Sherris-Watt said she had not feel part of the loop and that she was disappointed in the continuation of some un-helpful behaviors. She said she wanted information before it appeared on the agenda and that she was looking forward.

At this time, GM/COP left the meeting to respond to a call for police service.

Vice President Gillette said that the transition had been more difficult than it might otherwise have been because it had been a difficult time. She noted that there had been a familiarity among the former Board members because they had worked together for a long time. She said she hoped the Board and the community could move forward, treating everyone with respect and without the assumption of bad intention. She said her goal was to begin working together as a team. She said the worst thing that could happen was a return to the Board that preceded 2012. She said she looked forward to building collaboration, transparency, and rebuilding trust.

President Welsh said he accepted some responsibility for lack of communication and that there was no bad intention on anyone's part. He noted that the Brown Act limited the extent to which Board members could communicate and said he hoped the Board could work together as a team.

BOARD MEMBER COMMENTS

Director Sherris-Watt reported that the Park Buildings Committee would meet on at the Community Center's Room 3 on Wednesday, April 29th, at 7:00 PM and tentatively on Wednesday, May 27th. She reported that the Policy and Procedures Committee would meet at the Community Center's Room 3 on Monday, May 18th, from 7:00 – 8:00 PM. Director Sherris-Watt said that, in the wake of Measure L not passing, the Park Buildings Committee needed to determine what would be done to move forward with possible improvements to the Community Center. President Welsh added that he had asked former Park Buildings Committee members to continue to serve, he asked others to let him and Director Sherris-Watt know if they would like to volunteer to be on the committee, and he confirmed that Peter Conrad had been appointed to the committee.

Director Cordova reported that, at the last meeting, President Welsh had introduced the idea of earning accreditation with CALEA (Commission on Accreditation for Law Enforcement Agencies). She noted that the Kensington Police Department had previously earned this certificate in the late 1990s. She reported that the regional contact for CALEA was Mark Mosier and that she had been in contact with him. She noted this would need to be a longer-term project. Director Cordova also reported that she worked on the CSDA Legislative Committee and that there has been much discussion at CSDA about Assembly Bill 237 (Daly), which had to do with notification of parcel taxes. She said that AB 237 would require special districts to increase notification procedures and noted that many special districts would like to see the option of email notification in order to reduce cost.

Vice President Gillette said that many people had "taken shots" at District Administrator Wolter and her increase in pay. She said that District Administrator Wolter brought much to the community and that she was a highly qualified individual, in terms of her background, training, and the job she did for the District and the community. She noted that District Administrator Wolter did lots of work that no one saw, thought about, or understood but that had to be done and that it had been done without complaint. She said District Administrator Wolter was being fairly compensated and that the salary increase had been budgeted. Vice President Gillette said that District Administrator Wolter had brought organization and professionalism, with respect to communication among the Board, with the community, and with the officers. She thanked District Administrator Wolter for her service. President Welsh said he agreed.

Director Sherris-Watt said she shared the enthusiasm for District Administrator Wolter's skill, but that questions had come to her about the salary adjustment. She said that, because of the level in increase, people were worried that the Board may have violated some legal obligations as a civil employer. She said this had constituted a change in job classification and that brought with it the possibility that, when an employee's salary was increased by a large amount that one was expecting greater output. She said people were concerned that should be an open process. She said she didn't think people had been critical of the job District Administrator Wolter did and she supported what Pat had said. She said people were seeking clarification on being open. She said the increase in the May agenda's budget had been for only one employee. President Welsh said there had been an increase for another non-sworn staff member, Police Services Aide di Napoli. District Administrator clarified that these had been salary adjustments, which President Welsh confirmed.

Tony Lloyd said it was unprofessional to have had District Administrator Wolter's background and credentials discussed on Kensington Next Door. Mr. Lloyd said he had known District Administrator for some time and that she had worked for the District as a part-time employee trying to do the equivalent of a full-time job. He said the Board had been miserly in asking District Administrator Wolter to work for wages significantly below those paid for a similar position in the Fire District. He noted that wages paid to the non-sworn staff had not been adjusted for several years and that District Administrator Wolter was

being asked to do significantly more than what the job description had called for when she had been hired. He said the discussion of this issue on Next Door failed to address the real issues.

Fire District President Larry Nagel said the Fire District did not have a District Administrator; it had a General Manager and that this person worked part time for the Fire District.

Sandy Waters said that no one was denigrating District Administrator Wolter; people were complaining about a lack of transparency and that the Board had made a mistake.

Vice President Gillette said that, with respect to transparency, the salary increase had been included in the budget. President Welsh said that the Board had a business to run, and it couldn't run every decision by the community. He said this had been an administrative decision the Chief had been entitled to make, the Chief had consulted the Board about it, it was contained in the budget, and said that District Administrator Wolter's duties had increased in amount and complexity.

President Welsh noted there were some hard feelings about some precipitous changes that had occurred over the prior months; the Police Chief wouldn't be present for much longer, the editor of the Outlook was gone, and the community would be looking at a possible new structure. He said that there also would be a new law firm because the Board had been fired by its law firm. He said that, despite these changes, this was a time of opportunity. He said there was a lot of opinion in the community but not enough data. He noted that there was a need to identify a short-term GM/COP, what should be the next structure, and how the KPPCSD budget compared to that of the Fire District. He said these decisions needed to be based on data and that the Board needed to set its priorities.

STAFF COMMENTS

District Administrator Wolter reported that, at its March 12th meeting, the Board had unanimously approved pursuing the District Transparency Certificate of Excellence. President Welsh interjected that Director Cordova had suggested this. District Administrator Wolter said that staff had made progress on completing related tasks. She reported that the 2013 Audited Financial Report had been posted to the website, which had brought the total number of Audited Financial Reports posted to four, exceeding the certificate's requirement of three. She reported that the District's Reimbursement Policy and a map of the District's service area had also been posted on the website.

District Administrator Wolter reported that GM/COP Harman, Police Services Aide di Napoli, and she and attended the Special District Risk Management Association's Safety Day, which had been held in Sacramento on March 24th. She said staff had attended informative training sessions and had earned several Credit Incentive Points (CIP). She reported that each CIP reduced the District's annual premium by \$130, and that the maximum number of CIPs a District could earn was 18. She said that Board members had earned four CIPs, and that, as of March 31st, the District had earned a total of 12 CIPs, which had reduced the District's annual insurance premium by \$1,552. District Administrator Wolter also reported that she had attended a governance training session in which she learned that either the Board President or District management should provide "on-boarding" for new Directors.

District Administrator Wolter reported that all but one of the Directors had submitted the required disclosure Form 700, which had been due on April 1st. Director Cordova responded that she was the one who had not submitted her form to the District but that she had filed the report with the County online.

DISTRICT NEW BUSINESS

1. The Board discussed, for possible approval:
 - a) A proposal to engage Public Law Group as General Counsel for the Kensington Police Protection and Community Services District, as well as to provide other legal services to the District, as requested by the District Board.

b) A proposal for Retention of Services to Review the KPOA MOU and Financial Analysis.

President Welsh asked Vice President Gillette to brief the Board. Vice President Gillette provided the background that had led to the item being on the agenda. She said that, last summer, the prior Board began looking to replace Hanson Bridgett as outside counsel for a number of reasons. She reported that she and former director Linda Lipscomb had conducted a search and had interviewed various firms. She said that the search had been put on hold for several months but that this had been an ongoing discussion. Vice President Gillette reported that when Director Cordova joined the Board she had indicated she knew Jon Holtzman, one of the attorneys associated with Louise Renne's firm and that she recommended this firm. Vice President Gillette said that one of the things that was unique about this firm was that it was comprised of a group of attorneys and a group of non-attorneys. She reported that she had spoken with Jon Holtzman then had let President Welsh know that the firm seemed like it might be a good fit given the work the firm had done, the resumes of its members, its non-attorney group, and the District's needs. She reported that her own billing rate of \$925 per hour was what large firms charged and that the Public Law Group's proposed rates, for highly skilled attorneys who were known to provide exceptional service, were far below what the firm normally charged and lower than what Hanson Bridgett had charged. She concluded by saying this proposed change had been a culmination of things over a period of time, not a reaction to any one thing and that it had been precipitated by Hanson Bridgett telling the District that it thought it was appropriate to cease providing service to the community and saying it would terminate its relationship with the District on March 31st. She noted that since that date, the District had been without counsel and that was dangerous for the community.

President Welsh introduced Teresa Stricker from the Public Law Group.

Teresa Stricker said that Louise Renne, a former City Attorney for the City and County of San Francisco, had founded Public Law Group. She said that Randy Riddell, who would be taking the lead with the District, was out of the country at that time. She reported that Mr. Riddell had worked in the City Attorney's Office with Ms. Renne, was a former City Attorney for Richmond, and had worked for the Secretary of State. She said Jon Holtzman had also worked for the City Attorney's office and had worked for Mayor Brown. She said that Mr. Riddell specialized in general government law and that Mr. Holtzman was both a labor and a general government lawyer. Ms. Stricker said she also had come from the City Attorney's Office. She said that the firm's area of expertise was government law and in providing timely advice and that its role would be in assisting the Board with policy, decision-making, and transparency issues. She said that any board member who called the firm would receive the same advice and that advice provided would allow the Board to operate better and in a legally safe manner.

Ms. Stricker introduced her colleague, Adam Benson, a non-attorney consultant with the firm. Ms. Stricker said rates for Mr. Benson's work would be lower than the rates charged for attorney work. Mr. Benson said his background was in public finance and labor relations. He noted that, for municipal budgets, about 70% was allocated to personnel costs and that evaluating those costs required a good understanding of benefits, including PERS. He said he had performed a number of budget forecasts, evaluated how revenues and expenditures had grown, and had ensured that adequate reserves existed.

President Welsh said the Board Packet contained a proposal to engage the Public Law Group as General Counsel, which would be a different relationship than the District had had with Hanson Bridgett: In a General Counsel relationship, there would be one or two attorneys who would become familiar with the District's issues and would be the attorney(s) to whom any Board member could go with questions. President Welsh noted the proposal was for a four-month trial period for both general counsel and other services.

Ms. Stricker said the four-month trial period would enable both sides to ascertain whether the relationship would work well on both sides.

President Welsh invited public comments.

Peter Conrad asked if the firm would be serving the community or the Board. Ms. Stricker responded that the firm would be serving the District and that the Board and staff would have access. She explained that the District was a government entity and that the District, comprised of policy-maker Directors and staff, would be the client. She said the firm wouldn't represent any one Director: Its loyalty would be to the District. Mr. Conrad said there had been issues between members of the community and the Board that had recently been resolved. He asked what the firm's role would be if members of the community were fighting with the Board, about possible conflicts, and if the law firm would represent the community or the Board. Ms. Stricker replied that the firm would represent the government entity: the District.

Karl Kruger asked what Public Law Firm's billing cycle would be, citing that past attorneys' invoices had lagged and so hadn't matched the District's monthly financial reports. Ms. Stricker replied that the firm billed monthly.

Ryan Anderson asked if the firm had experience with policies and procedures. Ms. Stricker responded in the affirmative and explained that some of this would fall under the consultants' side and some would fall under the attorneys' side. She said the firm could help put systems in place that would allow Board members to do their jobs better.

Simon Brafman asked why the Board had been fired by its former legal counsel and said that he didn't want this to happen again. He asked what the change in law firms was really about. President Welsh responded that, in one of his final conversations with the former law firm, one of the attorneys said that the District should seek general counsel services with its next law firm. President Welsh noted that he had found this suggestion odd because Hanson Bridgett had not suggested this relationship for itself. President Welsh explained that, with a general counsel relationship, one or two attorneys would develop a relationship with the District and develop a good understanding of what its unique needs would be. He added that, with a general counsel relationship, the service would be better and at a lower cost. Ms. Sticker described the general counsel relationship as being similar to that of a corporation's in-house attorney; that attorney ascertains whether or not another attorney with more expertise might be needed for a given issue.

Anthony Knight said he had assumed that Hanson Bridgett has operated as the District's general counsel. President Welsh responded that Hanson Bridgett had operated more on a case-by-case basis; they had never offered a general counsel relationship. He added that, over time, communication had deteriorated with Hanson Bridgett and the same problems kept recurring. Vice President Gillette said that there had been no mistakes made by Hanson Bridgett, rather it had been an issue of service, creativity, strategy, and responsiveness.

Gail Feldman said Public Law Group was well respected in the municipal services world and that she had had interactions with them in her professional life. She asked Ms. Stricker if the firm served other special districts. Ms. Stricker responded in the affirmative.

Mabry Benson asked if the public would have access to legal opinions given by the law firm. Vice President Gillette responded no; that would be protected by attorney-client privilege. Ms. Stricker clarified that the government entity was the client, not the constituents. Ms. Benson asked who determined what would remain confidential. President Welsh replied that the Board did.

Chris Hall noted that it had been a Hanson Bridgett partner who had worked with the Board and that he had billed at a high partner's rate. He said he was glad the new firm would be billing at a discounted rate. President Welsh clarified that Hanson Bridgett had billed at different rates, depending on the work. Mr. Hall noted that it had been the community that had been paying the large legal bills.

Peter Conrad asked who would be the District's primary contact at Public Law Group. Ms. Stricker responded this would be Randy Riddell.

GM/COP Harman returned to the meeting at this time.

A member of the public commented that some members of the community had an antagonistic relationship with some members of the Board. She asked how much the general counsel could help the Board with the issues of transparency and open communication. Ms. Stricker said there were many laws on the books that helped ensure transparency and that it was important for the Board to be educated about how to operate within the established parameters. She added that there were practical procedures that the law firm could help put in place that would enable everyone to feel informed and that would enable the Board to work properly as a team.

President Welsh solicited Board comments.

Director Cordova said that she had had spoken with Jon Holtzman and that she felt that he and Ms. Stricker understood the challenges the Board faced. She said she was fairly confident they would be responsive, especially to the new Board members, and would help the Board establish a better method of communication. She said she had no doubts about the firm's legal prowess and that the Board would be lucky to have them.

Director Sherris-Watt said she had had the pleasure of speaking with some of the firm's references and that the comments she had received from the Richmond City Manager were very positive. She said she had a lot of confidence in the proposal.

Vice President Gillette, President Welsh, and Director Toombs made supportive and favorable comments about the firm.

MOTION: Vice President Gillette moved, and President Welsh seconded, that the Board adopt the proposal to engage Public Law Group to serve as general counsel for the KPPCSD as well as to provide such other legal services to the District as requested by the District for a four-month period and endorse the rate of \$5,000 per month for 20 hours of service and the hourly rates for other legal services as proposed.
Motion passed 5 to 0.

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

President Welsh said the Board would discuss Item 1 b, which was a proposal for the retention of services to review the Police Officers' Association's MOU. He said the proposal was from Public Law Group for work to be done by its financial consulting group in order to review the MOU and determine its impact on the budget. He said this would involve some legal review of the MOU itself and a focus on the short term and long-term fiscal impacts. He said this would be an objective analysis and that this analysis would address concerns some had had that previous financial forecasts had been biased toward wanting to implement the MOU. He indicated that, once the analysis was complete, the Finance Committee could review it.

Vice President Gillette said that Public Law Group had proposed a generous flat fee and, given that, the Board should be careful not to add more work. President Welsh said the Board should wait to see how it would proceed, once the analysis was completed.

Director Sherris-Watt added that this would not be forensic accounting in any way. Instead, numbers presented by various community groups would be taken into consideration in the analysis.

President Welsh invited Public Law Group's Adam Benson to comment. Mr. Benson said that the \$5,000 flat fee was a low amount for the work that would be performed. He said the firm would have to rely on data provided, such as the District's budget and audited financial reports. He said this information would be used to develop forecasts for revenues and would incorporate the parameters of the MOU in order to determine whether the District would operate with a deficit or a surplus. He said the firm would then look at the District's fund balances to see if reserve levels were sufficient.

Ryan Anderson said that the data sources mentioned by Mr. Benson didn't include those from other community groups. Director Cordova cited analyses that had been done by the Kensington Property Owners' Association and by Jim Watt.

Mr. Benson said he would not give any one analysis more weight, rather it would be an independent review done by someone who didn't have a stake in the results.

Jim Watt said that Item 1 b was two-fold: a review of the MOU and a financial analysis. He asked for clarification of the process. He said that, in the past, Vice President Gillette and Director Toombs had negotiated the MOU and that he had had questions about how that MOU had been presented in November. He said he would like to be involved in the process and that he would like the community to be involved. President Welsh responded that the first step would be to look at the MOU, primarily from a fiscal point of view, to determine the fiscal impact of that proposal during the coming years. He said that, if the results were positive, there could be discussion about adoption and, if the results weren't so positive, there would have to be discussion about possible changes. President Welsh said an objective analysis was needed.

Mr. Watt questioned whether there might not be a better MOU. Director Cordova said that she and President Welsh served on this committee and that there was waning confidence in the proposed MOU and its fiscal impact. She said she fully supported this approach and that various District and community documents had been compiled. Director Cordova said she felt positive about this objective process. Gail Feldman asked if Mr. Benson could provide information about his background and said she was happy that Public Law Group would be looking at the proposed MOU. She said issues that had been raised by the Kensington Property Owners' Association had been the franchise fees and whether they were to be considered general-purpose revenue and what the policies were about how reserves should be accounted for.

Mr. Benson said that, before he joined Public Law Firm, he had been a senior management consultant at Public Financial Management, which specialized in working with state and local governments, was the largest public financial advisor in the country, and managed \$70 million governmental assets. He said he had worked in the firm's strategic consulting practice, which had been a national group of about 25 people who had performed long-range financial forecasting, turnaround plans, and financial analyses in preparation for bargaining. He said this background would work well with the District's needed financial and MOU analyses and the District's financial forecasts.

At 9:45, President Welsh noted that the Board needed to take a vote on whether to extend its meeting beyond 10:00 P.M.

**MOTION: Vice President Gillette moved, and President Welsh seconded, that the meeting be extended beyond 10:00 PM.
Motion passed 4 to 1.**

AYES: Welsh, Toombs, Gillette, Sherris-Watt NOES: Cordova ABSENT:

President Welsh said he thought discussion on the item should be closed.

**MOTION: Vice President Gillette moved, and President Welsh seconded, that the Board adopt the proposal for the retention of services to review the KPOA MOU and financial analysis by Renne Sloan Holtzman Sakai law firm.
Motion passed 5 to 0.**

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

The Board thanked Ms. Stricker and Mr. Benson.

CONSENT CALENDAR

President Welsh asked if anyone wanted to pull items from the Consent Calendar.

Vice President Gillette asked to pull Item j, Director Sherris-Watt asked to pull Item c, and Director Cordova asked to pull Item h. Item e was also pulled for Karl Kruger.

President Welsh asked to hear about Item c. Director Sherris-Watt said that, on page 24 of the Minutes for the Regular Meeting on March 12th, she had reported that her salary proposal should read as 3% more than the second step Master Sergeant salary plus an additional \$10,000 and then an additional \$1,000 per month for the General Manager, which would put the total at \$121,564 per year. District Administrator Wolter apologized for the inaccuracy, citing that there had been no recording for that part of the meeting. Director Sherris-Watt asked whether, because of the absence of a recording, approval of these minutes should be held over to the next meeting to allow time for other members of the community to make sure their comments had been correctly reported.

Director Cordova commented that some members of the community hadn't seen their comments recorded in the minutes.

Catherine de Neergaard said she wanted to make a correction to the minutes.

Director Toombs questioned how anyone's comments could be verified without a recording.

Director Sherris-Watt noted that everything else in the minutes was present and correct. Director Cordova said she wanted to let people weigh in on their comments. District Administrator replied that the minutes were not a verbatim transcript; rather they were a summary of what happened, leading up to a Board decision.

Catherine de Neergaard said she'd like to have two sentences removed from her comments, stating that she had not made the statements and they weren't true. Director Sherris-Watt read aloud the initial part of public comments attributed to Ms. de Neergaard, starting with "Ms. de Neergaard said she'd gone before a judge in January". Ms. de Neergaard reiterated that these two sentences didn't reflect what she had said and that they weren't true. The Board noted that these comments appeared on page 20. District Administrator sought confirmation that Ms. de Neergaard wanted the first two sentences removed. Ms. de Neergaard responded in the affirmative and said maybe she would email a correction. Director Toombs asked, "Catherine, didn't you say that?" Vice President Gillette remarked to Ms. de Neergaard that she had said what had been recorded in the minutes. Ms. de Neergaard said that she had gone before the judge in January and had asked and gotten an order clarifying that she was not a party and not under the jurisdiction of the court. She said this was what the order had stated. She said she already was not a party. Director Toombs asked if she had a copy of the order. Ms. de Neergaard responded in the affirmative and said she had sent the order to all the proper people, that Hanson Bridgett had it, and that she had it on her computer. President Welsh suggested that Ms. de Neergaard send an email of her proposed correction for consideration at the next month. Director Cordova recommended continuing Item c to next month's meeting.

Karl Kruger said he still didn't understand why income was so favorable as compared to what had been budgeted. He said there was a large number of items, beginning with accounts 521 A and 521 R, that were substantially different from budget. He said that if there was a variance of 10% for a line item, there should be comment describing why that was and, with respect to income, if there was a variance of more than 5%, it deserved a comment because it was substantial. GM/COP Harman responded that, with respect to revenue, there would be a \$100,000 variance every month because COPS funding of about \$100,000 couldn't legally be included in the budget. Mr. Kruger replied that there should be a comment about this. Mr. Kruger said that property tax revenue was greater than what had been budgeted. GM/COP Harman responded that this variance had been addressed in the next report in the Board Packet. President Welsh noted that, perhaps, variances should be noted within the monthly financial report itself.

Mr. Kruger cited that the Worker's Compensation amount was different from the budgeted amount. GM/COP Harman explained this was because Worker's Compensation premiums were paid four times a year. Mr. Kruger said the same problem existed for Accounts 562 and 566. CM/COP Harman noted that Mr. Kruger asked the same questions at every meeting. GM/COP Harman explained that, with respect to one of these accounts, Richmond Police Department's billing was delayed. Mr. Kruger said there should be a comment to explain this. President Welsh said that, perhaps, comments or footnotes should appear within the report for those things having recurring variances. District Administrator Wolter asked what the Board considered to be a material percentage variance and should, therefore, be included in a variance report. She asked the Board to provide guidance, with respect to percentage. Director Cordova asked if the District's CPA, Deborah Russell, could run a variance report as an added column on the monthly P&L Report. District Administrator Wolter said that a policy or guidelines, about what the Board considered to be material, would be helpful. Mr. Kruger suggested posing this to the Finance Committee. Director Toombs noted that year-to-date actual income was more than \$391,000 ahead of what had been budgeted. He said there were some big numbers that needed to be explained. President Welsh concluded by saying this would be a Finance Committee assignment.

Director Cordova asked to discuss Item h. She asked GM/COP Harman to provide an update on coverage at the Hilltop School. She asked if an officer was there everyday and for how many hours. GM/COP Harman responded that the Department was currently short-staffed and, therefore, hadn't been able to have someone at the school every day for drop-off. He said coverage was being provided during the regular course of the day and that officers tried to sign in with the school at least twice a day and walk the property. He said the officers were continuing to provide security checks at night.

Barbara Steinburg commented that she had lived in Kensington for decades and that she'd always been very appreciative of the police service. She said she was concerned about what she'd been hearing: that there would be a restructuring of the police department and contracting out with El Cerrito. She said that would change our service and she was very concerned about that. She said the police department's short response time was very important to the good quality of service. Ms. Steinburg said that people noted there weren't many criminals in Kensington and that this was so because criminals knew they would be caught here. She said that, if there were fewer patrols and longer response times, the criminals would find out. She urged the Board to keep the police department intact.

Director Toombs said he wanted to make it clear that what was being proposed was a 12 to 18 month study of what level of service people wanted and that a study of contracting out would be part of that endeavor. President Welsh said he wanted to confirm that Ms. Steinburg appreciated the service she was getting. He said he appreciated it, too. Ms. Steinburg said she appreciated the service of the Board, too.

President Welsh asked for discussion of Item j. Vice President Gillette said she believed that the only Director who submitted correspondence was Director Sherris-Watt. Vice President Gillette noted that Board packets didn't include correspondence she had received and that, therefore, this shouldn't be called correspondence because it gave a skewed impression of the correspondence that had been received. She suggested that it be called correspondence submitted specific Directors. Director Sherris-Watt responded that she submitted emails that had been copied to other Directors and that she had verified with the senders that they had intended their emails to be submitted as correspondence. Vice President Gillette said that, in the interest of transparency, such submissions should reflect which Director has submitted them. President Welsh said that, if someone wanted to submit something for correspondence, it should be submitted to District Administrator Wolter. District Administrator Wolter noted that, in the past, correspondence had gone to the District office in the form of letters delivered by mail but that, with email correspondence now being a regular method of correspondence, the Board should consider establishing a policy for this method of correspondence. Vice President Gillette said she thought this was unnecessary and noted that the inclusion of numerous emails made Board Packets unwieldy and implied that these were the only emails that had been received by the District. Linda Spath suggested that the Board pose this question to the newly hired legal counsel. Board consensus was that correspondence to be included in Board Packets should be submitted to District Administrator Wolter.

**MOTION: Director Toombs moved, and President Welsh seconded, that the Consent Calendar be approved, with the exception that the Board carry over Item c to the next meeting and that Item j be identified as correspondence submitted by Director Sherris-Watt.
Motion passed 5 to 0.**

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

Board President Welsh called for a 15-minute break.

DISTRICT OLD BUSINESS

1. The Board received an update on the formation of a committee to research and report back to the Board on possible alternatives to the current General Manager/Chief of Police position and other issues related to District structure and mission statement. This item had been carried over from the March 12th meeting.

Director Toombs provided background information. He said that he and Director Cordova had developed a committee application form and that he checked the minutes of the prior meeting but there was not a unified message from the Board about what the goals and objectives should be. He said that he wanted the Board to look at the application and to establish five to six goals and that he and Director Cordova would present a more detailed report at the Board's May meeting.

President Welsh recommended the Board hire a consultant for this, given that so many issues were in play: the GM/COP position; the two-District issue; the long-term fiscal health issue; contracting out; etc. He suggested that a consultant perform an objective review of the District's community service needs: what would work best in terms of the number of officers; and assuming that the District kept a police force, what would work best; whether the GM/COP position should be split; and what it would cost to contract out with El Cerrito. Director Cordova said she agreed with President Welsh and offered up the names of possible consulting firms. President Welsh referred to the study on contracting out that had been done in 2009 and said he wasn't sure it had been objective and said he didn't think the community could afford to contract out with El Cerrito, even if it wanted to. Director Sherris-Watt asked what the timeline would be. President Welsh responded it would be soon and said the most urgent thing would be to hire an Interim GM/COP, noting the May 31st deadline. He said the Board should spend a lot of time on the structure issues and that a consultant should guide the process.

Larry Nagel suggested that the California Special Districts Association might be a possible resource for information about organizational structure and that this might be a cost-effective approach.

Vice President Gillette said she wasn't comfortable with using a consultant, citing the possibility the consultant might not be objective because there were many different agendas surrounding this issue. She questioned if the role of the consultant would be to make a recommendation or to provide an analysis and suggested there be a citizens' committee to ascertain what the community's interests were and then have that be the focus of an in-depth study. President Welsh added that a poll of the community might be helpful. Vice President Gillette said this was a complicated issue and, given this, questioned how a poll could be structured. President Welsh said the first thing needed would be a fiscal analysis, noting that there were many people saying the community should contract out with El Cerrito, something he said he didn't think would be fiscally feasible. He said there were astronomical PERS contributions that would need to be made and such fiscal aspects might cause the community to cease discussions about contracting out. He noted that this was good reason to have an objective consultant look at this. He said that, if contracting out were not feasible, he would want someone to advise the District about how many officers it should have on duty. He said that if having its own police force was the community's only affordable option, it needed to know that.

Gail Feldman said establishing a citizens' committee and then having a consultant at some point during the process would be a good approach. She said a citizens' committee could help the Board define the scope of

work for a consultant. She noted that consultants worked for the client and so their work really wasn't objective. She recommended that the Board develop a timeline for the committee.

President Welsh said he really wanted to integrate the community into the process. There was Board consensus that having a conversation with CSDA would be a good place to start.

Gail Feldman added that the Board might need a facilitator for the committee.

Director Toombs said he would be happy to integrate a professional consultant into the timeline/framework that he and Director Cordova had been developing. Director Cordova noted that she and Director Toombs had developed a roster of other agencies that had undergone a change in governance. President Welsh asked that Directors Cordova and Toombs provide a timeline at the next Board meeting.

Ryan Anderson recommended, with respect to a consultant: a phased approach; that the Board identify whether the mandate would be to provide data or a recommendation; scope of work; exploring with the CSDA; and benchmarking to other communities.

The Board concluded that no action was needed.

Director Sherris-Watt said she wanted to make a correction to the minutes concerning letters that had been submitted. She noted that she had not submitted all the letters that had appeared under correspondence. She said she would send an email to District Administrator Wolter letting her know which letters she had submitted.

3. The Board considered the appointment of an expert to look into security issues at the police department. This item was carried over from the March 12th meeting.

Director Sherris-Watt reported that she, Ryan Anderson, Rick Artis, and Sergeant Hui, had met to discuss physical, informational, data, and internet security issues at the police department. She said she wanted to present findings at the next Board meeting and to meet with the Fire Board. She said those who met were not concerned about the department's security with respect to the areas mentioned. She said that most of the Department's sensitive data was handled in Richmond.

President Welsh said that, when he first raised this issue, he might have unwittingly cast aspersions on the Fire Department. He said he was only trying to point out possible security weaknesses; he was not trying to impugn the Fire Department.

Rick Artis noted that Sergeant Hui had been holding down the fort with respect to many of the security issues.

Director Toombs asked about Richmond's security. Ryan Anderson responded that DOJ had no issues with it.

President Welsh concluded by saying the Board would hear more on this topic at the next meeting and that he wanted to ensure that security was state-of-the-art.

2. The Board discussed the Interim Chief of Police selection process. This item was carried over from the March 12th meeting.

Vice President Gillette reported that the job posting included in the Board Packet had been released too soon. She noted there were some things that needed to be corrected and that it needed to be reviewed by a lawyer. She said there were elements, such as term, salary, and benefits that the Board needed to decide; there were problems with the job description and essential job duties; and there was a process that would need to be approved by the Board. She proposed that she and Director Sherris-Watt would review the applications and develop a short list of three to five candidates, there would be a meeting at which the

candidates would appear, and the Board and the public would be allowed to pose questions. She said that, after that, the Board would make a decision at its May 14th meeting.

Director Sherris-Watt proposed a quicker timeline because background checks would take time. She proposed posting the job April 19th, setting an application deadline of May 1st, and holding a public forum on May 6th.

Vice President Gillette proposed posting the job on April 13th, setting an application deadline of May 4th, having herself and Director Sherris-Watt conduct an initial screening on May 8th, conducting open interviews on May 11th, and conducting finalists' interviews at the Board's May 14th meeting.

President Welsh asked who would perform the background checks. Vice President Gillette said the job could be contingent upon passing a background check, so a background check wouldn't need to be performed ahead of time. In response to a question from David Bergen, Vice President Gillette said that she and Director Sherris-Watt anticipated a combined position for a period of about six months. David Bergen questioned whether having one person fill both positions was a conflict. President Welsh responded that, if this were a conflict of interest, the community had been living with it for a long time and that separating the positions might prove to be expensive. Director Sherris-Watt said she appreciated Mr. Bergen's comments but that, because of budgetary constraints, it made sense to keep the position combined during the interim period.

Director Cordova said the timeline was very tight. She suggested advertising for the combined GM/COP position and concurrently advertising for a COP alone. She also suggested that, in order to buy some more time, the Board consider putting through a per diem with the Sheriff's Department or another agency. Director Sherris-Watt said she appreciated the value of this proposal but that the District was legally required to have a GM. Vice President Gillette responded that, as ambitious as the timeline was, this would be easy and there would be a lot of people wanting to apply for the position. She said that, if a sufficient number of people didn't apply, perhaps the Board could consider an alternative.

Director Toombs noted that April 13th was the recommended posting date, but the Board hadn't yet discussed salary. He noted that the previous Interim GM/COP's rate of pay had been quite high.

Jim Watt asked if the Board had considered a consultant for the position, as this might be a way to avoid paying benefits. He noted that a CalPERS retiree could work 980 hours in a year and that the interim position was intended to last six months. Vice President Gillette responded that the job description, as presented in the Board packet, indicated there would be benefits but that this description wasn't necessarily correct.

Gail Feldman suggested that the posting could indicate that salary would be dependent upon experience. Director Cordova responded that it wasn't just salary; it was total compensation, and this would be the total cost to the District.

Director Cordova asked Vice President Gillette to provide changes she wanted to recommend. Vice President Gillette recommended:

- Delete the reference to "old fashioned community".
- For duties - use the job description contained in the District's Policy Manual because the Board had adopted it.
- Remove requirement for degrees because such a requirement would be illegal. Instead, indicate that a degree would be preferred.

Director Sherris-Watt noted that the Policy Manual stated that a Bachelor's degree was required and a Master's degree was preferred. Vice President Gillette responded that this would need to be addressed.

Vice President Gillette continued with her recommended changes:

- Salary would be negotiable

Celia Concus suggested that the position be separated because the skill set required for each part was different, specifically with respect to budgets, and that the combination of the two positions had been a serious problem. Director Toombs responded that individuals at the Chief level were responsible for budgets. Vice President Gillette thanked Ms. Concus for her input but said that, at this time, it would be better to keep the roles of GM and COP combined for the time being.

Vice President Gillette further recommended:

- The Board allow the changes that had been discussed.
- Legal counsel review the proposed posting.
- The job be posted by April 13th.
- The Board pursue the proposed schedule
- There be a forum on May 11th.

Board consensus was that the process should proceed based on these recommendations.

DISTRICT NEW BUSINESS

2. General Manager/Chief of Police Gregory Harman requested the Board approve extending the agreement with All City Management Services for crossing guard services for the 2015-2016 school and fiscal year. The cost of extending the contract for Fiscal Year 2015-2016 would be \$10,829.70.

GM/COP Harman asked the Board to approve a proposed amendment to the agreement with All City Management Services (ACMS) for providing crossing guard services at the intersection of Arlington Avenue and Kensington Park Road for fiscal year 2015-2016. He reported that the District had entered into this agreement in 1995 and that ACMS was requesting a 3% fee increase, from \$16.69 to \$17.19 per hour. He said this would increase the current budgeted annual amount of \$10,515 to an amount not to exceed \$10,829. He reported that, on July 1, 2015 and per the passage of AB 1522, employees would begin to be paid or accrue sick leave at a rate of one hour for every 30 hours worked. GM/COP Harman noted that the District was entering into its second year of an agreement with the West Contra Costa Unified School District through which the School District was reimbursing the District for the cost of the crossing guard. He said that the crossing guard was an important part of the District's traffic safety efforts.

GM/COP Harman reported that, last year, the Board had asked him to research if there were other firms interested in bidding on the contract. He said he had identified two other firms, but neither of them offered service in the Bay Area.

Director Toombs said this would be about a \$300 per year increase.

Director Cordova noted this would be cost-neutral because of the agreement with the School District.

**MOTION: Vice President Gillette moved, and President Welsh seconded, that the Board adopt the extension proposed by the Chief.
Motion passed 5 to 0.**

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

3. General Manager/Chief of Police Greg Harman requested the Board adopt Resolution 2015-01, a resolution of the Board of directors of the Kensington Police Protection and Community Services District approving the Annual Report for the Kensington Park Assessment District for Fiscal Year 2015-2016.

GM/COP Harman reported that, every year, the Board needed to approve resolutions prepared by NBS that initiated the process of collecting the park tax assessment, pursuant to the Landscaping and Light Act of 1972. He said the first step would be to approve Resolution 2015-01, the approval of the Annual Report for the Kensington Park Assessment District for Fiscal-Year 2015-2016. He noted that the corresponding Engineer's Report was in the Board Packet.

Director Toombs said this was for park maintenance and this process had been in place since 1994.

MOTION: President Welsh moved, and Vice President Gillette seconded, that the Board approve Resolution 2015-01.

Motion passed 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT: 0

4. General Manager/Chief of Police Greg Harman requested that the Board adopt Resolution 2015-02, a resolution of the Board of Directors of the Kensington Police Protection and Community Services District initiating proceedings for the levy and collection of assessments for the Kensington Park Assessment District for Fiscal-Year 2015-2016.

GM/COP Harman reported that this was the second step of the process needed to initiate proceedings for the levy and collection of the assessments for the Kensington Park Assessment District for the upcoming fiscal year.

MOTION: President Welsh moved, and Director Sherris-Watt seconded, that the Board approve Resolution 2015-02.

Motion passed 5 to 0

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT: 0

5. General Manager/Chief of Police Greg Harman requested the Board adopt Resolution 2015-03, as resolution of the Board of Directors of the Kensington Police Protection and Community Services District declaring its intention to levy and collect assessments for the Kensington Park Assessment District for Fiscal-Year 2015-2016.

GM/COP Harman reported that this was the third step in the process and that, by approving Resolution 2015-03, the Board would be declaring its intention to levy and collect assessments for the Kensington Park Assessment District for Fiscal-Year 2015-2016 and setting the public hearing for Thursday, May 14th, at 7:30 PM. He reported that, once Resolution 2015-03 was passed, staff would need publish it in the local paper at least 10 days prior to the May 14th public meeting. He said that the assessment would increase from \$15.24 to \$15.62 per year, that 2,188 parcels would be assessed, and that the total levy would be \$35,191.60. He clarified that this money could only be used for park maintenance and asked that the Board approve the resolution.

MOTION: Vice President Gillette moved, and President Welsh seconded, that the Board approve Resolution 2015-03.

Motion passed 5 to 0.

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

**MOTION: Director Toombs moved, and President Welsh seconded, that the meeting be adjourned.
Motion passed 5 to 0.**

AYES: Welsh, Toombs, Gillette, Cordova, Sherris-Watt NOES: 0 ABSENT:

The meeting was adjourned at 11:26 P.M.

Len Welsh
KPPCSD Board President

Lynn Wolter
District Administrator

Memorandum

Kensington Police Department



To: KPPCSD Board of Directors

APPROVED YES NO

From: Gregory E. Harman, General Manager/ Chief of Police

FORWARDED TO:

Date: Friday, May 08, 2015

Subject: Consent Calendar Item C- April 2015 Unaudited Profit & Loss Report

For the month of April, the Unaudited Profit & Loss Budget Performance Report is attached for review.

Variances in revenue and expenses for the month, as well as year to date fiscal projections can be found in the "Budget" portion of the General Manager's Report.

Additionally, the Five Year Budget Projections Report will be included in the Monthly Agenda packet, and will follow this report in the packet replacing the Park Revenue & Expense Report.

KPPCSD
Unaudited Profit & Loss Budget Performance
 April 2015

	Apr 15	Budget	Jul '14 - A...	YTD Budget	Annual Bu...
Ordinary Income/Expense					
Income					
400 · Police Activities Re...					
401 · Levy Tax	0.00		1,446,997.68	1,413,620.00	1,413,620.00
402 · Special Tax-Police	0.00		681,690.00	680,000.00	680,000.00
403 · Misc Tax-Police	0.00		69.00		
404 · Measure G Suppl...	0.00		501,949.76	501,443.00	501,443.00
410 · Police Fees/Servi...	40.00		1,235.65	1,125.00	1,500.00
414 · POST Reimburse...	0.00		1,262.79		
415 · Grants-Police	10,669.94		77,970.49		
416 · Interest-Police	0.00	625.00	302.30	1,875.00	2,500.00
418 · Misc Police Income	1,744.49	1,500.00	18,421.44	15,000.00	18,000.00
419 · Supplemental W/...	4,298.56		19,343.52		
400 · Police Activities ...	0.00		20.00		
Total 400 · Police Activiti...	16,752.99	2,125.00	2,749,262.63	2,613,063.00	2,617,063.00
420 · Park/Rec Activities ...					
424 · Special Tax-L&L	0.00		34,334.92	33,000.00	33,000.00
427 · Community Cent...	675.00	3,000.00	27,160.50	26,000.00	30,000.00
436 · Interest-Park/Rec	0.00	25.00	0.00	75.00	100.00
438 · Misc Park/Rec Rev	0.00	50.00	162.00	400.00	500.00
Total 420 · Park/Rec Acti...	675.00	3,075.00	61,657.42	59,475.00	63,600.00
440 · District Activities R...					
448 · Franchise Fees	0.00	7,000.00	16,746.66	21,000.00	21,000.00
456 · Interest-District	0.00	87.50	0.00	262.50	350.00
458 · Misc District Rev...	0.00		5,132.00		
Total 440 · District Activi...	0.00	7,087.50	21,878.66	21,262.50	21,350.00
Total Income	17,427.99	12,287.50	2,832,798.71	2,693,800.50	2,702,013.00
Expense					
500 · Police Sal & Ben					
502 · Salary - Officers	82,631.44	81,748.58	816,651.97	817,485.84	980,983.00

3K

KPPCSD Unaudited Profit & Loss Budget Performance April 2015

	Apr 15	Budget	Jul '14 - A...	YTD Budget	Annual Bu...
504 · Compensated Ab...	0.00	0.00	2,315.83	8,800.00	8,800.00
506 · Overtime	4,634.75	3,750.00	41,405.92	37,500.00	45,000.00
508 · Salary - Non-Sworn	8,405.93	6,825.00	57,977.33	68,250.00	81,900.00
516 · Uniform Allowance	666.60	666.66	6,666.00	6,666.60	8,000.00
518 · Safety Equipment	0.00	0.00	0.00	2,500.00	2,500.00
521-A · Medical/Vision/...	25,402.30	15,858.83	159,697.58	174,447.17	190,306.00
521-R · Medical/Vision/...	23,889.39	11,312.33	131,581.15	124,435.67	135,748.00
521-T · Medical/Vision/...	0.00	0.00	58,058.00	58,058.00	58,058.00
522 · Insurance - Police	245.00	436.67	4,321.00	4,366.66	5,240.00
523 · Social Security/M...	1,297.98	1,359.00	10,427.48	13,590.00	16,308.00
524 · Social Security - ...	562.93	423.17	3,947.03	4,231.66	5,078.00
527 · PERS - District P...	32,172.20	31,565.00	318,589.99	315,650.00	378,780.00
528 · PERS - Officers P...	7,496.82	7,417.33	74,098.75	74,173.34	89,008.00
530 · Workers Comp	0.00	0.00	37,972.00	40,000.00	50,000.00
Total 500 · Police Sal & B...	187,405.34	161,362.57	1,723,710.03	1,750,154.94	2,055,709.00
550 · Other Police Expen...	0.00	125.00	4,144.73	1,250.00	1,500.00
552 · Expendable Polic...	0.00	0.00	1,640.85	3,000.00	3,000.00
553 · Range/Ammuniti...	1,460.38	876.25	4,731.55	8,762.50	10,515.00
560 · Crossing Guard	1,727.55	5,000.00	39,375.25	50,000.00	60,000.00
562 · Vehicle Operation ...	0.00	13,005.83	69,883.23	130,058.34	156,070.00
566 · Radio Maintenance	181.69	1,812.50	21,103.85	18,125.00	21,750.00
568 · Prisoner/Case Ex...	150.00	450.00	7,979.27	4,500.00	5,400.00
570 · Training	302.00	833.33	8,351.83	8,333.34	10,000.00
572 · Recruiting	0.00	541.67	0.00	5,416.66	6,500.00
574 · Reserve Officers	0.00	337.50	2,056.19	3,375.00	4,050.00
576 · Misc. Dues, Meal...	0.00	261.67	2,485.00	2,616.66	3,140.00
580 · Utilities - Police	1,355.70	746.67	8,890.81	7,466.66	8,960.00
581 · Bldg Repairs/Mai...	285.16	83.33	1,186.11	833.34	1,000.00
582 · Expendable Offic...	1,064.99	500.00	4,844.27	5,000.00	6,000.00
588 · Telephone(+Rich....	961.99	742.00	6,713.75	7,420.00	8,904.00
590 · Housekeeping	296.26	333.33	3,541.20	3,333.34	4,000.00
592 · Publications	0.00	183.33	2,283.90	1,833.34	2,200.00

KPPCSD Unaudited Profit & Loss Budget Performance April 2015

	Apr 15	Budget	Jul '14 - A...	YTD Budget	Annual Bu...
594 · Community Polici...	153.55	166.67	9,093.27	1,666.66	2,000.00
596 · WEST-NET/CAL I...	0.00		13,655.00	13,925.00	13,925.00
599 · Police Taxes Ad...	860.11		3,397.22	3,300.00	3,300.00
Total 550 · Other Police ...	8,799.38	25,999.08	215,357.28	280,215.84	332,214.00
600 · Park/Rec Sal & Ben					
601 · Park & Rec Admi...	673.50	650.00	5,684.44	6,500.00	7,800.00
602 · Custodian	1,750.00	1,895.83	17,500.00	18,958.34	22,750.00
623 · Social Security/M...	0.00	49.75	0.00	497.50	597.00
Total 600 · Park/Rec Sal ...	2,423.50	2,595.58	23,184.44	25,955.84	31,147.00
635 · Park/Recreation Ex...					
640 · Community Cent...	431.97	468.00	4,291.06	4,680.00	5,616.00
642 · Utilities-Comm...	0.00	66.67	1,313.91	666.66	800.00
643 · Janitorial Supp...	0.00		2,725.84	3,000.00	3,000.00
646 · Community Ce...					
Total 640 · Community ...	431.97	534.67	8,330.81	8,346.66	9,416.00
672 · Kensington Park ...	7,497.61		39,391.55	79,524.00	79,524.00
678 · Misc Park/Rec Ex...	0.00		170.00		
Total 635 · Park/Recreati...	7,929.58	534.67	47,892.36	87,870.66	88,940.00
800 · District Expenses					
810 · Computer Mainte...	1,323.89	2,024.00	19,769.89	20,240.00	24,288.00
820 · Cannon Copier C...	387.05	475.00	4,367.50	4,750.00	5,700.00
830 · Legal (District/Pe...	60,547.25	12,500.00	150,885.31	125,000.00	150,000.00
835 · Consulting	0.00	625.00	0.00	6,250.00	7,500.00
840 · Accounting	4,543.07	2,979.17	9,756.82	29,791.66	35,750.00
850 · Insurance	386.16	1,000.00	29,917.36	30,000.00	30,000.00
860 · Election	0.00		8,608.25	10,000.00	10,000.00
865 · Police Bldg. Lease	0.00		0.00	1.00	1.00
870 · County Expendit...	0.00		22,082.11	22,300.00	22,300.00
890 · Waste/Recycle	303.07	9,883.33	37,558.21	98,833.34	118,600.00
898 · Misc. Expenses	317.54	1,000.00	6,989.33	10,300.00	12,300.00

KPPCSD
Unaudited Profit & Loss Budget Performance
 April 2015

	Apr 15	Budget	Jul '14 - A...	YTD Budget	Annual Bu...
Total 800 · District Expen...	67,808.03	30,486.50	289,934.78	357,466.00	416,439.00
950 · Capital Outlay					
962 · Patrol Cars	0.00		29,308.28		30,000.00
963 · Patrol Car Acces...	0.00		17,036.13		16,000.00
972 · Park Buildings I...	0.00		0.00		
Total 950 · Capital Outlay	0.00		46,344.41		46,000.00
Total Expense	274,365.83	220,978.40	2,346,423.30	2,501,663.28	2,970,449.00
Net Ordinary Income	-256,937.84	-208,690.90	486,375.41	192,137.22	-268,436.00
Other Income/Expense					
Other Expense					
700 · Bond Issue Expens...					
701 · Bond Proceeds	0.00		-175,583.24		
710 · Bond Admin.	2,377.99		11,611.30		
715 · Bond Interest Inc...	0.00		-116.82		
720 · Bond Principal	0.00		123,024.10		
730 · Bond Interest	0.00		38,599.06		
Total 700 · Bond Issue E...	2,377.99		-2,465.60		
Total Other Expense	2,377.99		-2,465.60		
Net Other Income	-2,377.99	0.00	2,465.60	0.00	0.00
Net Income	-259,315.83	-208,690.90	488,841.01	192,137.22	-268,436.00

Memorandum

Kensington Police Department

To: KPPCSD Board of Directors

APPROVED



NO

From: Gregory E. Harman, General Manager/ Chief of Police

Date: May 8, 2015

FORWARDED TO:

Subject: Consent Calendar Item #D- Five Year Budget Projection Report

Attached to this memo is the Five Year Budget Projection Report as updated following the Finance Committee meeting held on January 29th. The costs associated with police officers' salaries and benefits have been verified accurate by our accountant, Debra Russell, on March 6th. ***This report includes the costs associated with the previous purposed four year MOU with the Kensington Police Officers Association.***

It is my intention to update this report every month, making adjustments during the year, so that every month you will be able to review the current changes in the budget and track the long term effects on the District's financial position.

Changes to the budget will be tracked in the footnotes of the report.

This report will follow the Unaudited Profit & Loss Report in the agenda packet.

This report also replaces the monthly Park Revenue & Expense Report that use to follow the Unaudited Profit & Loss Report in the agenda packet.

Kensington Police Protection Community Services District
 Five (5) Year Budget Projection with New KPOA MOU May 6, 2015

Revenue	Budg 14/15	YTD 14/15	Proj 14/15	15/16	16/17	17/18	18/19	19/20
Budget Year								
401 Property Tax	1,401,120	1,446,998	1,448,659	1,477,632	1,507,185	1,537,329	1,568,075	1,599,437
Homeowner Tax	12,500	0	12,500	13,000	13,000	13,000	13,000	13,000
402 Police Tax	680,000	681,690	681,690	681,690	681,690	681,690	681,690	681,690
404 Measure G	501,443	501,950	501,950	514,499	527,361	540,545	554,059	567,910
410 Police Fees/Service	1,500	1,263	1,500	1,500	1,500	1,500	1,500	1,500
415 COPS Grant	100,000	77,970	100,000	100,000	100,000	100,000	100,000	100,000
416 Police Interest	2,500	302	1,800	1,800	1,800	1,800	1,800	1,800
418 Other Police Rev	18,000	18,421	20,000	20,500	21,000	21,500	22,000	22,500
419 Workers Comp Reim	0	19,344	42,000	0	0	0	0	0
424 Park O&M Assessment	33,000	34,335	34,335	35,193	36,073	36,975	37,899	38,847
427 Community Center Rev	30,000	27,161	32,000	32,000	32,000	32,000	32,000	32,000
438 Other Park & Rec Rev	500	162	250	250	250	158,000	250	250
448 Franchise Fess	21,000	25,443	25,250	50,000	51,500	53,000	54,500	56,000
458 WCCSD Reimbursement	0	5,132	25,000	25,000	25,000	0	0	0
459 NCCCTF Salary Remiburs	0	2,680	36,000	0	0	0	0	0
Total Revenue	2,801,563	2,842,851	2,962,934	2,953,064	2,998,359	3,177,339	3,066,773	3,114,934
Expenses	Budg 14/15	YTD 14/15	Proj 14/15	15/16	16/17	17/18	18/19	19/20
502 Police Salary	980,983	816,652	1,017,142	1,055,936	1,100,813	1,147,598	1,147,598	1,147,598
504 Vacation/ Comp	8,800	2,316	5,000	9,130	9,518	9,923	9,923	9,923
506 Overtime	45,000	41,405	45,000	45,000	45,000	45,000	45,000	45,000
516 Uniform Allowance	8,000	6,666	8,000	8,000	8,000	8,000	8,000	8,000
518 Safety Equipment	2,500	0	2,500	2,500	2,500	2,500	2,500	2,500
521 Medical-Active	190,306	159,698	181,312	199,821	209,812	220,303	231,318	242,884
521F Medical-Retired	135,748	131,581	135,748	142,536	149,663	157,146	165,003	173,253
521H Medical-Trust	58,058	58,058	58,058	50,000	50,000	50,000	50,000	50,000
522 Disability& Life Ins	5,240	4,321	5,240	5,502	5,777	6,066	6,369	6,688
523 Medicare 1.45% District	16,308	10,427	16,832	17,225	17,777	18,352	18,352	18,352
527 PERS District Portion	378,780	318,590	392,851	400,344	445,238	446,019	391,145	397,021
528 PERS Officers Portion	89,008	74,099	83,914	31,741	0	0	0	0
Sub-Total Police Sal&Ber	1,918,731	1,623,813	1,951,597	1,967,735	2,044,098	2,110,907	2,075,208	2,101,219

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**Kensington Police Protection Community Services District
Five (5) Year Budget Projection with New KPOA MOU May 6, 2015**

F/N # Footnotes

- 401 Property Tax revenue increased by 2% each year following 9% increase 2014/15
- 402 There is no CPI built in to this tax
- 404 Measure G revenue increased by a CPI of 2.5% each year/ Increases (Up to CPI) are set by Board each year
- 410 Fees charged for reports and vehicle releases
- 415 COPS grant funding cannot be included in yearly budgets
- 416 Interest earned in LAIF
- 418 Revenue received from traffic/ parking enforcement with a CPI increase of 2.5%
- 419 Workers Comp reimbursement occurs only when officer(s) injured on duty
- 424 Revenue increased by CPI of 2.5%
- 427 Revenue will drop during remodel year but increase once rental fees are increase so estimates should balance out
- 438 If \$241,500 is used for Center remodel in 2017, then \$158,000 can be received from EBRPD Measure WW Grant
- 448 Franchise fee increase to 7% but 3% to County/ Contract calls for minimum 3% (to CPI of 5%) increase in BV fees
- 458 West Contra Costa Co Unified School District Grant Contract to 2017/ Unknown if it will continue
- 459 No Ca Comptuer Crimes Task Force reimbursement for 1/2 Sgt. Hui's salary second 1/2 FY

- 502 **If new MOU signed, retro 3.75% increase in salary back to Jan 1/ Costs do not include any increases for COP**
- 504 Cash outs lower than expected/ 4% increase per year estimated
- 506 Overtime should be at budget projections/ Can control some OT costs
- 516 As per MOU
- 518 As per MOU
- 521/ Active medical costs 5% lower than budgeted/ 10% increase thereafter
- 521F Adjusted per accountant at Finance meeting
- 521ARC \$193,906-\$143,728= new 521T of \$50,178
- 522 As per MOU
- 523 Salary x 1.45%
- 527 PERS moves to new costs schedule
- 528 With new MOU, officer's portion 9% still paid by District for 9 months, then officer's pick up 3% in 2015

Kensington Police Protection Community Services District
 Five (5) Year Budget Projection with New KPOA MOU May 6, 2015

Budget Year	Budg 14/15	YTD 14/15	Proj 14/15	15/16	16/17	17/18	18/19	19/20
508 Salary Non-Sworn	81,900	57,978	70,400	81,900	81,900	81,900	81,900	81,900
524 Soc Sec 6.2% Non-Swo Di	5,078	3,947	4,365	5,078	5,078	5,078	5,078	5,078
601 Salary Park & Rec	7,800	5,684	7,460	7,800	7,800	7,800	7,800	7,800
602 Custodian	22,750	17,500	22,750	22,750	22,750	22,750	22,750	22,750
623 Soc Sec 7.65% District	597	0	597	597	597	597	597	597
Sub-Toatal Non-Sworn	118,125	85,109	105,572	118,125	118,125	118,125	118,125	118,125
530 Workers Comp Ins	50,000	37,972	38,000	41,245	42,482	43,757	45,070	46,422
Total Salary & Benefits	2,086,856	1,746,894	2,095,169	2,127,105	2,204,705	2,272,789	2,238,403	2,265,766
Other District Expenses								
Police Expenses								
552 Expendable Police Sup	1,500	4,145	4,259	1,500	1,500	1,500	1,500	1,500
553 Range/ Ammunition	3,000	1,641	3,000	3,000	3,000	3,000	3,000	3,000
560 Crossing Guard	10,515	4,732	10,515	10,830	11,155	11,490	11,835	12,190
562 Vehicle Operation	60,000	39,375	55,000	60,000	60,000	60,000	60,000	60,000
564 Communications (RPD)	156,070	69,883	156,070	167,356	179,658	193,067	207,683	223,614
566 Radio Maintenance	21,750	21,103	21,750	21,750	21,750	21,750	21,750	21,750
568 Prisoner/Case Exp/Book	5,400	7,979	6,800	5,400	5,400	5,400	5,400	5,400
570 Training	10,000	8,352	10,000	10,000	10,000	10,000	10,000	10,000
572 Recruiting	6,500	0	2,850	6,500	6,500	6,500	6,500	6,500
574 Reserve Officers	4,050	2,056	3,500	4,000	4,000	4,000	4,000	4,000
576 Misc Meals & Travel	3,140	2,485	3,140	3,140	3,140	3,140	3,140	3,140
580 Utilities Police	8,960	8,891	9,800	9,800	9,800	9,800	9,800	9,800
581 Bldg Repairs/Mainten	1,000	1,186	901	1,000	1,000	1,000	1,000	1,000
582 Expendable Office Sup	6,000	4,844	6,000	6,000	6,000	6,000	6,000	6,000
588 Telephone	8,904	6,714	8,904	9,171	9,446	9,730	10,022	10,322
590 Housekeeping	4,000	3,541	4,000	4,000	4,000	4,000	4,000	4,000
592 Publications	2,200	2,284	2,550	2,500	2,500	2,500	2,500	2,500
594 Community Policing	2,000	9,093	8,745	2,200	2,200	2,200	2,200	2,200
596 WestNet/ CAL ID	13,925	13,655	13,655	13,938	14,235	14,422	14,743	15,080
599 Police Tax Admin	3,300	3,397	3,300	3,300	3,300	3,300	3,300	3,300
Total Police Expenses	332,214	215,356	334,739	340,519	349,032	357,758	366,702	375,870

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Kensington Police Protection Community Services District
Five (5) Year Budget Projection with New KPOA MOU May 6, 2015

F/N

- 508 Budgeted salary adjustment did not occur until Jan 2015/ With salary adjustment, should be no increases next 5 yrs
- 524 Salary x 7.65%
- 601 Budgeted salary adjustment did not occur until Jan 2015
- 602 As budgeted under contract
- 623 Salary x 7.65% (May be picked up in #524)

- 530 SDRMA est annual discounted fee of \$41,245 less \$3,273 discounts= \$37,972 (Could have year end adjustments)
- 530 Increased at 3% CPI with no discount taken

- 552 Over budget \$830 flashlights & \$500 safety vests (Received \$1,000 grant to reimburse), \$1,800 radar -1 time purchase
- 553 Range fee \$250 x4, ammo \$2,000 a year for qualifying
- 560 Past increases have ranged between 2.5% and 4.5%/ Used 3% for budget/ This expense reimbursed by WCCUSD 3yr
- 562 Budgeted 7,000 gal at \$4.30 before gas prices went down to \$3.50
- 564 Contract with RPD expired 6/2014/ Past contracts called for 10% projected increases but have been at 9% (\$125,400)
- 566 Current lease contract w/Motorola expires 2016, expense could change depending on action taken
- 568 \$3,250 fee for lab work for sexual assault case
- 570 \$5,000 reimbursement per MOU/ \$5,000 for training (Some reimbursements by POST when available)
- 572 Expect to complete process for 1 reserve this fiscal year/ budget for 2 each year
- 574 Expect to complete process for 1 reserve this fiscal year/ budget for 2 each year
- 576 Association dues and CPOA per MOU
- 580 Budgeted for \$747 average/ YTD \$816 average
- 581 \$625 1 time expense for garbage disposal
- 582 Can control costs of this item
- 588 Adjusted 3% CPI each year
- 590 Custodial contract \$2,520/ all other costs controllable
- 592 Lexipol \$1,950 year/ \$600 Co Co Times
- 594 \$7,500 for website re-design
- 596 WestNET contract \$8,000 (WestNET may dissolve July 2015)/ CALID increases 5% each year
- 599 Contract w/NBS

Kensington Police Protection Community Services District
 Five (5) Year Budget Projection with New KPOA MOU May 6, 2015

Budget Year	Budg 14/15	YTD 14/15	Proj 14/15	15/16	16/17	17/18	18/19	19/20
Park & Rec								
642 Community Center Utili	5,616	4,291	5,616	5,784	5,958	6,137	6,321	6,510
643 Janitorial Supplies	800	1,314	896	922	951	979	1,008	1,038
646 Com Center Repairs	3,000	2,726	3,000	3,000	3,000	3,000	3,000	3,000
662 Annex Utilities	0	0	0	0	0	0	0	0
668 Annex Repairs	0	0	0	0	0	0	0	0
668 Misc Annex Exp	0	0	0	0	0	0	0	0
670 Gardening Supplies	0	0	0	0	0	0	0	0
672 Kens Park O&M	79,524	39,392	79,524	81,910	84,367	86,898	89,505	92,190
674 Park Construct Exp	0	0	0	0	0	0	0	0
678 Misc Park Exp	0	170	170	170	170	170	170	170
Total Park & Rec Exps	88,940	47,893	89,206	91,786	94,446	97,184	100,004	102,908
District Administration								
810 Computer Maintenance	24,288	19,770	24,288	25,017	25,767	26,540	27,336	28,156
820 Copier Expenses	5,700	4,368	5,700	5,871	6,047	6,229	6,415	6,608
830 Legal District/Personnel	150,000	150,885	150,000	125,000	150,000	125,000	125,000	125,000
835 Consulting	7,500	0	0	3,000	0	3,000	0	3,000
840 Accounting	35,750	9,757	35,750	36,823	37,927	39,065	40,237	41,444
850 Insurance	30,000	29,531	29,531	30,417	31,329	32,269	33,237	34,234
860 Election Expenses	10,000	8,608	8,608	0	9,000	0	10,000	0
865 Public Safety Build Lease	1	1	1	1	1	35,000	36,050	37,132
870 County Expenditures	22,300	22,082	22,300	22,969	23,658	24,368	25,098	25,852
890 Waste/Recycle	118,600	37,558	36,889	25,000	1,000	1,000	1,000	1,000
898 Misc District Expenses	12,300	6,989	9,370	11,500	11,500	11,500	11,500	11,500
Total District Expenses	416,439	289,549	322,437	285,598	296,229	303,971	315,873	313,926
Sub-Total	2,924,449	2,299,692	2,841,551	2,845,008	2,944,412	3,031,702	3,020,982	3,058,470
Capital Exp	0							
Patrol Vehicle	46,000	46,344	46,344	46,000	46,000		46,000	
Community Center Remo	0	0	7,100			399,500		
Total Exp	2,970,449	2,346,036	2,894,995	2,845,008	2,990,412	3,431,202	3,066,982	3,058,470

Kensington Police Protection Community Services District
Five (5) Year Budget Projection with New KPOA MOU May 6, 2015

F/N

- 642 Increase CPI of 3%
- 643 Increase CPI of 3%
- 646 With remodel in 2017, costs of repairs should decrease
- 662 Note: Annez utilities may be currently expensed to 672
- 668
- 668
- 670
- 672 Increase CPI of 3%
- 674
- 678 Membership CA Park & Rec Soc

- 810 Increase CPI of 3%
- 820
- 830 Legal costs should decrease when Writ litigation is completed/ Increase in 16/17 for Center remodel prep
- 835 Note: Website design was expensed to 594/ CERBT Actuarial Report due every 2 years
- 840 Increase CPI of 3%
- 850 Increase CPI of 3%
- 860 KPPCSD Board elections every 2 years
- 865 3 Yr agreement for no rent w/KFPD/ Future cost est with CPI increase of 3%
- 870 Increase CPI of 3%
- 890 Below budget due to new contract w/No chg public cans/ No RFP/ Est \$25,000 legal fees for new contract w/County
- 898 LAFCO \$1,200/Sem Directors \$2,000/CSDA-CCSDA Mem \$5,300/CSDA Confer \$3,000/ Gov Days \$500 cancelled

- Patrol vehicle \$29,308 with \$500 discount plus \$17,036 equipment
- Engineer's Structural Analysis was not budgeted for in 14/15 Budget/ Could be expensed to Building Reserve Acct
- \$399,500 could be expensed for Community Center Remodel as Capital Improvement and removed from Operational Bu

Kensington Police Protection Community Services District
 Five (5) Year Budget Projection with New KPOA MOU May 6, 2015

Budget Year	Budg 14/15	YTD 14/15	Proj 14/15	15/16	16/17	17/18	18/19	19/20
Total Projected Rev	2,801,563	2,842,851	2,962,934	2,953,064	2,998,359	3,177,339	3,066,773	3,114,934
Total Exp	-2,970,449	-2,346,036	-2,894,995	-2,845,008	-2,990,412	-3,431,202	-3,066,982	-3,058,470
Proj Surplus-Shortfall	-168,886	496,815	67,939	108,056	7,947	-253,863	-209	56,464
Beg Cash Reserves	1,383,764		1,383,764	1,451,703	1,559,759	1,567,706	1,313,843	1,313,634
Proj Surplus-Shortfall	-168,886		67,939	108,056	7,947	-253,863	-209	56,464
Ending Cash Reserves	1,214,878		1,451,703	1,559,759	1,567,706	1,313,843	1,313,634	1,370,098

Kensington Police Protection Community Services District
Five (5) Year Budget Projection with New KPOA MOU May 6, 2015

F/N

No increases in COP salary in calculations
FY14/15 \$81,000 saved as result of no RFP for garbage service/\$11,500 saved in 508/ \$36,000 saved in 502 (NCCCCTF)/
\$42,000 Workers Comp reimbursement not budgeted/expected
FY15/16 Franchise fees double from 2% to 4%/
No vehicle purchases FY15/16, 17/18, 19/20 saving \$46,000 each year
FY17/18 shortfall due to Center remodel at \$241,500+\$158,000 WW Grant= \$399,500/ 527 PERS contribution at peak

46

April 2015 Police Department Report

May 8, 2015

- Department Personnel
 - We are fully staffed at 10 sworn positions with three reserve officers, however, we have had an officer off on a work related injury since November 2014 and his return date is uncertain.
- Commendations and Correspondence-None this Month
- Investigation of Alleged Misconduct
 - Citizen's Complaint CI #2014-03 was initiated on May 12th on an allegation that an officer failed to perform his duty and that another allowed this failure to occur and had used a despairing remark in describing the community. This investigation was conducted by Sergeant Hui and completed on April 16th.

On the allegation that an officer failed to perform his duty and made threats to the reporting party, the allegation was found to be unfounded.

On the allegation that an officer allowed an officer to not perform his duty, the allegation was found to be unfounded.

On the allegation that an officer used a despairing remark in describing the community, the allegation was found to be sustained.
 - Citizen's Complaint CI #2014-06 was initiated on October 31st on an allegation that a police officer was rude during a traffic stop. This investigation is being conducted by Sergeant Hui.
 - Citizen's Complaint CI #2015-01 was initiated on February 9th on an allegation that an officer took actions causing damage to property. This investigation is being investigated by Master Sergeant Hull.

- 9-1-1 / Richmond Communication Center Information.
 - The Ring Time Report for March documented 44 911 calls for service with 5 having ring times over 20 seconds. The average ring time for March was 9 seconds.
 - The Ring Time Report for April documented 41 911 calls for service with 5 having ring times over 20 seconds. The average ring time for March was 8 seconds.
 - Community Networking-None This Month
 - Community Criminal Activity
 - This section of the Watch Commanders Reports are prepared by Corporal Stegman for Team One, Sergeant Hui for Team Two, and Sergeant Barrow for Investigations.
 - Watch Commander Reports
 - **Corporal Stegman Team 1**
- Team 1 Statistics**

Officer:	Ramos K41	(Vacant)	Wilson
	(0600 - 1800)		(1800- 0600)
Days Worked	13	-	13
Traffic Stops	9	-	2
Moving Citations	8	-	0
Parking Citations	0	-	6
Vacation			
Security Checks	3	-	20
Field Interviews	0	-	0
Traffic Collision			
Reports	0	-	1
Cases	7	-	1
Arrests	0	-	0
Calls for Service	58	-	26

BRIEFING/TRAINING:

- Supreme Court Limits Detaining a Person in Routine Traffic Stops
- DOJ Report: Ferguson PD First Amendment Violations
- KPD Policy 312 – Firearms
- CHP Bulletin: Silver Alert Program

SERGEANT'S SUMMARY:

We continue to have regular calls about dangerous dogs, and dogs off leash. I have included the Contra Costa County Ordinance governing the control of dogs on a leash, in any public place.

416-4.402 - Animals at large.

(a)

No person owning, possessing, harboring, or controlling any animal shall allow such animal to be at large.

(b)

As used in this section, "at large" means an animal which either:

(1)

In the case of dogs, is not under effective restraint by a leash; or

(2)

In the case of animals other than dogs or cats, is not in the immediate presence and under the effective control of such person; or

(3)

Is tethered or leashed on any street, or other public place, not set aside for such tethering or leashed for a period of longer than fifteen minutes, or in such a way as to block a public walkway or thoroughfare

SIGNIFICANT EVENTS:

- 2015-1367— On 4/7/15, Officer Ramos responded to a burglary on the 300 blk of Colusa Ave.
- 2015-1451— On 4/12/15, Officer Ramos responded to a theft on the 300 blk of Coventry Dr.
- 2015-1453— On 4/12/15, Officer Ramos responded to an identity theft on the 600 blk of Beloit Ave.
- 2015-1483— On 4/15/15, Officer Wilson responded to a hit and run accident near the intersection of Franciscan Way and Sunset Dr.

- 2015-1574— On 4/21/15, Officer Ramos took a report of criminal threats, on the 400 blk of Colusa Ave.
- 2015-1667— On 4/27/15, Officer Ramos responded to a burglary on the 700 blk of Coventry Rd.

TRAFFIC STATISTICS:

Team #1 took 1 traffic collision report during the month of April.

7 Moving citations were issued on Arlington Ave.

1 Moving citation was issued on Colusa Ave.

•• Master Sergeant Hull- Team 2

TEAM #2 STATISTICS

Sergeant Hull (K17) – (1200-2400)

Sergeant Hui has been assigned to the Northern California Computer Crimes Task Force (NC3F) 2 days per week.

Master Sergeant Hull (K17) – issued 0 traffic citations and 0 parking citations

Officer:	Turner (K46) (0600-1800)	Wilkens (K50) (1800-0600)
Days Worked	13	14
Traffic Stops	47	09
Moving Citations	21	07
Parking Citations	01	00
Vacation/Security Checks	05	43
Cases	05	03
Arrests	01	01
Traffic Accident Reports	01	03
Calls for Service	151	102

16 traffic citations written on Colusa Ave.

9 traffic citations written on Arlington Ave.

3 Sunset & Franciscan

- Officer Turner took 1 day of vacation

BRIEFING/TRAINING:

- Supreme Court Limits Detaining a Person in Routine Traffic Stops
- DOJ Report: Ferguson PD First Amendment Violations
- KPD Policy 312 – Firearms

- CHP Bulletin: Silver Alert Program

SERGEANT'S SUMMARY:

Springtime is here. It appears we are contacting more people due to alcohol related incidents. Please be aware whether walking or driving of the increase in alcohol consumption due to the warming weather.

We are receiving reports of Identity Theft monthly now. Please be careful with your personal information. Some ID Theft victims are due to matters beyond anyone's control. Last year the Sutter Health main frame was breached, and the personal information of hundreds of patients were compromised. The District suffered two victims from this incident and the responsible party was identified, apprehended, and prosecuted in Alameda County.

SIGNIFICANT EVENTS:

- 2015-1374 – On 4-8-2015, Officer Turner responded to the unit blk of Kingston Dr. to a report of a Hit & Run collision.
- 2015-1392 – On 4-9-2015, Officer Turner made a \$10,000 DUI warrant arrest while working traffic enforcement on Franciscan Way.
- 2015-1417 – Officer Turner responded to the unit blk of Rincon Rd to a report of theft from an auto.
- 2015-1418 – Officer Turner responded to the 200 blk. Of Cambridge Ave. to a report of Auto Burglary.
- 2015-1422 – Officer Turner responded to the 100 blk of Highland Blvd. to a report of Identity Theft.
- 2015-1512 – Officer Wilkens responded to the unit blk of Ardmore Rd. to a report of an Assault.
- 2015-1596 – Officer Turner responded to the 200 block Arlington Ave. to a report of Identity Theft.
- 2015-1628 – Officer Wilkins responded to the 200 block of Arlington Ave. to a report of Child Abuse.
- 2015-1645 – Officer Wilkens responded to an accident on Arlington Ave. @ Ardmore Rd.
the driver of the responsible vehicle was arrested for DUI.

•• **Sergeant Hui- NCCCTF/ Team 2 Relief**

Currently, I am assigned on a part-time basis to the Northern California Computer Crimes Task Force. My participation within this task force involves investigation of cases assigned by the NC3TF task force, as well as cases originating from Kensington. The types of cases that I investigate are identity theft cases and cases where technology (typically a cell phone or computer) were used in the commission of the crime.

Monthly Activity:

2014-2462 Identity Theft

In this case, the suspect used the victim's personal identifying information to apply for a credit card that was later used at several retail and online businesses. Officer Martinez was the primary investigating officer and was able to obtain the online credit card application data and two associated email addresses. I wrote a search warrant for records for two of the online service providers. One of the providers was unable to provide any information because their records retention time frame had been exceeded. The search warrant return from the email provider has generated several areas of follow-up and I have been checking for investigative leads in these areas this month.

2014-6396 Identity Theft

In this case, the suspect used the victim's personal identifying information to apply for a credit card at two retail locations. The victim's bank account was also compromised and the suspect appears to have all of the victim's personal identifying information. The fraudulent account information was provided by one of the two retailers. A search warrant was obtained for electronic records pertaining to one item that was purchased using the fraudulent department store charge card. Investigative leads were generated as a result of the search warrant. I am in the process of filing an additional search warrant for records to further investigate those leads.

2015-0627 Identity Theft

In this case, the victim reported an unauthorized attempt to obtain a credit card using the victim's personal information. I have requested the application information to see if any useful leads can be generated.

2015-1188 Identity Theft

In this case, the victim reported multiple attempts to obtain credit cards using the victim's personal information. I have submitted requests for several of the creditors for the fraudulent application information to see if any useful leads can be generated.

NC3TF – Unauthorized Account Access

This was a case assigned by the NC3TF task force. In this case, one of the victim's online streaming video accounts had been deleted without his authorization. I conducted follow-up investigation with the streaming media provider, however was unable to generate any useful leads from the data provided. I will be attempting contact with a few persons of interest regarding this case.

NC3TF – Stolen Laptop

This case was an automobile burglary where a laptop was stolen during the

burglary in Solano County. The laptop was tracked to a particular individual that is not believed to be the suspect. I have reached out to local law enforcement where the laptop was tracked to and am waiting on their assistance.

NC3TF – HT15-023 – Identity Theft case referred by Brentwood PD

This case was referred to the NC3TF by Brentwood PD. The initial identity theft case originated from a single victim. BPD officers were able to identify a suspect who was later arrested at her residence. Incident to the arrest, a variety of identity theft paraphernalia was located that included credit cards, id cards, and personal identifying information for several hundred people. A search warrant was obtained for the cell phone and laptop seized incident to arrest. These items are in the queue for forensic analysis at NC3TF. I have begun to contact the parties whose personal information was in possession of the suspect. As of this date, I have confirmed three additional identity theft victims.

Additional Activity

- I assisted NC3TF members with a search warrant service in Ukiah, CA
- I am currently assigned as a part-time patrol Sergeant for Team 2.

Identity Theft Tips: Cyber Attack against Anthem

While participating on the NC3TF task force, I am exposed to a variety of different types of identity thefts and have access to information and training that are typically directed to investigators within this field. As I continue in this assignment, my hopes are to provide some tips into how we can reduce our likelihood in being victimized by this type of crime.

One of the newer trends for identity theft has been compromising the Point of Sale (POS) terminals at retail stores. During this past year, the most publicized POS breaches were at Target and Home Depot stores. A new emerging area for fraudsters is the databases within the health care industry. Some of you may have heard in the news about the theft of client information from Summit Medical.

What makes this particular area of identity theft very lucrative is that our health care providers are in possession of a significant amount of our personal identifying information. This information can include our name, address, date of birth, social security number, or employer information.

This month, I received a bulletin regarding a cyber attack against Anthem, Inc. The bulletin states that the member information for several health plan subscribers affiliated with Anthem, Inc. have been compromised during a recent data breach. Anthem, Inc. has advised that they are working with law enforcement to conduct an IT forensic investigation of the data breach, however

the extent of the intrusion is not currently known. They should be contacting their subscribers whose information was compromised.

If you are an Anthem, Inc subscriber and are concerned about whether your information has been compromised, you can call AllClear at 877-263-7995. Please be aware that Anthem, Inc. has advised that affected parties should receive correspondence by mail and that they will not be calling or emailing anyone regarding this data breach. Please be suspect of any calls or emails you may receive from Anthem, Inc. regarding this matter.

Additional information regarding this data breach by Anthem, Inc. can be found here:

<https://www.anthemfacts.com/faq>

•• **Detective Sergeant Barrow**

SIGNIFICANT EVENTS:

2015-1367 Commercial Burglary

On Tuesday, April 6, 2015, Officer Ramos responded to a commercial burglary in the 300 block of Colusa Avenue. The suspect gained entry through a glass front door that had been shot out with a BB gun. We have found that similar crimes have been reported throughout the Bay Area. This case is still under investigation.

2015-1124 Stolen Vehicle and Identity Theft

On 3/21/2015, Officer Turner responded to the 100 block of Windsor Avenue for a reported stolen vehicle. Two suspects have been identified in this case. The case is still under investigation.

KPD INVESTIGATIONS INFORMATION:

2015-1125 Cruelty to Animals

On 3/21/15, Officer Turner, responded to the 00 block of Highland Blvd, for a reported suspicious event. Officer Turner contacted the owner of a deceased pug (dog) that had been kicked by a jogger. The case was presented to the Contra costa County District Attorney's office for review. The CCC District Attorney who reviewed this case advised no charges would be filled. **Citing insufficient evidence.**

2014-6211 Burglary

On Thursday, November 27, 2014, I was dispatched to the 200 block of Columbia Avenue for a reported theft of a bicycle. Dispatch further advised the victim had recovered the bicycle in the area of Sunset Drive and Franciscan Way

and the suspect fled through the Sunset Cemetery. I arrived and conducted a search of the area with the aid of El Cerrito Police. We received reports that the suspect was running through back yards and jumping fences in El Cerrito. I located the suspect and detained him but the victim in this case had left the area for Thanksgiving dinner and could not be reached for an infield line-up. The suspect was identified and released at the scene.

I obtain an \$85,000.00 arrest warrant for the suspect.

2011-2194, 2706, and 3560 Residential Burglaries

On 4/7/2011 and 4/28/2011, Officers responded to the 100 block of Highland Blvd and 00 block of Highgate Road, for reported residential burglaries. During the investigation we were able to link two of the burglaries to a suspect in numerous other burglaries throughout Contra Costa and Alameda County's. The suspect was arrested and charged with eight residential burglaries. **On 4/21/2015, the suspect was sentenced to four years prison.**

KPD Monthly Crime Statistics

April 2015

Part 1 Crimes	Reported	Open/ Pending	Suspended	Closed	Arrest
Homicide	0	0	0	0	0
Rape	0	0	0	0	0
Robbery	0	0	0	0	0
Assault	0	0	0	0	0
Residential Burglary	3	2	1	0	0
Larceny Theft	3	0	3	0	0
Vehicle Theft	0	0	0	0	0
Arson	0	0	0	0	0
Part 1 Totals	<u>6</u>	<u>2</u>	<u>4</u>	<u>0</u>	<u>0</u>

Other Crimes					
Other misdemeanor	0	0	0	0	0
Identity Theft	4	1	3	0	0
Fraud	0	0	0	0	0
Forgeries	0	0	0	0	0
Restraining Order Violations/ Stalking/ Criminal Threats	0	0	0	0	0
Sex Crimes (other)	0	0	0	0	0
Assault/ Battery (other)	1	0	1	0	0
Vandalism	0	0	0	0	0
Drugs	0	0	0	0	0
Warrant	1	0	0	1	1
Hit and Run Felony	0	0	0	0	0
Hit and Run Misdemeanor	2	0	2	0	0
Other Misdemeanor Traffic	1	0	0	1	1
Other Crime Totals	<u>9</u>	<u>1</u>	<u>6</u>	<u>2</u>	<u>2</u>

All Crime Totals	<u>15</u>	<u>3</u>	<u>10</u>	<u>2</u>	<u>2</u>
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Traffic Accidents (Non Injury)	4
Traffic Accidents (Injury)	0

KPD Crime Statistics

YTD 2015

Part 1 Crimes	Reported	Open/ Pending	Suspended	Closed	Arrest
Homicide	0	0	0	0	0
Rape	0	0	0	0	0
Robbery	0	0	0	0	0
Assault	2	0	0	2	1
Residential Burglary	10	6	1	3	0
Larceny Theft	18	12	6	0	0
Vehicle Theft	5	2	1	2	0
Arson	0	0	0	0	0
Part 1 Totals	<u>35</u>	<u>20</u>	<u>8</u>	<u>7</u>	<u>1</u>

Other Crimes					
Other misdemeanor	3	0	3	0	0
Identity Theft	15	11	3	1	0
Fraud	1	1	0	0	0
Forgeries	0	0	0	0	0
Restraining Order Violations/ Stalking/ Criminal Threats	2	0	0	2	0
Sex Crimes (other)	0	0	0	0	0
Assault/ Battery (other)	1	0	1	0	0
Vandalism	4	2	0	2	0
Drugs	1	0	0	1	1
Warrant	2	0	0	2	2
Hit and Run Felony	0	0	0	0	0
Hit and Run Misdemeanor	10	5	4	1	0
Other Misdemeanor Traffic	1	0	0	1	1
Other Crime Totals	<u>40</u>	<u>19</u>	<u>11</u>	<u>10</u>	<u>4</u>

All Crime Totals	<u>75</u>	<u>39</u>	<u>19</u>	<u>17</u>	<u>5</u>
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Traffic Accidents (Non Injury)	19
Traffic Accidents (Injury)	0

* 2011 case

•• **Chief Harman**

At a Special Meeting of the KPPCSD Board of Directors on Monday, February 16th, the Board announced that my contract with the District would not be renewed, and that my last day with the District would be May 31st.

It has been an honor and a privilege to serve as your General Manager/ Chief of Police since September 2007, and I will miss having the opportunity to continue to serve you. Most of all, I will miss the friendships that I have developed over the years.

Thank you for your support over the years, and for the opportunity to serve you.

My best wishes to all.

Memorandum

Kensington Police Department



To: KPPCSD Board of Directors

APPROVED YES NO

From: Gregory E. Harman, General Manager/ Chief of Police

Date: Friday, May 08, 2015

FORWARDED TO:

Subject: Consent Calendar Item H- April Correspondence

The District Correspondence received during the month of April received by the KPPCSD Board of Directors and District Staff.

Item #1- Letter submitted to District Administrator Lynn Wolter by A. Stevens Delk.

Item #2- Email submitted by KPPCSD Director Sherris-Watt from Marilyn Stollen.

Item #3- Email submitted to District Administrator Lynn Wolter by Jan Behrsin.

KPPCSD, April 9, 2015

"The members of the KPPCSD board are to be commended for the time and effort they have contributed toward the community... However, there have been times during... meetings when the board has been overly cautious about informing the public of their intent and motivation. This sense of secrecy has fostered speculation and rumor that has led to people becoming misinformed. It has also bred a confrontational attitude between the board and the public... While personnel proceedings certainly must be managed with extreme care, the board could make a greater effort to allay the concerns of the public by being more communicative..."¹

"It's like déjà-vu, all over again."²

1. John Feld, Editor, *Kensington Outlook*, July/August 2006

2. Yogi Berra, *What Time Is It? You Mean Now?: Advice for Life from the Zenest Master of Them All*, 2003

submitted by RSW
4/10/15

> Dear Directors,

>

> I have reviewed the upcoming agenda and items for discussion. I have concerns about utilizing the proposed law firm to do an evaluation of the MOU for a number of reasons. This is on around page 90-100 of the packet, where the law firm responds to a letter from Chief Harmon.

>

> It is requested by Chief Harmon, who should not be involved in this process at all, for obvious reasons. The language of the law firm's response appears to indicate that it will be a quick, brief review using the existing budget projections, which are inaccurate!! It compares the MOU to market trends, which means looking at existing wages in other cities which do not have our low crime rate or issues, and would probably mean that what is proposed in the MOU is in line financially with large cities-- if you keep the same staffing, supervisors, steps for raises, benefits etc.

>

> They would use benchmarks from the previous research to save time and money, which may or may not be helpful...since some of the info is dated.

>

> While the law firm says this is not an audit, they are proposing to look at PERS costs, yet are they really qualified to do this in depth ?? It seems that an accounting, economics specialist is needed, not a contract attorney?? And they would review language for clarity etc, but why spend \$300 / hr and more for something that may not even be voted on!?!?! Who suggested this??another attorney??

>

> In my opinion this would be throwing good money after bad. This is a cursory review, will cost easily more than the \$5 k budgeted, and will probably provide the answers that those invested in the MOU want to hear. They will confirm, in all likelihood, what we already know, this MOU is too expensive in its current form, and is not sustainable over the long term.

>

> This is putting the cart before the horse when the community is saying let's look at policing options, not look at this MOU. This is not the time for this action.

>

> Please include my comments in the record, as I understand that speaking at a board meeting does not insure that one's opinions are recorded in the "summary" of the minutes.

>

> Sincerely,

> Marilyn Stollon

>

> Sent from my iPad

Lynn Wolter

From: Jan Behrsin <jbehrsin@gmail.com>
Sent: Tuesday, April 07, 2015 8:07 PM
To: Lynn Wolter
Subject: Regarding Consideration of An Agreement for Police Services for Kensington

Dear Ms Wolter:

I would appreciate it if you would record this in the District records.

Thank you.

Respectfully, A Jan Behrsin

From: Jan Behrsin [mailto:jbehrsin@gmail.com]
Sent: Tuesday, April 07, 2015 4:47 PM
To: Charles Toombs; Len Welsh, President; Rsherriswatt@kensingtoncalifornia.org; vcordova@kensingtoncalifornia.org; Vice President Pat Gillette
Subject: Regarding Consideration of An Agreement for Police Services for Kensington

Dear Board:

I think a consideration of a revised "MOU" is premature at this time. The agreement has already expired and seems to be running fine, month to month.

In the current circumstances, as the community and its elected officials are trying to build trust and confidence in the administration, it is very important that there not even "appear" to be an "agenda," but that all information is clear, unambiguous, and unbiased.

I suggest that before we enter into any police services contract, we be prudent. I suggest that "prudence" requires we proceed as follows:

First, the community needs to be informed by and have confidence in an analysis of our community's **policing needs**, which the community can trust to be an accurate, unbiased and impartial analysis.

Second, the community needs to be informed by and have confidence in an explanation of the community's short term, intermediate term, and long term available (or projected) **financial resources** available to pay the cost of policing services, and this statement must be again be a reliable statement the community can trust to be accurate, unbiased and impartial, without "agenda." If there are "unknowns," then the statement ought to say that. If the statement of resources and anticipated projections of resources depend on additional assessment, then this must be made clear and this must be explained in terms of timing and amount.

Finally, then the community needs to be informed by an accurate, unbiased and impartial presentation of **options** for securing those needed policing services, together with an accurate, unbiased and impartial estimation of costs of those options to the community, including how the Board sees the community paying for those needed policing services, in terms of timing and amount of resources needed when projections of liabilities, come to fruition.

This is not unlike the prudent way any individual or family makes decisions about family needs and options to meet those needs, given available resources.

The community needs to have confidence in the Board's financial management of the current and future obligations of the Kensington District.

Thank you for your consideration.

Sincerely,
A Jan Behrsin

KASEP:

KASEP Spring session ends Friday, May 29th. KCC Office will be closed Monday, May 25th in honor of Memorial Day. Teacher staff meeting was held April 21st; we discussed the updated incident report, end of year close out procedures and planning for FALL session. FALL KASEP registration is scheduled for Tuesday, September 8th and the first day of KASEP classes is Monday September 21st.

Lynn Crook, KASEP sewing instructor for 19 years, gave her notice – she is retiring at the end of spring 2015. Lynn has taught hand sewing and machine quilting to multiple generations; she has left a huge legacy and will be greatly missed.

KCC Board Members, Oversight Committee Members and Neighborhood School staff are invited to join KASEP teachers in our annual end-of-year celebration, Monday, May 18, 12:30 – 2:00pm.

KCC Classes and Events:

Jazzercise class taught by Kevin Knickerbocker, Monday through Friday mornings, 8:15am – 9:15 continues throughout the summer months. Body Sculpting, Tuesday and Thursdays from 9:15 – 10:15am, also taught by Kevin, is an ongoing class and will continue through the summer months. Both classes are taught at the community center.

Acrylic artists will take a break for the summer, ending May 29th and resume early September.

KCC Summer Day Camp

KCC Summer Day Camp on-line registration continues. The online registration system is running smoothly, and families are enrolling without human intervention from KCC office staff. As of April 30th, 312 spaces are filled; week 1 is full. This year we are offering 11 weeks of camp in support of the later start date of school, August 24th. Last day of summer camp is Friday August 21st.

We interviewed eleven candidates for counselor positions and selected 7 to join the team for summer 2015. There are 2 returning counselors and 7 new counselors. Ethan Houser returned as Camp Director and Emiliano Carrasco-Zanini along with Jacob Fong will share the Head Counselor position.

Counselor Orientation is Sunday, June 7th and camp starts Monday, June 8th.

KCC Administrative:

Tradition continues as the annual “Senior High School Graduate” photo took place on Sunday, May 3rd. This photo will be submitted for publication in the June Outlook.

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May 2015

June 2015

Su	1	2	3	4	5	6
Mo	8	9	10	11	12	13
Tu	14	15	16	17	18	19
We	20	21	22	23	24	25
Th	26	27	28	29	30	31

May 2015

Su	3	4	5	6	7	8	9	10
Mo	11	12	13	14	15	16	17	18
Tu	19	20	21	22	23	24	25	26
We	27	28	29	30	31			

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Apr 26	27	28	29	30	May 1	2
3	4	5	6	7	8	9
2:00pm KPOA (CCM)	7:00pm *Cub-Scouts* (CCM) 7:30pm KCC Board Mtg (CCM)	7:30pm *Boy Scouts (CCM)	7:00am AA (CCM) 7:00pm Park Bidg Committee (CC3)	7:15pm EBC (CC.1)	5:00pm Friends of The Kensington Library (CCM)	10:00am CC Rental (CCM)
10	11	12	13	14	15	16
Friends of The Kensington	7:00pm *Cub-Scouts* (CCM)	7:30pm *Boy Scouts (CCM)	7:00am AA (CCM) 6:00pm *GPFF (CCM) 7:00pm *KED Mtg (CC3)	6:00pm KPPGSD Mtg (CCM)		12:00pm Judy Baker (CCM)
17	18	19	20	21	22	23
12:30pm CC Rental (CCM)	4:00pm *Girl Scouts* (CCM) 7:00pm *Cub-Scouts* (CCM) 7:00pm Policy &	7:30pm *Boy Scouts (CCM)	7:00am AA (CCM)	6:00pm KPSC (CCM) 7:15pm EBC (CC.1)		
24	25	26	27	28	29	30
	7:00pm *Cub-Scouts* (CCM)	7:30pm *Boy Scouts (CCM) 7:30pm *KMAC (CC3)	7:00am AA (CCM) 7:00pm Park Committee (CC3)		12:00pm CC Rental (CCM)	9:30am CC Rental (CC3) 4:00pm Dad's Club BBQ (CCM)
31	Jun 1	2	3	4	5	6

June 2015

July 2015

June 2015

Su	Mo	Tu	We	Th	Fr	Sa
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Su	Mo	Tu	We	Th	Fr	Sa
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
May 31	Jun 1 7:00pm *Cub-Scouts* (CCM) 7:30pm KCC Board Mtg (CCM)	2 7:30pm *Boy Scouts (CCM)	3 7:00am AA (CCM)	4 7:15pm EBC (CC.1)	5 6:00pm BBQ-Boy Scouts (CCM)	6 8:00pm KCC MOVIE NIGHT (KCC LAWN)
7	8 7:00pm *Cub-Scouts* (CCM)	9 7:30pm *Boy Scouts (CCM)	10 7:00am AA (CCM) 6:00pm *GPFF (CCM) 7:00pm *KFD Mtg (CC3)	11 6:00pm KPCCSD Mtg (CCM)	12 4:00pm CC Rental (CCM)	13 5:00pm CC Rental (CCM)
14	15 7:00pm *Cub-Scouts* (CCM)	16 7:30pm *Boy Scouts (CCM)	17 7:00am AA (CCM)	18 6:00pm KPSC (CCM) 7:15pm EBC (CC.1)	19	20
21	22 7:30pm *KIC (CC3)	23	24 7:00am AA (CCM)	25	26	27
28	29	30 7:30pm *KMAC (CC3)	Jul 1	2	3	4



General Manager April 2015 Report

Budget

In last month's report, I made the following statement;

"For the month of March, there were no significant variances to the budget. However, we are anticipating a large increase in legal expenses will be incurred next month."

Then at the KPPCSD April Board meeting, couple of members of the Board and members of the Finance Committee made comments regarding that statement, and comments about items in the "Unaudited Profit & Loss Budget Performance Report" that was part of the April agenda packet.

So in my last General Manager's Report, I thought I would try and clarify the way I look at our financial statements and the way our financial transactions take place.

Our fiscal year budget is usually first drafted towards the end of March, generally goes to the Finance Committee in April, has its first reading at the KPPCSD Board in May, and is usually passed by the Board in June. During the last couple of years, the finalized budget has been approved in July, but this has been the exception. In preparing the budget, we (The General Manager and the District's accountant) use the past fiscal years' experience, information we received during the past year regarding changes in our costs due to revenue and contract changes, and we make our best estimate of what our revenues and expenses will be in the coming fiscal year. Based on these estimates, we prepare a budget that is reviewed by the Finance Committee, before it is presented to the KPPCSD Board for approval.

I don't know how many times I have said this over the past 8 years, but once again, the District's Operational Budget is just the Board giving spending approval in certain amounts to the General Manager for that fiscal year. It is not an audit of the upcoming fiscal year. Do changes occur during the year? Yes they do, and when they do occur they are discussed at the Finance Committee and Regular Board meetings. Let me discuss some of those possible changes that can occur during the year.

First of all, there is not a lot of surprise in our yearly revenue projections. The District has three main sources of revenue, property tax (Chart 401), the Police Special Tax (Chart 402), and funding from Measure G (Chart 404). The revenue from the Police Special Tax is known and has not changed since it was last increased in 1995. Measure G revenue is set by the Board each year, and the amount that can be collected is set by the measure, and can only be increased by the yearly CPI, so revenue is accurately estimated at the time the budget is prepared.

The only real variance as far as revenue collected is in the property tax and that

“variance” is known by August in the current fiscal year. (Remember, the budget is prepared and approved before the property tax assessments are known.)

This current fiscal year is a great example of how this could occur.

During the past several years, while the Country, State, and our County experienced the “recession”, our property tax revenue stayed level. While this was a good thing for us, and we didn’t experience the drastic cutbacks in property tax revenue that other communities experienced, we did miss our historic 5% to 6% increases in property tax revenue we use to count on each year.

Now in March and April of 2014, when we prepared our budget for our upcoming Fiscal Year 2014-2015, we based our property tax revenue on the amount we had collected in 2013, and added a very conservative increase of 4%, to come to a projected property tax revenue of \$1,380,000. However, in July 2014, the County Assessor came out with the property tax assessments for 2014-2015, with increases throughout the County of 7 to 20%. As a result of these new assessments, we returned to the Board with new property tax revenue estimates of \$1,401,120, which was again a conservative estimate increase of 6.1% over the 2013 property tax collected.

During this period, the District was in negotiations with the Police Officers Association on a new contract, and focus was again directed to revenue projections. We contacted the County Assessor’s Office in September of 2014, and confirmed that we would receive a 9% increase in property tax revenue over the amount collected in 2013-2014, and we revised our property tax projections to \$1,448,659. This is the amount we estimated we would collect in property tax in Fiscal Year 2014-2015, and this is the amount that we reported to the Finance Committee in November 2014 and the Board in January 2015. This is also the amount that we report in our 5- Year Budget Projection Report that is now part of the Board’s monthly agenda packet.

Now to comments regarding variances in the Unaudited Profit & Loss Budget Report in regards to Chart 401 Levy Tax (Property Tax).

As reported in March’s Report, and again in April’s Report, our estimate for property tax revenue collected was \$1,413,620, (\$1,401,120, plus the additional \$12,500 collected as the Homeowner’s Tax). However, in our March Report, we reported we collected Year to Date \$1,449,462 in property tax revenue so far this year. At the April Board meeting, individuals questioned why this wasn’t mention as a “variance”. As explained above and at our Finance Committee meeting in November and our Board meeting in January, we now project we will collect \$1,448,659 in property tax revenue this fiscal year. Although this amount is not documented in the Budget that was passed in July 2014, it is the amount that has been reported on at public meetings and therefore in my mind, it is not a variance.

Now in our April Report, we have adjusted our Year to Date property tax collected to \$1,446,997. This \$2,463 reduction was due to the County making adjustments (refunds)

in property tax collected and reported to us. Should this reduction be considered a "variance" and be reported as such in this month's Report? I don't believe so.

Will this amount change by the end of the current fiscal year? Probably, depending on additional property taxes collected this fiscal year and refunds returned to property owners. The County will report our final property tax collected amount in September 2015, three months after we usually pass our next fiscal year's budget. This amount is the amount that is reported to our auditor, who will then prepared our "audited" financial report for Fiscal Year 2014/2015.

Another question regarding income that was mentioned last meeting was why the variance between Total Income Year to Date, Total Income Year to Date Budgeted, and Total Income Annual Budget? Let's take a look at this month's Report.

Total Income Year to Date collected is reported as \$2,832,798.71. This amount is what we have recorded collecting this fiscal year to date. Year to Date Budgeted amount is reported as \$2,693,800.50, which is our accountants projection of where we should be 10/12th's into this fiscal year's budget amount of \$2,702,013. So the question always being asked is why is your income \$130,785 more now than your estimated amount?

Well, so far this fiscal year, we have collected \$77,970 in COPS Grant funding (of the \$100,000 we will collect) that by law we cannot include in our annual budget. We have also collected \$19,343 in Workman's Compensation salary payments that was never budgeted for because we cannot foresee injuries on duty. Add in the additional property tax collected of \$33,377, and your total comes to \$130,690. Is this type of variance reporting needed in Monthly Reports, or can it be made at Quarterly Finance Committee meetings?

At last month's meeting, Charts 521A and 521 R had no payments made for the month and I was asked, "Why no variance report on these items?" My response at the meeting was that we had not paid the bill yet for those two expenses, officer and retiree medical benefits. Now this month, we are showing payments of \$25,402 and \$23,889, which is two times the monthly estimate per the monthly budgeted amount. Why this variance? Well, we paid both last month's and this month's bill this month. Again, is this type of variance reporting needed in Monthly Reports, or can it be made at Quarterly Finance Committee meetings?

Examining deeper into these two accounts, the Year to Date payments on both accounts total \$291,278.73 and yet the Year to Date Budgeted amount is \$298,882.84. Why the \$7,604.11 difference? Unfortunately, there are changes in current and retired officer family units that have taken place that could not be budgeted for. Again, is this type of variance reporting needed in Monthly Reports, or can it be made at Quarterly Finance Committee meetings?

Another questioned non-report of a variance was in Chart 564 Communications. Both last month and this month we recorded no payments on this account and Year to Date

total of \$69,883.23, while we budgeted \$156,070 for this expense for the year. As reported at the last meeting, we have not received Richmond's billing for January, February, and March yet. However, at the end of April, we received the invoice for those three months totaling \$26,534, which will be paid in May. That will bring the Year to Date payments to \$96,417, with three more months to be billed, in addition to other fees that will need to be paid by the end of the fiscal year. Is this type of variance reporting needed in Monthly Reports, or can it be made at Quarterly Finance Committee meetings?

Another question that seems to keep being asked at each meeting is why in Chart 594 are we \$7,000 over the annual budgeted amount for this account? This is because at the time the budget was presented and passed, the Board had not made the decision to move forward with the hiring of a firm to improve the District's website. This is an example of the Board making a financial decision, that was not accounted for in the budget, however discussed during one or more Board meetings and recorded in the minutes. Does this type of variance need to be reported in each monthly variance report or can it too be reported at the quarterly Finance committee meetings?

Finally, the one question that came up at last month's meeting that was the one that probably frustrated me the most, and that was the one asking, "Why does the Unaudited Profit & Loss Report show a Year to Date Income of \$791,750.93 and yet you project a net income loss of \$268,436?"

First, that Year to Date Income is for 9 months of expenses to 12 months of revenue. This month we are reporting Year to Date Net Income of \$488,841.01. Where did the \$302,909.92 in income go? We paid our April expenses.

Extending that out two final months of the fiscal year, we should expect to pay an additional \$605,000 in expenses that would make our final shortfall \$116,159 and not the \$268,436 (\$168,436 if you take out the \$100,000 in COPS Grant funding) as projected.

Will this be our final Net Income amount? No, if you review the 5- Year Budget Projection Report (that includes the proposed new KPOA MOU amounts) that is right behind the Unaudited Profit & Loss Report in the agenda packet, you will see that I am still projecting a \$67,939 surplus this fiscal year.

So I guess my final question to the reader is this, is this type of variance reporting needed in Monthly Reports, or can it be made at Quarterly Finance Committee meetings? This question will hopefully be addressed at the next meeting of the Finance Committee and their recommendation will go to the KPPCSD Board of Directors for their consideration.

Kensington Park

Community Center & Annex

At the February 12th KPPCSD Board meeting, the Board did not approve my request to hire IDA Structural Engineers to provide structural engineering services in connection with a seismic study of the Community Center. The Board moved to continue the item until the convening of the Park Buildings Committee which is scheduled to occur on May 6th.

Park Repairs

In April, the following repairs were made in the park in addition to our normal maintenance items:

Tree removal at the end of Windsor, \$1,480
Branch removed from playground tree, \$220

*Please note that most of the repairs that we make in the park are the result of vandalism. If you see vandalism being committed, please call the police department immediately.

Emergency Preparedness

On April 16th, the KPSC hosted a presentation by Barbara Morita on Disaster Triage and First Aid at the Community Center.

The agenda and the minutes of the Public Safety Council posted are on the KPPCSD web page.

The next meeting of the Kensington Public Safety Council will take place Monday, May 11th, at 6:00 PM at the Community Center Room #3.

EBMUD

EBMUD is replacing the 37 Million Gallon Summit Reservoir, built in 1898, and replacing it with a 3.5 Million Gallon partially buried tank. EBMUD is also building a new pumping plant to replace the current outdated plant. EBMUD will landscape the site and add a walking path along Grizzly Peak at the end of the project. This project is scheduled to be completed in early 2017.

EBMUD's contractor will be bring in equipment and temporary office space to the Summit Reservoir site in mid to late December.

In January, EBMUD began excavation and preparing the foundation for the 400,000 gallon temporary tank that will supply water during the main reservoir demolition and reconstruction. This process will take several months.

During the next several months' activity, noise and construction traffic around the site will be noticeable. Standard Work hours are Monday through Friday 7:00 am to 6:00 pm.

For more information about this project go to <http://www.ebmud.com/water-and-wastewater/project-updates/summit-reservoir-replacement>.

If you have questions, or would like to be added to the email list for this project please contact Michelle Blackwell in Community Affairs at (510) 287-2053 or mblackwe@ebmud.com

EBMUD is also in the process of upgrading the San Pablo Water Treatment Plant located between Berkeley Park Blvd, Coventry, and Colusa. Those wishing more information on this project should contact Sharla Sullivan at 510-287-7208 or at ssullivan@ebmud.com.

Website

The new and improved District website is up and running!

We are continuing our efforts to post more documents and fine tune the site.

The Board packets, monthly reports, minutes, recordings of the KPPCSD Board Meetings, and our Bay View – County Solid Waste contracts are available for review on our website at: www.kensingtoncalifornia.org

Finally, this is my last General Manager's report as I will be retiring May 31st after not having my contract extended. It has been an honor and a privilege serving you the last 8 years and my family and I would like to thank you for that opportunity. Thank you to all!

DISTRICT NEW BUSINESS

Item #1

The Board will review and discuss the overview of the Public Management Group's analysis of the budgetary impact of the proposed MOU. Board Action.



Kensington Police Protection and Community Services District

**Report to Board of Directors
Financial Forecast and POA MOU Analysis**

May 11, 2015

 **Public Management Group™**
Renne Sloan Holtzman Sakai LLP



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- Community Profile
- Draft Memorandum of Understanding
- Comparability & Consumer Prices
- Financial Condition Assessment & Multi-Year Forecast

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Community Profile



KPPCSD Overview

- Kensington is an unincorporated community located in Contra Costa County
- The Kensington Police Protection and Community Services District (KPPCSD) was originally formed as a Police Protection District in 1946



- In 1953, the District was changed to a Community Services District which enabled the District to provide **park and recreation** services, **solid waste** oversight, and **police protection** services
- The KPPCSD is governed by an elected Board of Directors that consists of 5 members who are each elected to 4-year terms. The Board appoints a General Manager / Chief of Police who carries out the Board's policy directives

Population Estimate: 5,201

Source: US Census Bureau, American Community Survey, 2013 5-Year Estimate



Community Profile

Income & Employment

- Relative to nearby communities, Kensington has strong underlying income and employment statistics
 - Kensington’s median household income, median family income, and per capita income exceed the Cities of Albany, Berkeley, El Cerrito, and Richmond by significant margins
 - Kensington’s March 2015 preliminary unemployment rate of 1.9% is also very low

	Median Household Income	Median Family Income	Per Capita Income	Unemployment Rate (March 2015)
Kensington	\$133,036	\$153,542	\$64,502	1.9%
Albany	\$79,926	\$94,206	\$39,967	3.1%
Berkeley	\$63,312	\$111,733	\$41,308	3.8%
El Cerrito	\$85,481	\$101,183	\$44,153	4.4%
Richmond	\$54,589	\$60,688	\$25,722	5.8%
Kensington Rank	1 of 5	1 of 5	1 of 5	1 of 5 (Low-to-High)

Source: US Census Bureau, American Community Survey, 5-Year Estimates; State of California, Employment Development Department, Monthly Labor Force Data, March 2015



Community Profile

Housing

- Kensington has a significant number of pre-Proposition 13 housing units (housing that was purchased prior to 1978)
 - Approximately **25%** of Kensington’s housing units (as shown in the table at right) were occupied by their current resident prior to 1979, compared with **12%** and **17%** in the Cities of Berkeley and El Cerrito respectively
- Indicates potential for increased assessed valuation (and property tax revenues) as pre-Proposition 13 homes change ownership

Kensington, CA	
Median Home Value	\$749,500
Total Housing Units	2,303
<i>Percent of Housing Occupied</i>	95%
Occupied Housing Units	2,192
Year Householder Moved into Unit (% of Total Occupied Housing Units)	
<i>Moved in 2010 or later</i>	231 (11%)
<i>Moved in 2000 to 2009</i>	714 (33%)
<i>Moved in 1990 to 1999</i>	374 (17%)
<i>Moved in 1980 to 1989</i>	327 (15%)
<i>Moved in 1970 to 1979</i>	220 (10%)
<i>Moved in 1969 or earlier</i>	326 (15%)

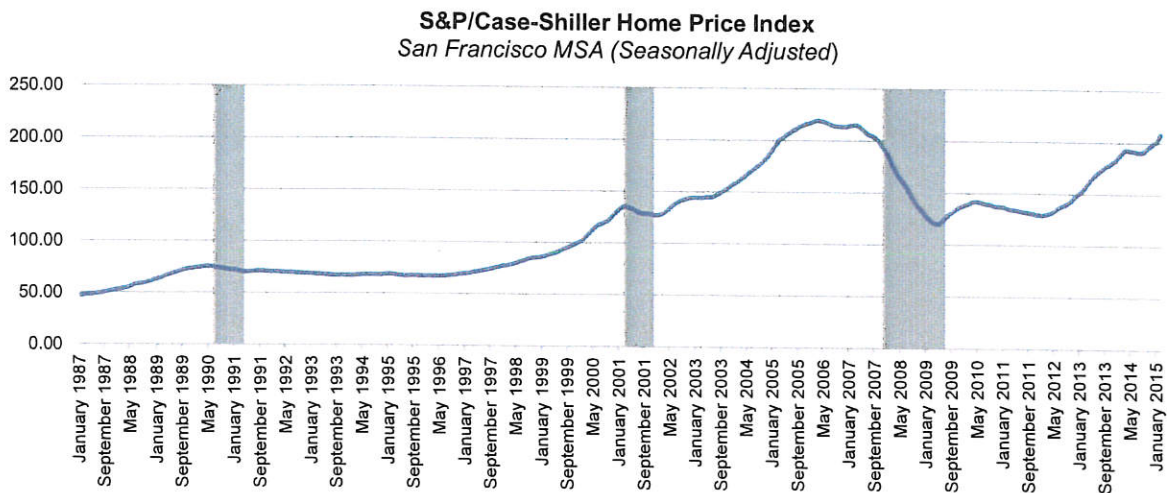
Source: US Census Bureau, American Community Survey, 5-Year Estimates



Community Profile

S&P/Case-Shiller Home Price Index

- While home sales continue to be strong, the Bay Area is not immune to property value declines
- In the graphic below the blue line reflects the Case-Shiller Home Price Index by month from January 1987 to February 2015 for the San Francisco Metropolitan Statistical Area (includes Contra Costa County). The gray shaded regions reflects the recessions over this time period as identified by the National Bureau of Economic Research



Source: S&P/Case-Shiller Home Price Index; National Bureau of Economic Research

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Draft Memorandum of Understanding



Summary of Key MOU Provisions

- **Term:** January 1, 2015 to June 30, 2018
3.5 year duration (4 years if measured from expiration of prior contract)
- **Health Plans**
 - **Active Employees:** The District pays 100% of the Kaiser Bay Area premium for employee and eligible dependents. Employees are responsible for paying full “buy-up” premium differential if they select a plan with a higher premium. District also pays 100% of dental and vision premium for employee and dependents
 - **Retirees:** District pays 100% of the Kaiser Bay Area premium for retiree and eligible dependents. Employees are responsible for paying full “buy-up” premium differential if they select a plan with a higher premium. Upon attaining Medicare eligibility age, retirees must enroll in a Medicare supplement plan
 - **NEW LANGUAGE:** Employees hired after ratification of the agreement are subject to revised benefit based on years of service that is equal to 50% of the Employer contribution with 10 Years of Service (YOS) increasing by 5% per year until attaining 100% of the Employer contribution after 20 YOS. Prior service credit granted, but must be with current employer for minimum of 5 YOS

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Summary of Key MOU Provisions

■ Pension/Retirement Plan

- Classic Members: Generally defined as an employee hired prior to January 1, 2013. Classic members eligible for the CalPERS 3% at age 50 formula. The District currently pays the 9% employee contribution on the members behalf commonly referred to as an Employer “pick-up”
- The draft MOU would phase out the Employer “pick-up” as follows:

	Current	Ratification	7/1/15	7/1/16	7/1/17
Employer	9.0%	6.0%	3.0%	0.0%	0.0%
Employee	0.0%	3.0%	6.0%	9.0%	12%*

* Lesser of 50% of Normal Cost or 12.0%. CalPERS Actuarial Valuation Report reflects FY2015-16 total normal cost of 27.51%

- New Members: Generally defined as an employee hired after January 1, 2013, with no prior CalPERS service credit. New members eligible for 2.7% at age 57 formula. PEPRAs requires new members to contribute 50% of normal cost with no cap, prohibits Employer “pick-ups,” extends the Final Average Salary period to 36 months, and limits pensionable earnings
- PEPRAs is expected to incrementally lower Employer costs in the future



Summary of Key MOU Provisions

- **Salaries:** The draft MOU provides the following general wage increases over the 3.5 year term of the contract:

Effective Date	General Wage Increase (%)
January 1, 2015 (Retroactive)	3.75%
July 1, 2015	3.75%
July 1, 2016	4.25%
July 1, 2017	4.25%
Cumulative KPOA Wage Increase (Gain)	16.98%
Cumulative KPOA Pension Contribution (Loss)	-12.00%
Net Employee Wage Increase	+4.98%
Average Annual Net Employee Wage Increase (3.5 / 4.0 year)	+1.42% / 1.25%

- **Other:** Vacation carryover increased from 100 to 200 hours. No changes to other economic provisions over the term of the draft MOU including, overtime provisions, educational incentive, longevity pay, standby pay, holiday pay, uniform allowances, etc.

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Comparability & Consumer Prices



Comparability Context

- There are no “perfect twins” among employers. In evaluating police officer compensation for comparability under any circumstances, key questions include:
 - What are the most relevant groupings of employers?
 - Within any groupings reviewed, given that not all employers can pay above average/median, what is a reasonable relative position?
- While compensation comparisons can provide helpful points of reference for assessing market competitiveness, such evaluations are only fully meaningful in context of factors such as relative economics, localized labor markets, employer financial condition and tax structure, job responsibilities and duties, and recruitment and retention challenges
 - KPPCSD is a unique entity and its revenue structure is very different than that of a municipality – it does not have a sales tax, utility users tax, or transient occupancy tax. The District primarily relies upon property tax revenues and special assessments, grant revenues, and user fees to provide services. At the same time, KPPCSD provides a more limited set of services



Public Agency Employers

Cities of Albany, Berkeley, El Cerrito, and Richmond

- Given the limited resources available for this engagement, PMG was not able to perform a full total compensation and comparability analysis. While the analysis below provides one point of reference for comparing the KPOA's compensation package, it is not intended to be a complete analysis or endorsement of the selected comparable universe. Analysis below compares the monthly wages and benefits as of 6/30/2015 assuming implementation of the KPOA MOU

Public Management Group™
Renne Sloan Holtzman Sakai LLP

KPPCSD
Title: Police Officer
Analysis Date: 6/30/2015

Survey Agency	Comparable Classification	Top Step Base	POST Pay	Uniform Allowance	Longevity (20 YOS)	EPMC		Wages + EPMC	Insurance			Total Insurance	Total Comp	Rank
						(%)	(\$)		Health	Dental	Vision			
Albany	Police Officer	\$8,423	\$674	\$83	\$0	-1.0%	-\$92	\$9,088	\$1,858	\$139	\$0	\$1,997	\$11,085	4
Berkeley	Police Officer	\$9,628	\$385	\$117	\$481	0.0%	\$0	\$10,611	\$1,534	\$172	\$0	\$1,706	\$12,317	2
El Cerrito	Police Officer	\$8,075	\$290	\$83	\$727	0.0%	\$0	\$9,175	\$1,989	\$177	\$0	\$2,166	\$11,341	3
Richmond	Police Officer	\$9,293	\$746	\$67	\$651	-2.0%	-\$215	\$10,541	\$1,858	\$122	\$18	\$1,998	\$12,539	1
KPPCSD	Police Officer	\$6,890	\$517	\$67	\$167	6.0%	\$458	\$8,099	\$1,858	\$203	\$30	\$2,090	\$10,189	5
	Median (Excluding KPPCSD)	\$8,858						\$9,858					\$11,829	
	Variance from Median	-22.21%						-17.85%					-13.86%	
	Average (Excluding KPPCSD)	\$8,855						\$9,854					\$11,821	
	Variance From Average	-22.19%						-17.81%					-13.80%	

Notes:
 KPPCSD: Wages shown for Police Officer as of 6/30/15.
 Albany: APOA members are eligible for \$928/annual longevity benefit after 24 YOS (up to 34 YOS) that is not reflected above. This amount is deposited into a Retiree Health Savings Account.
 Berkeley: Contract expired July 5, 2014.

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Prior Total Compensation Survey

- The KPPCSD engaged a consulting firm in 2013 to conduct a total compensation survey for the ranks of Police Officer and Police Sergeant. This survey examined a larger universe of public employers than presented on the previous slide and included additional elements of compensation
- The consultant reported the following key findings:
 - Police Officer:
 - **8.0%** below the median for monthly salary and **1.9%** below the median for total monthly compensation
 - Sergeant:
 - **10.7%** below the median for monthly salary and **3.6%** below the median for total monthly compensation

“The District has many options regarding what type of compensation plan it wants to implement. This decision will be based on what the District’s pay philosophy is, at which level the District desires to pay its employee compared to the market, whether the District is going to consider additional alternative compensation programs, and how great the competition is with other agencies in the immediate geographic vicinity over recruitment of a highly-qualified workforce.”

- *Total Compensation Study for the KPPCSD, Koff & Associates, Inc. June 2013*



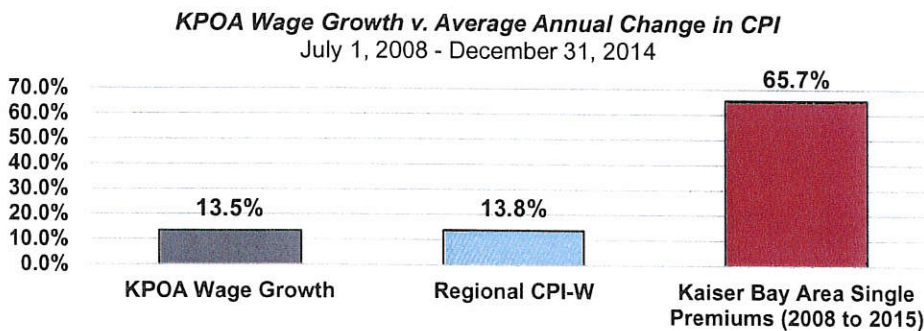
KPOA Wage Growth v. Consumer Prices

- Over the three (3) contract periods leading up to the draft KPOA MOU, bargaining unit members experienced cumulative wage growth of **13.5%** as shown in the table below

Contract Period	Increase Date	Wage Increase (%)
July 1, 2008 to June 30, 2010	July 1, 2008	6.0%
	July 1, 2009	4.0%
July 1, 2010 to June 30, 2013	July 1, 2010	0.0%
	July 1, 2011	0.0%
	July 1, 2012	0.0%
July 1, 2013 to June 30, 2014	July 1, 2013	3.0%

Cumulative Increase => 13.5%

- Over this same time period, KPOA wage growth has closely tracked the average annual change in the regional CPI-W of **13.8%**. At the same time, other personnel costs have continued to rise. From 2008 to 2015, single premiums for Kaiser Bay Area increased nearly 66%



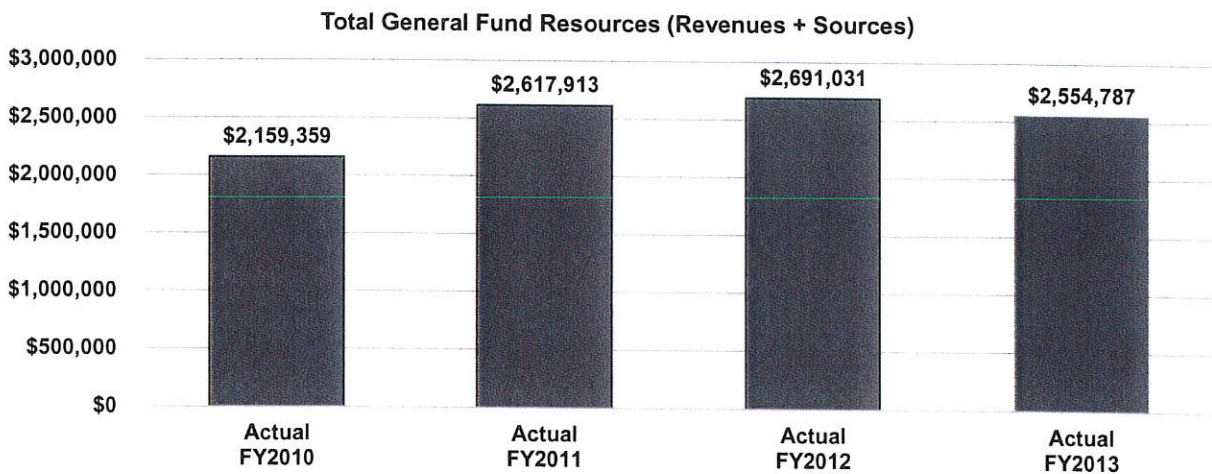
Source: US Bureau of Labor Statistics, Consumer Prices

**Financial Condition &
Multi-Year Forecast**



Revenue Trends FY2010 – FY2013

- To better understand the District's finances and to help inform our forecast, PMG reviewed four (4) audited financial statements covering June 30, 2010 through June 30, 2013 (most recent)
- **Revenues:** Passage of the Measure G Supplemental Tax for police protection services provided a significant boost to the District's overall revenues (21% increase in revenue from FY10 to FY11 when implemented). Reduction in FY13 revenues is primarily due to loss of \$100,000 in grant funds

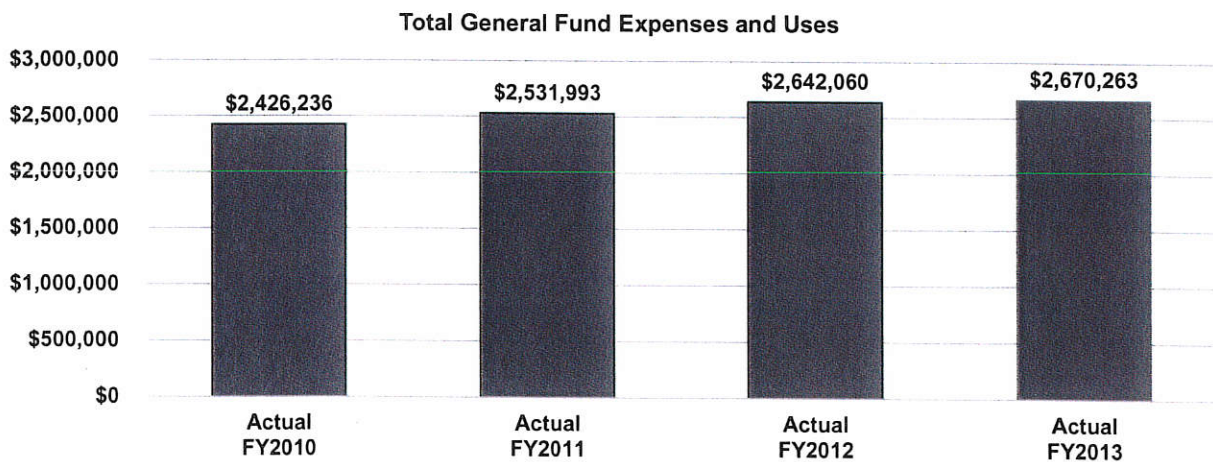


Source: KPPCSD Audited Financial Statements, FY10-FY13



Expenditure Trends FY2010 – FY2013

- **Expenses:** The District's expenses increased 3.2% from FY10 to FY13 on a compounded annual basis
 - Police salary and benefit expenses – the single largest expenditure for the District – increased at a noticeably slower rate. From FY10 to FY13, police personnel costs increased 2.1% from FY10 to FY13 on a compounded annual basis
 - Actual expenses significantly outpaced budgeted amounts in FY13 due to legal and waste/recycling cost increases ("District Expenses" line item)

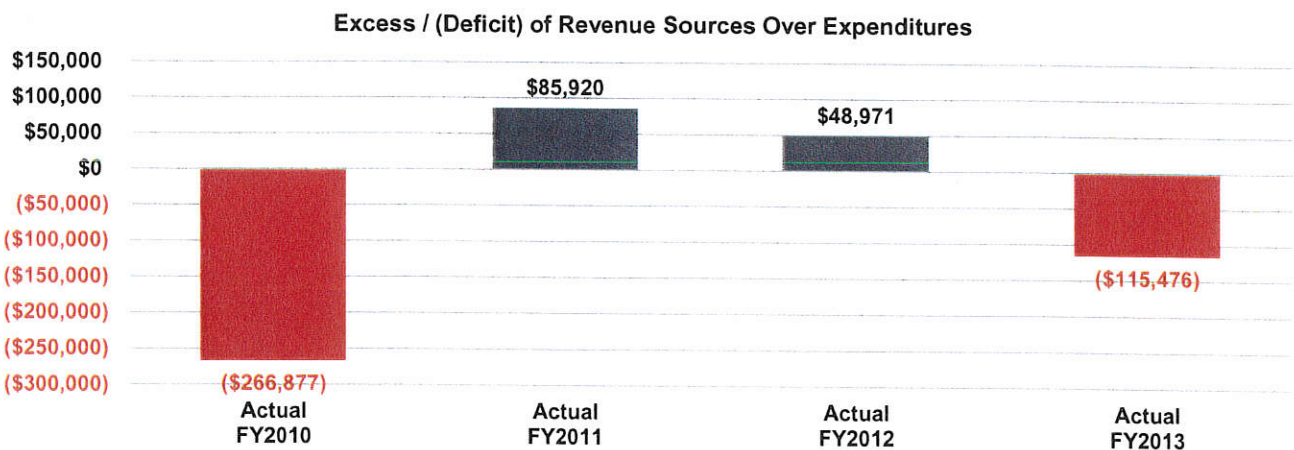


Source: KPPCSD Audited Financial Statements, FY10-FY13



Net Surplus / (Deficit) FY2010 – FY2013

- Over the last four fiscal years, the District's net operating position has fluctuated
- In two (2) out of the last four (4) years for which audited statements were available, the District used fund balance to cover expenses
 - The gap in FY13, as mentioned on the previous slide, was primarily the result of additional legal and waste/recycling costs
 - The gap in FY10 was largely attributable to additional retirement benefit costs due to implementation of GASB accounting changes



Source: KPPCSD Audited Financial Statements, FY10-FY13



Fund Balance Trends

FY2010 – FY2013

Fund Balance

- Total fund balance ranging from 57.0% to 62.8% of expenditures
- An accounting change in FY11 (GASB Statement 54) created a new reporting format for fund balance designations prospectively, such that fund balance comparisons across the audited statements are somewhat distorted
- For historical comparison, might be more accurate to compare unassigned + assigned to former unreserved

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>
Ending Fund Balance	\$1,503,005	\$1,588,925	\$1,637,896	\$1,522,420
<i>Reserved</i>	\$62,594	\$88,360	-	-
<i>Unreserved</i>	\$1,440,411	\$1,500,565	-	-
<i>Nonspendable</i>	-	-	\$115,140	\$88,686
<i>Restricted</i>	-	-	\$77,218	\$22,610
<i>Committed</i>	-	-	-	-
<i>Assigned</i>	-	-	\$300,000	\$300,000
<i>Unassigned</i>	-	-	\$1,145,538	\$1,111,124
Total Fund Balance as % of Expenses	61.9%	62.8%	62.0%	57.0%
Unassigned Fund Balance as % of Expenses	59.4%	59.3%	43.4%	41.6%

Source: KPPCSD Audited Financial Statements, FY10-FY13

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Reserve Levels

Developing a Policy Framework

- The adequacy of fund balance should be assessed based on an agency's own specific circumstance – there is no universally accepted “right level”
 - **Revenue Source Stability:** How stable is the District's tax base in the face of adverse economic conditions? How broad are the District's revenue sources? Are any revenue sources at risk due to State or Federal actions?
 - **Expenditure Volatility:** What are the District's contractual obligations and how much will they mandate ongoing expenditure levels? Are there new programmatic areas that the District will undertake?
 - **Extreme Circumstances:** What is the risk of natural disaster or other one-time outlay (i.e., earthquake, fire, etc.)? How much (if any) of this risk can be insured against?
 - **Liquidity:** What are the District's cash flow needs (i.e., when are property tax revenues received relative to when expenses are incurred)? How have reserves fluctuated in the past and what is the general trend?
 - **Leverage:** What are the City's unfunded liabilities and ongoing capital needs? Pension? OPEB?



Liquidity & Personnel Costs

FY2010 – FY2013

- Liquidity:** Strong liquidity position with cash and short-term investments near or exceeding fund balance

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>
Balance Sheet				
Cash and Investments	\$1,704,379	\$1,582,473	\$1,736,703	\$1,561,708
Current Liabilities	\$286,218	\$192,656	\$236,632	\$199,029
Ratio of Cash & Invest. to Current Liabilities	5.95	8.21	7.34	7.85

- Personnel costs:** Personnel costs (salaries and benefits) as a percentage of expenditures are high, ranging from 79.0% to 85.3%. This is not unusual for governments as the provision of services are labor-intensive. Nonetheless, the higher the ratio the less flexibility for a public agency to quickly adapt to changing circumstances

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>
Other Factors				
Personnel Costs as % of Expenditures	85.3%	82.8%	77.4%	79.0%

Source: KPPCSD Audited Financial Statements, FY10-FY13

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Long-Range Planning Overview

- PMG developed a multi-year forecast for KPPCSD that incorporates assumptions about future growth or decline to all of the District's revenue and expenditure line items
 - Largely followed the District's current budgeting and accounting practices to facilitate comparison
- Because the forecast applies average assumptions to a relatively small budget with few employees, the estimates shown are subject to volatility
- In general, less reliance should be given to outlying years in a forecast as more "unknown" factors are introduced

"Long-term financial planning is the process of aligning financial capacity with long-term service objectives. Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges. Many governments have a comprehensive long-term financial planning process because it stimulates discussion and engenders a long-range perspective for decision makers. It can be used as a tool to prevent financial challenges; it stimulates long-term and strategic thinking; it can give consensus on long-term financial direction; and it is useful for communications with internal and external stakeholders."

- *GFOA Best Practice, Long-Term Financial Planning, 2008*



Purpose of Long-Range Planning

- ***Strategic***

- Helps to facilitate the strategic decision making process
- Informs policy decisions
- Projects the impact of policy changes over time

- ***Financial***

- Identifies structural budget challenges
- Helps evaluate the long-term impacts of current decisions
- Helps to understand major revenue and expense drivers



Forecast Assumptions

- Revenues:** Property taxes, police tax, and Measure G revenues account for more than 90% of all District revenues. Forecast assumes moderate, but steady growth in primary revenue sources

	FY15 projected	Assumptions
Property Taxes	\$1.45 MM	2.50% to 2.75% increase per year (5-year average increase of 2.58%) to capture AV growth cap and potential for turnover
Police Tax	\$0.68 MM	0%; No growth in assessment
Measure G	\$0.50 MM	2.41% increase per year consistent with historical regional CPI growth

- Expenses:** Includes impact of economic provisions of the draft KPOA MOU. Incorporates inflation factor of 2.0% for most other expense items as a “stress-test” for District sustainability

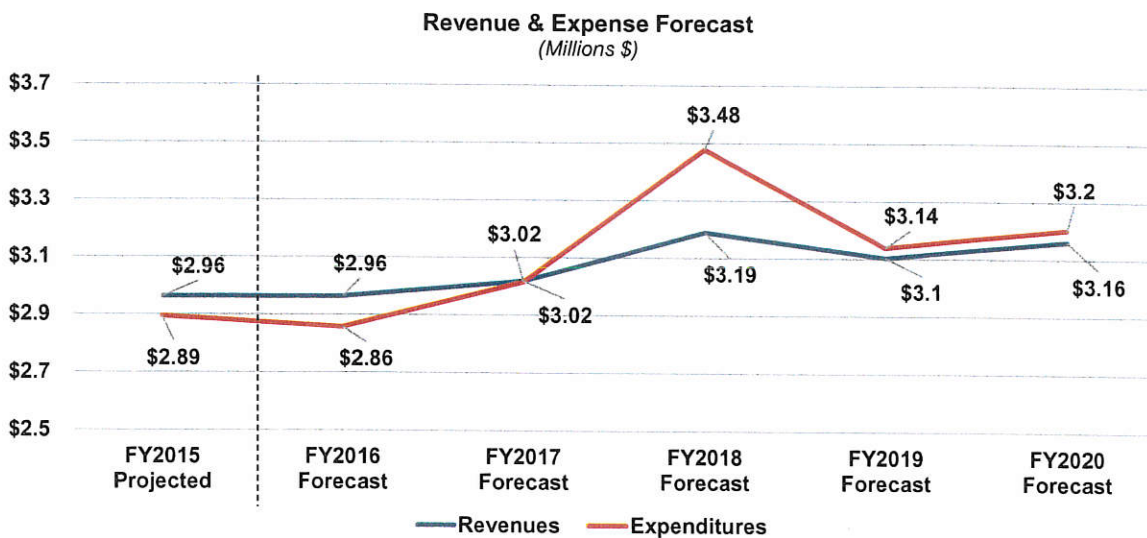
	FY15 projected	Assumptions
Salaries	\$1.02 MM	3.75%, 1/1/15; 3.75%, 7/1/15; 4.25%, 7/1/16; 4.25%, 7/1/17; 2.0% in FY19 and FY20
Active Medical	\$0.18 MM	5.0% - 6.0% per year consistent with Segal Health Trend Survey for HMO plans
Retiree Medical	\$0.19 MM	5.0% to 6.0% per year pay-go increase 4.0% increase in trust contribution
PERS	\$0.39 MM	Incorporates forecasts provided by CalPERS in most recent AVR; Side-fund liability payoff in FY19; Phase-out EPMC per contract



Revenues v. Expenses

Scenario 1

- Under mainstream expectations for growth in revenues and with the inclusion of the draft KPOA MOU, the KPPCSD is projected to have a balanced budget in FY16 and FY17, followed by a significant deficit in FY18
 - Much of the deficit in FY18 is the result of planned capital investment in the Community Center (net impact of approximately \$250,000 in FY18)



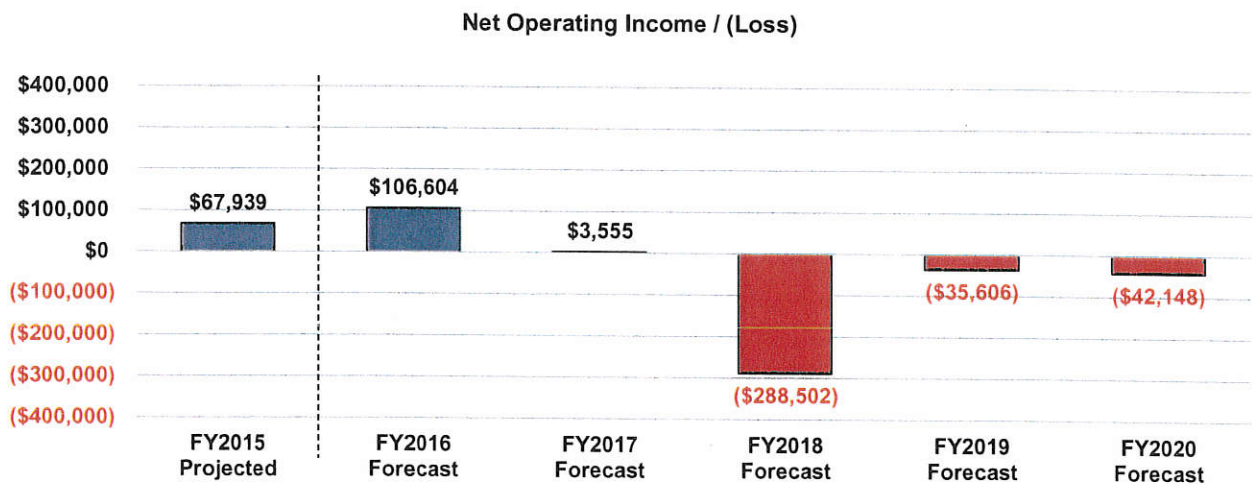
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Net Operating Surplus / (Deficit)

Scenario 1

- The graphic below reflects the net operating results (revenues less expenses) should the District implement the draft KPOA MOU and fund the Community Center renovation under a pay-go approach



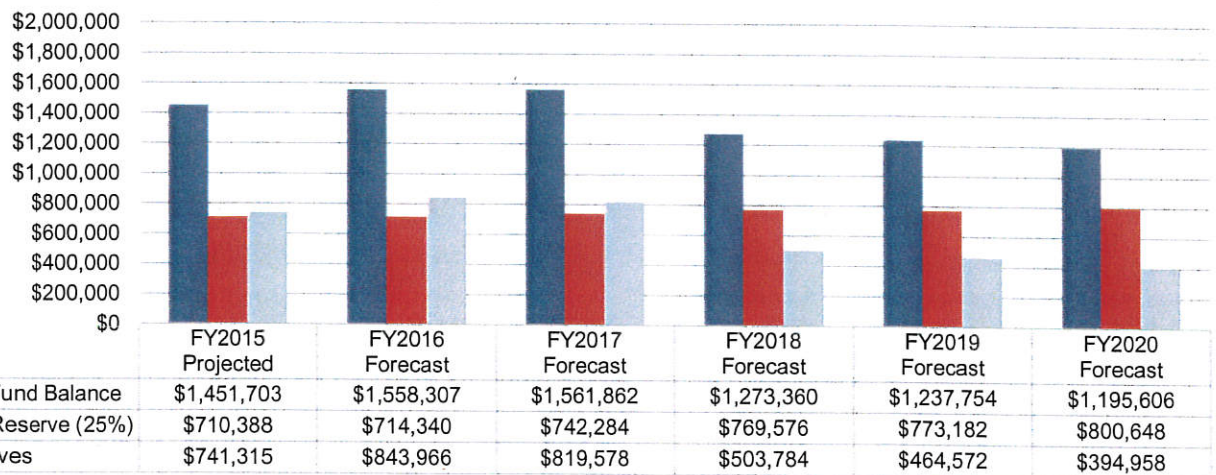


Fund Balance

Scenario 1

- KPPCSD is forecast to have a relatively stable fund balance in FY16 and FY17
- The District's planned investment in the Community Center will have an impact on the District's Fund Balance in FY18

Ending Year Fund Balance



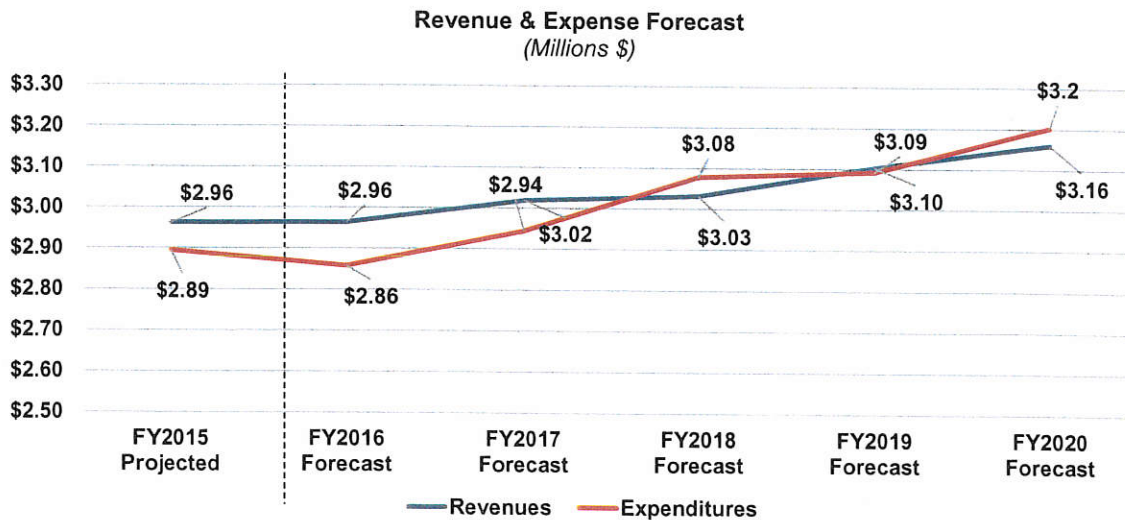
Ending Year Fund (% of Exp)	50.1%	54.5%	51.8%	35.8%	38.2%	35.9%
Contingency Reserve	24.5%	25.0%	24.6%	22.1%	24.6%	25.0%
All other reserves	25.6%	29.5%	27.2%	13.7%	13.6%	10.9%

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Revenues v. Expenses Scenario 2 – Without Capital

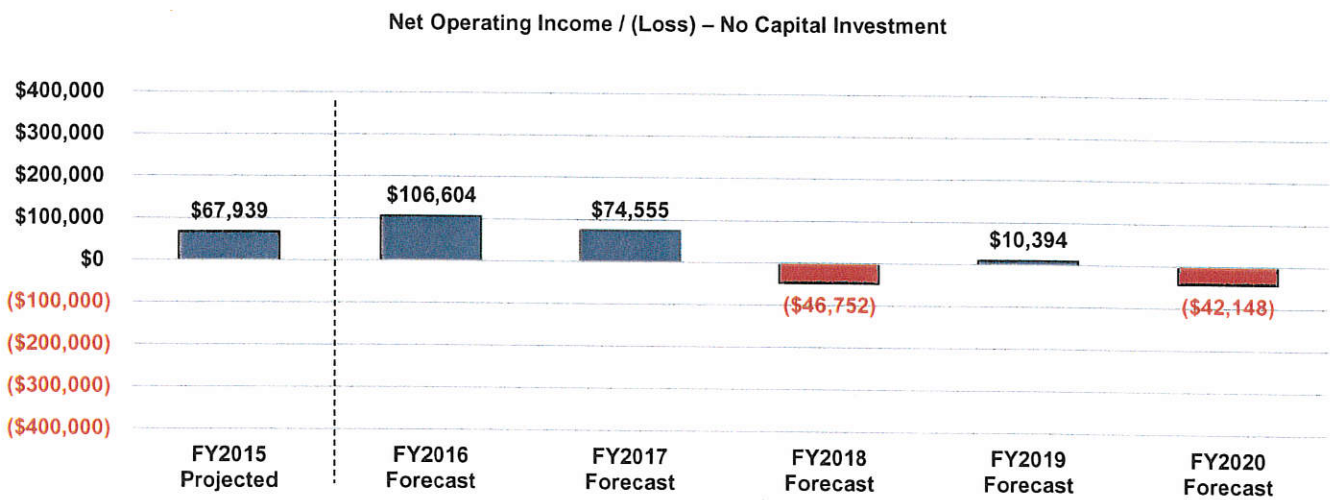
- To isolate the impact of the draft KPOA MOU on the District's finances, PMG removed capital funding projects from the projections (vehicle/equipment replacements and Community Center renovations). All other assumptions were kept constant
- Under this scenario, the District still experiences a deficit in FY 2018, albeit at a much more muted level





Net Operating Surplus / (Deficit) Scenario 2 – Without Capital

- The graphic below demonstrates the net operating results (revenues less expenses) should the District implement the draft KPOA MOU without the impact of future capital investment



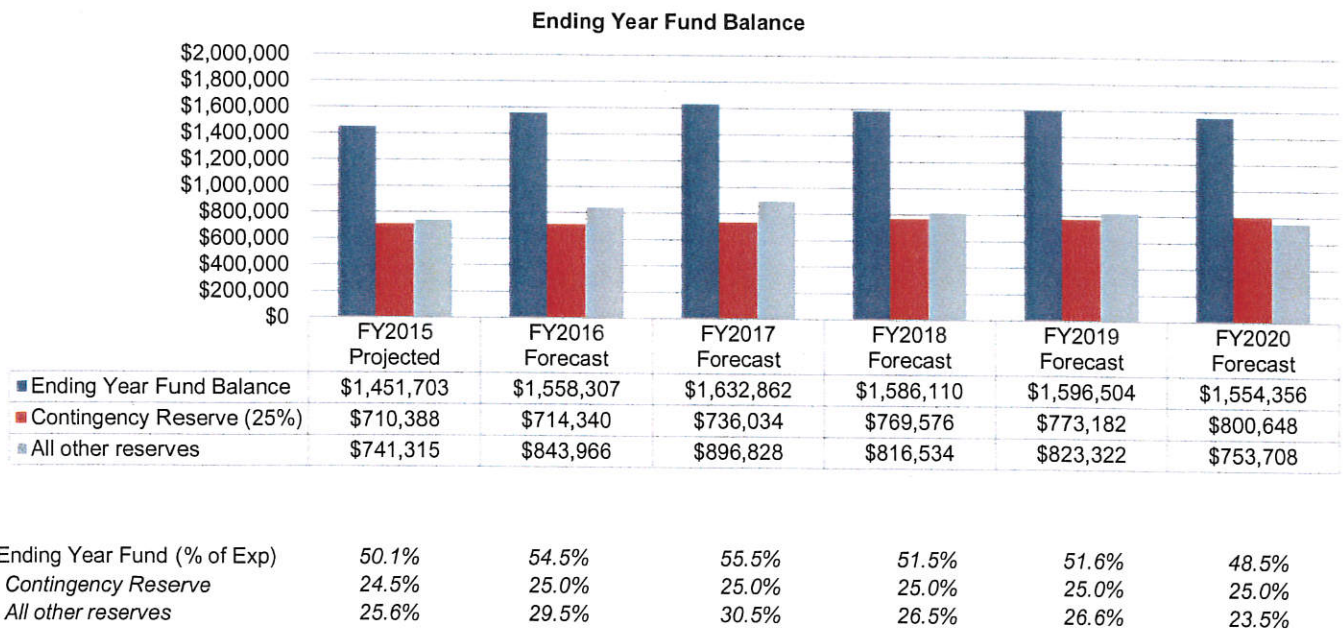
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Fund Balance

Scenario 2 – Without Capital

- Excluding the District's planned renovation of the Community Center, the available fund balance remains relatively stable over the forecast period assuming key assumptions achieved

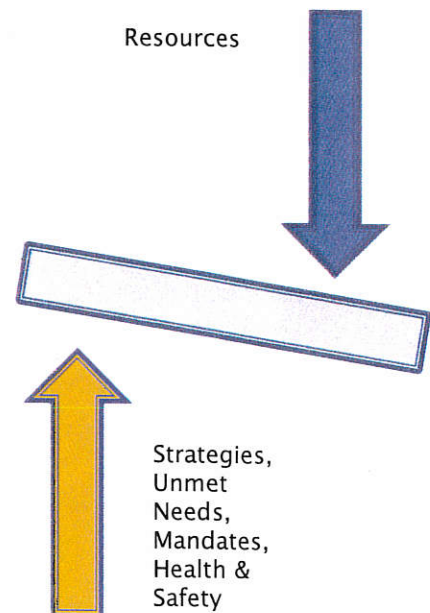




Risks to the Forecast

- The Economy: The forecast does not reflect the impact of a recession on the District's financial position. Must consider the "business cycle"
- Revenues: Given the limited revenue sources available to the District, there is a "concentration of risk" in property tax revenue collections. Limited options for additional revenue enhancement
- Pension Costs: PERS costs have consistently risen beyond projections over the last several years due to market gains and losses, actuarial assumption changes, mortality (life expectancy) improvements. Future Board actions could result in additional costs, though none have been adopted at this point in time
- Personnel Costs: Balancing workforce costs with the need to remain competitive in the labor market will be a challenge for the District moving forward

The Balancing Act





Summary of Findings

- Over the last three contract periods, KPOA wage increases have generally kept pace with inflation. However, benefit cost pressures continue to be acute (active and retiree health and pension)
- Though limited analysis was conducted, in general KPOA total compensation is not at the top of the local labor market. Nonetheless, with a generous benefit package and few recruitment/retention issues, KPPCSD is a good career opportunity
- The District currently has healthy reserves, the use of which needs to be balanced against the “concentration of risk” in revenue sources, limited options for revenue enhancement and other uncertainties in the future
- The additional short-term costs associated with the draft KPOA MOU appear to be manageable given current revenue and expenditure projections over the next two fiscal years
 - Under PMG’s projections the District has a narrowly balanced budget in FY17, followed by a deficit in FY18 (under both scenarios). In the out years, even with more moderate wage growth assumptions (2.0%), the District faces an operating deficit
- Moderate changes to the underlying forecast (i.e., a recession) could pose significant challenges to the District in the future. The duration and severity of any economic downturn, however, is difficult to predict

Memorandum

Kensington Police Department



To: KPPCSD Board of Directors

APPROVED YES NO

From: Gregory E. Harman, General Manager/Chief of Police

FORWARDED TO:

Date: Friday, May 08, 2015

Subject: New Business Items #2 Resolution 2015-04 Ordering Park Assessment

Every year, the Board needs to approve the resolutions prepared by NBS that initiate the process of collecting the park tax assessment pursuant to the Landscaping and Lighting Act of 1972 that established the Kensington Park Assessment District.

The first step of that process was the approval of Resolution 2015-01; the approval of the Annual Report for the Kensington Park Assessment District for Fiscal Year 2015/2016.

The total assessment to each dwelling unit is \$15.62, with a total of 2,188 parcels to be assessed.

The second step in the process was the approval of Resolution 2015-02; the initiation of proceedings for the levy and collection of the assessments for the Kensington Park Assessment District for Fiscal Year 2015/2016.

The third step was the approval of Resolution 2015-03; the Board's declaring its intention to levy and collect assessments for the Kensington Park Assessment District for Fiscal Year 2015/2016 and setting the public hearing for Thursday, May 14th, at 7:30 PM. Resolution 2015-03 was passed at the April 9th KPPCSD Board meeting and was published in the April 24, 2015 issue of the West County Times. This met the requirement that the May 14th meeting be noticed at least 10 days prior the public meeting date.

The final step in the process is the holding of the public meeting on May 14th and the approval of Resolution 2015-04.

Greg Harman
General Manager/ Chief of Police

RESOLUTION NO. 2015-04

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT,
CONFIRMING THE ASSESSMENT AND ORDERING THE LEVY FOR
THE KENSINGTON PARK ASSESSMENT DISTRICT
FOR FISCAL YEAR 2015/16

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 Board of Directors previously completed its proceedings in accordance with and pursuant to the Landscaping and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500) (the "Act") to establish the Kensington Park Assessment District (the "Assessment District"); and

WHEREAS, the Board of Directors has retained NBS for the purpose of assisting with the annual levy of the Assessment District, and the preparation and filing of an Annual Report; and

WHEREAS, the Board of Directors has, by previous resolution, declared its intention to hold a Public Hearing concerning the levy and collection of assessments within the Assessment District; and

WHEREAS, a Public Hearing has been held and concluded and notice thereof was duly given in accordance with Section 22626 of the Act; and

WHEREAS, at the time and place specified in the Resolution of Intention the Board of Directors conducted such hearing and considered all objections to the assessment.

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

- 1. Confirmation of Assessment and Diagram:** The Board of Directors hereby confirms the assessment and the diagram as is described in full detail in the Annual Report on file with the Secretary.
- 2. Levy of Assessment:** Pursuant to Section 22631 of the Act, the adoption of this resolution shall constitute the levy of an assessment for the fiscal year commencing July 1, 2015 and ending June 30, 2016.
- 3. Ordering of the Levy:** The Board of Directors hereby orders NBS to prepare and submit the levy of assessments to Contra Costa County for placement on the Fiscal Year 2015/16 secured property tax roll.

PASSED AND ADOPTED by the Board of Directors of the Kensington Police Protection and Community Services District on _____, the ____ day of _____, 2015, by the following vote to wit:

AYES:

Len Welsh, President

NOES:

Pat Gillette, Vice President

ABSENT:

Chuck Toombs, Director

Vanessa Cordova, Director

Rachelle Sherris-Watt, 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 _____, 2015.

District General Manager