

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

Fiscal Year 2020/21 Annual Report For:

Kensington Park Assessment District

May 2020

Prepared by:



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1. EXECUTIVE SUMMARY

The Board of Directors of the Kensington Police Protection and Community Services District (“KPPCSD”), State of California, has directed NBS Government Finance Group, DBA NBS (“NBS”), to prepare and file a report presenting plans and specifications describing the general nature, location, and extent of the improvements to be maintained and an estimate of the costs of the maintenance and operations and servicing of the improvements for the Kensington Park Assessment District (the “District”) for Fiscal Year 2020/21 pursuant to the provisions of the *Landscape and Lighting Act of 1972, Part 2, Division 15 of the California Streets and Highways Code (commencing with Section 22500)* (hereafter referred to as the “Act”).

The report includes a diagram of the District, showing the area and properties proposed to be assessed, an assessment of the estimated costs of the maintenance, operations and servicing the improvements, and the net amount levied upon all assessable lots and/or parcels within the District in proportion to the special benefit received.

The assessment rate and the annual rate escalation factor of the annual San Francisco Bay Area CPI were approved by property owners through the assessment balloting procedures set forth in Section 4 of Article XIIIID of the California Constitution following a public hearing on May 28, 1997.

The assessment summarized below covers a portion of the estimated costs of maintenance, operation, and servicing of said improvements to be paid by the assessable real property within the District in proportion to the special benefit received.

SUMMARY OF ASSESSMENT

DESCRIPTION	AMOUNT
Balance to Levy ⁽¹⁾	\$41,529.06
Total Equivalent Dwelling Units	2,261.896
Total Assessment Per Equivalent Dwelling Unit⁽¹⁾	\$18.37
Total Parcels to be Assessed	2,189

(1) Actual levy amount may vary due to even cent rounding for placement on the Contra Costa County tax roll.

2. OVERVIEW

2.1 Introduction

On December 6, 1994, Kensington Police Protection Community Services District (KPPCSD) formed the District for the purpose of providing improvements which benefit parcels in the District. Since that time, the KPPCSD has been levying and collecting special assessments to pay for maintaining and servicing those improvements.

This Annual Engineer's Report (the "Report") describes the District and the proposed charge per Equivalent Dwelling Unit (EDU) for Fiscal Year 2020/21 based on the historical and estimated costs to maintain the improvements and to provide the services that benefit parcels within the District. Maintenance and operation of the facilities provides a healthy alternative for youth and adult activities while protecting the capital investments that have been made within the District.

The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessor's Parcel Number by the Contra Costa County Assessor's Office. The Contra Costa County Auditor/Controller uses Assessor's Parcel Numbers and specific Fund Numbers, to identify on the tax roll, properties assessed for special district benefit assessments.

Following consideration of public comments at a noticed public hearing, the Board of Directors may confirm the diagram and may order the levy and collection of assessments for Fiscal Year 2020/21. If approved, the assessment information shall be submitted to the Contra Costa County Auditor/Controller and included on the property tax roll for each benefiting parcel for Fiscal Year 2020/21.

2.2 Effect of Proposition 218

On November 5, 1996, California voters approved Proposition 218 by a margin of 56.5% to 43.5%. The provisions of the Proposition, now California Constitutional Articles XIIC and XIID, adds substantive and procedural requirements to assessments, which affect the KPPCSD maintenance assessments.

The assessment rate and the annual rate escalation factor of the annual San Francisco Bay Area CPI were approved by property owners through the assessment balloting procedures set forth in Section 4 of Proposition 218 following a public hearing on May 28, 1997. The San Francisco Bay Area CPI increase for the period ending February 2020 was 2.906%.

2.3 Description of District and Services

The KPPCSD operates, services, and maintains the following improvements within the District: landscaping and grass, water and electric services, equipment and supplies, repair or replacement of existing improvements, and addition of future improvements (if determined to be necessary).

The District consists of a residential area, generally located north of the Contra Costa County line, east of Santa Fe Avenue, west of Kensington Road, and south of Gelston Place.

3. ESTIMATE OF COSTS

3.1 Description of Budget Items

Operations & Maintenance - Includes the following:

- Tree Pruning/Removal – Includes the costs for trimming trees and removal of debris.
- Utilities – Includes the costs for water to irrigate the landscaping and the costs for electricity for street lighting.
- Miscellaneous Services/Equipment – Includes the costs for maintaining and replenishing equipment and supplies.
- Miscellaneous Repairs – Includes costs for any infrastructure repair on property within the District, including repairs to buildings.

Incidental Expenses - Includes the following:

- Administrative Services – Includes services necessary for District maintenance, including preparation of the Annual Engineer’s Report and expenses for the services of KPPCSD personnel.
- Levy Fees – Includes the County of Contra Costa parcel charges to collect the assessments on the County Tax Roll.

3.2 Kensington Park Budget

The proposed budget for Fiscal Year 2020/21 is as follows:

ACCOUNT DESCRIPTION	2020/21 PROPOSED BUDGET
Maintenance Contract ⁽¹⁾	\$54,600
Tree Pruning/Removal	30,000
Utilities	15,500
Drain Clearing	600
Misc. Maintenance Services and Supplies	1,500
Operations & Maintenance Total	\$102,200
Administrative Services	5,424
Levy Fees	1,914
Incidental Expenses	0
Expenses Total:	\$7,338
Total Costs	\$109,538

(1) Includes Maintenance contracts, park restroom custodian and maintenance repairs.

4. METHOD OF APPORTIONMENT

4.1 Method of Apportionment

Pursuant to the Act, the costs of the District may be apportioned by any formula or method which fairly distributes the net amount to be assessed among all assessable parcels in proportion to the estimated special benefit to be received by each such parcel from the maintenance, servicing, and operation of the improvements. The formula used for the District reflects the composition of the parcels and the improvements and services provided to fairly apportion the costs based on the estimated benefits to each parcel.

The benefit was determined to be equal for all Equivalent Dwelling Units (EDU) within the District.

Kensington Park Assessment District

The method used to calculate the assessments within the District is as follows:

$$\text{Total Balance to Levy} / \text{Total EDU} = \text{Levy per EDU}$$

To determine the EDU for assessable parcels, the Benefit Unit Factor (B.U.F.) is multiplied by the number of developed residential units on the parcel. Undeveloped and non-residential parcels are not assessed. The CPI Rate Escalation Factor is applied to the Levy per EDU each year.

The operations and maintenance activities for the District are of special benefit to those parcels in the District. The benefit derived by the community at large is negligible and is considered a general benefit.

4.2 Land Use Benefit Factors

PROPERTY TYPE/ LAND USE CODE	B.U.F. PER UNIT
Single-Family Residential Parcels	1.000
Multi-Family Residential Parcels	0.768
Vacant Residential Parcels	0.000
Non-Assessable Parcels	0.000

4.3 Balance To Levy

Total District Costs – Includes Operations and Maintenance costs, in addition to any Incidental Expenses determined in Section 3 of this Report.

Other Funding Sources – This is the amount of surplus or deficit funds resulting from the collection of the previous year's assessments. This can also include funds designated for use by the District that are not from District assessments. These funds are added to or subtracted from the District account and assessments are adjusted accordingly.

Balance to Levy – This is the total amount to be levied and collected through assessments for the current fiscal year. The Balance to Levy represents the sum of the Operations and Maintenance, Incidental

Expenses, Beginning Balance, (deficit or surplus from last year) and Other Funding Sources less installment rounding.

DESCRIPTION	AMOUNT
Total District Costs	\$109,538.00
Beginning Balance	0.00
Other Funding Sources ⁽¹⁾	(68,008.94)
Total Balance To Levy ⁽²⁾	\$41,529.06

(1) Revenue from the KPPCSD General Fund.

(2) Actual levy amount may vary due to even cent rounding for placement on the Contra Costa County tax roll.

4.4 Total Assessment Per EDU

The following table summarizes the total assessment and number of EDUs.

DESCRIPTION	AMOUNT
Balance to Levy ⁽¹⁾	\$41,529.06
Total District EDU	2,261.896
Total Assessment Per EDU⁽¹⁾	\$18.37

(1) Actual levy amount may vary due to even cent rounding for placement on the Contra Costa County tax roll.

4.5 Historical Maximum Assessment Per EDU

The following table lists the historical assessment rates per EDU.

FISCAL YEAR	ASSESSMENT RATE ⁽¹⁾
2006/2007	\$12.69
2007/2008	13.09
2008/2009	13.46
2009/2010	13.61
2010/2011	13.86
2011/2012	14.09
2012/2013	14.52
2013/2014	14.87
2014/2015	15.24
2015/2016	15.62
2016/2017	16.09
2017/2018	16.65
2018/2019	17.24
2019/2020	17.85
2020/2021	18.37

(1) Actual levy amount may vary due to even cent rounding for placement on the Contra Costa County tax roll.

4.6 Sample Calculations

The following table describes the calculation of a parcel's charge based on the property type.

PROPERTY LAND USE	B.U.F. X UNITS = EDU	PARCEL EDU X LEVY PER EDU = PARCEL CHARGE	PARCEL CHARGE ⁽¹⁾
Single-Family Residential	1.000 X 1 Unit	1.000 X \$18.371931	\$18.37
Multi-Family Residential (with 2 units)	0.768 X 2 Units	1.536 X 18.371931	28.21
Vacant Residential	0.000 X 0 Units	0.000 X 18.371931	0.00

(1) Actual levy amount may vary due to even cent rounding for placement on the Contra Costa County tax roll.

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5. ASSESSMENT DIAGRAM

The following page shows a copy of the Assessment Diagram for the District. The lines and dimensions shown on the maps of the Contra Costa County Assessor for the current year are incorporated by reference herein and made part of this Report.

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6. ASSESSMENT ROLL

The assessment roll is provided for Fiscal Year 2020/21 on the following pages. The description of each lot or parcel as part of the records of the County Assessor of the County of Contra Costa are, by reference, made part of this Report.

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