

**KENSINGTON FIRE PROTECTION DISTRICT
NOTICE OF A MEETING OF A STANDING COMMITTEE**

FINANCE COMMITTEE

Date of Meeting: May 28, 2014
Time of Meeting: 10:00 a.m.
Place of Meeting: Kensington Public Safety Building
Conference Room
217 Arlington Avenue, Kensington, CA 94707

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office Administrator, 510/527-8395. Notification 48 hours prior to the meeting will enable the Kensington Fire Protection District to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title 1).

Finance Committee Members: Janice Kosel and Helmut Blaschczyk
Staff: Chief Lance Maples, Deborah Russell CPA,
Brenda Navellier, Manager

AGENDA

1. Call To Order
2. Public Comment
3. Approval of January 21, 2014 Committee Minutes
4. El Cerrito Contract Fee Proposal for FY 2014-2015
5. FY 2013-2014 Auditor Proposals/Recommendation
6. Review and Recommend Draft FY 2014-2015 Budget
7. Adjourn

For time and date of the next meeting of the Kensington Fire Protection District Finance Committee, contact the District office, 217 Arlington Avenue, Kensington, CA 94707, 510/527-8395.

**MINUTES OF THE JANUARY 21, 2014 FINANCE COMMITTEE MEETING
OF THE KENSINGTON FIRE PROTECTION DISTRICT**

PRESENT: Directors: Janice Kosel and Helmut Blaschczyk
 Staff: Manager Brenda Navellier, CPA Deborah Russell

CALL TO ORDER:

Director Kosel called the meeting to order at 4:00 p.m. and noted those present.

ORAL COMMUNICATIONS:

None.

APPROVAL OF MAY 29, 2013 COMMITTEE MINUTES:

The Committee agreed to approve the minutes by consensus as presented.

MID-YEAR BUDGET REVIEW:

The Committee noted the property taxes are up \$160,000 over the previous year. They suggested to increase the property tax revenue budget for FY14-15 to match the actual for FY13-14. Russell pointed out that the previous year, the District received less property taxes than budgeted. The Committee discussed the budget timing in the reports that are in the packets. Navellier will include a budget-to-date for the entire year report in the mid-year budget review so that the Board has the total year budget numbers. The District has received nearly 6% revenue above projections and 5% less expenses than projected with a total difference of about \$245,000 to the positive. The \$245,000 is accounted for by \$160,000 in property taxes, \$14,000 in miscellaneous income, lack of hydrant costs, low legal fees and none of the budget contingency has been used. The Committee suggested lowering the interest income for FY14-15. Russell said the State of California paid their loan receivable and interest income. That line item should come out of the budget now. FY14-15 revenue is currently projected at approximately \$3.1 million with total expenditures including capital at almost \$3.9 million. Next year will be negative due to the water system improvements and the Type 1 engine. Russell explained how the ladder truck is reflected under grant revenue and capital expenditure and the District's cost is the difference between the two. The Committee had questions about the Ending Cash and Available Cash section in the current budget. Russell and Navellier will double check and update the entire section and also take out the State loan line item.

REVIEW DISTRICT INVESTMENTS:

Navellier handed out a cash flow sheet with projections through May that the Committee reviewed. LAIF is currently paying only .26% on investments. The CalPERS OPEB Trust funds have been moved from Strategy 3 to Strategy 2 at the Committee's direction.

The Committee will present a mid-year budget review at the February meeting. The Board was happy with the audit overall and plans on using Lamorena & Chang for one more year before soliciting bids. The Committee briefly discussed questions and a correction concerning the audit that were brought up at the January meeting. More discussion followed on monthly financial packet report preparation.

ADJOURNMENT: The meeting was adjourned at 4:40 p.m.

MINUTES PREPARED BY: Brenda J. Navellier

These minutes were approved at the Committee meeting of May 28, 2014.

Attest:

Finance Committee Member

CITY OF EL CERRITO / KENSINGTON FIRE PROTECTION DISTRICT

Proposed Contract Fee for FY 2014 - 2015

LINE ITEM DETAIL BUDGET EXPENDITURES

**101 GENERAL FUND
2510 FIRE**

Proposed
Budget FY14-15

5100 SALARIES & BENEFITS				
51110	Salaries	4,483,822	27.75%	\$ 1,244,260.61
51130	Temporary/Part-time Salaries	0	27.75%	\$ -
51140	Overtime Pay	569,099	27.75%	\$ 157,924.97
51145	FLSA Overtime pay	94,639	27.75%	\$ 26,262.32
51146	Non Suppression Overtime pay	75,000	27.75%	\$ 20,812.50
51150	Special Pay	26,675	27.75%	\$ 7,402.31
51210	PERS Contributions	1,589,312	27.75%	\$ 441,034.08
51220	FICA/MEDICARE	77,505	27.75%	\$ 21,507.64
51230	Benefits & Insurance	979,052	27.75%	\$ 271,686.93
51240	Workers Compensation	93,770	27.75%	\$ 26,021.18
51990	Salary Savings	(569,011)	27.75%	\$ (157,900.55)
TOTAL		7,419,863		\$ 2,059,011.98
5200 PROFESSIONAL SERVICES				
52190	Misc Professional Services	6,500	33.33%	\$ 2,166.45
52220	Medical Services	15,000	33.33%	\$ 4,999.50
TOTAL		21,500		\$ 7,165.95
5300 PROPERTY SERVICES				
53110	Utilities	12,651	0.00%	\$ -
53230	Building Maintenance Services	15,000	33.33%	\$ 4,999.50
53240	Landscape/Park Maint Svcs	20,000	0.00%	\$ -
53250	Vehicle/Equip Maint Svcs	80,000	25.00%	\$ 20,000.00
53290	Misc R&M Svcs	68,850	33.33%	\$ 22,947.71
53320	Vehicle & Equip Lease	0	0.00%	\$ -
53330	Vehic Replcmt Rental Charge	128,532	18.83%	\$ 24,202.58
53910	Solid Waste Services	6,000	33.33%	\$ 1,999.80
TOTAL		331,033		\$ 74,149.58
5400 OTHER SERVICES				
54210	Telephone Expenses	12,000	20.00%	\$ 2,400.00
54220	Mobile/wireless Expenses	12,000	20.00%	\$ 2,400.00
54310	Legal Notices & Advertisements	1,000	25.00%	\$ 250.00
54410	Printing and Binding	1,000	25.00%	\$ 250.00
54610	Travel & Training	20,000	25.00%	\$ 5,000.00
54910	Dues & Subscriptions	12,000	25.00%	\$ 3,000.00
54990	Other Administrative Services	15,000	25.00%	\$ 3,750.00
TOTAL		73,000		\$ 17,050.00
5500 SUPPLIES				
55110	General Office Supplies	6,000	25.00%	\$ 1,500.00
55120	Postage & Delivery	1,300	25.00%	\$ 325.00
55130	Photocopying Charges	3,000	25.00%	\$ 750.00
55210	Fuel	40,000	27.00%	\$ 10,800.00
55230	Medical Supplies	20,000	30.00%	\$ 6,000.00
55240	Clothing & Uniform Supplies	15,000	33.33%	\$ 4,999.50
55250	Vehicle & Equipmt Supplies	0	25.00%	\$ -

55290	Other Operating Supplies	7,000	25.00%	\$	1,750.00
55520	Building Supplies	10,000	25.00%	\$	2,500.00
TOTAL		102,300		\$	28,624.50
5600 CAPITAL OUTLAY					
56310	Improvements, Not Buildings	10,000	0.00%	\$	-
56710	Other Equipment < \$10K	15,000	0.00%	\$	-
56720	Other Equipment > \$10K	0	0.00%	\$	-
TOTAL		25,000		\$	-
5800 OTHER CHARGES					
58220	Licenses & Permits	1,000	25.00%	\$	250.00
TOTAL		1,000		\$	250.00
GRAND TOTAL		7,973,696		\$	2,186,252.01
OVERHEAD CHARGES (9% of Personnel)					
		667,788	27.75%	\$	185,311.08
TOTAL COMPENSATION COST SHARE		101,800	50.00%	\$	(50,900.00)
UNRECONCILED CONTRACT AMOUNT				\$	2,320,663.09
RECONCILIATION 2012-2013 FY BUDGET TO ACTUAL				\$	43,775.43
COMPENSATION COST SHARE					
RECONCILIATION FY 2012-13 BUDGET TO ACTUAL				\$	1,205.23
PROPOSED EC CONTRACT FEE FY 2014-2015				\$	2,365,643.75

May 8, 2014

Ms. Brenda Navellier and Board of Commisioners
Kensington Fire Protection District
217 Arlington Ave.
Kensington, CA 94707

Dear Brenda,

I am pleased to confirm my understanding of the services I am to provide Kensington Fire Protection District (KFPD) for the 12 months ended June 30, 2014. I will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Kensington Fire Protection District as of and for the June 30, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Kensington Fire Protection District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of my engagement, I will apply certain limited procedures to Kensington Fire Protection District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) General fund actual vs budget

to persons within the government from whom I determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to me in the written representation letter that the effects of any uncorrected misstatements aggregated by me during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing me of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that my report.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include my report on the supplementary information in any document that contains and indicates that I have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes my

report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with my report thereon]. Your responsibilities include acknowledging to me in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to me any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for me previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to me corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on my current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. I will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because I will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by me, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, I will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to my attention. I will also inform the appropriate level of management of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential, and of any material abuse that comes to my attention. My responsibility as auditors is limited to the period covered by my audit and does not extend to later periods for which I am not engaged as auditors.

My procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. I will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of my audit, I will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

My audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that I consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. My tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in my report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, I will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I will perform tests of KFPD's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of my audit will not be to provide an opinion on overall compliance and I will not express such an opinion in my report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

I may from time to time, and depending on the circumstances, use third-party service providers in serving your account. I may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, I maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, I will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and I will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, I will remain responsible for the work provided by any such third-party service providers.

I understand that your employees will prepare all cash or other confirmations I request and will locate any documents selected by me for testing.

I will provide copies of my reports to Contra Costa County and State Controller Office; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of my reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Lamorena & Chang, CPA and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to any county state or federal agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Lamorena & Chang, CPA personnel. Furthermore, upon request, I may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

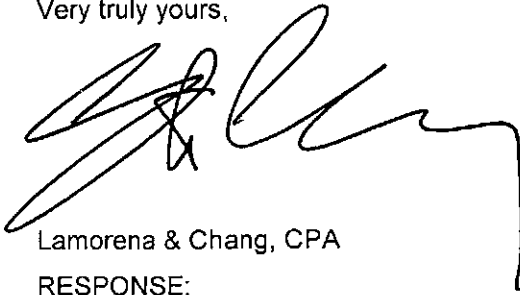
The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the any county state or federal agency. If I am aware that a federal awarding agency or auditee is contesting an audit finding, I will contact the parties contesting the audit finding for guidance prior to destroying the audit documentation.

I expect to begin my audit on approximately mid-August/early September and to issue my reports no later than November 5. Steven Chang is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

My flat fee for these services will be \$ 13,000.00. My invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with my firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If I elect to terminate my services for nonpayment, my engagement will be deemed to have been completed upon written notification of termination, even if I have not completed my report. You will be obligated to compensate me for all time expended and to reimburse me for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, I will discuss it with you and arrive at a new fee estimate before I incur the additional costs.

I appreciate the opportunity to be of service to KFPD and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know. If you agree with the terms of my engagement as described in this letter, please sign the enclosed copy and return it to me.

Very truly yours,

A handwritten signature in black ink, appearing to be 'G. Lamorena', written over a horizontal line.

Lamorena & Chang, CPA

RESPONSE:

This letter correctly sets forth the understanding of Kensington Fire Protection District.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

Grant Bennett Associates

A PROFESSIONAL CORPORATION

SYSTEM REVIEW REPORT

June 25, 2012

To the owners of Lamorena & Chang, CPA and the Peer Review Committee of the California Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Lamorena & Chang, CPA (the firm) in effect for the year ended December 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*.

We noted the following deficiencies during our review:

1. Deficiency – The firm's quality control document does not address all required control elements including policies and procedures for resolving differences, criteria for determining whether an engagement quality control review should be performed, dealing with complaints about noncompliance with professional standards. While the firm's quality control document requires the firm to hire an outside person to review engagements, its monitoring policies do not cover the other quality control elements and no monitoring was performed. The firm plans to revise its quality control document by August 1 to address the missing elements and to establish formal responsibility and calendaring of a monitoring program.

Recommendation – We recommend the firm revise its quality control document to address the missing elements and to establish criteria for determining whether an engagement quality control review should be performed. We further recommend the plan formally calendar the monitoring and the required communications to its professional staff. If the firm wishes to hire an outside person for the engagement review part of monitoring, that person should be selected.

2. Deficiency – We noted in our review in all nonprofit audit engagements that while some risk assessment procedures were performed and documented, risk of material misstatement was not documented at the relevant assertion level. Risk of material misstatement was documented by audit area rather than at the relevant assertion level. Risk of material misstatement was not linked to an audit approach. In addition, while the firm used audit programs for planning, general and subsequent events, the only other programs used for other significant audit areas were cash and expenses. As a result, there was inadequate evidence of audit planning and procedures. We did note that sufficient substantive procedures were performed to support the opinion on the financial statements. The firm is in the process of planning these engagements now as they all have June year ends. The firm intends to perform the procedures in the current year.



www.gbacpa.com

1375 Exposition Boulevard, Suite 230
Sacramento, CA 95815

Voice 916/922-5109 FAX 916/641-5200
5484

1850 Mt. Diablo Boulevard, Suite 540
Walnut Creek, CA 94596

Voice 925/932-6856 FAX 925/933-

Recommendation - We recommend the firm review professional standards for risk assessment and use the practice aids provided by the third party practice aid provider assess risk at the relevant assertion level for each significant audit area and to link that risk assessment to the audit approach. In addition, the firm should use audit programs, based upon its risk assessment, for each significant audit area and make certain that the audit approach is linked to the risk assessment. Properly tailored audit programs can be created by the firm through the tools provided by the third party practice aid provider.

In our opinion, except for the deficiencies described above, the system of quality control for the accounting and auditing practice of Lamorena & Chang, CPA in effect for the year ended December 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Lamorena & Chang, CPA received a peer review rating of *pass with deficiencies*.

GRANT BENNETT ASSOCIATES
A PROFESSIONAL CORPORATION
Certified Public Accountants

Dawn E. Brennan

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET

Fiscal Year 2014-2015

	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
<u>REVENUE BUDGET</u>	<u>Budget</u>	<u>Est. Actual</u>	<u>Budget</u>	<u>Planning</u>
Property Taxes	2,765,000	2,968,867	2,968,870	2,998,560
Special Taxes	200,395	200,428	200,428	200,430
Other tax income	33,000	32,960	32,960	33,000
Interest income	8,000	7,290	6,000	7,000
Lease agreement	31,514	31,514	1	1
Salary reimb agreement	48,655	48,655	49,703	50,650
Grant revenue - Airpacks	54,934	62,246	0	0
Grant revenue - Ladder Truck	285,469	285,469	0	0
Miscellaneous income	0	14,266	0	0
Total Revenue	3,426,967	3,651,695	3,257,962	3,289,641
	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
<u>OPERATING EXPENSE BUDGET</u>	<u>Budget</u>	<u>Est. Actual</u>	<u>Budget</u>	<u>Planning</u>
OUTSIDE PROFESSIONAL SERVICES				
Accounting	4,500	3,500	4,500	4,725
Actuarial Valuation	3,500	2,500	0	3,000
Audit	12,000	12,000	13,000	13,000
CC County Expenses	32,635	32,030	33,630	35,310
El Cerrito Contract	2,360,834	2,360,834	2,415,339	2,536,105
Fire Abatement Contract	8,000	865	8,000	8,000
Insurance - Risk Mgmt	10,600	10,601	11,525	12,100
LAFCO Fees	1,620	1,760	1,850	1,850
Legal Fees	30,000	2,435	30,000	30,000
Water System Improvements **	20,000	0	380,000	20,000
Wildland Vegetation Mgmt	10,000	10,000	10,000	10,000
RETIREE MEDICAL BENEFITS				
PERS Medical (OPEB cost)	51,265	51,265	19,970	21,380
Delta Dental	6,560	6,560	2,555	2,735
Vision Care	1,790	1,790	695	745
COMMUNITY SERVICE ACTIVITES				
Public Education	13,000	8,000	13,000	13,000
Community Pharmaceutical Drop-Off	3,000	1,140	2,500	2,500
Vial of Life Program	250	114	250	250
CERT Emergency Kits	3,000	3,173	3,330	3,330
Open Houses	1,000	287	750	900
Community Shredder	1,000	805	1,000	1,000
DISTRICT ACTIVITIES				
Professional Development	5,500	3,123	5,500	5,500
District Office				
Office expense	3,500	1,800	3,500	3,500
Office supplies	2,500	1,000	2,500	2,500
Telephone	5,795	6,140	6,445	6,765
Election	0	0	1,000	1,000
Firefighter's Apparel	1,600	617	1,500	1,575
Firefighters' Expenses	5,000	1,940	5,000	5,000
Engine Rescue Equipment	6,000	6,000	0	0
Staff Appreciation	2,500	1,487	2,500	2,500
Memberships	6,000	6,519	6,845	7,000
P/S Building				
Gardening service	1,500	1,690	1,700	1,700
Building alarm	2,000	1,696	2,000	2,000
Medical waste disposal	7,230	2,638	4,000	4,200
Janitorial	1,500	1,250	1,500	1,500
Misc. Maint/Improvements	12,000	10,100	12,000	12,000
PG&E	7,000	7,250	7,615	7,995
Water/Sewer	1,500	1,400	1,470	1,550

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET

Fiscal Year 2014-2015

Garbage	885	960	1,010	1,060
Staff				
Wages	75,105	75,105	75,110	76,610
Longevity Pay	0	0	1,000	1,000
Overtime Wages	2,600	542	1,300	1,325
Vacation Wages Accrual Adjustment	1,650	-1,203	2,855	36
Medical/dental insurance compensation	7,200	7,200	7,800	8,190
Retirement Contribution	3,755	3,755	5,260	5,365
Payroll Taxes	6,745	6,004	6,693	6,840
Insurance - Workers Comp/Life	1,500	1,612	1,695	1,780
Processing	1,355	1,340	1,405	1,475
Operating Contingency Fund	<u>25,000</u>	<u>0</u>	<u>25,000</u>	<u>25,000</u>
Total Operating Expense	2,771,472	2,659,622	3,146,092	2,914,895
Capital Outlay				
Airpacks	68,667	77,807	0	0
Ladder Truck	317,187	317,187	0	0
Type I Engine	0	0	632,000	0
Firefighter qtrs/equip	15,000	13,000	15,000	15,000
Office Furniture/Computers	<u>5,000</u>	<u>1,555</u>	<u>5,000</u>	<u>5,000</u>
Total Capital Outlay	405,854	409,549	652,000	20,000
TOTAL EXPENDITURES	3,177,326	3,069,171	3,798,092	2,934,895

Notes: The standard expenditure increase is 5% unless otherwise indicated or unless policy decisions mandated.

** For FY14/15, the total estimated cost of the Columbia improvement project is \$450,000. EBMUD will rebate 20% upon completion.

Designated Funds (see attached schedules)

Engine Replacement Fund	93,455	93,455	93,455	117,860
Public Safety Building Fund	<u>104,000</u>	<u>104,000</u>	<u>108,160</u>	<u>112,486</u>
	197,455	197,455	201,615	230,346
	FY 2013-2014	FY 2013-2014	FY 2014-2015	FY 2015-2016
	<u>Budget</u>	<u>Est. Actual</u>	<u>Budget</u>	<u>Planning</u>
Beginning Cash	5,007,928	4,981,980	5,564,504	5,024,374
Revenue	3,426,967	3,651,695	3,257,962	3,289,641
Operating Expenditures	-2,771,472	-2,659,622	-3,146,092	-2,914,895
Capital Expenditures	-405,854	-409,549	-652,000	-20,000
<i>Accrual to Cash Adjustment</i>				
<u>ENDING CASH</u>	5,257,568	5,564,504	5,024,374	5,379,121
<i>Cumulative Designated Funds</i>				
Capital Replacement Funds	-1,167,332	-1,167,332	-736,285	-966,631
<i>Prepaid CERBT - Retiree Trust</i>	-1,092,899	-1,020,819	-1,020,819	-1,020,819
El Cerrito Contract 12 month set aside	-2,360,834	-2,360,834	-2,415,339	-2,536,105
<u>AVAILABLE CASH</u>	636,503	1,015,519	851,932	855,565

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET
 Fiscal Year 2013-2014

SCHEDULE FOR REPLACEMENT OF EQUIPMENT

Type I Vehicle Cost	Estimated Cost 15 yrs/4%	Fiscal Year	Yearly Contribution To Cap. Fund	Accumulated Funds	Type III Vehicle Cost	Estimated Cost 15 yrs/4%	Fiscal Year	Yearly Contribution To Cap. Fund	Accumulated Funds
	\$543,700					\$540,094			
\$123,464		99-00							
\$178,435		00-01	30,832	30,832					
		01-02	36,633	67,465					
		02-03	36,633	104,098	\$94,000		02-03		
		03-04	36,633	140,731	\$205,895		03-04		
		04-05	36,633	177,364			04-05	32,860	32,860
		05-06	36,633	213,997			05-06	32,860	65,720
		06-07	36,633	250,630			06-07	32,855	98,575
		07-08	36,633	287,263			07-08	36,793	135,368
		08-09	36,633	323,896			08-09	36,793	172,161
adjust to	\$632,660	09-10	51,461	375,357	adjust to	\$592,100	09-10	41,994	214,155
		10-11	51,461	426,818			10-11	41,994	256,149
		11-12	51,461	478,279			11-12	41,994	298,143
		12-13	51,461	529,740			12-13	41,994	340,137
		13-14	51,461	581,201			13-14	41,994	382,131
		14-15	<u>51,461</u>	632,662			14-15	41,994	424,125
			632,662				15-16	41,994	466,119
							16-17	41,994	508,113
							17-18	41,994	550,107
							18-19	<u>41,994</u>	592,101
								592,101	

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET
Fiscal Year 2013-2014

SAVINGS SCHEDULE FOR BUILDING IMPROVEMENTS/RENOVATION

<u>Adjusted for 4% Inflation</u>	<u>Fiscal Year</u>	<u>Yearly Contribution</u>	<u>Accumulated Reserves</u>
	12-13	100,000	100,000
	13-14	104,000	204,000
	14-15	108,160	312,160
	15-16	112,486	424,646
	16-17	116,986	541,632
	17-18	121,665	663,298
	18-19	126,532	789,829

* Based on historical building expenditures, KFPD will be setting aside \$100,000 per fiscal year to accumulate funds to be available for future building improvements/major repairs.