

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

FINANCE COMMITTEE

Date of Meeting: February 27, 2019
Time of Meeting: 4:00 p.m.
Place of Meeting: **Kensington Community Center**
59 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: Julie Stein and Don Dommer
Staff: Brenda Navellier; Deborah Russell CPA

AGENDA

1. Call To Order
2. Public Comment
3. Approval of May 31, 2018 Committee Minutes
3. Approval of January 29, 2019 Committee Minutes
4. Mid-Year Budget vs. Actual Review and Recommendation(s)
5. Review District Investments
6. 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 MAY 31, 2018 FINANCE COMMITTEE MEETING
OF THE KENSINGTON FIRE PROTECTION DISTRICT**

PRESENT: Directors: Janice Kosel and Nina Harmon
 Staff: Manager Brenda Navellier, Deborah Russell CPA, Chief Lance Maples
 Guest: El Cerrito City Manager, Scott Hanin

CALL TO ORDER:

Director Kosel called the meeting to order at 1:30 p.m. and noted the Committee members, staff and members of the public that were present.

ORAL COMMUNICATIONS:

None.

APPROVAL OF JANUARY 23, 2018 COMMITTEE MINUTES:

The committee last met in January for mid-year budget review. The two main purposes of the May meeting are to receive the El Cerrito contract fee proposal and to review the draft budget that goes to the Board in June. The Committee agreed by consensus to accept the minutes as submitted.

EL CERRITO CONTRACT FEE PROPOSAL FOR FY 2018-2019:

El Cerrito City Manager Scott Hanin said he was happy to attend. He values the relationship with Kensington and thinks it goes well for both agencies. Hanin said ECFD's service level is above any other fire department around and is also accomplished more cheaply. The cost comparison in the packet is two years old but all other agencies have the same rising cost issues. Hanin will be bringing a balanced budget to the City Council next week. El Cerrito has seen solid revenue growth and most of that will go to offset personnel costs. Police and fire have all received CPI increases through short term contract extensions. El Cerrito's policy is to pay its employees median; however, the economy is strong and most cities are paying higher than that particularly for police personnel. All cities are hiring police. Kaiser rates are now going up and the portion that El Cerrito is paying to PERS continues to grow. All public agencies are dealing with that increase. El Cerrito has about 2,000 units of housing proposed along San Pablo Avenue in different stages of development. Construction costs in the bay area are huge. El Cerrito receives 22% of any property tax increase but PERS is taking up most of the revenue increase. El Cerrito has a Parks & Recreation master plan that calls for \$6.5 million in improvements. The Council is contemplating putting an initiative on the ballot in November to make El Cerrito a charter city. Most cities along the I-80 corridor are charter cities. El Cerrito will have one marijuana dispensary in the city limits. During the recession the City used a significant portion of its reserves to not cut any services or staff. It now needs to build those reserves back up. El Cerrito has raised its revenue budget by 6% for FY18-19. The City is required to fund its PERS liability and the bargaining units are aware of this. The funding is a giant bell curve and the key will be to get through the next several years. El Cerrito fire employees currently pay 12% of the pension costs which is up from a few years ago. Employees know that it will probably rise again when their contracts renew in two years. Karl Kruger asked what "fully funded" means. Hanin explained that if every employee retired today and no further revenues came in, the City could pay their pensions. The PEPRA employees that have been hired since pension reform do cost the City much less.

Chief Maples noted there was an overview of the department in the packet. He gave an overview of the organization chart and recent changes within it. Staffing levels has remained the same for the past 10 years. David Spath asked about staffing and the 37 positions in the budget. Chief Maples explained that the department runs three vacant firefighter positions and one vacant clerical position. The clerical position has been left empty since the contract share for Manager Navellier in 2009. The three firefighter positions are 'coverage' positions and are not needed for minimum staffing. Open shifts created by vacation, sick leave, education, etc. are covered with overtime. There are 10 positions being left open city-wide including the police department. Accomplishments achieved between 2016-2018 were listed in the packet which Chief Maples read. The department responded to 19 different locations throughout the State for mutual aid in 2017. All El Cerrito-Kensington stations were fully staffed during that time. The department did all this with no injuries, no damage to vehicles, etc.

Director Kosel congratulated Chief Maples on the response to a recent fire on Purdue. Five engines responded within minutes. Maples explained the automatic aid system with Berkeley, Albany, Richmond, etc. The response to this fire was seamless due to auto aid and joint training. Hanin explained that it is seamless for El Cerrito to send all of its engines to Kensington because Richmond will automatically backfill any El Cerrito calls. All the goals in the fire department budget section tie back to the City's Strategic Plan. Maples noted that the department is on a progressive climb for call volume. He believes that is because the agency sells a "call if you don't know" approach. As an agency, ECFD works with Contra Costa Social Services for anyone in constant need. Maples reviewed the training numbers and the extraordinary amount of time spent on training and education. The certifications listed in the packet are all State-level certifications that require attendance outside of work. Almost all personnel are trained to work one rank up. Public outreach contacts were next reviewed. Maples then reviewed the proposed budget highlighting the salary increase of 3.1%, PERS contributions up 20%, and workers comp up 40%. Karl Kruger asked for and received a copy of the proposed contract fee. Professional Services was raised from \$10,000 to \$25,000 for promotional exams, vehicle equipment maintenance was raised from \$80,000 to \$90,000. Maples reviewed other adjustments throughout the fire budget including a reduction in fuel. The reconciliation for FY16-17 is \$215,158. The amount is mostly made up of overtime, part-time costs, one-time payouts and a \$53,000 PERS adjustment. These unanticipated expenses hit El Cerrito even harder. The proposed contract fee is \$3,016,868.16.

Director Kosel said KFPD's proposed budget shows projected revenues of \$4.4 million and expenses of \$3.8 million. A significant amount of the surplus will go into the building fund. Cash is currently at \$8.6 million which is made up of the vehicle fund, the PERS trust, the contract set-aside and the building fund. The building fund is currently at \$2.6 million to renovate the public safety building or to build elsewhere. When KFPD updated the 2009 geotechnical report for the current site, the new report stated there was a fissure along the back of the site along with the known one that runs along the front of the site. The site may be unbuildable for the District's purposes. KFPD is waiting on KPPCSD's attorney to render an opinion on whether a site located in Kensington Park is an option for building. The community is built up. KFPD is in good financial shape but has no idea where it is going to build. The contract fee proposal is bad news for KFPD; however, Kosel said we can't complain about a 3.1% cost of living raise, and we can't complain about an increase that is dictated by reconciliation from prior years. KFPD is very happy with the service and has not received any complaints about the firefighters or their service. It is a win-win relationship because it is cost effective for KFPD to contract with El Cerrito. El Cerrito is trying to keep its costs down which KFPD benefits from.

Director Harmon said she appreciated the breakout during the presentation since the increase is extraordinary. It helped her understand where the numbers are coming from. Hanin agreed that the increase is high but if you look at the contract fee adjustments over the last 10 years it is tracking close to the CPI.

Karl Kruger noted that ECFD is receiving \$50,000 for a technical rescue grant. He asked how that affects El Cerrito and if they are going to use that money to purchase the drone. Kruger said all three stations are going to use the drone that KFPD is purchasing. Chief Maples said the department wrote a grant for a specific type of tool. Kruger said the Finance Committee views the proposal as "we can afford it" but he wants to know if it is justified. Kruger said overtime is over budget \$365,000 which is \$1,000 a day. He questions whether that is justified. Kruger also said there is no incentive to control costs. El Cerrito just presents it and says this is KFPD's share. There are two pots of money in the community and three big issues that need to be resolved—the public safety building, the community center and retirement plans. Overtime costs are too high and it is management's job to control costs. Kosel said overtime is cheaper than hiring additional employees. Kruger said he understands that but it also shows we do not have control over things. Hanin said El Cerrito is providing a service that is more than double digits cheaper than any other agency could provide. Maples said that if the budget is escalating in Kensington it is escalating even twice that in El Cerrito where he has to answer to the City Manager, Assistant City Manager and Finance Director. Maples explained the El Cerrito budget process. Hanin said about 86% of the Fire Department's budget is personnel. Since El Cerrito pays median, 50% of the Fire Departments in northern CA pay more than El Cerrito-Kensington does. Hanin said the service and response by the El Cerrito-Kensington department is far superior to any other provider in the area. Kruger said \$1,000 a day on overtime is unacceptable. Hanin suggested KFPD look at other agencies. David Spath asked about the PERS contribution increase of 20% and what Hanin's projections are for the top of the "bell curve" he mentioned earlier. Hanin said he didn't know but it could be pushing 50%. El Cerrito's PERS liability is 75% funded. Kruger said there are fewer than 400 calls out of Station 65 per year or 1 call per day. Maples said it is up to the community to determine if they want a staffed fire station in their community and that it costs "x". It is not a pay-as-you-go system so it doesn't matter if it's one call or 1,000. Other agencies around El Cerrito including Alameda County, Contra Costa County and Berkeley Fire all pay more in salaries which again, is about 86% of the budget. Every one of the agencies on the comparison list in the packet provides retiree healthcare and El Cerrito does not.

Director Kosel thanked Hanin and Maples for their attendance. Harmon added that the contract fee as proposed was justified. Kosel and Harmon will recommend the contract fee to the entire Board. *Maples, Hanin and Kruger left the meeting.*

FY 2017-2018 AUDITOR PROPOSAL/RECOMMENDATION:

The packet included an audit proposal from Mann, Urrutia, Nelson CPAs for a flat fee of \$16,000. This would be KFPD's second year using MUN CPAS. Kosel said she likes their audit presentation and also the verbal presentation they made at the Board meeting. Staff was happy with their experience also. Russell noted that not only were they new auditors to the District but there was new GASB legislation that went into effect and will be going into effect in future years also. Actuarial reports are also changing. Overall MUN seems to be very knowledgeable and the process went smoothly. Kosel is prepared to recommend them to the Board again this year at the June meeting.

REVIEW AND RECOMMEND DRAFT FY 2018-2019 BUDGET:

Kosel commended staff on the draft budget in the packet. Kosel said total revenues are \$4.4 million which is an increase of 3 to 4% in the property tax revenues. Russell noted that KFPD's revenue increase is from actual to budget, not budget to budget. Kosel noted that the lease with KPPCSD is up at the end of the calendar year. The cost of living increase is currently 3.2%. Navellier has already sent a proposed lease to KPPCSD Director Len Welsh for 18 mos. at a one-time increase of 3.2%. Under expenses, Kosel noted that the actuarial valuation is budgeted at 0 for this fiscal year. The contract fee is correct as presented but Russell explained for everyone's benefit how it is split between revenue and expense. Kosel summarized the rest of the budget. Retiree medical benefits are completely funded and are now being paid out of the trust. Kosel gave an update on the Demonstration Garden—the District has hired a landscape architect and a surveyor. The needs assessment for the public safety building is budgeted at \$10,000. That is a guess since no one knows at this time what is going to happen with that project. Navellier is slated for a 10% raise. Kosel surveyed the Board members and all were delighted with Navellier's performance. The District also compared Navellier's salary to the CSDA salary survey and found Navellier to be underpaid. Operating expense is \$3.6 million and \$3.8 million with capital outlay. Navellier noted that KFPD will be putting a deposit only on the Type III engine during FY18-19 and it will probably be delivered in the following fiscal year. There is a total surplus of approximately \$600,000. The committee directed staff to increase the building fund to \$450,000 from \$150,000 assuming the timing on the Type III is correct. As was discussed at the last Finance Committee meeting, KFPD is being asked by CalPERS to pay \$140,000 of back health premiums for a former employee. Kosel said there is a statute of limitations but she is working with the District attorney on the issue. More discussion followed. Russell said that whenever the issue is settled, the District would then accrue the liability and pay it over whatever timeframe is negotiated. The Committee will leave it off the budget for now until more information is provided by the attorney.

David Spath asked if the lease is predicated on maintenance costs and where is that reflected in the budget? It is based on historical maintenance costs over the last 20 years. Spath asked why KFPD is asking KPPCSD to pay an historical amount as opposed to a pay-as-you-go amount? He also asked why the needs assessment is under Public Safety building maintenance costs instead of capital? Russell explained that needs assessment is a cost associated with the building and is not capitalized. The title of that subcategory in the budget is items associated with the building, not maintenance costs. Spath asked what the maintenance costs are in this year's budget since the lease is predicated on maintenance costs. Russell said historical amounts do matter since one year could be a million and the next year could be nothing and the amount is averaged. Before the \$1 a year lease for 3 years, the lease was the same rate as the current amount minus the CPI. Spath asked if KPPCSD had been paying that amount for the past 20 years to which the Committee answered no. Navellier explained that in 1999 KPPCSD signed an agreement to pay \$12,000 a year back to KFPD for their cost of that 1998/99 remodel, interest free over 10 years. Market rate is incorrect. The committee explained where the salary reimbursement for Navellier is reflected in the budget and the reconciliation of that item. Linda Spath pointed out that the Kensington community center is supposed to be under construction come fall so planting the demonstration garden in the fall may not be timely. More discussion on the community center renovation followed. Navellier will check on the status.

REVIEW DISTRICT INVESTMENTS

Navellier distributed a schedule of investments and current cash flow. LAIF is currently up to 1.5% interest rate and the District currently has nearly \$4 million in LAIF. The District has another \$2.5 million in CDs and other investments. \$750,000 will be maturing on 7/25/18. Navellier will check rates with the County before

renewing. The committee tries to ladder the CDs so they don't all mature at the same time and also not tie them up too long because of the potential building project. Russell reviewed the total investments minus the required set-asides of the capital replacement funds and the El Cerrito contract. The committee then reviewed the cash flow and noted that the property tax revenue conversion largely takes place in April and December. There is also a little "clean-up" tax revenue in June.

ADJOURNMENT: The meeting was adjourned at 3:15 p.m.

MINUTES PREPARED BY: Brenda J. Navellier

These minutes were approved at the Committee meeting of February 27, 2019.

Attest:

Finance Committee Member

**MINUTES OF THE JANUARY 29, 2019 FINANCE COMMITTEE MEETING
OF THE KENSINGTON FIRE PROTECTION DISTRICT**

PRESENT: **Directors:** Julie Stein and Don Dommer
 Staff: Manager Brenda Navellier, Deborah Russell CPA

CALL TO ORDER:

Director Stein called the meeting to order at 2:30 p.m. and noted the Committee members, staff and members of the public that were present.

ORAL COMMUNICATIONS:

None.

APPROVAL OF MAY 31, 2018 COMMITTEE MINUTES:

Director Stein said she had asked that the approval of this item be referred to the February 13, 2019 Board meeting. Neither Directors Stein nor Dommer were in attendance at the May 31, 2018 meeting. The Board will ask Director Kosel to affirm the minutes at the February meeting.

REVIEW DRAFT FY17-18 FINANCIAL STATEMENTS:

Director Stein said she was not familiar with the statutory timeline for when the Board needs to adopt the financial statements from the end of a fiscal year. Neither Navellier nor Russell were familiar with a required timeline since the Board has always adopted their audits in January or February. Russell added that the audit is needed to fulfill other requirements like the State Controller's Report which does have a timeline. Navellier reported that the auditor will make a presentation at the February Board meeting. Stein asked if the Management Discussion & Analysis (MDA) was Navellier's product or Navellier and Russell together? Russell clarified that it is the Board's. Staff fills it out but it is the Board that adopts it. If there is something that the Committee feels should be added this would be the place to put it. The MDA is meant to be from the laymen's view for an overall presentation. The MDA is actually KFPD's presentation and the Board is management. Stein asked if the modified accrual basis of accounting applied to just revenue and not expenditures? Russell said it was universal. There are two different ways that the statements are presented. Page 8 is the government-wide statement of net position which is presented in accrual and page 10 is the fund financial statement which is presented in modified accrual. The audit presentations are based on GASB requirements. Stein asked how often does the District accrue expenditures? Russell answered KFPD strives to use accrual basis all year long but there are some final year-end adjustments that are made by journal entry. Russell explained that the majority of the checks run through the County and she reconciles to the County once a month. The County makes some adjustments on their side, particularly to revenue, that the District does not know about until the county run is issued. Monthly reports in the Board packets tie to the county run dates except for budget to actual. Stein shared her experience in her employment with accounting. Russell said the MDA is a good representation of the highlights so if the Committee is comfortable with the draft that is great. Stein thought the audit was well presented. Russell said you can now see the full OPEB liability in the presentation due to the new law; however, KFPD is unusual because the liability is fully funded and the \$174,867 is an asset. Navellier noted that the audit is completely "clean" and there are no recommendations being made. Russell commended Navellier for her bookkeeping and complete records. Stein noted that the auditors do test certain policies such as District resolutions relating to the budget. She asked if the auditors test any other policies to make sure the District is operating in compliance with them, for example relating to the El Cerrito contract or procurement? Russell said that would not fall under the auditor's role. She explained how KFPD reflects the contract fee set-aside and that we are not in default even when we don't have the total amount. She thinks that would be a different type of audit. This is not a fraud specific audit or a policy specific audit. The Committee will recommend the audit to the full Board at the February meeting.

REVIEW REVISED 2017 ACTUARIAL VALUATION:

Russell said KFPD is in the first year of implementation of GASB 75 and some of the terminology and presentation in the valuation have changed. Russell and Navellier had a phone conference with the actuary and can

attempt to answer questions otherwise staff can make inquiries to the actuary. The report is required every two years at a minimum. Navellier said the actuary has not previously attended Board meetings to explain the report. The District has always focused on the bottom line and whether KFPD was funded or not. If the committee would like a detailed presentation, Navellier can check to see if the actuary can attend the next meeting. Stein asked the relationship between the actuarial report and the audit report. Russell said the actuary report is a picture in time and if it is included in the FY17-18 audit it will also be in the following year audit since the report is only completed every two years. Because so many assumptions are made in the actuary report the State Board has a two year requirement. Dommer said he has gone through the report. Navellier provides the data to the actuary. Russell said it is less scary to adopt the report because the District is fully funded as opposed to having a big liability. Dommer said we are tracking a set group of people and noted the average age is now 74. Russell pointed out page 13 where deferred inflows/outflows are listed. Each category is amortized over different periods. Stein asked what inflow means in this case. Russell pointed to pages 8 and 16 in the audit and attempted to clarify and address the \$13,794 deferred inflow. Russell will talk to the auditors about clarifying language on page 8. Stein asked for clarification on how many retirees and beneficiaries are under the actuary report. Staff discussed the wording and tried to clarify. David Spath also thought the explanation in the audit was confusing. Staff will make sure the two documents match and will ask for rewording on page 25 in the audit regarding the amount of participants. Spath wondered why the age groups are broken out for the retirees and widows on page 16 of the actuary report but not for the additional five beneficiaries. Russell believes that is because those are the individuals the calculation is based on. Russell will ask the actuary that question. Russell explained that the chart on page 18 is following the Getzen model per the actuary which asserts that medical costs cannot continue to rise at 8% and that is why the percentages are declining. The main thing is that the District is fully funded. Stein asked if the committee is expected to recommend the report to the Board. Navellier asked if the committee wanted the actuary to attend the meeting? Dommer said the report is cut and dry and a lot of assumptions are made which would be hard to dispute. Dommer asked how long KFPD has used this company. Navellier said the actuary KFPD uses has to be on a CalPERS approved list. This is maybe the fourth report Nicolay has completed for KFPD.

MID-YEAR BUDGET VS. ACTUAL REVIEW:

Director Stein asked why KFPD is under budget on the El Cerrito contract fee half way through the year? The fee is paid monthly in equal installments. Navellier said that the County did not cut the December check until January 2nd. Stein said that goes back to her accrual question. Russell agreed and explained that the contract is currently set up as a pre-paid and as a liability and Navellier moves it as it is paid to expense. Navellier noted that also reflects why the salary reimbursement agreement revenue is behind. Stein's understanding is that \$50,000 is budgeted for the demonstration garden this year. Navellier confirmed and explained that the report is what is budgeted for the first half of the year only and the District didn't plan on constructing the garden until spring. Russell clarified that staff inputs the budget based on if they know the timing of the expenditure. Some things are divided equally and some are not. Stein asked if the current expense shown for the demonstration garden included accrued liabilities? Navellier said that amount shown is what has been spent through December. The landscape architect sent an invoice in early January which will come to the Board in February. Russell said the invoices are entered by their date. Stein said that people need to be cautious in assuming that something that is under budget may not actually be under budget. Navellier said that could also be true of something that appears over budget. Russell said she thinks it's more realistic to try to input the budget based on known timing otherwise the District will always appear to be under budget until the end of the year. Russell said she could provide a budget to the Committee that shows every month and every account. David Spath commented on the El Cerrito contract being under budget through December. Stein asked Russell to provide a monthly budget with greater detail. Stein said the Board has formed an Emergency Preparedness Committee and that Committee may be proposing some kind of operating budget maybe before this fiscal year is over. More discussion followed on what that could be including sirens. Dommer and Spath shared their personal experience with sirens. Navellier pointed out that the District has a fiscal year surplus so funding for the Emergency Preparedness Committee does not have to be taken from a category that may be under spent. Navellier also pointed out that legal fees are over budget. The District can either make a budget adjustment or go over budget. The CalPERS litigation is driving the higher fees during the first half of the year. Stein asked what the District's policy is for authorizing a budget increase before a budget item is exceeded. Russell pointed out that expenses are being authorized when the check is signed. Stein asked if KFPD is expecting any more legal fees during the second half of the year. Dommer said there is always going to be legal questions. Stein suggested that a budget increase be made for legal fees since they have already been spent. She asked Navellier if she has a way to predict what legal fees will be for the rest of the year and if the CalPERS situation is concluded. Navellier reported that a verbal agreement has been reached but the agreement has not been executed yet. The amount has not been disclosed yet though it is less than what the Board authorized and it will need to be

budgeted also. Russell suggested the budget adjustment might need to be a two-part action once the Emergency Preparedness Committee gets underway. More discussion on what type of report to generate for the Committee ensued. Dommer said he would like a written explanation of what the big differences are.

REVIEW DISTRICT INVESTMENTS

A schedule of current investments was included in the packet. The Board quickly reviewed the investments. Russell reported that the most recent LAIF interest rate is 2.4%. Navellier recently invested the bulk of the December property tax monies into LAIF. Russell explained what LAIF is.

Stein suggested a quarterly Finance Committee meeting instead of every six months. Dommer agreed. Regarding the investments, Navellier explained that KFPD gives the County the amount and term that the District wishes to invest and the County chooses the best vehicle.

ADJOURNMENT: The meeting was adjourned at 3:48 p.m.

MINUTES PREPARED BY: Brenda J. Navellier

These minutes were approved at the Committee meeting of February 27, 2019.

Attest:

Finance Committee Member

February 21, 2019



To: Finance Committee Members

Fr: Brenda Navellier
Manager

Re: Suggested Budget Adjustments for 2/27/19 meeting

Don and Julie,

Since the Committee will be revisiting the mid-year budget review and bringing it to the Board at the March 2019 meeting, I am suggesting the following budget adjustments for your consideration:

1. Legal Fees: Increase from \$35,000 to \$70,000
2. Diablo Fire Safe Council Matching Grants: Increase from \$20,000 to \$23,880 to reflect actual
3. Election: Increase from \$1,500 to \$3,900 to reflect actual
4. CalPERS Settlement: Budget \$4,000 this fiscal year and \$12,000 for the planning budget to reflect agreement
5. Community Center Alarm: Budget \$3,000 this fiscal year for engineering costs and \$32,000 for the planning budget to reflect materials and construction.

Revenue Expense Budget vs. Actual

July through December 2018

Ordinary Income/Expense	Jul - Dec 18	Half Year	\$ (Over)/Under		% of Half		Annual	Remaining
	Budget	Budget	Budget	Year Budget	Budget	Balance		
Income								
Property Taxes	4,045,677.52	3,985,570.00	-60,107.52	101.51%	4,035,570.00	-10,107.52		
Special Taxes	200,453.30	200,453.00	-0.30	100.0%	200,453.00	-0.30		
Other Tax Income	0.00	0.00	0.00	0.0%	25,500.00	25,500.00		
Lease Agreement	17,734.02	17,734.02	0.00	100.0%	36,002.00	18,267.98		
Interest Income	67,874.89	24,250.00	-43,624.89	279.9%	70,000.00	2,125.11		#1
Salary Reimbursement Agreement	31,760.32	31,424.02	-336.30	101.07%	62,848.00	31,087.68		
Miscellaneous Income	0.00	0.00	0.00	0.0%	0.00	0.00		
Total Income	4,363,500.05	4,259,431.04	-104,069.01	102.44%	4,430,373.00	66,872.95		
Expense								
OUTSIDE PROFESSIONAL SERVICES								
LAFCO Fees	2,278.47	2,200.00	-78.47	103.57%	2,200.00	-78.47		
Contra Costa County Expenses	2,522.98	2,818.00	295.02	89.53%	36,030.00	33,507.02		
El Cerrito Contract Fee	1,539,464.81	1,539,465.00	0.19	100.0%	3,078,930.00	1,539,465.19		
Fire Abatement Contract	665.00	8,000.00	7,335.00	8.31%	8,000.00	7,335.00		#2
Fire Engineer Plan Review	0.00	999.98	999.98	0.0%	2,000.00	2,000.00		
Risk Management Insurance	12,507.00	14,500.00	1,993.00	86.26%	14,500.00	1,993.00		
Professional Fees			0.00					
Accounting	1,837.50	3,500.00	1,662.50	52.5%	7,250.00	5,412.50		
Actuarial Valuation	0.00	0.00	0.00	0.0%	0.00	0.00		
Audit	12,500.00	16,000.00	3,500.00	78.13%	16,000.00	3,500.00		#3
Legal Fees	52,905.55	17,500.02	-35,405.53	302.32%	35,000.00	-17,905.55		#4
Water System Improvements	0.00	10,000.00	10,000.00	0.0%	20,000.00	20,000.00		
Website Development/Maintenance	1,400.00	1,250.02	-149.98	112.0%	2,500.00	1,100.00		
Wildland Vegetation Mgmt	2,500.00	4,000.00	1,500.00	62.5%	10,000.00	7,500.00		
RETIREE MEDICAL BENEFITS								
PERS Medical	0.00	0.00	0.00	0.0%	0.00	0.00		
Delta Dental	0.00	0.00	0.00	0.0%	0.00	0.00		
Vision Care	0.00	0.00	0.00	0.0%	0.00	0.00		
COMMUNITY SERVICE ACTIVITIES								
Public Education	6,075.78	5,750.00	-325.78	105.67%	14,000.00	7,924.22		

Revenue Expense Budget vs. Actual

July through December 2018

	Half Year		\$ (Over)/Under		% of Half		Annual		Remaining	
	Jul - Dec 18	Budget	Budget	Budget	Year Budget	Year Budget	Budget	Budget	Budget	Balance
Comm. Pharmaceutical Drop-Off	371.40	2,000.00	1,628.60	18.57%	4,000.00	3,628.60				
Vial of Life Program	0.00	200.00	200.00	0.0%	200.00	200.00				
CERT Emerg Kits/Sheds/Prepared	0.00	4,363.65	4,363.65	0.0%	12,000.00	12,000.00				
Open Houses	261.28	750.00	488.72	34.84%	750.00	488.72				
Community Shredder	1,155.00	1,375.00	220.00	84.0%	2,750.00	1,595.00				
DFSC Matching Grants	0.00	0.00	0.00	0.0%	20,000.00	20,000.00				
Firesafe Planting Grants	0.00	1,000.02	1,000.02	0.0%	3,000.00	3,000.00				
Demonstration Garden	4,122.11	7,000.00	2,877.89	58.89%	50,000.00	45,877.89				
Community Sandbags	0.00	1,000.00	1,000.00	0.0%	4,000.00	4,000.00				
DISTRICT ACTIVITIES										
Firefighter's Apparel & PPE	0.00	0.00	0.00	0.0%	1,500.00	1,500.00				
Firefighters' Expenses	1,562.43	3,000.00	1,437.57	52.08%	10,000.00	8,437.57				
Staff Appreciation	1,275.32	1,250.00	-25.32	102.03%	1,750.00	474.68				
Professional Development	1,600.90	2,499.98	899.08	64.04%	5,000.00	3,399.10				
Building Maintenance										
Needs Assess/Feasibility Study	0.00	0.00	0.00	0.0%	10,000.00	10,000.00				
Janitorial Service	630.00	750.00	120.00	84.0%	1,500.00	870.00				
Medical Waste Disposal	2,046.12	2,500.00	453.88	81.85%	5,500.00	3,453.88				
Building alarm	0.00	150.00	150.00	0.0%	1,500.00	1,500.00				
Gardening service	360.00	750.00	390.00	48.0%	2,500.00	2,140.00				
Miscellaneous Maint.	1,265.40	6,500.02	5,234.62	19.47%	13,000.00	11,734.60				
Gas and Electric	3,391.06	3,999.98	608.92	84.78%	8,000.00	4,608.94				
Water/Sewer	1,103.89	1,232.51	128.62	89.56%	2,465.00	1,361.11				
Election	0.00	750.00	750.00	0.0%	1,500.00	1,500.00				
Memberships	7,390.00	7,600.00	210.00	97.24%	7,600.00	210.00				
Office										
Office Expense	1,744.31	1,500.00	-244.31	116.29%	3,000.00	1,255.69				
Office Supplies	738.68	1,125.00	386.32	65.66%	2,250.00	1,511.32				
Telephone	4,157.08	3,999.98	-157.10	103.93%	8,000.00	3,842.92				
Staff										
Wages	47,540.04	47,540.48	0.44	100.0%	95,081.00	47,540.96				
Longevity Pay	1,000.00	1,000.00	0.00	100.0%	1,000.00	0.00				

Revenue Expense Budget vs. Actual

July through December 2018

	Jul - Dec 18	Half Year		\$ (Over)/Under		% of Half		Annual Budget	Remaining Balance
		Budget	Budget	Budget	Budget	Year Budget	Year Budget		
Overtime Wages	548.52	787.50		238.98		69.65%		1,575.00	1,026.48
Vacation Wages	0.00	0.00		0.00		0.0%		330.00	330.00
Medical/dental ins compensation	5,028.00	5,028.00		0.00		100.0%		10,056.00	5,028.00
Retirement Contribution	3,612.96	3,612.98		0.02		100.0%		7,226.00	3,613.04
Payroll Taxes	4,236.29	3,900.00		-336.29		108.62%		8,360.00	4,123.71
Workers Compensation/Life Ins	1,842.06	1,500.00		-342.06		122.8%		2,000.00	157.94
Payroll Processing	779.25	822.52		43.27		94.74%		1,645.00	865.75
Contingency									
General	0.00	12,500.02		12,500.02		0.0%		25,000.00	25,000.00
Total Expense	1,732,419.19	1,757,970.66		25,551.47		98.55%		3,580,448.00	1,848,028.81
Net Ordinary Income	2,631,080.86	2,501,460.38		-129,620.48		105.18%		849,925.00	-1,781,155.86

Interest Income #1 Interest rates continue to climb and we have not yet used the cash to make the new engine deposit.

Fire Abatement Contract #2 Luckily KFPD has had very few non-compliant residents, but we continue to budget for it just in case.

Audit #3 MUN CPA's will bill KFPD a final bill when audit is finalized.

Legal Fees #4 This fiscal year is highly unusual mostly due to the CalPERS mitigation costs and the El Cerrito contract renewal negotiation.

Revenue Expense Budget Overview

July 2018 through June 2019

Ordinary Income/Expense	July 2018 through June 2019					Half Year	
	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Totals
Income							
Property Taxes	3,890,000.00	15,000.00	50,000.00	0.00	30,000.00	570.00	3,985,570.00
Special Taxes	0.00	0.00	0.00	200,453.00	0.00	0.00	200,453.00
Other Tax Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lease Agreement	2,955.67	2,955.67	2,955.67	2,955.67	2,955.67	2,955.67	17,734.02
Interest Income	2,000.00	1,250.00	5,500.00	1,000.00	0.00	14,500.00	24,250.00
Salary Reimbursement Agreement	5,237.37	5,237.33	5,237.33	5,237.33	5,237.33	5,237.33	31,424.02
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	3,900,193.04	24,443.00	63,693.00	209,646.00	38,193.00	23,263.00	4,259,431.04
Expense							
OUTSIDE PROFESSIONAL SERVICES							
LAFCO Fees	2,200.00	0.00	0.00	0.00	0.00	0.00	2,200.00
Contra Costa County Expenses	0.00	0.00	0.00	268.00	2,550.00	0.00	2,818.00
El Cerrito Contract Fee	256,577.50	256,577.50	256,577.50	256,577.50	256,577.50	256,577.50	1,539,465.00
Fire Abatement Contract	0.00	0.00	4,000.00	4,000.00	0.00	0.00	8,000.00
Fire Engineer Plan Review	166.63	166.67	166.67	166.67	166.67	166.67	999.98
Risk Management Insurance	1,400.00	13,100.00	0.00	0.00	0.00	0.00	14,500.00
Professional Fees							
Accounting	350.00	350.00	600.00	1,000.00	600.00	600.00	3,500.00
Actuarial Valuation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Audit	0.00	0.00	0.00	16,000.00	0.00	0.00	16,000.00
Legal Fees	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	17,500.02
Water System Improvements	0.00	0.00	0.00	0.00	0.00	10,000.00	10,000.00
Website Development/Maintenance	208.37	208.33	208.33	208.33	208.33	208.33	1,250.02
Wildland Vegetation Mgmt	0.00	0.00	1,000.00	1,000.00	1,000.00	1,000.00	4,000.00
RETIREE MEDICAL BENEFITS							
PERS Medical	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Delta Dental	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Vision Care	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Revenue Expense Budget Overview

July 2018 through June 2019

	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Half Year Totals
COMMUNITY SERVICE ACTIVITIES							
Public Education	150.00	150.00	150.00	5,000.00	150.00	150.00	5,750.00
Comm. Pharmaceutical Drop-Off	0.00	0.00	0.00	0.00	2,000.00	0.00	2,000.00
Vial of Life Program	0.00	0.00	0.00	0.00	200.00	0.00	200.00
CERT Emerg Kits/Sheds/Prepared	727.30	727.27	727.27	727.27	727.27	727.27	4,363.65
Open Houses	0.00	0.00	375.00	375.00	0.00	0.00	750.00
Community Shredder	0.00	0.00	0.00	0.00	1,375.00	0.00	1,375.00
DFSC Matching Grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Firesafe Planting Grants	0.00	0.00	0.00	333.36	333.33	333.33	1,000.02
Demonstration Garden	0.00	0.00	0.00	0.00	5,000.00	2,000.00	7,000.00
Community Sandbags	0.00	0.00	0.00	0.00	0.00	1,000.00	1,000.00
DISTRICT ACTIVITIES							
Firefighter's Apparel & PPE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Firefighters' Expenses	0.00	0.00	0.00	1,500.00	1,500.00	0.00	3,000.00
Staff Appreciation	0.00	0.00	0.00	0.00	0.00	1,250.00	1,250.00
Professional Development	416.63	416.67	416.67	416.67	416.67	416.67	2,499.98
Building Maintenance							
Needs Assess/Feasibility Study	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Janitorial Service	125.00	125.00	125.00	125.00	125.00	125.00	750.00
Medical Waste Disposal	800.00	450.00	450.00	0.00	800.00	0.00	2,500.00
Building alarm	0.00	0.00	0.00	0.00	150.00	0.00	150.00
Gardening service	125.00	125.00	125.00	125.00	125.00	125.00	750.00
Miscellaneous Maint.	1,083.37	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	6,500.02
Gas and Electric	666.63	666.67	666.67	666.67	666.67	666.67	3,999.98
Water/Sewer	0.00	410.85	0.00	410.83	0.00	410.83	1,232.51
Election	0.00	0.00	0.00	0.00	0.00	750.00	750.00
Memberships	700.00	0.00	0.00	0.00	6,900.00	0.00	7,600.00
Office							
Office Expense	250.00	250.00	250.00	250.00	250.00	250.00	1,500.00
Office Supplies	187.50	187.50	187.50	187.50	187.50	187.50	1,125.00
Telephone	666.63	666.67	666.67	666.67	666.67	666.67	3,999.98

Revenue Expense Budget Overview

July 2018 through June 2019

	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Half Year Totals
Staff							
Wages	7,923.38	7,923.42	7,923.42	7,923.42	7,923.42	7,923.42	47,540.48
Longevity Pay	1,000.00	0.00	0.00	0.00	0.00	0.00	1,000.00
Overtime Wages	131.25	131.25	131.25	131.25	131.25	131.25	787.50
Vacation Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Medical/dental ins compensation	838.00	838.00	838.00	838.00	838.00	838.00	5,028.00
Retirement Contribution	602.13	602.17	602.17	602.17	602.17	602.17	3,612.98
Payroll Taxes	650.00	650.00	650.00	650.00	650.00	650.00	3,900.00
Workers Compensation/Life Ins	0.00	800.00	250.00	0.00	450.00	0.00	1,500.00
Payroll Processing	137.12	137.08	137.08	137.08	137.08	137.08	822.52
Contingency							
General	2,083.37	2,083.33	2,083.33	2,083.33	2,083.33	2,083.33	12,500.02
Total Expense	283,082.48	291,743.38	283,307.53	306,369.72	299,490.86	293,976.69	1,757,970.66
Net Ordinary Income							2,501,460.38

Revenue Expense Budget Overview

July 2018 through June 2019

	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	TOTAL Jul '18 - Jun 19
Ordinary Income/Expense							
Income							
Property Taxes	0.00	0.00	0.00	0.00	50,000.00	0.00	4,035,570.00
Special Taxes							200,453.00
Other Tax Income	0.00	12,500.00	0.00	300.00	200.00	12,500.00	25,500.00
Lease Agreement	3,044.70	3,044.70	3,044.70	3,044.70	3,044.70	3,044.48	36,002.00
Interest Income	2,000.00	0.00	0.00	11,000.00	0.00	32,750.00	70,000.00
Salary Reimbursement Agreement	5,237.33	5,237.33	5,237.33	5,237.33	5,237.33	5,237.33	62,848.00
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	10,282.03	20,782.03	8,282.03	19,582.03	58,482.03	53,531.81	4,430,373.00
Expense							
OUTSIDE PROFESSIONAL SERVICES							
LAFCO Fees							2,200.00
Contra Costa County Expenses	170.00	0.00	32,538.00	274.00	0.00	230.00	36,030.00
EI Cerrito Contract Fee	256,577.50	256,577.50	256,577.50	256,577.50	256,577.50	256,577.50	3,078,930.00
Fire Abatement Contract							8,000.00
Fire Engineer Plan Review	166.67	166.67	166.67	166.67	166.67	166.67	2,000.00
Risk Management Insurance							14,500.00
Professional Fees							
Accounting	600.00	600.00	600.00	600.00	600.00	750.00	7,250.00
Actuarial Valuation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Audit	0.00	0.00	0.00	0.00	0.00	0.00	16,000.00
Legal Fees	2,916.67	2,916.67	2,916.67	2,916.67	2,916.67	2,916.63	35,000.00
Water System Improvements	0.00	0.00	0.00	0.00	0.00	10,000.00	20,000.00
Website Development/Maintenance	208.33	208.33	208.33	208.33	208.33	208.33	2,500.00
Wildland Vegetation Mgmt	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	10,000.00
RETIREE MEDICAL BENEFITS							
PERS Medical	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Delta Dental	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Vision Care	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Revenue Expense Budget Overview

July 2018 through June 2019

	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	TOTAL Jul '18 - Jun 19
COMMUNITY SERVICE ACTIVITIES							
Public Education	150.00	150.00	3,800.00	1,500.00	1,500.00	1,150.00	14,000.00
Comm. Pharmaceutical Drop-Off	0.00	0.00	0.00	2,000.00	0.00	0.00	4,000.00
Vial of Life Program	0.00	0.00	0.00	0.00	0.00	0.00	200.00
CERT Emerg Kits/Sheds/Prepared	727.27	727.27	4,000.00	727.27	727.27	727.27	12,000.00
Open Houses	0.00	0.00	0.00	0.00	0.00	0.00	750.00
Community Shredder	0.00	0.00	1,375.00	0.00	0.00	0.00	2,750.00
DFSC Matching Grants	0.00	20,000.00	0.00	0.00	0.00	0.00	20,000.00
Firesafe Planting Grants	333.33	333.33	333.33	333.33	333.33	333.33	3,000.00
Demonstration Garden	0.00	2,000.00	25,000.00	16,000.00	0.00	0.00	50,000.00
Community Sandbags	1,000.00	1,000.00	1,000.00	0.00	0.00	0.00	4,000.00
DISTRICT ACTIVITIES							
Firefighter's Apparel & PPE	0.00	0.00	1,500.00	0.00	0.00	0.00	1,500.00
Firefighters' Expenses	1,000.00	1,500.00	0.00	1,500.00	0.00	3,000.00	10,000.00
Staff Appreciation	0.00	0.00	0.00	500.00	0.00	0.00	1,750.00
Professional Development	416.67	416.67	416.67	416.67	416.67	416.67	5,000.00
Building Maintenance							
Needs Assess/Feasibility Study	0.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	10,000.00
Janitorial Service	125.00	125.00	125.00	125.00	125.00	125.00	1,500.00
Medical Waste Disposal	850.00	450.00	0.00	850.00	0.00	850.00	5,500.00
Building alarm	0.00	0.00	1,350.00	0.00	0.00	0.00	1,500.00
Gardening service	125.00	125.00	375.00	375.00	375.00	375.00	2,500.00
Miscellaneous Maint.	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	1,083.33	13,000.00
Gas and Electric	666.67	666.67	666.67	666.67	666.67	666.67	8,000.00
Water/Sewer	0.00	410.83	0.00	410.83	0.00	410.83	2,465.00
Election	750.00	0.00	0.00	0.00	0.00	0.00	1,500.00
Memberships	0.00	0.00	0.00	0.00	0.00	0.00	7,600.00
Office							
Office Expense	250.00	250.00	250.00	250.00	250.00	250.00	3,000.00
Office Supplies	187.50	187.50	187.50	187.50	187.50	187.50	2,250.00
Telephone	666.67	666.67	666.67	666.67	666.67	666.67	8,000.00

Revenue Expense Budget Overview

July 2018 through June 2019

	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	TOTAL Jul '18 - Jun 19
Staff							
Wages	7,923.42	7,923.42	7,923.42	7,923.42	7,923.42	7,923.42	95,081.00
Longevity Pay	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00
Overtime Wages	131.25	131.25	131.25	131.25	131.25	131.25	1,575.00
Vacation Wages	0.00	0.00	0.00	0.00	0.00	330.00	330.00
Medical/dental ins compensation	838.00	838.00	838.00	838.00	838.00	838.00	10,056.00
Retirement Contribution	602.17	602.17	602.17	602.17	602.17	602.17	7,226.00
Payroll Taxes	1,210.00	650.00	650.00	650.00	650.00	650.00	8,360.00
Workers Compensation/Life Ins	0.00	0.00	0.00	500.00	0.00	0.00	2,000.00
Payroll Processing	137.08	137.08	137.08	137.08	137.08	137.08	1,645.00
Contingency							
General	2,083.33	2,083.33	2,083.33	2,083.33	2,083.33	2,083.33	25,000.00
Total Expense	282,895.86	305,926.69	350,501.59	304,200.69	282,165.86	296,786.65	3,580,448.00
Net Ordinary Income							849,925.00

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET

Fiscal Year 2018-2019

	FY 2017-2018 Budget	FY 2017-2018 Actual	FY 2018-2019 Budget	FY 2019-2020 Planning
REVENUE BUDGET				
Property Taxes	3,863,605	3,889,704	4,035,570	4,156,635
Special Taxes	200,287	200,395	200,453	200,450
Other tax income	26,000	26,082	25,500	25,500
Interest income	60,000	80,056	70,000	60,000
Lease agreement	35,470	35,468	36,002	37,630
Salary reimb agreement	57,873	59,603	62,848	66,523
Miscellaneous income	0	1,182	0	0
Total Revenue	4,243,235	4,292,490	4,430,373	4,546,738

	FY 2017-2018 Budget	FY 2017-2018 Actual	FY 2018-2019 Budget	FY 2019-2020 Planning
OPERATING EXPENSE BUDGET				
OUTSIDE PROFESSIONAL SERVICES				
Accounting	5,250	7,099	7,250	7,250
Actuarial Valuation	7,500	5,500	0	7,500
Audit	16,000	16,000	16,000	16,500
CC County Expenses	32,500	34,316	36,030	37,830
EI Cerrito Contract	2,826,907	2,826,907	3,078,930	3,171,300
Fire Abatement Contract	8,000	0	8,000	8,000
Fire Engineer Plan Review	2,000	1,093	2,000	2,000
Insurance - Risk Mgmt	14,000	13,268	14,500	15,000
LAFCO Fees	2,200	2,123	2,200	2,300
Legal Fees	40,000	19,423	35,000	35,000
Water System Improvements	20,000	0	20,000	20,000
Website Development/Maint.	3,700	3,100	2,500	2,750
Wildland Vegetation Mgmt	10,000	9,150	10,000	10,000
RETIREE MEDICAL BENEFITS*				
PERS Medical (OPEB cost)	0	0	0	0
Delta Dental	0	0	0	0
Vision Care	0	0	0	0
COMMUNITY SERVICE ACTIVITIES				
Public Education	10,000	10,928	14,000	14,000
Community Pharmaceutical Drop-Off	4,000	2,449	4,000	4,000
Vial of Life Program	200	99	200	200
CERT Kits/Sheds/Preparedness	17,500	3,833	12,000	12,000
Open Houses	1,200	307	750	750
Community Shredder	2,750	2,469	2,750	3,000
DFSC Matching Grants	20,000	19,116	20,000	20,000
Firesafe Planting Grants	3,000	219	3,000	3,000
Demonstration Garden	30,000	5,060	50,000	3,000
Community Sandbags	5,000	754	4,000	4,000
Volunteer Appreciation			0	1,500
DISTRICT ACTIVITIES				
Professional Development	5,000	2,919	5,000	5,000
District Office				
Office expense	3,000	2,862	3,000	3,150
Office supplies	2,500	1,326	2,250	2,500
Telephone	8,000	7,935	8,000	8,400
Election	0	0	1,500	0
Firefighter's Apparel & PPE	1,500	542	1,500	1,575
Firefighters' Expenses	10,000	6,149	10,000	10,000
Staff Appreciation	2,000	1,019	1,750	2,000
Memberships	7,535	7,008	7,600	7,600
P/S Building				
Needs Assessment/Feasibility Study	30,000	23,127	10,000	0
Gardening service	2,000	1,170	2,500	3,200
Building alarm	2,000	1,379	1,500	1,550

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET

Fiscal Year 2018-2019

Medical waste disposal	5,000	5,194	5,500	5,500
Janitorial	1,500	1,260	1,500	1,575
Misc. Maint/Improvements	12,000	12,204	13,000	13,000
PG&E	7,500	7,124	8,000	9,000
Water/Sewer	2,040	2,346	2,465	2,590
Staff				
Wages	86,420	86,438	95,081	97,931
Longevity Pay	1,000	1,000	1,000	1,000
Overtime Wages	1,540	1,060	1,575	1,655
Vacation Wages Accrual Adjustment	2,433	1,354	332	3,766
Medical/dental insurance compensation	8,190	8,190	10,056	10,560
Retirement Contribution	6,568	6,569	7,226	7,443
Payroll Taxes	7,789	7,705	8,360	8,620
Insurance - Workers Comp/Life	1,800	1,830	2,000	2,000
Processing	1,550	1,567	1,645	1,730
Operating Contingency Fund	<u>25,000</u>	<u>1,439</u>	<u>25,000</u>	<u>25,000</u>
Total Operating Expense	3,325,570	3,183,927	3,580,448	3,637,222
Capital Outlay				
Firefighter qtrs/equip	25,000	20,580	15,000	15,000
Office Furniture/Computers	5,000	0	5,000	5,000
Type III Engine	<u>0</u>	<u>0</u>	<u>220,000</u>	<u>372,000</u>
Total Capital Outlay	30,000	20,580	240,000	392,000
TOTAL EXPENDITURES	3,355,570	3,204,507	3,820,448	4,029,222

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

* Due to new reporting rules under GASB 75 and the fact that our OPEB assets equal or surpass liabilities, the actuary stated that we will have no OPEB expense beginning in FY 17/18.

Designated Funds (see attached schedules)

Engine Replacement Fund	117,874	117,874	117,874	75,880
Public Safety Building Fund	<u>650,000</u>	<u>650,000</u>	<u>450,000</u>	<u>131,590</u>
	767,874	767,874	567,874	207,470
	FY 2017-2018	FY 2017-2018	FY 2018-2019	FY2019-2020
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Planning</u>
Beginning Cash	6,957,198	7,093,176	8,126,495	8,736,419
Revenue	4,243,235	4,292,490	4,430,373	4,546,738
Operating Expenditures	-3,325,570	-3,183,927	-3,580,448	-3,637,222
Capital Expenditures	-30,000	-20,580	-240,000	-392,000
Accrual to Cash Adjustment		-54,664		
<u>ENDING CASH</u>	7,844,864	8,126,495	8,736,419	9,253,935
Cumulative Designated Funds				
Capital Replacement Funds	-3,186,299	-3,954,173	-3,754,173	-4,161,643
Prepaid CERBT - Retiree Trust	-953,491	-1,010,137	-1,010,137	-1,010,137
El Cerrito Contract 12 month set aside	-2,826,907	-2,826,907	-3,078,930	-3,171,300
<u>AVAILABLE CASH</u>	878,167	335,278	893,179	910,854

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET
 Fiscal Year 2018-2019

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
						\$540,094			
					\$94,000		02-03		
					\$205,895		03-04		
							04-05	32,860	32,860
							05-06	32,860	65,720
							06-07	32,855	98,575
							07-08	36,793	135,368
							08-09	36,793	172,161
					adjust to	\$592,100	09-10	41,994	214,155
							10-11	41,994	256,149
							11-12	41,994	298,143
							12-13	41,994	340,137
							13-14	41,994	382,131
							14-15	41,994	424,125
\$632,000	\$1,138,200	15-16					15-16	41,994	466,119
		16-17	75,880	75,880			16-17	41,994	508,113
		17-18	75,880	151,760			17-18	41,994	550,107
		18-19	75,880	227,640			18-19	<u>41,994</u>	592,101
		19-20	75,880	303,520				592,101	
		20-21	75,880	379,400					
		21-22	75,880	455,280					
		22-23	75,880	531,160					
		23-24	75,880	607,040					
		24-25	75,880	682,920					
		25-26	75,880	758,800					
		26-27	75,880	834,680					
		27-28	75,880	910,560					
		28-29	75,880	986,440					
		29-30	75,880	1,062,320					
		30-31	<u>75,880</u>	1,138,200					
			1,138,200						

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET
Fiscal Year 2018-2019

SAVINGS SCHEDULE FOR BUILDING IMPROVEMENTS/RENOVATION/REPLACEMENT

<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	432,486	744,646
	16-17	1,089,786	1,834,432
	17-18	650,000	2,484,432
	18-19	450,000	2,934,432
	19-20	131,590	3,066,022

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

In preparation for a major building remodel/replacement, any surplus funding from each year will also be contributed to the building replacement fund.

Kensington Fire Protection District
Investment Recap Outside of LAIF
As of 2/12/2019

Name	Abbreviation	Purchase Date	Net Cost	Par Value	Maturity Date	Coupon %	Yield %	When Int Pays Out
Federal Farm Credit Bank	FFCB NT	1/27/2016	250,950.90	250,000.00	1/22/2019	1.250	1.250	1.250 Jan/Jul
U.S. Treasury Bills	USTB	7/26/2018	245,810.21	250,000.00	4/25/2019	2.210	2.270	@ Maturity
Freddie Mac	FHLMC NT	1/25/2016	250,260.90	250,000.00	10/2/2019	1.250	1.330	Oct/Apr
Federal Home Loan Bank	FHLB NT	1/27/2016	249,664.44	250,000.00	12/13/2019	1.250	1.326	Dec/Jan
Federal Farm Credit Bank	FFCB	7/25/2018	499,288.50	500,000.00	7/16/2020	2.600	2.600	@ Maturity
Fannie Mae	FNMA	1/16/2019	499,195.20	504,000.00	7/30/2020	1.500	2.600	@ Maturity
Federal Home Loan Bank	FHLB NT #1	1/25/2106	254,137.92	250,000.00	12/11/2020	1.875	1.875	Dec/Jan
Federal Home Loan Bank	FHLB NT #2	1/27/2016	248,816.74	250,000.00	12/11/2020	1.375	1.514	Dec/Jan
Federal Farm Credit Bank	FFCB	1/22/2019	249,722.04	250,000.00	1/11/2021	2.649	2.649	@ Maturity
			2,496,895.95	2,504,000.00				
TOTAL INVESTMENTS PER CCC RUN		6,476,674.03		Capital Replacement Fund			3,754,173.00	
LESS ABOVE TOTAL		<u>(2,504,000.00)</u>		El Cerrito Contract			3,078,929.57	
CURRENT LAIF BAL		3,972,674.03		Available Investments			<u>(356,428.54)</u>	
							6,476,674.03	