



Kensington Community Services District

DATE: July 9, 2026

TO: Board of Directors

FROM: David Aranda, Interim General Manager (IGM)

PRESENTED BY: Dmitry Semenov

SUBJECT: Discussion of ten-year forecast update as presented by Dmitry Semenov of Ridgeline

RECOMMENDATION:

The Board needs to provide a date for an updated ten-year financial forecast to be given for Kensington Community Services District.

BACKGROUND:

One director made a request to have an immediate updated ten-year forecast made by Ridgeline.

Dmitry will present the pros and cons of preparing an updated forecast for presentation in the next month or so as opposed to waiting to present an update forecast in fiscal year 2028.

EXHIBIT(S):

- Ridgeline Financial Forecast Timing Alternatives

Financial Forecast Timing Alternatives



July 9, 2026



Municipal Advisory | Financial Planning | Pension Optimization



Project Background



- Consolidated Financial Forecast was finalized in November 2024
 - Assumed Kensington PPCSD and Kensington FPD consolidate on July 1, 2025
- Districts consolidated on October 1, 2025
- When should the financial model and the forecast be updated?

Forecast Success Prerequisites



- **Financial data:**
 - Detailed budget
 - Good historical data (preferably 1-2 full fiscal years)
 - El Cerrito contract clarity

- Key **decision-makers** in place

- Developed operating and financial **strategy**

Update Now – Assessment



- **Financial data:**
 - Detailed budget – **available**
 - Good historical data – **less than 1 full fiscal year**
 - El Cerrito contract clarity – **uncertain for now**
- Key **decision-makers** in place – **still need permanent GM**
- Operating and financial **strategy** – **subject to change by permanent GM**
- **Still may want to do it if:**
 - Need to make major decisions sooner rather than later
 - Negotiations with El Cerrito, new police building, etc.
 - Observe significant deviations from prior forecast
 - Considering changing fundamental assumptions used in forecast

Update Now – Cons and Risks



- Likely to require **more effort** by Staff, Board, and Ridgeline due to limited financial information
- Likely to require **higher budget**
- Likely to require an update when **new GM** is on board
- May be incorrect if **El Cerrito contract** is significantly revised in 12-24 months

Update in FY 2028 or 2029 – Assessment



- **Financial data:**
 - Detailed budget – available
 - Good historical data – almost 2 or 3 full years of historical data
 - El Cerrito contract clarity – more certain
- Key **decision-makers** in place – permanent GM on board and has good understanding of the District
- Operating and financial **strategy** – more clarity

Update in FY 2028 or 2029 – Cons and Risks



- May miss negative **financial trends**
- May make long-term decisions based on **outdated information**
- New GM may rely on outdated document and forecast
- May not have a good **baseline** if need to negotiate with El Cerrito

Our Recommendation



- It is preferable to wait until permanent GM is in place and more financial data is available, **UNLESS**
- Long-term major financial decisions need to be made
- Do not expect hiring a permanent GM any time soon

Questions?



Dmitry Semenov

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