KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

AGENDA

A Special Meeting of the Finance Committee of the Kensington Police Protection and Community Services District will be held **Thursday, May 4, 2017, at 7:00 P.M.,** at the Kensington Community Center, 59 Arlington Avenue, Kensington, California. The next Regular Meeting of the Finance Committee will occur on Wednesday, May 24, 2017.

Note: All proceedings will be audiotaped.

1. Call to Order/Roll Call 7:00 PM

2. Public Comments – Members of the public may address the Committee on any issues listed on the agenda that are within the purview of the Committee. Comments on matters that are listed on the agenda may be made at the time the Committee is considering each item. Each speaker is allowed a maximum of five (5) minutes per Board Policy 5030.41

3. Committee Member Comments

4. Unaudited Profit & Loss Budget Performance. Page 3

5. Discussion of the Draft Budget for Fiscal Year 2017/18. Page 9

ADJOURNMENT

General Information - Accessible Public Meetings

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

District Administrator,, Kensington Police Protection & Community Services District, 217 Arlington Ave, Kensington, CA 94707

POSTED: Public Safety Building-Colusa Food-Library-Arlington Kiosk- and at www.kensingtoncalifornia.org

Complete agenda packets are available at the Public Safety Building and the Library.

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

KPPCSD
Unaudited Profit & Loss Budget Performance
April 2017

	Apr 17	Budget	Jul '16 - Apr 17	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
400 · Police Activities Revenue					
401 · Levy Tax	0.00	0.00	1,642,869.96	1,653,000.00	1,653,000.00
402 · Special Tax-Police	0.00	0.00	681,630.00	680,000.00	680,000.00
403 · Misc Tax-Police	0.00	0.00	0.00	0.00	0.00
404 · Measure G Supplemental Tax Rev	0.00	0.00	527,989.12	529,601.28	529,601.28
409 · Asset seizure forfeit/WEST NET	0.00	0.00	0.00	0.00	0.00
410 · Police Fees/Service Charges	112.25	125.00	3,137.15	1,250.00	1,500.00
411 · Kensington Hilltop Srvcs Reimb	4,867.00	4,866.75	14,601.00	19,467.00	19,467.00
412 · Special Assignment Revenue	0.00	0.00	0.00	0.00	0.00
413 · West County Crossing Guard Reim	3,717.00	3,717.00	7,434.00	7,434.00	11,151.00
414 · POST Reimbursement	0.00	0.00	1,053.59	0.00	0.00
415 · Grants-Police	0.00	0.00	107,493.67	0.00	0.00
416 · Interest-Police	0.00	375.00	3,045.00	1,125.00	1,500.00
418 · Misc Police Income	503.92	1,083.34	8,469.72	10,833.32	13,000.00
419 · Supplemental W/C Reimb (4850)	6,619.74	0.00	71,083.40	0.00	0.00
Total 400 · Police Activities Revenue	15,819.91	10,167.09	3,068,806.61	2,902,710.60	2,909,219.28
420 · Park/Rec Activities Revenue					
424 · Special Tax-L&L	0.00	0.00	36,220.00	35,000.00	35,000.00
427 · Community Center Revenue	835.00	2,300.00	21,259.35	29,300.00	33,000.00
437 · Contributions for Sound System	0.00	0.00	11,000.00	8,000.00	8,000.00
438 · Misc Park/Rec Rev	40.00	30.00	122.00	150.00	200.00
Total 420 · Park/Rec Activities Revenue	875.00	2,330.00	68,601.35	72,450.00	76,200.00
440 · District Activities Revenue					
448 · Franchise Fees	-9,129.31	5,400.00	53,042.67	54,000.00	65,000.00
456 · Interest-District	0.00	0.00	0.00	0.00	0.00
458 · Misc District Revenue	0.00	0.00	0.00	0.00	0.00
Total 440 · District Activities Revenue	-9,129.31	5,400.00	53,042.67	54,000.00	65,000.00
Total Income	7,565.60	17,897.09	3,190,450.63	3,029,160.60	3,050,419.28

Account 400 Police Activities Revenue

This YTD total is ahead of the YTD budgeted amount by approx. $166,000. This is primarily due to receipt of $107,500 of COPS Grant and $71,100 of Supplemental Workers' Comp. Reimb.

Account 448 Franchise Fees

The current month amount is <$9,130> because it reflects the payment of Franchise Fees (3% of gross revenues) made to the County for the months of

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KPPCSD
Unaudited Profit & Loss Budget Performance
April 2017

	Apr 17	Budget	Jul '16 - Apr 17	YTD Budget	Annual Budget
Expense					
500 · Police Sal & Ben					
502 · Salary - Officers	74,689.10	84,606.16	776,308.23	846,061.68	1,015,274.00
504 · Compensated Absences	0.00	766.66	17,507.63	7,666.68	9,200.00
506 · Overtime	5,300.09	6,250.00	76,028.06	62,500.00	75,000.00
508 · Salary - Non-Sworn	8,375.67	8,389.75	92,266.72	83,897.50	100,677.00
516 · Uniform Allowance	533.28	750.00	5,745.84	7,500.00	9,000.00
518 · Safety Equipment	-1,000.00	187.50	2,867.34	1,875.00	2,250.00
521-A · Medical/Vision/Dental-Active	13,454.23	15,174.50	161,999.45	151,745.00	182,094.00
521-R · Medical/Vision/Dental-Retired	11,832.03	13,356.50	141,013.18	133,565.00	160,278.00
521-T · Medical/Vision/Dental-Trust	0.00	0.00	95,868.00	0.00	64,226.00
522 · Insurance - Police	0.00	578.34	3,298.50	5,783.32	6,940.00
523 · Social Security/Medicare	1,047.84	1,458.91	12,227.36	14,589.18	17,507.00
524 · Social Security - District	473.26	520.16	6,140.31	5,201.68	6,242.00
527 · PERS - District Portion	13,993.04	16,209.46	460,874.45	476,885.08	509,304.00
528 · PERS - Officers Portion	3,375.24	4,986.34	46,022.23	49,863.32	59,836.00
530 · Workers Comp	0.00	0.00	66,467.05	67,000.00	67,000.00
Total 500 · Police Sal & Ben	132,073.78	153,234.28	1,964,634.35	1,914,133.44	2,284,828.00

Accounts 502, 504 & 506 Officers' Salaries, Compensated Absences & Overtime

YTD, these accounts, combined, are about $46,400 less than the YTD budgeted amount: Officers' salaries are under-budget by about $70,000 largely because the Master Sergeant position is currently vacant. This $70,000 reduction in YTD salaries has been offset by YTD increase in overtime, which is about $14,000 over budget, and the YTD increase in compensated absences, which is about $10,000 over budget because of former IGM/COP Hart's $13,000 cash-out of accrued vacation hours.

Accounts 508 & 602 Salary Non-Sworn

The YTD amounts, combined, is about $8,800 more than the YTD budgeted amount because non-sworn staff performed additional assigned work that had not been anticipated when the budget was set. Some of the costs incurred in this account have helped reduce costs that had been budgeted for Accounts 502 (Police Salaries), 594 (Community Policing) and 840 (Accounting). The hourly savings range from $25 to $105.

Account 518 Uniform Allowance

The monthly amount is <$1,000>. When District CPA Deborah Russell ran a report in March for this account's YTD activity, she discovered that an officer had submitted two $1,000 requests for reimbursement: Only a $1,000 reimbursement was permitted under the terms of the MOU. This negative entry reflects the officer's $1,000 reimbursement to the District.

Account 521 A&R Medical/Vision/Dental (Retired and Active)

CalPERS med. prems for the following month are due by the 10th of that month. Thus, in part, YTD amount is $27,000 greater than YTD budgeted amt.

Account 521T Medical/Vision/Dental (Trust)

The YTD amount is $31,000 more that the Annual Budgeted Amount because it includes the payment of last year's budgeted amount for this same amount. The GM/COP memo, directing the District Administrator to pay this $31,000, should have been issued in May 2015. However, because this was a time of transition, the memo was never issued, and the payment was not timely made.

Accounts 527 & 528 PERS – District and Officers Portions

YTD these two amounts, combined, are about $20,000 under the amount budgeted YTD. This is because YTD salaries (502), upon which the PERS amounts are calculated, are lower than budgeted.

KPPCSD
Unaudited Profit & Loss Budget Performance
April 2017

	Apr 17	Budget	Jul '16 - Apr 17	YTD Budget	Annual Budget
550 · Other Police Expenses					
552 · Expendable Police Supplies	0.00	141.66	3,319.88	1,416.68	1,700.00
553 · Range/Ammunition Supplies	0.00	416.66	375.00	4,166.68	5,000.00
560 · Crossing Guard	1,239.00	1,000.00	8,115.45	8,750.00	11,150.00
562 · Vehicle Operation	2,388.88	3,125.00	22,322.90	31,250.00	37,500.00
564 · Communications (RPD)	8,050.89	13,035.00	89,217.61	130,350.00	156,420.00
566 · Radio Maintenance	181.69	190.09	1,453.52	1,900.82	2,281.00
568 · Prisoner/Case Exp./Booking	78.75	741.66	6,959.82	7,416.68	8,900.00
570 · Training	0.00	833.34	2,550.64	8,333.32	10,000.00
572 · Recruiting	0.00	1,291.66	3,285.27	12,916.68	15,500.00
574 · Reserve Officers	2,000.00	337.50	2,030.00	3,375.00	4,050.00
576 · Misc. Dues, Meals & Travel	0.00	252.91	1,356.00	2,529.18	3,035.00
580 · Utilities - Police	3,326.70	833.34	10,781.03	8,333.32	10,000.00
581 · Bldg Repairs/Maint.	0.00	416.66	490.05	4,166.68	5,000.00
582 · Expendable Office Supplies	1,079.13	625.00	4,336.38	6,250.00	7,500.00
588 · Telephone(+Rich. Line)	419.15	623.00	3,745.05	6,230.00	7,476.00
590 · Housekeeping	406.41	333.34	3,723.20	3,333.32	4,000.00
592 · Publications	0.00	250.00	2,923.16	2,500.00	3,000.00
594 · Community Policing	489.45	1,166.66	5,400.19	11,666.68	14,000.00
596 · WEST-NET/CAL I.D.	0.00	0.00	6,101.00	6,100.00	6,100.00
599 · Police Taxes Administration	0.00	0.00	3,462.84	3,500.00	3,500.00
Total 550 · Other Police Expenses	19,660.05	25,613.48	181,948.99	264,485.04	316,112.00

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Account 552 Expendable Police Supplies
The YTD amount is about $2,500 over budget, primarily because $2,300, which had not been budgeted, was spent for new cameras for police vehicles
Account 562 Vehicle Maintenance
The YTD amount is about $9,000 less that the YTD budgeted amount.
Account 564 Communications
This YTD total is under budget because Richmond's invoices aren't timely issued. The most recent invoice paid was for February's service.
Account 580 Utilities – Police
This monthly amount of $3,300 reflects three months of service covered by the Kensington Fire District's invoice received in April.

KPPCSD
Unaudited Profit & Loss Budget Performance
April 2017

	Apr 17	Budget	Jul '16 - Apr 17	YTD Budget	Annual Budget
600 · Park/Rec Sal & Ben					
601 · Park & Rec Administrator	685.40	670.16	7,175.26	6,701.68	8,042.00
602 · Custodian	1,750.00	1,900.00	17,500.00	19,000.00	22,750.00
623 · Social Security/Medicare - Dist	109.24	51.25	548.90	512.50	615.00
Total 600 · Park/Rec Sal & Ben	2,544.64	2,621.41	25,224.16	26,214.18	31,407.00
635 · Park/Recreation Expenses					
640 · Community Center Expenses					
642 · Utilities-Community Center	490.46	468.00	5,074.52	4,680.00	5,616.00
643 · Janitorial Supplies	0.00	125.00	676.43	1,250.00	1,500.00
646 · Community Center Repairs	600.00	458.34	5,551.89	4,583.32	5,500.00
Total 640 · Community Center Expenses	1,090.46	1,051.34	11,302.84	10,513.32	12,616.00
660 · Annex Expenses					
662 · Utilities - Annex	0.00	83.34	0.00	833.32	1,000.00
666 · Annex Repairs	0.00	83.34	0.00	833.32	1,000.00
668 · Misc Annex Expenses	0.00	83.34	0.00	833.32	1,000.00
Total 660 · Annex Expenses	0.00	250.02	0.00	2,499.96	3,000.00
670 · Gardening Supplies	0.00		0.00	0.00	0.00
672 · Kensington Park O&M	2,475.00	5,775.00	63,924.44	57,750.00	69,300.00
674 · Park Construction Exp	0.00		0.00	5,000.00	5,000.00
678 · Misc Park/Rec Expense	0.00	0.00	1,275.42	1,000.00	1,000.00
Total 635 · Park/Recreation Expenses	3,565.46	7,076.36	76,502.70	76,763.28	90,916.00

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Account 672 Kensington Park O&M

This account is about $6,000 over budget. This amount includes about $13,000 of tree pruning, which had been budgeted for the prior fiscal year.

Account 674 Kensington Park O&M

The YTD budgeted amount of $5,000 has not been spent.

KPPCSD
Unaudited Profit & Loss Budget Performance
April 2017

	Apr 17	Budget	Jul '16 - Apr 17	YTD Budget	Annual Budget
800 · District Expenses					
810 · Computer Maintenance	1,164.00	2,093.16	21,680.54	20,931.68	25,118.00
820 · Cannon Copier Contract	195.12	475.00	4,018.26	4,750.00	5,700.00
830 · Legal (District/Personnel)	23,318.57	8,300.00	168,936.64	83,000.00	99,530.00
835 · Consulting	6,262.00	4,500.00	33,846.34	39,500.00	46,500.00
840 · Accounting	0.00	2,000.00	31,982.99	41,500.00	45,500.00
850 · Insurance	0.00	0.00	27,607.07	30,000.00	30,000.00
860 · Election	0.00	0.00	3,561.61	4,500.00	4,500.00
865 · Police Bldg. Lease	0.00	0.00	1.00	1.00	1.00
870 · County Expenditures	0.00	200.00	21,227.00	22,300.00	22,300.00
890 · Waste/Recycle	0.00	1,666.66	0.00	16,666.68	20,000.00
898 · Misc. Expenses	2,228.09	1,433.34	15,182.47	14,333.32	17,200.00
899 · Depreciation Expense	0.00	0.00	0.00	0.00	0.00
Total 800 · District Expenses	33,167.78	20,668.16	328,043.92	277,482.68	316,349.00

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Account 830 Legal
The current month's amount of $23,300 is about $15,000 more than had been budgeted for the month. The YTD amount is about $86,000 more than the YTD budgeted amount of $83,000.

Account 835 Consulting
The monthly amount of $6,300 is about 1,800 higher than the budgeted amount, in part because it includes a $4,900 invoice from Walter Tibbett. YTD amount is about $5,700 less than the YTD budgeted amount.

Account 840 Accounting
The YTD amount is about $9,500 less that the YTD budgeted amount.

Account 890 Waste/Recycling
The YTD amount is $17,000 less than the YTD budgeted amount. This amount should be set aside for anticipated costs to be incurred near the end of the current agreement with Bay View Refuse and Recycling.

KPPCSD
Unaudited Profit & Loss Budget Performance
April 2017

	Apr 17	Budget	Jul '16 - Apr 17	YTD Budget	Annual Budget
950 · Capital Outlay					
961 · Police Bldg Improvements	0.00	0.00	0.00	0.00	0.00
962 · Patrol Cars	0.00	0.00	0.00	0.00	0.00
963 · Patrol Car Accessories	0.00	0.00	0.00	0.00	0.00
965 · Personal Police Equipment-Asset	0.00	0.00	13,546.64	0.00	0.00
966 · Police Traffic Equipment	241.33	0.00	8,810.16	6,600.00	6,600.00
967 · Station Equipment	0.00	0.00	6,005.00	6,100.00	6,100.00
968 · Office Furn/Eq	0.00	0.00	0.00	0.00	0.00
969 · Computer Equipment	0.00	0.00	2,170.48	1,500.00	1,500.00
972 · Park Buildings Improvement	0.00	0.00	0.00	100,000.00	100,000.00
974 · Other Park Improvements	0.00	0.00	0.00	7,500.00	7,500.00
978 · Pk/Rec Furn/Eq	182.44	0.00	34,815.25	21,000.00	21,000.00
Total 950 · Capital Outlay	423.77	0.00	65,347.53	142,700.00	142,700.00
Total Expense	191,435.48	209,213.69	2,641,701.65	2,701,778.62	3,182,312.00
Net Ordinary Income	-183,869.88	-191,316.60	548,748.98	327,381.98	-131,892.72
Other Income/Expense					
Other Expense					
700 · Bond Issue Expenses					
701 · Bond Proceeds	0.00		-179,304.50	0.00	0.00
710 · Bond Admin.	0.00	0.00	12,137.63	0.00	0.00
715 · Bond Interest Income	0.00	0.00	-301.16	0.00	0.00
720 · Bond Principal	0.00		133,201.28	0.00	0.00
730 · Bond Interest	0.00	0.00	27,811.25	0.00	0.00
Total 700 · Bond Issue Expenses	0.00	0.00	-6,455.50	0.00	0.00
995 · Loss/(Gain) - Asset Disposition	0.00		808.84	0.00	0.00
Total Other Expense	0.00	0.00	-5,646.66	0.00	0.00
Net Other Income	0.00	0.00	5,646.66	0.00	0.00
Net Income	**-183,869.88**	**-191,316.60**	**554,395.64**	**327,381.98**	**-131,892.72**

Account 972 Park Buildings Improvement & Account 974 Other Park Improvements
The YTD amounts budgeted for these two accounts are $100,000 and $7,500, respectively. Nothing has been spent from these accounts YTD.

Account 978 Pk/Rec Furn/Eq
The YTD amount is about $13,500 more than the YTD budgeted amount because of the purchase of the new audio/video system. The KCC and KIC have each contributed $5,000, and the KPOA contributed $1,000. This $11,000 total has helped offset the total cost of the system.

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Net Income

Notes from Deborah Russell for the Finance Committee regarding Proposed Budget changes:

For ease, I want to point out the changes I made from the discussions at the previous meeting:

Revenue

419 - Supplemental W/C Reimb (4850) was adjusted to reflect the maximum collectable if both officers stay out for the maximum time. The reimbursement is $2,206.58 every two weeks for each officer, so I calculated a per day rate and multiplied it by the maximum days available in FY 17/18.

439 - Contributions for the Community Center is a new account. I put in the projected figures stated in the meeting.

Revenue and Expense

At the meeting, I was told that my math was inaccurate regarding the line **"Add back large prepaid RIMS software"**, but in fact it was done correctly. I changed where the underline was and deleted a repetitive description, so hopefully it presents more clearly. Essentially, it is this year's overage plus the cash carryover plus the RIMS adjustment to get to the **Estimated Fund Carryovers into 2017/2018**.

To restate the issue here...in FY 16/17, KPPCSD will pay $139,958 for the RIMS software that will not be utilized until FY 17/18. That transaction is reflected on the **Estimated Available Cash 6/30/17** which lowers the **Cash Carryovers 2016/2017** line. Because that purchase is prepaid and will really show up as an expense for FY 17/18, I wanted to include it in G/L 564 - Communications, but all budget line items flow into Expenditures and ultimately affect **Estimated Fund Carryovers into 2017/2018**, so I wanted to adjust for the duplication to cash.

Expenditures by Line Items

521A - Medical Insurance – Active was adjusted for a tenth officer at a family rate, as well as the tenth employee contribution offset.

521T - Medical Insurance – Trust was adjusted to reflect the updated projection by Gary Cline of Nicolay Consulting. The figure reflects the ADC (Actuarially Determined Contribution), not the ARC, in accordance with GASB 75. Mr. Cline points out that this is not a funding method, but I have used this figure in place of the ARC for cash flow purposes. I have also included the correspondence and projection from him for further review.

527 - PERS – District was adjusted to reflect the 15 year amortization amount. I have included the early pay discount estimate, but I have written to CalPERS to confirm that this would still apply at the same discount rate. Not 100% sure that a prepayment (since we are technically still on the 30 year amortization program) qualifies for the discount. CalPERS did confirm that the District could prepay according to the faster schedule with no penalty and without being locked into that schedule.

808 and 823 – No figures changed, just added gridline and corrected the Code number.

These were the items I had on my list. If I missed anything, I apologize. As it was determined you would not need me at this meeting, please direct someone to give me any changes to the proposed budget that may arise from this meeting, so I can create the finished product you may be recommending to the Board.

CODE	CLASSIFICATION	2016/2017 BUDGET	2016/2017 EXPENDITURES 02/28/17	2016/2017 BALANCE	PERCENT SPENT	2017/2018 BUDGET	BUDGET DIFFERENCES
POLICE SALARIES AND BENEFITS							
502	Salary - Police	$1,015,274	$621,529	$393,745	61.22%	$921,999	($93,275)
504	Compensation Cash-Out	$9,200	$14,796	($5,596)	160.82%	$9,200	$0
506	Overtime	$75,000	$67,193	$7,807	89.59%	$75,000	$0
508	Salary/Non-Sworn	$100,677	$73,605	$27,072	73.11%	$62,405	($38,272)
516	Uniform Allowance	$9,000	$4,844	$4,156	53.82%	$9,000	$0
518	Safety Equipment	$2,250	$3,867	($1,617)	171.88%	$2,500	$250
521A	Medical Insurance - Active	$182,094	$135,091	$47,003	74.19%	$180,563	($1,531)
521R	Medical Insurance - Retired	$160,278	$117,349	$42,929	73.22%	$138,231	($22,047)
521T	Medical Insurance - Trust	$64,226	$95,868	($31,642)	149.27%	$262,462	$198,236
522	Disab. & Life Insurance	$6,940	$2,858	$4,083	41.17%	$6,940	$0
523	Medicare 1.45% (District)	$17,507	$9,990	$7,517	57.07%	$15,611	($1,896)
524	Social Security(6.2%) /Non-Sworn	$6,242	$4,983	$1,259	79.83%	$3,869	($2,373)
527	P.E.R.S. - District	$509,304	$432,341	$76,963	84.89%	$455,148	($54,156)
528	P.E.R.S. - Officers Portion	$59,836	$39,076	$20,760	65.30%	$36,651	($23,185)
530	Workers Compensation	$67,000	$66,467	$533	99.20%	$92,000	$25,000
540	Advanced Industrial	$0	$0	$0	0.00%	$0	$0
	SUB-TOTAL	$2,284,828	$1,689,857	$594,971	73.96%	$2,271,580	($13,248)
POLICE EXPENSES							
552	Expendable Police Supplies	$1,700	$3,320	($1,620)	195.29%	$2,200	$500
553	Range/Ammunition	$5,000	$375	$4,625	7.50%	$5,500	$500
560	Crossing Guard	$11,150	$6,567	$4,583	58.89%	$11,623	$473
562	Vehicle Operation	$37,500	$18,692	$18,808	49.85%	$36,250	($1,250)
564	Communications	$156,420	$72,663	$83,757	46.45%	$222,958	$66,538
566	Radio Maintenance	$2,281	$1,090	$1,191	47.79%	$2,180	($101)
568	Prisoner/Case Expenses/Bookings	$8,900	$5,408	$3,492	60.77%	$8,900	$0
570	Training	$10,000	$2,551	$7,449	25.51%	$10,000	$0
572	Recruiting	$15,500	$3,285	$12,215	21.20%	$15,750	$250
574	Reserve Officers	$4,050	$30	$4,020	0.74%	$9,675	$5,625
576	Misc. Dues, Meals.Travel	$3,035	$1,481	$1,554	48.80%	$2,835	($200)
580	Utilities - Police	$10,000	$7,234	$2,766	72.34%	$11,040	$1,040
581	Bldg. Repair/Maint	$5,000	$469	$4,531	9.39%	$3,000	($2,000)
582	Office Supplies	$7,500	$3,257	$4,243	43.43%	$6,500	($1,000)
588	Telephones	$7,476	$2,907	$4,569	38.89%	$5,100	($2,376)
590	Housekeeping	$4,000	$3,044	$956	76.11%	$4,000	$0
592	Publications	$3,000	$2,923	$77	97.44%	$3,500	$500
594	Comm. Policing	$14,000	$4,601	$9,399	32.87%	$8,000	($6,000)
596	CAL-ID	$6,100	$6,101	($1)	100.02%	$6,100	$0
599	Police Taxes Administration	$3,500	$2,591	$909	74.04%	$3,500	$0
	SUB-TOTAL	$316,112	$148,591	$167,521	47.01%	$378,611	$62,499
RECREATION SALARIES AND BENEFITS							
601	Park and Rec. Admin.	$8,042	$5,747	$2,295	71.47%	$8,042	($0)
602	Custodian	$22,750	$14,000	$8,750	61.54%	$22,750	$0
623	Social Security (7.65%) /Park	$615	$440	$175	71.49%	$615	$0
	SUB-TOTAL	$31,407	$20,187	$11,220	64.28%	$31,407	($0)
RECREATION EXPENSES							
640	**Community Center Expenses**						
642	Community Center	$5,616	$4,071	$1,545	72.49%	$6,636	$1,020
643	Janitorial Supplies	$1,500	$676	$824	45.10%	$1,250	($250)
646	Community Center Repairs	$5,500	$4,241	$1,259	77.10%	$5,500	$0
650	**Building E Expenses**						
656	Building E Repairs	$0	$0	$0	0.00%	$0	$0
660	**Annex Expenses**						
662	Annex - Utilities	$0	$0	$0	0.00%	$0	$0
666	Annex Repairs	$1,000	$0	$1,000	0.00%	$1,000	$0
668	Annex - Misc. Exp	$1,000	$0	$1,000	0.00%	$1,000	$0
670	Gardening Supplies	$1,000	$0	$1,000	0.00%	$1,000	$0
672	Park O&M	$69,300	$57,158	$12,142	82.48%	$69,300	$0
674	Park Construction Expense	$5,000	$0	$5,000	0.00%	$5,000	$0
678	Misc. Park/Rec Expense	$1,000	$1,275	($275)	127.54%	$1,200	$200
	SUB-TOTAL	$90,916	$67,422	$23,494	74.16%	$91,886	$970

CODE	CLASSIFICATION	2016/2017 BUDGET	2016/2017 EXPENDITURES 02/28/17	2016/2017 BALANCE	PERCENT SPENT	2017/2018 BUDGET	BUDGET DIFFERENCES
DISTRICT EXPENSES							
808	District Salaries	$0	$0	$0	0.00%	$138,280	$138,280
809	Social Security (7.65%) /District	$0	$0	$0	0.00%	$10,578	$10,578
810	Computer Maintenance	$25,118	$19,428	$5,690	77.35%	$26,488	$1,370
820	Canon Copier Contract	$5,700	$3,235	$2,465	56.75%	$5,045	($655)
830	Legal	$99,530	$114,018	($14,488)	114.56%	$84,932	($14,598)
835	Consultant	$46,500	$24,287	$22,213	52.23%	$35,000	($11,500)
840	Accounting	$45,500	$31,983	$13,517	70.29%	$45,500	$0
850	Insurance	$30,000	$27,607	$2,393	92.02%	$30,000	$0
860	Election	$4,500	$3,562	$938	79.15%	$0	($4,500)
865	Police Bldg Lease	$1	$1	$0	100.00%	$30,000	$29,999
870	County Expenditures	$22,300	$8,273	$14,027	37.10%	$21,800	($500)
890	Waste/Recycle Expenses	$20,000	$0	$20,000	0.00%	$0	($20,000)
898	Miscellaneous Expenses - Board	$17,200	$11,822	$5,378	68.73%	$18,750	$1,550
	SUB-TOTAL	$316,349	$244,214	$72,135	77.20%	$446,373	$130,024
	Operating Expense TOTAL	$3,039,612	$2,170,271	$869,341	71.40%	$3,219,858	$180,246
CAPITAL OUTLAY							
961	Police Bldg. Improvements	$0	$0	$0	0.00%	$0	$0
962	Patrol Cars	$0	$0	$0	0.00%	$0	$0
963	Patrol Car Accessories	$0	$0	$0	0.00%	$1,000	$1,000
965	Personal Police	$0	$13,547	($13,547)	0.00%	$0	$0
966	Police Traffic Equipment	$6,600	$8,550	($1,950)	129.55%	$0	($6,600)
967	Station Equipment	$6,100	$6,005	$95	98.44%	$0	($6,100)
968	Office Furn. & Equip.	$0	$0	$0	0.00%	$0	$0
969	Computer Equipment	$3,650	$2,170	$1,480	59.47%	$3,000	($650)
971	Park Land	$0	$0	$0	0.00%	$0	$0
972	Park Bldgs. Improvements	$100,000	$0	$100,000	0.00%	$250,000	$150,000
973	Park Construct Grant Exp	$0	$0	$0	0.00%	$0	$0
974	Other Park Improvements	$7,500	$0	$7,500	0.00%	$4,500	($3,000)
978	Park/Rec. Furniture & Equipment	$21,000	$34,450	($13,450)	164.05%	$1,000	($20,000)
	Capital Outlay SUB-TOTAL	$144,850	$64,723	$80,127	44.68%	$259,500	$114,650
	BUDGET GRAND TOTAL	$3,184,462	$2,234,993	$949,469	70.18%	$3,479,358	$294,896

KPPCSD
Revenue Projection
2017/2018

	Estimated Actual 2016/2017	Projected 2017/2018
Ordinary Income/Expense		
Income		
400 · Police Activities Revenue		
401 · Levy Tax	$1,662,000.00	$1,720,000.00
HomeOwners' Tax	11,800.00	12,000.00
402 · Special Tax-Police	681,630.00	680,000.00
403 · Misc Tax-Police	0.00	0.00
404 · Measure G Supplemental Tax Rev	527,989.00	543,829.00
409 · Asset seizure forfeit/WEST NET	0.00	0.00
410 · Police Fees/Service Charges	3,000.00	1,500.00
411 · Kensington Hilltop Srvcs Reimb	19,467.00	20,051.00
412 · Special Assignment Revenue	0.00	0.00
413 · Crossing Guard Reimbursement	11,151.00	11,623.00
414 · POST Reimbursement	1,054.00	0.00
415 · Grants-Police	140,000.00	0.00
416 · Interest-Police	5,500.00	2,500.00
418 · Misc Police Income	11,500.00	11,500.00
419 · Supplemental W/C Reimb (4850)	90,000.00	16,864.00
Total 400 · Police Activities Revenue	$3,165,091.00	$3,019,867.00
420 · Park/Rec Activities Revenue		
424 · Taxes-L&L	$36,220.00	$35,000.00
426 · Park Donations	0.00	0.00
427 · Community Center Revenue	31,000.00	33,000.00
435 · Grants-Park/Rec	0.00	0.00
436 · Interest-Park/Rec	0.00	0.00
437 · Contributions for Sound System	11,000.00	0.00
438 · Misc Park/Rec Rev	200.00	200.00
439 · Contributions for Community Center	500.00	3,500.00
Total 420 · Park/Rec Activities Revenue	$78,920.00	$71,700.00
440 · District Activities Revenue		
448 · Franchise Fees	$52,000.00	$53,600.00
456 · Interest-District	250.00	200.00
458 · Misc District Revenue	0.00	0.00
Total 440 · District Activities Revenue	$52,250.00	$53,800.00
Total Income	$3,296,261.00	$3,145,367.00

Draft

KPPCSD
Projected Revenue and Expense
2017/2018

Budgeted Revenues 2017/2018	
400 · Police Activities Revenue	
Total 400 · Police Activities Revenue	$3,019,867
420 · Park/Rec Activities Revenue	
Total 420 · Park/Rec Activities Revenue	71,700
440 · District Activities Revenue	
448 · Franchise Fees	53,600
456 · Interest-District	200
Total 440 · District Activities Revenue	53,800
Total Revenues	$3,145,367
Budgeted Expenditures 2017/2018	
500 · Police Sal & Ben	
Total 500 · Police Sal & Ben	$2,271,580
550 · Other Police Expenses	
Total 550 · Other Police Expenses	378,611
Total 600 · Park/Rec Sal & Ben	31,407
Total 635 · Park/Recreation Expenses	91,886
800 · District Expenses	
Total 800 · District Expenses	446,373
950 · Capital Outlay	
961 · Police Bldg Improvements	0
962 · Patrol Cars	0
963 · Patrol Car Accessories	1,000
965 · Personal Police Equipment-Asset	0
966 · Police Traffic Equipment	0
967 · Station Equipment	0
968 · Office Furn. & Equip.	0
969 · Computer Equipment	3,000
971 · Park Land	0
972 · Park Bldgs. Improvements	250,000
973 · Park Construction Fund	0
974 · Other Park Improvements	4,500
978 · Pk/Rec Furn/Eq	1,000
Total 950 · Capital Outlay	259,500
Total Expenditures	$3,479,358
Excess of Revenue over Expense 2017/2018	-$333,991
Cash Carryovers 2016/2017	$1,829,958
Add back large prepaid RIMS software	$139,958
Estimated Fund Carryovers into 2017/2018	$1,635,926
Fund Balances, in audit terms (see definitions included)	
Nonspendable - District Portion of Bond	$92,830

Draft

KPPCSD
Projected Revenue and Expense
2017/2018

Resticted - Est'd Vacation/Comp Liab	80,000
Restricted - Bay View Net Balance	149,013
Committed - Capital Projects (Vehicle Fund)	101,576
Committed - Community Center Bldg Upgrade	150,000
Committed - Annex Renovation Expenditure in Current Year	0
Assigned - Park Bldgs Replacement less FY 17/18 expenditures	0
Assigned - Temporary Police Station Relocation	50,000
Total Identified Fund Balances	$623,419
Unassigned Fund Balance Available for Contingencies	$1,012,506
Percentage of Total Expenditures	29.10%

KPPCSD
Estimated Available Cash 6/30/17

	02/28/17	Incoming Tx Advance	Incoming Grant/Reimb	Mar Exp	Apr Exp	May Exp	June Exp	Transfer between funds	06/30/17 Est	
ASSETS										
Current Assets										
Checking/Savings										
100 · Petty Cash	100.00								100	
110 · CCC Cash Accts										
112 · General Fund	67,203.10	1,334,098.82	21,918.00	-200,000.00	-200,000.00	-200,000.00	-390,000.00	52,110.20	485,330	
113 · Capital Fund-Cash	26,788.27								26,788	
114 · Land & Light-Park O&M	18,288.34	15,821.86						-34,110.20	0	
excluded **116 · PB Admin-Cash**	113,899.78	100,000.00			-40,000.00			-20,000.00	233,900	excluded
excluded **117 · PB Resv-Cash**	19,301.84								19,302	excluded
Total 110 · CCC Cash Accts	245,481.33								$512,118	
134 · CCC LAIF Accounts										
134a · General LAIF	1,139,148.14		-71,000.00	2,562.06	0.00	0.00	40,000.00		1,110,710	
134b · COPS LAIF	2,842.27		40,000.00	-2,262.06					40,580	
134c · Park LAIF	0.00								0	
134d · Garbage/Bay View LAIF	73,969.97		31,000.00				-40,000.00		64,970	
134e · Capital LAIF	101,479.56								101,480	
Total 134 · CCC LAIF Accounts	1,317,439.94								$1,317,740	
Total Checking/Savings	$1,563,021	$1,449,921	$21,918	-$199,700	-$240,000	-$200,000	-$390,000	-$2,000	$1,829,958	KPPCSD
									2,003,160	including Bond $

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FISCAL YEAR 2017/2018		
CODE 502	CLASSIFICATION:	Salary - Police
	2016/2017 Budget	$1,015,274
	Cumulative as of	$621,529
	2/28/2017	
ITEM		AMOUNT
Officers Base pay		$827,967
Holiday pay		$40,785
Longevity Pay		$5,400
Incentive Pay		$47,847
($93,275)	Total	**$921,999**

4/21/2017

KPPCSD Officers' Salaries - Fiscal 2017/2018

Officer Name	Grade	Date Hired	Date in Grade	Date in Step	Months in Step	Monthly Base	Holiday Pay	Incentive	Monthly Salary	Pay Period	Hourly Base	Hourly	Longevity Pay	Annual Total
Hull, R	Chief portion	12/17/16	12/17/16	12/17/16	12.000	$1,285.45		$96.41	$1,381.86	$ 690.93	$ 7.42	$ 7.97		$ 16,582.31
	MS/Step 2	10/16/97	03/16/13	03/16/13	12.000	$8,569.67		$642.73	$9,212.40	$4,606.20	$ 49.44	$ 53.15	$2,000.00	$ 112,548.74
Supervisor	Incremental	07/01/17	07/01/17	07/01/17	12.000	$205.17	$ 11.01	$15.39	$231.57	$ 115.78	$ 1.18	$ 1.34		$ 2,778.81
Hui, K	Sgt/Step 4	04/17/10	03/16/13	03/16/15	12.000	$8,077.75	$ 434.93	$403.89	$8,916.57	$4,458.28	$ 46.60	$ 51.44		$ 106,998.81
Stegman, E	Corp/Step 1	06/01/06	09/01/12	09/01/12	12.000	$7,186.55	$ 386.96	$538.99	$8,112.50	$4,056.25	$ 41.46	$ 46.80	$1,100.00	$ 98,450.02
Barrow, K.	Step 5	09/16/05	06/01/16	06/01/16	12.000	$7,045.63	$ 379.40	$528.42	$7,953.45	$3,976.73	$ 40.65	$ 45.89	$1,200.00	$ 96,641.43
Martinez, R	Step 5	01/01/06	01/01/06	01/01/10	12.000	$7,045.63	$ 379.40	$528.42	$7,953.45	$3,976.73	$ 40.65	$ 45.89	$1,100.00	$ 96,541.43
Wilson, D	Step 5	05/19/08	05/19/08	05/19/10	6.000	$7,045.63	$ 379.40	$528.42	$7,953.45	$3,976.73	$ 40.65	$ 45.89		$ 47,720.71
Ramos, J	Step 5	09/16/09	09/16/09	09/16/11	12.000	$7,045.63	$ 379.40	$352.28	$7,777.31	$3,888.66	$ 40.65	$ 44.87		$ 93,327.74
Wilkens, S	Step 5	09/17/12	09/17/12	09/17/16	12.000	$7,045.63	$ 379.40	$352.28	$7,777.31	$3,888.66	$ 40.65	$ 44.87		$ 93,327.74
Foley, T	Step 3	03/20/16	03/20/16	03/20/17	8.500	$6,324.76	$ 340.57	$0.00	$6,665.33	$3,332.67	$ 36.49	$ 38.45		$ 56,655.31
	Step 4	03/20/16	03/20/16	03/20/18	3.500	$6,672.62	$ 359.33	$0.00	$7,031.95	$3,515.98	$ 38.50	$ 40.57		$ 24,611.83
Vacancy	Step 2	7/1/2017	7/1/2017	7/1/2017	12.000	$5,995.03	$ 322.84	$0.00	$6,317.87	$3,158.94	$ 34.59	$ 36.45		$ 75,814.44
Vacancy	Step 2	1/1/2018	1/1/2018	1/1/2018	6.000	$5,995.03	$ 322.84	$0.00	$6,317.87	$3,158.94	$ 34.59	$ 36.45		$ 37,907.22
17							**$ 40,785.38**	**$ 47,846.76**					**$ 5,400.00**	**$ 921,999.32**

Total BasePay Minus Holiday, Incentive, & Longevity: **$ 827,967.18**

Sergeants	Mo. Base	Holiday	Mo. Total	HrlyBase	HrlyTot
Step#1	7,250.80	390.41	7,641.21	41.83	44.08
Step#2	7,540.82	406.00	7,946.82	43.50	45.85
Step#3	7,767.05	418.23	8,185.28	44.81	47.22
Step#4	8,077.75	434.93	8,512.68	46.60	49.11
Master Sgts					
Step#1	8320.08	448.00	8,768.08	48.00	50.59
Step #2	8569.67	461.44	9,031.11	49.44	52.10

Officers	Mo. Base	Holiday	Mo. Total	HrlyBase	HrlyTot
Step#1	5,682.49	$305.95	5,988.44	32.78	34.55
Step#2	5,995.03	$322.84	6,317.87	34.59	36.45
Step#3	6,324.76	$340.57	6,665.33	36.49	38.45
Step#4	6,672.62	$359.33	7,031.95	38.50	40.57
Step#5	7,045.63	$379.40	7,425.03	40.65	42.84
Corporal					
Step #1	7186.55	$386.96	7,573.51	41.46	43.69

PMcL

FISCAL YEAR 2017/2018		
CODE 504	CLASSIFICATION:	Compensated Absences Cash-Out
	2016/2017 Budget	$9,200
	Cumulative as of 2/28/2017	$14,796
ITEM		AMOUNT
Compensation Time Cash-Out	Officers est	
	averg $46 x 200 hrs	$9,200
	adjusted to probability	
$0	Total	**$9,200**

FISCAL YEAR 2017/2018		
CODE 506	CLASSIFICATION:	Overtime
	2016/2017 Budget	$75,000
	Cumulative as of 2/28/2017	$67,193
ITEM		AMOUNT
Overtime For:	Cover Training	$75,000
	Court Time	
	Sick/Vacation Coverage	
	Case Coverage	
NOTE:	Long term injury replacement to minimum staffing	
$0	Total	**$75,000**

FISCAL YEAR 2017/2018		
CODE 508	CLASSIFICATION:	Salary/Non-Sworn
	2016/2017 Budget	$100,677
	Cumulative as of 2/28/2017	$73,605
ITEM		AMOUNT
	$30.93	
	$46.40	
	$69.60	
15 hr/wk - Dinapoli	780 hours	$24,125
15 hr/wk - Wolter	780 hours	$36,192
2.5 hr/mo Overtime - Wolter	30 hours	$2,088
($38,272)	TOTAL	**$62,405**

FISCAL YEAR 2017/2018		
CODE 516	CLASSIFICATION:	Uniform Allowance
	2016/2017 Budget	$9,000
	Cumulative as of	$4,844
	2/28/2017	
ITEM		AMOUNT
$800.00 x 10 officers		$8,000
Uniform Damage		$1,000
$0	TOTAL	**$9,000**

FISCAL YEAR 2017/2018		
CODE 518	CLASSIFICATION:	Safety Equipment
	2016/2017 Budget	$2,250
	Cumulative as of	$3,867
	2/28/2017	
ITEM		AMOUNT
Safety Equipment/Reimbursement	nt $250 x 10	$2,500
Carry Over Reimbursements -		$0
$250	TOTAL	**$2,500**

FISCAL YEAR 2017/2018			
CODE 521A	CLASSIFICATION:	Medical Insurance - Active	
		Vision, Dental	
10 Officers	2016/2017 Budget	$182,094	
	Cumulative as of	$135,091	
	2/28/2017		
ITEM		AMOUNT	
Active P.E.R.S. Medical	Officers 4 @ $1907 x 12	$91,536	
	Officers 1 @ $1876 x 12	$22,512	
	Officers 2 @ $1467 x 12	$35,208	
	Officers 3 @ $733 x 12	$26,388	
	1% increase 01/18	$878	
Active P.E.R.S Admin. Cost	0.34% of $153,024	$600	
Active Vision Care	$31.52 x 9 employees x 12	$3,404	
	0% rate increase Oct 2017	$0	
Active Delta Dental	$64.41 x 3 employees x 12	$2,319	
	$124.48 x 2 employees x 12	$2,988	
	$202.72 x 4 employees x 12	$9,731	
	0% increase Oct 2017	$0	
Total Active Premiums	$195,563		$195,563
NOTE:	Effective 07/01/17, each employee will		
	contribute $125/month		
Less Employee Contributions	10 x $125 x 12 months = $13,500	($15,000)	($15,000)
	Net Expense to District for Active Health		$180,563
($1,531)		**$180,563**	

FISCAL YEAR 2017/2018			
CODE 521R	CLASSIFICATION:	Medical Insurance - Retired	
		Vision, Dental	
	2016/2017 Budget	$160,278	
9 Retirees/3 Widows			
2 Retirees not on VSP	Cumulative as of	$117,349	
1 Retiree not on Delta Dental	2/28/2017		
ITEM		AMOUNT	
Retired P.E.R.S. Medical	Retirees 2 @ $1907 x 12	$45,768	
	Retiree 1 @ $1474 x 12	$17,688	
	Retiree 1 @ $1467 x 12	$17,604	
	Retirees 1 @ $1034 x 12	$12,408	
	Retiree 1 @ $733 x 12	$8,796	
	Retirees 2 @ $601 x 12	$14,424	
	Retirees 4 @ $300 x 12	$14,400	
	1% increase 01/18	$3,277	
Retired P.E.R.S Admin. Cost	0.34% of $134,365	$457	
Retired Vision Care	$31.52 x 10 x 12	$3,602	
Retired Delta Dental	$64.41 x 2 employees x 12	$1,546	
	$124.48 x 6 employees x 12	$8,963	
	$202.72 x 3 employees x 12	$7,298	
	0% increase Oct 2017	$0	
Total Retiree Premiums	$156,231		$156,231
NOTE:	Effective 07/01/17, each employee will contribute $125/month		
Less Employee Contributions	12 x $125 x 12 months = $18,000	($18,000)	($18,000)
	Net Expense to District for Active Health		$138,231
($22,047)		**$138,231**	

FISCAL YEAR 2017/2018			
CODE 521T	CLASSIFICATION:	Medical Insurance - Trust	
		Vision, Dental	
	2016/2017 Budget	$64,226	
10 Officers			
9 Retirees/3 Widows	Cumulative as of	$95,868	
	2/28/2017		
ITEM		AMOUNT	
CALPERS OPEB Funding	17/18 ADC $418,693-$138,231	$262,462	
Nicolay Consulting	**$418,693**	**17/18 ADC**	
NOTE: Per Projection by Nicolay Consulting using the upcoming GASB 75			
	Actuarially Determined Contribution (ADC)		
Normal Cost	193,387		
Amortization of Initial UAAL	225,306		
Amort of Residual UAAL			
Current ARC	**$418,693**		
$198,236		**$262,462**	

Rickey L. Hull

From:	russcpa@comcast.net
Sent:	Wednesday, May 03, 2017 3:43 PM
To:	Rickey L. Hull
Subject:	Fwd: July 1, 2016 GASB 45 Valuation Report for the Kensington Police Retiree Medical Plan
Attachments:	ADC Projection KPD for FY 2017 to 2021.pdf

Please print this email correspondence and the attachment to go with my comments for the agenda package.

Thanks, Debbie

From: russcpa@comcast.net
To: "Gary Cline" <gcline@nicolayconsulting.com>, "Rickey L. Hull" <rhull@kensingtoncalifornia.org>, "Lynn Wolter" <lwolter@kensingtoncalifornia.org>
Cc: "Cristian Solorio" <csolorio@nicolayconsulting.com>, "Joshua Clement" <jclement@nicolayconsulting.com>
Sent: Wednesday, May 3, 2017 2:58:39 AM
Subject: Re: July 1, 2016 GASB 45 Valuation Report for the Kensington Police Retiree Medical Plan

Gary,

Thank you. The only comment I have about your assumptions is that we contacted the prior actuary, last year this time and at his advice, calculated the FY16/17 ARC to be 2.75% higher than the original number given to us. That is what we calculated the contribution to the trust on...that figure less the pay as you go projection we had itemized in our budget. Earlier in this string, I itemized out those additional monies.

Thanks, Debbie

From: "Gary Cline" <gcline@nicolayconsulting.com>
To: "russcpa@comcast.net" <russcpa@comcast.net>
Cc: "Cristian Solorio" <csolorio@nicolayconsulting.com>, "Joshua Clement" <jclement@nicolayconsulting.com>
Sent: Tuesday, May 2, 2017 6:38:34 PM
Subject: RE: July 1, 2016 GASB 45 Valuation Report for the Kensington Police Retiree Medical Plan

Deborah-

I'm sorry I got delayed in sending you this. We did create a document that explains projected cash costs (attached).

In the attachment note the following for Page 1:

1) The first column pulls numbers from the prior actuary's report
2) The prior actuary produced a 7/1/15 report that only had numbers for 2015/16
3) Under GASB 45, you can use 2015/16 numbers for both 2015/16 and 2016/17

4) Since you indicated KPPCSD used the prior report for 2016/17, but we did not see any specific 2016/17 number in the report, we assume you exercised the option in (3)

In the attachment on page 2:

1) Since the prior actuary did not reflect implicit subsidies in the 2015/16 valuation, we did not reflect a "transfer" of a subsidy from active premium costs to OPEB as a contribution (per our discussion on the phone.

Please call me if you have questions.

Gary

Gary E. Cline, ASA, EA, FCA, MAAA
415.705.6131 (w) | 707.237.1234 (m) | gcline@nicolayconsulting.com

---

From: russcpa@comcast.net [mailto:russcpa@comcast.net]
Sent: Tuesday, May 02, 2017 6:08 PM
To: Gary Cline
Subject: Re: July 1, 2016 GASB 45 Valuation Report for the Kensington Police Retiree Medical Plan

Gary,

Just following up on if you are your team were able to construct a new number for FY 17/18 I can include in my proposed budget?

Thanks, Debbie

From: "Gary Cline" <gcline@nicolayconsulting.com>
To: "russcpa@comcast.net" <russcpa@comcast.net>
Cc: "Lynn Wolter" <lwolter@kensingtoncalifornia.org>, "Rickey L. Hull" <rhull@kensingtoncalifornia.org>, "Joshua Clement" <jclement@nicolayconsulting.com>, "Cristian Solorio" <csolorio@nicolayconsulting.com>
Sent: Thursday, April 27, 2017 11:04:11 AM
Subject: RE: July 1, 2016 GASB 45 Valuation Report for the Kensington Police Retiree Medical Plan

Hi Deborah.

In FY 17/18, the new GASB 74 and 75 standards replace GASB 43 and 45. As a result, there is no longer an ARC (Annual Required Contribution), but rather an Actuarially Determined Contribution, or ADC. This is the reason why our report did not show an ARC for FY17/18.

The good news is that KPPCSD can use the prior GASB 45 ARC methodology to calculate what the ADC is.
The bad news is that KPPCSD now has to adopt a new accounting methodology, similar to GASB 68.

We will calculate the projected ADC for KPPCSD and send it to you for your budgeting purposes.

On a separate note, James Watt called me last night to discuss FY16/17 OPEB funding. His position was that the District has the money and should contribute the full ARC. I explained to him that there is no requirement to prefund OPEB, but there are advantages (e.g., it helps manage the cash flow supporting the plan) and disadvantages (e.g., the lost opportunity cost of capital). I ascertained from Mr. Watt that there was a conflict between his goal (long-term financing) and others at the meeting (dealing with capital demands this and the next few years). I advised him to not worry about winning the battle and instead focus on the war, which is another way of saying that he should let the finance committee worry about short-term financing decisions and he should instead focus his discussion on the Finance Committee's long-term funding policy. Below I give more information on KPPCSD's policies and what they should be. Your policies (Benefit Policy, Funding Policy, Investment Policy and Accounting Policy) are KPPCSD's tools for managing the risks of your retirement plans.

Best,
Gary

Funding Policy: How Much To Contribution Annually?
Funding Policy refers to the District's decision whether to prefund the liabilities and, if so, how much and when. GASB 75 requires the District to formally adopt a funding policy as it is utilized in the process of calculating the appropriate discount rate for accounting purposes. Although financial statement users will look at the portion of the ADC the District actually contributes each year to judge fiscal prudence as well as intent, the reality is that there remains flexibility to design a funding policy that results in an annual contribution that contributes only a portion of the ADC while at the same time justifying the use of the maximum discount rate for accounting purposes and achieving fiscal prudence in prefunding OPEB liabilities. For these reasons, the District should formalize a funding policy so that it can achieve these goals.

Accounting Policy: Counting Contributions
On a separate note, I would like to discuss with you what you are counting as contributions for accounting purposes. Specifically, I would like KPPCSD to adopt the following accounting policy for counting contributions:

- Amounts contributed to the Trust
- Pay-go
- Active Implicit Rate Subsidy

The amounts for FY16-17 are roughly:

- $95,868
- $157,361
- $42,495
- Total = $295,724

Exhibit 2-4 from our valuation report explains provides some explanation of this breakdown. In that exhibit, we assumed KPPCSD would contribute the full ARC (calculated in our report) as opposed to a portion of the ARC.

The $42,495 represents a re-labeling of cash KPPCSD has already paid in FY 16/17. Specifically, KPPCSD should:

- Reduce by $42,495 the amount it has determined to be annual FY 16/17 active employee medical costs and
- Count the $42,495 cash cost as a contribution to OPEB in FY 16/17

GASB has indicated (within the original GASB 45 standard) this "shift" of costs is appropriate to report the health costs for active employees and retirees more accurately.

The primary advantage of performing this shift is to justify utilization of the maximum discount rate under GASB 45/75. If you decide you do not want to make this accounting change for FY 16/17, I don't think it will cause any issues. It is more important to begin doing it in FY 17/18. Nonetheless, you should be aware that it is a best practice for FY 16/17.

Per our valuation, KPPCSD's OPEB accounting costs increased significantly (37% per page 2 of our report) due to implicit subsidies. These implicit subsidies are quantified as an annual cost (e.g., $51, 766) on page 5 of our report. Technically, you could shift this $51,766 from active cost to OPEB contribution (as opposed to the $42,495), but I am advising KPPCSD wait before taking this approach until after guidance is published on how to handle cross-employer subsidies.

Gary E. Cline, ASA, EA, FCA, MAAA
415.705.6131 (w) | 707.237.1234 (m) | gcline@nicolayconsulting.com

From: russcpa@comcast.net [mailto:russcpa@comcast.net]
Sent: Thursday, April 27, 2017 4:48 AM
To: Gary Cline
Cc: Wolter, Lynn; Rickey L. Hull
Subject: July 1, 2016 GASB 45 Valuation Report for the Kensington Police Retiree Medical Plan

Gary,

This is Deborah Russell, the accountant for KPPCSD.

KPPCSD had a finance committee meeting Wednesday to review the FY 17/18 proposed budget. In doing so, we realized we need some further information from you. As the actuarial study is only required every two years, we would like you to expand the calculation to project for FY 17/18, Only FY 16/17 is listed. One fact I want to give you before you give us a figure is that KPPCSD actually was using the prior actuary's report for the FY 16/17, so when you calculate, I want to be sure you know we paid in the ARC from that actuary, but it was not the amount listed in your report for FY 16/17. What was actually contributed was the actual pay as you go (payments to vendors directly), plus the following additional monies ($31,642 plus $14,226 plus $50,000 totaling $95,868) written as one check 12/30/16.

If you need an further info, please feel free to call me at 707-290-4188.

Thanks, Debbie

From: "Gary Cline" <gcline@nicolayconsulting.com>
To: "Lynn Wolter" <lwolter@Kensingtoncalifornia.org>
Cc: russcpa@comcast.net, "Joshua Clement" <jclement@nicolayconsulting.com>, "Cristian Solorio" <csolorio@nicolayconsulting.com>
Sent: Thursday, February 2, 2017 8:59:38 PM
Subject: July 1, 2016 GASB 45 Valuation Report for the Kensington Police Retiree Medical Plan

Lynn-

We present the July 1, 2016 GASB 45 valuation report for the Kensington Policy Retiree Medical Plan. We also provide a presentation that takes you through several of the key issues. The presentation is something that can be tailored for communicating the results of this valuation to key stakeholders.

We'd be happy to discuss these results at your convenience.

Sincerely,
Gary

Gary E. Cline, ASA, EA, FCA, MAAA
Vice President and Chief Operations Officer
Nicolay Consulting Group | 530 Bush Street, Suite 500 | San Francisco, CA 94108
415.705.6131 (w) | 707.237.1234 (m) | gcline@nicolayconsulting.com

Projection of the GASB 75 Actuarially Determined Contribution (ADC)

Table 1 presents a five-year projection under the assumptions that **the District funds the ARC/ADC,** the Fund earns 7.28% per year, the discount rate remains 7.28% and the Normal Cost component of the ARC/ADC increases by 5.0% per year throughout the five-year period. We assumed mid-year benefit withdrawals from the Trust.

Table 1

Kensington Police Protection District

Five-year Projection of Annual Required Contribution (ARC) and Actuarially Determined Contribution (ADC)
Based on a 7.28% discount rate

		<	GASB 75 Applies		>
	2016/17 [1]	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Actuarial Accrued Liability (AAL)	**$2,364,703** [1]	**$4,099,539**	**$4,366,264**	**$4,630,142**	**$4,919,484**
Actuarial Value of Assets at beginning of year	**$630,782** [1]	**$1,065,804**	**$1,351,946**	**$1,642,138**	**$1,965,267**
Unfunded Actuarial Accrued Liability (UAAL)	**$1,733,921** [1]	**$3,033,735**	**$3,014,318**	**$2,988,004**	**$2,954,217**
Remaining Amortization Period	**23**	**22**	**21**	**20**	**19**
Normal Cost	$53,559 [1]	$193,387	$203,056	$213,209	$223,869
Amortization of UAAL	$120,118 [1]	$225,306	$230,275	$235,300	$240,375
Annual Required/Actuarial Determined Cont. ARC/ADC	**$173,677** [1]	**$418,693**	**$433,331**	**$448,509**	**$464,244**
Annual Required Contribution	$173,677 [1]				
Interest on net OPEB Obligation	N/A				
Adjustment to ARC	N/A				
Annual OPEB Cost	N/A				
Contribution*	($283,419) [2]				
Increase in net OPEB Obligation	N/A				
Estimated Pay-as-you-go Cost	$187,551				
Contribution to the Trust	$95,868				

GASB 75 is effective with the 2017/18 fiscal year. If the District would like an annual expense estimate for this period, we should discuss your transition strategy.

Although GASB 75 is not a funding method, it includes disclosure of an Actuarially Determined Contribution (ADC), which can be the GASB 45 ARC.

Note: the ARC adjustment in FY2016/17 is calculated by dividing the beginning of year net OPEB obligation by the same amortization factor used to amortize the Unfunded Actuarial Accrued Liability.

[1]Based on 2015 valuation report, which primarily only showed results for 2015-16 (but 2016-17 ARC can be the same as the prior year under GASB 45).

[2]The sum of $95,868 in Trust contributions and the estimated pay-as-you-go cost of $187,561 from the 2015 report.

Projection of the GASB 75 Actuarially Determined Contribution (ADC)

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Trust Contribution Budgeting

While there is no requirement to prefund OPEB, doing so is an effective way to manage your benefit policy and cash flow. Unlike GASB 45, GASB 75 is purely an accounting method and not a funding method. It is noted, however, that GASB 75 has Required Supplementary Information that includes an Actuarially Determined Contribution (ADC). While an organization can choose not to disclose an ADC, we recommend those prefunding their plans do so.

The GASB 45 ARC can be considered an ADC. We recommend KPPD use the ARC methodology as their ADC, since your GASB 75 actuarial accrued liability and normal cost calculation methods will be identical to what was used under GASB 45. This brings consistency to your ongoing dialogue with your financial statement users, Board, and other stakeholders.

The funding policy is to contribute the following amounts annually until the plan is fully funded:

- Pay-go (Explicit retiree benefit costs)
- Trust contribution (actual contribution in 2016-17, but calculated to add up to the ADC in future years)
- Active implicit rate subsidy (Transfers of a portion of active employee benefit expense to OPEB)

Fiscal Year	2016-17	2017-18	2018-19	2019-20	2020-21
Pay-go	$187,551	$163,502	$181,331	$187,901	$187,477
Trust Contribution	95,868	210,998	197,134	208,045	226,875
Active Implicit Rate Subsidy	0	44,193	54,866	52,563	49,892
Funding Policy Contribution	$283,419	$418,693	$433,331	$448,509	$464,244

Projection of the GASB 75 Actuarially Determined Contribution (ADC)

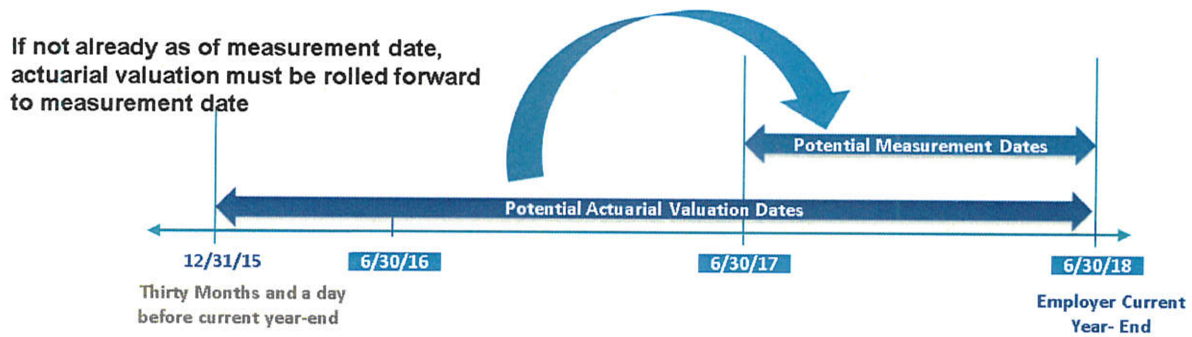
Expense Budgeting

In terms of expense budgeting, GASB 75 will materially impact the balance sheet liability. Under GASB 45, the balance sheet liability was the Net OPEB Obligation (NOO). Under GASB 75, the NOO will be removed and be replaced by a new balance sheet liability called the Net OPEB Liability (NOL). The NOL is equal to the total Unfunded Actuarial Accrued Liability (UAAL). The change in the NOL year-over-year is essentially your annual OPEB expense, with certain items amortized as deferred inflows and outflows.

Timeline for Implementing GASB 75

It is probable that the AICPA may require the use of audited assets for GASB 75—as they did on the pension side for GASB 68. The AICPA anticipates issuing their GASB 75 audit guidance on this matter around mid-summer 2017. If this is the case, your fiscal year-end reporting of OPEB liabilities will likely use a measurement date as of the last date the assets were audited. For fiscal year-end June 30, 2018, this would be June 30, 2017, since you participate in the CERBT.

The GASB 75 measurement date must be a date within twelve months of the employer's fiscal year end. The actuarial valuation date must be within 30 months and a day of the fiscal year end.



While we can provide an estimate of annual expense based on unaudited assets, we cannot finalize it until after the Plan fiscal year end June 30, 2017 when audited assets are available. We anticipate audited assets to be available 6 months after the Plan fiscal year end.

FISCAL YEAR 2017/2018			
CODE 522	CLASSIFICATION:	Disab. & Life Insurance	
	2016/2017 Budget	$6,940	
	Cumulative as of 2/28/2017	$2,858	
ITEM		AMOUNT	
LTD Insurance	$24.50x10 employees x 12	$2,940	
Life Insurance	$100,000 term insurance for 10 employees	$4,000	
$0	TOTAL	**$6,940**	

FISCAL YEAR 2017/2018		
CODE 523	CLASSIFICATION:	Medicare 1.45% (District)
	2016/2017 Budget	$17,507
10 Officers		
	Cumulative as of	$9,990
	2/28/2017	
ITEM		AMOUNT
$921,999 x 1.45%		$13,369
$9,200 x 1.45%		$133
Overtime $75,000 x 1.45%		$1,088
$62,405 x 1.45%		$905
$7,200 x 1.45%		$116
Total Officers	$1,013,399	
Total Non-Sworn	$62,405	
($1,896)	TOTAL	**$15,611**

FISCAL YEAR 2017/2018		
CODE 524	CLASSIFICATION:	Security(6.2%) /Non-Sworn
	2016/2017 Budget	$6,242
	Cumulative as of 2/28/2017	$4,983
ITEM		AMOUNT
Social Security/Medicare (District Matching Portion)	Non-swrn salaries x 6.2%	$3,869
($2,373)	TOTAL	**$3,869**

FISCAL YEAR 2017/2018		
		P.E.R.S.
CODE 527	CLASSIFICATION:	P.E.R.S. - District
	2016/2017 Budget	$509,304
Classic: 9 Officers		
PEPRA: 1 Officer	Cumulative as of	$432,341
	2/28/2017	
ITEM		AMOUNT
Classic Salary: $824,465 x 19.723%		$162,609
Classic Uniform: $6,400 x 19.723%		$1,262
Flat CalPERS UAL - Classic Plan		$272,443
NOTE: Using 15 Yr Amort Sch	$282,470 less $10,027 discount	
PEPRA Salary: $157,082 x 11.990% rate		$18,834
Side Fund Paid Off		$0
($54,156)	TOTAL	**$455,148**

Rickey L. Hull

From: Archuleta, Fritzie <Fritzie.Archuleta@calpers.ca.gov>
Sent: Monday, May 01, 2017 2:05 PM
To: Rickey L. Hull
Subject: FW: Amortization schedule

Hi Chief Hull,

Here is the e-mail from Jim. I believe most of the questions can be answered by the email response I sent to you earlier today.

-----Original Message-----
From: Jim Watt [mailto:jandiwatt@sbcglobal.net]
Sent: Friday, April 28, 2017 9:53 AM
To: Archuleta, Fritzie
Subject: Amortization schedule

Hello Fritzie,

At a recent Kensington finance committee meeting, I proposed that the committee recommend to the Board that we consider a 15 year amortization schedule of our unfunded balance as described on pages 9 and 10 of the CalPERS valuation report as of June 30, 2015. Doing so raises some questions which I'm sure you can answer.

1. What is the process to make such a change? Do you need a letter, or is there a form? Is there a time frame by which this must be completed?

2. I assume the payment would start on July 1, 2017 and would qualify for a lump sum prepayment option. What would be the total cost of that prepayment option?

3. As we know, the balance of the unfunded liability is $3,081,397 as of 6/30/2015. This number will certainly change over time depending upon investment results and other factors. Does that mean that the payments described under the 15 year schedule will change, or will a new payment category be created to handle these differences?

4. If after a few years Kensington were to decide to conserve cash by going back to a longer amortization schedule, could they do so? If so, would there be any costs or penalties?

Thanks for your help.

Jim Watt

Rickey L. Hull

From: Rickey L. Hull
Sent: Monday, May 01, 2017 2:08 PM
To: 'Jim Watt'
Subject: FW: KPPCSD Question

FYI

From: Archuleta, Fritzie [mailto:Fritzie.Archuleta@calpers.ca.gov]
Sent: Monday, May 01, 2017 2:00 PM
To: russcpa@comcast.net
Cc: Lynn Wolter <lwolter@Kensingtoncalifornia.org>; Rickey L. Hull <rhull@Kensingtoncalifornia.org>; Jensen, Rory <Rory.Jensen@calpers.ca.gov>
Subject: RE: KPPCSD Question

Hi all,

If you choose to elect a shorter amortization schedule (fresh start) you will be locked in to that for the duration of the period you choose.

In lieu of choosing to fresh start all the bases to your unfunded liability, you are free to make any extra UAL payment of whatever amount you like. So you could choose to mimic the payments in 15 year schedule if you like without being stuck in the shorter schedule. You can elect to make an extra UAL payment once a year. If this is the route you choose, let's have a conversation so that we are sure to capture your needs.

The interest saved should be similar to that listed on page 10 in the report.

There is no prepayment penalty.

The payment schedules, for both the regular and alternate amortization schedules are calculated as if the payment is coming at the halfway point of the fiscal year. To obtain the monthly payment amount, simply divide the total annual payment by twelve.

Please let me know how to proceed with relaying this information to Mr. Watt.

FRITZIE ARCHULETA
Supervising Pension Actuary
CalPERS Actuarial Office
(916)795-1262

CalPERS

California Public Employees' Retirement System
Actuarial Office
P.O. Box 942709
Sacramento, CA 94229-2709
TTY: (916) 795-3240
(888) 225-7377 phone – (916) 795-2744 fax
www.calpers.ca.gov

August 2016

SAFETY PLAN OF THE KENSINGTON COMMUNITY SERVICES DISTRICT
(CalPERS ID: 7381511111)
Annual Valuation Report as of June 30, 2015

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2015 actuarial valuation report of the pension plan.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2015.

Section 2 can be found on the CalPERS website at (www.calpers.ca.gov). From the home page, go to "*Forms & Publications*" and select "*View All*". In the search box, enter "*Risk Pool Report*" and from the results list download the Miscellaneous or Safety Risk Pool Actuarial Valuation Report as appropriate.

Your June 30, 2015 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your assigned CalPERS staff actuary, whose signature appears in the Actuarial Certification section on page 1, is available to discuss the report with you after August 31, 2016.

Future Employer Contribution

Fiscal Year	Employer Normal Cost Rate	+	Employer Payment of Unfunded Liability
2017-18	19.723%		$263,331
2018-19 (projected)	19.7%		$202,833

The exhibit above displays the minimum employer contributions, before any cost sharing, for Fiscal Year 2017-18 along with estimates of the contributions for Fiscal Year 2018-19. The total employer contribution is the sum of a Normal Cost Rate applied to reported payroll plus an Unfunded Liability dollar payment. The estimated contributions for Fiscal Year 2018-19 are based on a projection of the most recent information we have available, including an estimated 0.0 percent investment return for Fiscal Year 2015-16 (based on the year to date return through April 30, 2016).

For a projection of employer contributions beyond Fiscal Year 2018-19, please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This 5-year projection of future employer contributions supersedes any previous projections we have provided. The "Risk Analysis" section of the valuation report also contains estimated employer contributions in future years under a variety of investment return scenarios. Member contributions, other than cost sharing, are in addition to the above amounts. The employer contributions in this report do not reflect any cost sharing arrangements you may have with your employees.

The estimates for Fiscal Year 2018-19 also assume that there are no future contract amendments and no liability gains or losses (such as larger than expected pay increases, more retirements than expected, etc.) This is an important assumption because these gains and losses do occur and can have a significant effect on required contributions. Even for the largest plans or pools, such gains and losses can impact the employer's contributions. These gains and losses cannot be predicted in advance so the projected employer contributions are estimates. The actual required employer contribution for Fiscal Year 2018-19 will be provided in next year's valuation report.

Changes since the Prior Year's Valuation

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a funding risk mitigation event. The policy has no impact on the current year valuation results but is expected to have an impact in future years. More details on the Risk Mitigation Policy can be found on our website.

Besides the above noted changes, there may also be changes specific to the plan such as contract amendments and funding changes.

Further descriptions of general changes are included in the "Highlights and Executive Summary" section and in Appendix A, "Statement of Actuarial Data, Methods and Assumptions" of the Section 2 report. We understand that you might have a number of questions about these results. While we are very interested in discussing these results with your agency, in the interest of allowing us to give every public agency their results, we ask that you wait until after August 31 to contact us with actuarial related questions.

If you have other questions, please call our customer contact center at (888) CalPERS or (888-**225-7377**).

Sincerely,

ALAN MILLIGAN
Chief Actuary

CalPERS

ACTUARIAL VALUATION

as of June 30, 2015

for the SAFETY PLAN of the KENSINGTON COMMUNITY SERVICES DISTRICT

(CalPERS ID: 7381511111)

REQUIRED CONTRIBUTIONS FOR FISCAL YEAR July 1, 2017 - June 30, 2018

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Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Specific Information for the SAFETY PLAN of the KENSINGTON COMMUNITY SERVICES DISTRICT

(CalPERS ID: 7381511111)
(Rate Plan: 921)

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ACTUARIAL CERTIFICATION

Section 1 of this report is based on the member and financial data contained in our records as of June 30, 2015 which was provided by your agency and the benefit provisions under your contract with CalPERS. Section 2 of this report is based on the member and financial data as of June 30, 2015 provided by employers participating in the Safety Risk Pool to which the plan belongs and benefit provisions under the CalPERS contracts for those agencies.

As set forth in Section 2 of this report, the pool actuary has certified that, in their opinion, the valuation of the risk pool containing your SAFETY PLAN has been performed in accordance with generally accepted actuarial principles consistent with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for the risk pool as of the date of this valuation and as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.

Having relied upon the information set forth in Section 2 of this report and based on the census and benefit provision information for the plan, it is my opinion as the plan actuary that the side fund and other Unfunded Accrued Liability bases as of June 30, 2015 and employer contribution as of July 1, 2017, have been properly and accurately determined in accordance with the principles and standards stated above.

The undersigned is an actuary for CalPERS, who is a member of both the American Academy of Actuaries and Society of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Fritzie Archuleta

FRITZIE ARCHULETA, ASA, MAAA
Senior Pension Actuary, CalPERS
Plan Actuary

HIGHLIGHTS AND EXECUTIVE SUMMARY

- **INTRODUCTION**
- **PURPOSE OF SECTION 1**
- **REQUIRED EMPLOYER CONTRIBUTION**
- **PLAN'S FUNDED STATUS**
- **PROJECTED EMPLOYER CONTRIBUTIONS**
- **CHANGES SINCE THE PRIOR YEAR VALUATION**
- **SUBSEQUENT EVENTS**

Introduction

This report presents the results of the June 30, 2015 actuarial valuation of the SAFETY PLAN of the KENSINGTON COMMUNITY SERVICES DISTRICT of the California Public Employees' Retirement System (CalPERS). This actuarial valuation sets the required employer contributions for Fiscal Year 2017-18.

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a funding risk mitigation event. The Risk Mitigation Policy does not have an impact on the current year actuarial valuation. More details on the Risk Mitigation Policy can be found on our website.

Purpose of Section 1

This Section 1 report for the SAFETY PLAN of the KENSINGTON COMMUNITY SERVICES DISTRICT of the California Public Employees' Retirement System (CalPERS) was prepared by the plan actuary in order to:

- Set forth the assets and accrued liabilities of this plan as of June 30, 2015;
- Determine the required employer contribution for this plan for the fiscal year July 1, 2017 through June 30, 2018; and
- Provide actuarial information as of June 30, 2015 to the CalPERS Board of Administration and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to GASB Statement No. 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available from CalPERS and details for ordering are available on our website.

The use of this report for any other purposes may be inappropriate. In particular, this report does not contain information applicable to alternative benefit costs. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

California Actuarial Advisory Panel Recommendations

This report includes all the basic disclosure elements as described in the *Model Disclosure Elements for Actuarial Valuation Reports* recommended in 2011 by the California Actuarial Advisory Panel (CAAP), with the exception of including the original base amounts of the various components of the unfunded liability in the Schedule of Amortization Bases shown on page 8.

Additionally, this report includes the following "Enhanced Risk Disclosures" also recommended by the CAAP in the Model Disclosure Elements document:

- A "Deterministic Stress Test," projecting future results under different investment income scenarios
- A "Sensitivity Analysis," showing the impact on current valuation results using a 1 percent plus or minus change in the discount rate.

Required Employer Contribution

		Fiscal Year 2016-17 [1]		Fiscal Year 2017-18
Required Employer Contribution				
Employer Normal Cost Rate		**19.536%**		**19.723%**
Plus Either				
1) Monthly Employer Dollar UAL Payment	**$**	**19,100.69**	**$**	**21,944.24**
Or				
2) Annual Lump Sum Prepayment Option	**$**	**221,068**	**$**	**253,979**

The total minimum required employer contribution is the ***sum*** *of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll)* ***plus*** *the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change. § 20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due.*

		Fiscal Year 2016-17 [1]		Fiscal Year 2017-18
Development of Normal Cost as a Percentage of Payroll				
Base Total Normal Cost for Formula		27.415%		27.603%
Surcharge for Class 1 Benefits[3]				
a) FAC 1		1.108%		1.108%
Phase out of Normal Cost Difference[4]		0.000%		0.000%
Plan's Total Normal Cost		28.523%		28.711%
Formula's Expected Employee Contribution Rate		8.987%		8.988%
Employer Normal Cost Rate		19.536%		19.723%
Projected Payroll for the Contribution Fiscal Year	$	1,053,266	$	1,033,406
Estimated Employer Contributions Based on Projected Payroll				
Plan's Estimated Employer Normal Cost	$	205,762	$	203,819
Plan's Payment on Amortization Bases[2]		229,208		263,331
Total Employer Contribution[5]	$	434,970	$	467,150

[1] The results shown for Fiscal Year 2016-17 reflect the prior year valuation and do not take into account any lump sum payment, side fund payoff, or rate adjustment made after June 30, 2015.

[2] See page 8 for a breakdown of the Amortization Bases.

[3] Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

[4] The normal cost difference is phased out over a five year period. The phase out of normal cost difference is 100 percent for the first year of pooling, and is incrementally reduced by 20 percent of the original normal cost difference for each subsequent year. This is non-zero only for plans that joined a pool within the past 5 years. Most plans joined a pool June 30, 2003, when risk pooling was implemented.

[5] As a percentage of projected payroll the UAL contribution is 25.482 percent for an estimated total employer contribution rate of 45.205 percent.

Plan's Funded Status

		June 30, 2014		June 30, 2015
1. Present Value of Projected Benefits (PVB)	$	14,465,312	$	15,253,162
2. Entry Age Normal Accrued Liability (AL)		11,792,904		12,506,997
3. Plan's Market Value of Assets (MVA)		9,247,977		9,447,142
4. Unfunded Accrued Liability (UAL) [(2) - (3)]		2,544,927		3,059,855
5. Funded Ratio [(3) / (2)]		78.4%		75.5%

Projected Employer Contributions

The estimate for Fiscal Year 2018-19 is based on a projection of the most recent information we have available, including an estimated 0.0 percent investment return for Fiscal Year 2015-16 (based on year to date return through April 30, 2016).

The table below shows projected employer contributions (before cost sharing) for the next five fiscal years, ***assuming CalPERS earns 0.0 percent for Fiscal Year 2015-16 and 7.50 percent every fiscal year thereafter***, and assuming that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur between now and the beginning of the projection period.

	Required Contribution	Projected Future Employer Contributions				
Fiscal Year	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**
Normal Cost %	19.723%	19.7%	19.7%	19.7%	19.7%	19.7%
UAL $	$263,331	$202,833	$249,546	$277,805	$307,998	$330,048

Changes since the Prior Year's Valuation

Benefits

None. This valuation generally reflects plan changes by amendments effective before the date of the report. Please refer to the "Plan's Major Benefit Options" and Appendix B of Section 2 for a summary of the plan provisions used in this valuation.

Actuarial Methods and Assumptions

None.

Subsequent Events

Risk Mitigation

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a funding risk mitigation event. More details on the Risk Mitigation Policy can be found on our website.

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ASSETS AND LIABILITIES

- ALLOCATION OF PLAN'S SHARE OF POOL'S EXPERIENCE/ASSUMPTION CHANGE
- DEVELOPMENT OF PLAN'S SHARE OF POOL'S MVA
- SCHEDULE OF PLAN'S SIDE FUND & OTHER AMORTIZATION BASES
- 30-YEAR AMORTIZATION SCHEDULE AND ALTERNATIVES
- EMPLOYER CONTRIBUTION HISTORY
- FUNDING HISTORY

Allocation of Plan's Share of Pool's Experience/Assumption Change

It is the policy of CalPERS to ensure equity within the risk pools by allocating the pool's experience gains/losses and assumption changes in a manner that treats each employer equitably and maintains benefit security for the members of the System while minimizing substantial variations in employer contributions. The Pool's experience gains/losses and impact of assumption/method changes is allocated to the plan as follows:

1.	Plan's Accrued Liability	$	12,506,997
2.	Projected UAL balance at 6/30/15		2,544,798
3.	Pool's Accrued Liability	$	18,467,886,519
4.	Sum of Pool's Individual Plan UAL Balances at 6/30/15		3,713,009,355
5.	Pool's 2014/15 Investment & Asset (Gain)/Loss		765,720,345
6.	Pool's 2014/15 Other (Gain)/Loss		(2,867,161)
7.	Plan's Share of Pool's Asset (Gain)/Loss [(1)-(2)]/[(3)-(4)] * (5)		516,999
8.	Plan's Share of Pool's Other (Gain)/Loss [(1)]/[(3)] * (6)		(1,942)
9.	Plan's New (Gain)/Loss as of 6/30/2015 [(7)+(8)]	$	515,057
10.	Increase in Pool's Accrued Liability due to Change in Assumptions		0
11.	Plan's Share of Pool's Change in Assumptions [(1)]/[(3)] * (10)	$	0

Development of the Plan's Share of Pool's Market Value of Assets

1.	Plan's Accrued Liability	$	12,506,997
2.	Plan's UAL	$	3,059,855
3.	Plan's Share of Pool's MVA [(1)-(2)]	$	**9,447,142**

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Schedule of Plan's Side Fund and Other Amortization Bases

There is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2015.
- The employer contribution determined by the valuation is for the fiscal year beginning two years after the valuation date: Fiscal Year 2017-18.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the payment on the UAL for the fiscal year and adjusting for interest.

							Amounts for Fiscal 2017-18	
Reason for Base	Date Established	Amortization Period	Balance 6/30/15	Payment 2015-16	Balance 6/30/16	Payment 2016-17	Balance 6/30/17	Scheduled Payment for 2017-18
SIDE FUND	2013 or Prior	1	$273,773	$98,692	$191,980	$101,652	$100,983	$104,702
SHARE OF PRE-2013 POOL UAL	06/30/13	20	$1,234,334	$87,871	$1,235,802	$90,507	$1,234,647	$93,223
ASSET (GAIN)/LOSS	06/30/13	28	$1,307,902	$18,396	$1,386,921	$37,895	$1,451,650	$58,548
NON-ASSET (GAIN)/LOSS	06/30/13	28	$(15,435)	$(217)	$(16,368)	$(447)	$(17,132)	$(691)
ASSET (GAIN)/LOSS	06/30/14	29	$(877,467)	$0	$(943,277)	$(13,267)	$(1,000,267)	$(27,330)
ASSUMPTION CHANGE	06/30/14	19	$610,431	$(10,052)	$666,635	$12,698	$703,467	$26,158
NON-ASSET (GAIN)/LOSS	06/30/14	29	$11,260	$0	$12,104	$170	$12,836	$351
ASSET (GAIN)/LOSS	06/30/15	30	$516,999	$0	$555,774	$0	$597,457	$8,403
NON-ASSET (GAIN)/LOSS	06/30/15	30	$(1,942)	$0	$(2,087)	$0	$(2,244)	$(32)
TOTAL			**$3,059,855**	**$194,690**	**$3,087,484**	**$229,208**	**$3,081,397**	**$263,332**

The (gain)/loss bases are the plan's allocated share of the risk pool's (gain)/loss for the fiscal year as disclosed on the previous page. These (gain)/loss bases will be amortized according to Board policy over 30 years with a 5-year ramp-up.

If the total Unfunded Liability is negative (i.e., plan has a surplus), the scheduled payment is $0, because the minimum required contribution under PEPRA must be at least equal to the normal cost.

30-Year Amortization Schedule and Alternatives

The amortization schedule on the previous page shows the minimum contributions required according to CalPERS amortization policy. There has been considerable interest from many agencies in paying off these unfunded accrued liabilities sooner and the possible savings in doing so. As a result, we have provided alternate amortization schedules to help analyze the current amortization schedule and illustrate the advantages of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternate "fresh start" amortization schedules using two sample periods that would both result in interest savings relative to the current amortization schedule. Note that the payments under each alternate scenario increase by 3 percent for each year into the future. The schedules do not attempt to reflect any experience after June 30, 2015 that may deviate from the actuarial assumptions. Therefore, future amortization payments displayed in the Current Amortization Schedule may not match projected amortization payments shown in connection with Projected Employer Contributions provided elsewhere in this report.

The Current Amortization Schedule typically contains individual bases that are both positive and negative. Positive bases result from plan changes, assumption changes or plan experience that result in increases to unfunded liability. Negative bases result from plan changes, assumption changes or plan experience that result in decreases to unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years such as:

- A positive total unfunded liability with a negative total payment,
- A negative total unfunded liability with a positive total payment, or
- Total payments that completely amortize the unfunded liability over a very short period of time

In any year where one of the above scenarios occurs, the actuary will consider corrective action such as replacing the existing unfunded liability bases with a single "fresh start" base and amortizing it over a reasonable period.

The Current Amortization Schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS amortization policy. For purposes of this display, total payments include any negative payments. Therefore, the amount of estimated savings may be understated to the extent that negative payments appear in the current schedule.

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30-Year Amortization Schedule and Alternatives

	Current Amortization Schedule		Alternate Schedules: 20 Year Amortization		Alternate Schedules: 15 Year Amortization	
Date	Balance	Payment	Balance	Payment	Balance	Payment
6/30/2017	3,081,397	263,331	3,081,397	232,662	3,081,397	282,470
6/30/2018	3,039,475	191,452	3,071,273	239,642	3,019,631	290,944
6/30/2019	3,068,934	226,101	3,053,152	246,831	2,944,446	299,673
6/30/2020	3,064,678	241,582	3,026,218	254,236	2,854,572	308,663
6/30/2021	3,044,051	258,252	2,989,587	261,863	2,748,636	317,923
6/30/2022	3,004,593	266,000	2,942,300	269,719	2,625,154	327,460
6/30/2023	2,954,143	273,980	2,883,322	277,811	2,482,523	337,284
6/30/2024	2,891,636	282,199	2,811,530	286,145	2,319,008	347,403
6/30/2025	2,815,918	290,665	2,725,714	294,730	2,132,739	357,825
6/30/2026	2,725,743	299,385	2,624,560	303,571	1,921,694	368,560
6/30/2027	2,619,765	308,367	2,506,652	312,679	1,683,690	379,616
6/30/2028	2,496,526	317,618	2,370,459	322,059	1,416,372	391,005
6/30/2029	2,354,452	327,146	2,214,326	331,721	1,117,197	402,735
6/30/2030	2,191,844	336,961	2,036,465	341,672	783,423	414,817
6/30/2031	2,006,864	347,070	1,834,947	351,923	412,088	427,262
6/30/2032	1,797,529	337,105	1,607,687	362,480		
6/30/2033	1,582,826	326,231	1,352,436	373,355		
6/30/2034	1,363,294	314,401	1,066,766	384,555		
6/30/2035	1,139,564	301,567	748,058	396,092		
6/30/2036	912,360	287,680	393,486	407,975		
6/30/2037	682,514	127,940				
6/30/2038	601,052	131,778				
6/30/2039	509,500	135,732				
6/30/2040	406,983	139,804				
6/30/2041	292,555	104,794				
6/30/2042	205,844	95,803				
6/30/2043	121,952	68,123				
6/30/2044	60,467	38,697				
6/30/2045	24,880	7,444				
6/30/2046	19,028	19,728				
Totals		**6,666,935**		**6,251,721**		**5,253,640**
Estimated Savings				**415,213**		**1,413,294**

Current CalPERS Board policy prioritizes the order for which lump sum contributions in excess of the required employer contribution shall be applied. Excess contributions shall first be applied toward payment on the plan's side fund, and any remainder shall then be applied toward the plan's share of the pool's unfunded accrued liability.

Please contact the plan actuary before making such a payment to ensure that the payment is applied correctly.

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Employer Contribution History

The table below provides a recent history of the required employer contributions for the plan, as determined by the annual actuarial valuation. It does not account for prepayments or benefit changes made during a fiscal year.

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment ($)
2016 - 17	19.536%	229,208
2017 - 18	19.723%	263,331

Funding History

The funding history below shows the plan's actuarial accrued liability, share of the pool's market value of assets, share of the pool's unfunded liability, funded ratio, and annual covered payroll.

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Plan's Share of Pool's Unfunded Liability	Funded Ratio	Annual Covered Payroll
06/30/2011	$ 10,054,247	$ 7,523,025	$ 2,531,222	74.8%	$ 824,273
06/30/2012	10,541,771	7,426,501	3,115,270	70.5%	813,883
06/30/2013	10,843,346	8,086,814	2,756,532	74.6%	919,632
06/30/2014	11,792,904	9,247,977	2,544,927	78.4%	963,888
06/30/2015	12,506,997	9,447,142	3,059,855	75.5%	945,713

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RISK ANALYSIS

- ANALYSIS OF FUTURE INVESTMENT RETURN SCENARIOS
- ANALYSIS OF DISCOUNT RATE SENSITIVITY
- VOLATILITY RATIOS
- HYPOTHETICAL TERMINATION LIABILITY

Analysis of Future Investment Return Scenarios

The investment return for Fiscal Year 2015-16 was not known at the time this report was produced. The investment return in Fiscal Year 2015-16 as of April 30, 2016 is 0.0 percent before administrative expenses. For purposes of projecting future employer contributions, we are assuming a 0.0 percent investment return for Fiscal Year 2015-16.

The investment return realized during a fiscal year first affects the contribution for the fiscal year two years later. For example, the investment return for Fiscal Year 2015-16 will first be reflected in the June 30, 2016 actuarial valuation that will be used to set the Fiscal Year 2018-19 employer contributions, the Fiscal Year 2016-17 investment return will first be reflected in the June 30, 2017 actuarial valuation that will be used to set the Fiscal Year 2019-20 employer contributions, and so forth.

A sensitivity analysis was performed to determine the effects of various investment returns during fiscal years 2016-17, 2017-18, and 2018-19 on the employer contributions for fiscal years 2019-20, 2020-21, and 2021-22. The projected contributions assume that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur.

Five different investment return scenarios were selected.

- The first scenario is a -3.8 percent return for each of the 2016-17, 2017-18, and 2018-19 fiscal years. Based on the current investment allocation, this is what one would expect if the markets were to give us about a 5th percentile return from July 1, 2016 through June 30, 2019.
- The second scenario is a 2.8 percent return for each of the 2016-17, 2017-18, and 2018-19 fiscal years. Based on the current investment allocation, this is what one would expect if the markets were to give us about a 25th percentile return from July 1, 2016 through June 30, 2019.
- The third scenario is a 7.5 percent return for each of the 2016-17, 2017-18, and 2018-19 fiscal years. Based on the current investment allocation, this is what one would expect if the markets were to give us about a 49th percentile return from July 1, 2016 through June 30, 2019.
- The fourth scenario is a 12.0 percent return for each of the 2016-17, 2017-18, and 2018-19 fiscal years. Based on the current investment allocation, this is what one would expect if the markets were to give us about a 75th percentile return from July 1, 2016 through June 30, 2019.
- Finally, the last scenario is an 18.9 percent return for each of the 2016-17, 2017-18, and 2018-19 fiscal years. Based on the current investment allocation, this is what one would expect if the markets were to give us about a 95th percentile return from July 1, 2016 through June 30, 2019.

The table below shows the estimated projected contributions and the estimated increases for the plan under the five different scenarios.

2016-19 Investment Return Scenario	**Fiscal Year**			**Estimated Change Between 2018-19 and 2021-22**
	2019-20	**2020-21**	**2021-22**	
(3.8%)				
Normal Cost	19.7%	19.7%	19.7%	0.0%
UAL Contribution	$266,359	$328,310	$409,205	$206,372
2.8%				
Normal Cost	19.7%	19.7%	19.7%	0.0%
UAL Contribution	$256,540	$299,276	$351,960	$149,127
7.5%				
Normal Cost	19.7%	19.7%	19.7%	0.0%
UAL Contribution	$249,546	$277,805	$307,998	$105,165
12.0%				
Normal Cost	20.1%	20.5%	20.8%	1.1%
UAL Contribution	$243,122	$258,618	$268,547	$65,714
18.9%				
Normal Cost	20.8%	21.9%	23.1%	3.4%
UAL Contribution	$233,557	$229,958	$208,645	$5,812

For the last two scenarios in the table above the results incorporate the impact of CalPERS Risk Mitigation Policy. A 12.0% return would result in a reduction of the discount rate by 0.05% and a return of 18.9% would reduce the discount rate by 0.15%. Reducing the discount rate increases both the plan's accrued liability and normal cost. More details about Risk Mitigation policy can be found on our website.

Analysis of Discount Rate Sensitivity

The following analysis looks at the Fiscal Year 2017-18 total normal cost rates and liabilities under two different discount rate scenarios. Shown below are the total normal cost rates assuming discount rates that are 1 percent lower and 1 percent higher than the current valuation discount rate. This analysis shows the potential plan impacts if the Public Employees' Retirement Fund (PERF) were to realize investment returns of 6.50 percent or 8.50 percent over the long-term.

This analysis is intended to illustrate the long-term risk to the contribution rates.

Sensitivity Analysis			
As of June 30, 2015	**6.50% Discount Rate (-1%)**	**7.50% Discount Rate (assumed rate)**	**8.50% Discount Rate (+1%)**
Plan's Total Normal Cost	36.1%	28.7%	23.1%
Accrued Liability	$14,103,351	$12,506,997	$11,188,988
Unfunded Accrued Liability	$4,656,209	$3,059,855	$1,741,846

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Volatility Ratios

Actuarial calculations are based on a number of assumptions about long-term demographic and economic behavior. Unless these assumptions (terminations, deaths, disabilities, retirements, salary growth, and investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

Asset Volatility Ratio (AVR)

Plans that have higher asset-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with an asset-to-payroll ratio of 8 may experience twice the contribution volatility due to investment return volatility, than a plan with an asset-to-payroll ratio of 4. Shown below is the asset volatility ratio, a measure of the plan's current contribution volatility. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as the plan matures.

Liability Volatility Ratio (LVR)

Plans that have higher liability-to-payroll ratios experience more volatile employer contributions (as a percentage of payroll) due to investment return and changes in liability. For example, a plan with a liability-to-payroll ratio of 8 is expected to have twice the contribution volatility of a plan with a liability-to-payroll ratio of 4. The liability volatility ratio is also shown in the table below. It should be noted that this ratio indicates a longer-term potential for contribution volatility. The asset volatility ratio, described above, will tend to move closer to the liability volatility ratio as the plan matures.

Rate Volatility		As of June 30, 2015
1. Market Value of Assets	$	9,447,142
2. Payroll		945,713
3. Asset Volatility Ratio (AVR) [(1) / (2)]		10.0
4. Accrued Liability	$	12,506,997
5. Liability Volatility Ratio (LVR) [(4) / (2)]		13.2

Hypothetical Termination Liability

The hypothetical termination liability is an estimate of the financial position of the plan had the contract with CalPERS been terminated as of June 30, 2015. The plan liability on a termination basis is calculated differently compared to the plan's ongoing funding liability. For the hypothetical termination liability calculation, both compensation and service are frozen as of the valuation date and no future pay increases or service accruals are assumed.

A more conservative investment policy and asset allocation strategy was adopted by the CalPERS Board for the Terminated Agency Pool. The Terminated Agency Pool has limited funding sources since no future employer contributions will be made. Therefore, expected benefit payments are secured by risk-free assets and benefit security for members is increased while funding risk is limited. However, this asset allocation has a lower expected rate of return than the PERF and consequently, a lower discount rate is assumed. The lower discount rate for the Terminated Agency Pool results in higher liabilities for terminated plans.

The effective termination discount rate will depend on actual market rates of return for risk-free securities on the date of termination. As market discount rates are variable, the table below shows a range for the hypothetical termination liability based on the lowest and highest interest rates observed during an approximate 2-year period centered around the valuation date.

Market Value of Assets (MVA)	Hypothetical Termination Liability[1,2] @ 2.00%	Funded Status	Unfunded Termination Liability @ 2.00%	Hypothetical Termination Liability[1,2] @ 3.25%	Funded Status	Unfunded Termination Liability @ 3.25%
$9,447,142	$25,269,472	37.4%	$15,822,330	$21,241,037	44.5%	$11,793,895

[1] The hypothetical liabilities calculated above include a 7 percent mortality contingency load in accordance with Board policy. Other actuarial assumptions, such as wage and inflation assumptions, can be found in Appendix A.

[2] The current discount rate assumption used for termination valuations is a weighted average of the 10-year and 30-year U.S. Treasury yields where the weights are based on matching asset and liability durations as of the termination date. The discount rates used in the table are based on 20-year Treasury bonds, rounded to the nearest quarter percentage point, which is a good proxy for most plans. The 20-year Treasury yield was 2.75 percent on June 30, 2015.

In order to terminate the plan, you must first contact our Retirement Services Contract Unit to initiate a Resolution of Intent to terminate. The completed Resolution will allow the plan actuary to give you a preliminary termination valuation with a more up-to-date estimate of the plan liabilities. CalPERS advises you to consult with the plan actuary before beginning this process.

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Participant Data

The table below shows a summary of your plan's member data upon which this valuation is based:

	June 30, 2014	June 30, 2015
Reported Payroll	$ 963,888	$ 945,713
Projected Payroll for Contribution Purposes	$ 1,053,266	$ 1,033,406
Number of Members		
Active	10	10
Transferred	6	5
Separated	3	2
Retired	27	29

List of Class 1 Benefit Provisions

This plan has the additional Class 1 Benefit Provisions:

- One Year Final Compensation (FAC 1)

PLAN'S MAJOR BENEFIT OPTIONS

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Plan's Major Benefit Options

Shown below is a summary of the major optional benefits for which your agency has contracted. A description of principal standard and optional plan provisions is in Appendix B within Section 2 of this report.

	Contract package	
Benefit Provision	Active Police	Receiving Police
Benefit Formula	3.0% @ 50	
Social Security Coverage	No	
Full/Modified	Full	
Employee Contribution Rate	9.00%	
Final Average Compensation Period	One Year	
Sick Leave Credit	Yes	
Non-Industrial Disability	Standard	
Industrial Disability	Yes	
Pre-Retirement Death Benefits		
Optional Settlement 2W	Yes	
1959 Survivor Benefit Level	level 4	
Special	Yes	
Alternate (firefighters)	No	No
Post-Retirement Death Benefits		
Lump Sum	$500	$500
Survivor Allowance (PRSA)	No	No
COLA	2%	2%

Section 2

Section 2 may be found on the CalPERS website (www.calpers.ca.gov) in the Forms and Publications section

FISCAL YEAR 2017/2018		
		P.E.R.S.
CODE 528	CLASSIFICATION:	P.E.R.S. - Officers Portion
	2016/2017 Budget	$59,836
Classic: 9 Officers		
PEPRA: 1 Officer	Cumulative as of	$39,076
	2/28/2017	
ITEM		AMOUNT
FY 17/18	Classic Salary: $727,011 x 5%	$36,351
FY 17/18	Classic Uniform: $6,000 x 5%	$300
NOTE:	PEPRA Employees are required to	
	pay this portion themselves	
($23,185)	TOTAL	**$36,651**

FISCAL YEAR 2017/2018			
CODE 530	CLASSIFICATION:	Workers Compensation	
		(P.D./Secretary)	
10 Officers	2016/2017 Budget	$67,000	
	Cumulative as of	$66,467	
	2/28/2017		
ITEM			
SDRMA Estimated Annual Contribution based on			
	$1,185,800 Total Payroll	$92,000	
	(excluding 1/3 O/T)		
NOTE:	Increase due to repayment of continued		
	Supplemental W/C (Section 4850 time)		
$25,000	TOTAL	$92,000	

FISCAL YEAR 2017/2018		
CODE 540	CLASSIFICATION:	Advanced Industrial Disability
	2016/2017 Budget	$0
	Cumulative as of 2/28/2017	$0
ITEM		AMOUNT
Advanced Industrial Disability		$0
$0	TOTAL	$0

FISCAL YEAR 2017/2018			
CODE 552	CLASSIFICATION:	Expendable Police Supplies	
	2016/2017 Budget	$1,700	
	Cumulative as of	$3,320	
	2/28/2017		
ITEM		AMOUNT	
SUPPLIES FOR I.D. FUNCTION		$1,500	
INCLUDES: PENS, GLOVES,			
BAGS, FILM, BRUSHES, ETC.			
Pepper Spray for Officers		$500	
Miscellaneous		$200	
$500	TOTAL	**$2,200**	

FISCAL YEAR 2017/2018			
CODE 553	CLASSIFICATION:	Range/Ammunition Supplies	
	2016/2017 Budget	$5,000	
	Cumulative as of 2/28/2017	$375	
ITEM		AMOUNT	
RANGE/AMMUNITION SUPPLIES:		$5,500	
INCLUDES: AMMUNITION,			
TARGETS, WEAPON REPAIR,			
MAINTENANCE, CLEANING			
SUPPLIES			
$500	TOTAL	**$5,500**	

FISCAL YEAR 2017/2018			
CODE 560	CLASSIFICATION:	Crossing Guard	
	2016/2017 Budget	$11,150	
	Cumulative as of	$6,567	
	2/28/2017		
ITEM		AMOUNT	
Crossing Guard - per contract		$11,623	
$473	TOTAL	**$11,623**	

FISCAL YEAR 2017/2018		
CODE 562	CLASSIFICATION:	Vehicle Operation
	2016/2017 Budget	$37,500
	Cumulative as of 2/28/2017	$18,692
ITEM		AMOUNT
Gasoline - Patrol Cars	Est.5000 gallons @ $3.25	$16,250
Vehicle Maintenance: Includes all servicing and equipment		$20,000
($1,250)	TOTAL	**$36,250**

FISCAL YEAR 2017/2018		
CODE 564	CLASSIFICATION:	Communications
		(Richmond Police)
	2016/2017 Budget	$156,420
	Cumulative as of	$72,663
	2/28/2017	
ITEM		AMOUNT
Albany Contract - Dispatch	Includes $33,000 1st yr discount	$47,000
Albany Contract - Records Management		$5,000
Albany Contract - Tech Fee		$12,000
RIMS Software	Most likely prepaid in FY 16/17	$139,958
New World	Buy Out Prior Contract	$9,000
EBRCS	$40/mo x 19 radios x 12 months	$9,120
Radio Reprogramming		$880
$66,538	TOTAL	**$222,958**

FISCAL YEAR 2017/2018		
CODE 566	CLASSIFICATION:	Radio Maintenance
	2016/2017 Budget	$2,281
	Cumulative as of	$1,090
	2/28/2017	
ITEM		AMOUNT
Cell phone connections to mobile units Toughbooks		$2,180
($101)	TOTAL	**$2,180**

FISCAL YEAR 2017/2018		
CODE 568	CLASSIFICATION:	Prisoner/Case Expenses/Bookings
	2016/2017 Budget	$8,900
	Cumulative as of 2/28/2017	$5,408
ITEM		AMOUNT
County Booking Fee	10 @ $0	$0
Currently State of CA reimburses Booking Fees		
Crime Lab:		$7,500
Drug Testing		
Alcohol Testing		
Fingerprint Comparisons		
Childrens Interview Center		$500
Evidence Room Monitored Alarm		$900
$0	TOTAL	**$8,900**

FISCAL YEAR 2017/2018		
		Law Enforcement
CODE 570	CLASSIFICATION:	Training
	2016/2017 Budget	$10,000
	Cumulative as of	$2,551
	2/28/2017	
ITEM		AMOUNT
INCLUDES:		
ALL ASPECTS OF OFFICER		
TRAINING		$5,000
SCHOOL, TUITION, BOOKS, ETC	$500 PER OFFICER	$5,000
$0	TOTAL	**$10,000**

FISCAL YEAR 2017/2018		
CODE 572	CLASSIFICATION:	Recruiting
	2016/2017 Budget	$15,500
	Cumulative as of 2/28/2017	$3,285
ITEM		AMOUNT
Medical	5 @ $750	$3,750
Psychological Assessment	5 @ $600	$3,000
Polygraph	5 @ $300	$1,500
Background Investigation	5 @ 1,500	$7,500
NOTE:	Reserve Officer recruitment in progress	
	One officer at retirement age	
$250	TOTAL	**$15,750**

FISCAL YEAR 2017/2018		
CODE 574	CLASSIFICATION:	Reserve Officers
	2016/2017 Budget	$4,050
	Cumulative as of	$30
	2/28/2017	
ITEM		AMOUNT
Reserve Officers:	Training	
	Uniforms	
	Insurance Coverage	
	Safety Equipment	
	Total 5 x $1875	$9,375
Misc. Reserve Costs		$300
$5,625	TOTAL	**$9,675**

FISCAL YEAR 2017/2018		
CODE 576	CLASSIFICATION:	Misc. Dues, Meals.Travel
	2016/2017 Budget	$3,035
	Cumulative as of	$1,481
	2/28/2017	
ITEM		AMOUNT
INCLUDES: Chief's meetings, CPOA dues,		
PORAC General Membership, etc.		
CCC Chief's Association		$775
CPOA/$125 x 10		$1,250
Cal Chiefs $315/$125	Chief Hull/none	$315
CAPE		$45
FBI-LEEDA		$50
Int'l Assn of Chiefs of Police		$150
Miscellaneous - Meeting Supplies		$250
($200)	TOTAL	**$2,835**

FISCAL YEAR 2017/2018		
CODE 580	CLASSIFICATION:	Utilities - Police
Former 514		
	2016/2017 Budget	$10,000
	Cumulative as of	$7,234
	2/28/2017	
ITEM		AMOUNT
Utilities	$920 average x 12	$11,040
$1,040	Total	**$11,040**

FISCAL YEAR 2017/2018		
CODE 581	CLASSIFICATION:	Bldg. Repair/Maint
	2016/2017 Budget	$5,000
	Cumulative as of 2/28/2017	$469
ITEM		AMOUNT
Miscellaneous Repairs		$3,000
NOTE:	Property room shelving and painting	
	Maintenance required by contract	
($2,000)	Total	**$3,000**

FISCAL YEAR 2017/2018		
CODE 582	CLASSIFICATION:	Office Supplies
	2016/2017 Budget	$7,500
	Cumulative as of	$3,257
	2/28/2017	
ITEM		AMOUNT
Paper (colored, letter, legal, fax)		
Stamps, envelopes, postage		
Printing		
Envelopes (manilla), folders, etc.		
Ink cartridges/correction tape		
Calendars, refills, etc.		
Miscellaneous (pens, pencils, clips, staples, etc.)		$6,500
($1,000)	TOTAL	**$6,500**

FISCAL YEAR 2017/2018		
CODE 588	CLASSIFICATION:	Telephones
		(+Richmond Line)
	2016/2017 Budget	$7,476
	Cumulative as of	$2,907
	2/28/2017	
ITEM		AMOUNT
INCLUDES:		
(2) Verizon Cellular Phones	$110 x 12	$1,320
Cellular Phones are $110/mo. for both, not per phone.		
AT&T 526-4141	$315 avg. x 12	$3,780
($2,376)	TOTAL	**$5,100**

FISCAL YEAR 2017/2018		
CODE 590	CLASSIFICATION:	Housekeeping
	2016/2017 Budget	$4,000
	Cumulative as of 2/28/2017	$3,044
ITEM		AMOUNT
INCLUDES:		
Toilet paper, paper towels, Soaps, light bulbs, cleaning supplies, rug cleaning ($250), trash bags and coffee, sugar, creamer		
	Estimated Total	$1,120
Custodial Service	$200 x 12	$2,400
Drinking Water	Avg. $40 x 12	$480
$0	TOTAL	**$4,000**

FISCAL YEAR 2017/2018		
CODE 592	CLASSIFICATION:	Publications
	2016/2017 Budget	$3,000
	Cumulative as of	$2,923
	2/28/2017	
ITEM		AMOUNT
INCLUDES: Deering updates, Penal Codes,		$500
magazines, etc.		
Legal Source Book		$500
Department Policy - Lexipol		$2,500
$500	TOTAL	**$3,500**

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FISCAL YEAR 2017/2018		
CODE 594	CLASSIFICATION:	Comm. Policing
	2016/2017 Budget	$14,000
	Cumulative as of	$4,601
ITEM	2/28/2017	AMOUNT
National Night Out		$500
Crime Prevention		$500
Children's Interview Center	see G/L Acct #568	
Sand Bags		$0
Website Maintenance		$6,000
Community Outreach		$1,000
($6,000)	Total	**$8,000**

FISCAL YEAR 2017/2018		
CODE 596	CLASSIFICATION:	CAL-ID
	2016/2017 Budget	$6,100
	Cumulative as of	$6,101
	2/28/2017	
ITEM		AMOUNT
CAL-ID expenses		$6,100
$0	TOTAL	**$6,100**

FISCAL YEAR 2017/2018			
CODE 599	CLASSIFICATION:	Police Taxes Administration	
	2016/2017 Budget	$3,500	
	Cumulative as of 2/28/2017	$2,591	
ITEM		AMOUNT	
NBS Administration	Original Police Tax	$3,500	
$0	TOTAL	**$3,500**	

FISCAL YEAR 2017/2018			
CODE 601	CLASSIFICATION:	Park and Rec. Admin.	
	2016/2017 Budget	$8,042	
	Cumulative as of 2/28/2017	$5,747	
ITEM		AMOUNT	
P.& R. Admin. Salary	$30.93 x 260 hours	$8,042	
($0)	TOTAL	**$8,042**	

FISCAL YEAR 2017/2018		
CODE 602	CLASSIFICATION:	Custodian
	2016/2017 Budget	$22,750
	Cumulative as of 2/28/2017	$14,000
ITEM		AMOUNT
600/Custodian	Community Center	$22,750
Park Restroom Custodian	see G/L Acct #672	
$0	TOTAL	**$22,750**

FISCAL YEAR 2017/2018		
CODE 623	CLASSIFICATION:	Social Security (7.65%) /Park
	2016/2017 Budget	$615
	Cumulative as of 2/28/2017	$440
ITEM		AMOUNT
P&R Admin. $8,042 x 7.65%		$615
$0	TOTAL	**$615**

FISCAL YEAR 2017/2018		
CODE 642	CLASSIFICATION:	Community Center
		Utilities
	2016/2017 Budget	$5,616
	Cumulative as of	$4,071
	2/28/2017	
ITEM		AMOUNT
EBMUD Community Center	$140 x 12	$1,680
EBMUD Gore Lot	$20 x 12	$240
PG&E Community Center	$315 avg. x 12	$3,780
Telephone Community Center	$78 avg. x 12	$936
$1,020	Total	**$6,636**

FISCAL YEAR 2017/2018		
CODE 643	CLASSIFICATION:	Janitorial Supplies
	2016/2017 Budget	$1,500
	Cumulative as of	$676
	2/28/2017	
ITEM		AMOUNT
Community Center		
Janitorial Supplies, paper towels, light bulbs, etc.		$1,250
Annex		
Janitorial Supplies, paper towels, light bulbs, etc.		$0
($250)	Total	**$1,250**

FISCAL YEAR 2017/2018		
CODE 646	CLASSIFICATION:	Community Center
		Repairs
	2016/2017 Budget	$5,500
	Cumulative as of	$4,241
	2/28/2017	
ITEM		AMOUNT
Misc Repairs		$4,000
Fire Extinguishers	Four Extinguishers	$1,500
$0	TOTAL	**$5,500**

FISCAL YEAR 2017/2018		
CODE 656	CLASSIFICATION:	Building E Repairs
	2016/2017 Budget	$0
	Cumulative as of 2/28/2017	$0
ITEM		AMOUNT
Miscellaneous		$0
$0	Total	**$0**

FISCAL YEAR 2017/2018		
CODE 662	CLASSIFICATION:	Annex - Utilities
	2016/2017 Budget	$0
	Cumulative as of 2/28/2017	$0
ITEM		AMOUNT
Utilities		$0
See G/L #642 for PG&E		
See G/L #672 for EBMUD - Water		
$0	Total	**$0**

FISCAL YEAR 2017/2018		
CODE 666	CLASSIFICATION:	Annex Repairs
	2016/2017 Budget	$1,000
	Cumulative as of	$0
	2/28/2017	
ITEM		AMOUNT
Miscellaneous Repairs		$1,000
$0	Total	**$1,000**

FISCAL YEAR 2017/2018		
CODE 668	CLASSIFICATION:	Annex - Misc. Exp
	2016/2017 Budget	$1,000
	Cumulative as of	$0
	2/28/2017	
ITEM		AMOUNT
Miscellaneous Expenses		$1,000
$0	Total	**$1,000**

FISCAL YEAR 2017/2018		
CODE 670	CLASSIFICATION:	Gardening Supplies
	2016/2017 Budget	$1,000
	Cumulative as of	$0
	2/28/2017	
ITEM		AMOUNT
Plantings		$1,000
$0	Total	**$1,000**

FISCAL YEAR 2017/2018		
CODE 672	CLASSIFICATION	Park O&M
	2016/2017 Budget	$69,300
	Cumulative as of	$57,158
	2/28/2017	
ITEM		
Operations/Maintenance Park Property		
Maintenance Contract	(O&M Funding)	$27,000
Park Maintence Repairs	(O&M Funding)	$10,000
Utilities	Water	$5,000
Drain Clearing		$1,000
Incidental Expenses		$2,000
	Shared Expense Total	$45,000
Old Park Allocated Exp	40% of Shared Expenses	$18,000
Old Park Tree Pruning		$2,000
	Old Park Total	$20,000
New Park Allocated Exp	60% of Shared Expenses	$27,000
Levy Fees	(County)	$2,200
Engineer's Annual Report/Admin Services		$5,000
Park Restroom Custodian		$5,100
New Park Tree Pruning/Removal		$10,000
	New Park Total	$49,300
$0	Total	**$69,300**

FISCAL YEAR 2017/2018			
CODE 674	CLASSIFICATION	Park Construction	Expense
	2016/2017 Budget	$5,000	
	Cumulative as of	$0	
	2/28/2017		
ITEM			
Misc. Expenses		$5,000	
NOTE:	Minor repairs of play		
	equipment, tennis courts, etc		
$0	Total	**$5,000**	

FISCAL YEAR 2017/2018		
CODE 678	CLASSIFICATION:	Misc. Park/Rec Expense
	2016/2017 Budget	$1,000
	Cumulative as of	$1,275
	2/28/2017	
ITEM		AMOUNT
Miscellaneous Projects / Eagle Scout		$1,000
Troop 100 Ammunition		$200
$200	Total	**$1,200**

FISCAL YEAR 2017/2018		
CODE 808	CLASSIFICATION:	District Salaries
	2016/2017 Budget	$0
	Cumulative as of	$0
	2/28/2017	
ITEM		AMOUNT
General Manager		$100,000
	$46.40	
	$69.60	
15 hr/wk - Wolter	780 hours	$36,192
2.5 hr/mo Overtime - Wolter	30 hours	$2,088
$138,280	TOTAL	**$138,280**

FISCAL YEAR 2017/2018		
CODE 823	CLASSIFICATION:	Social Security (7.65%) /District
	2016/2017 Budget	$0
	Cumulative as of	$0
	2/28/2017	
ITEM		AMOUNT
District Salaries	$138,280 x 7.65%	$10,578
$10,578	TOTAL	**$10,578**

FISCAL YEAR 2017/2018			
CODE 810	CLASSIFICATION:	Computer Maintenance	
	2016/2017 Budget	$25,118	
	Cumulative as of	$19,428	
	2/28/2017		
ITEM		AMOUNT	
Service Contract/Misc. Supp.	Rubicon	$13,068	
ARIES	CCC Office of Revenue	$8,770	
CLETS - Annual Fee		$550	
ACCJIN Shared Costs	CCC Office of Revenue	$2,600	
Critical Reach		$150	
Miscellaneous Software Upgrades		$600	
Miscellaneous Repair Materials		$750	
$1,370	Total	**$26,488**	

FISCAL YEAR 2017/2018		
CODE 820	CLASSIFICATION:	Canon Copier Contract
	2016/2017 Budget	$5,700
	Cumulative as of	$3,235
	2/28/2017	
ITEM		AMOUNT
Sharp MX-5141	Lease $195 x 12	$2,340
	Unsecured Property Taxes	$75
Overage Charges	$215 x 12 average	$2,580
	Toner	$50
Outside Reproduction		$0
($655)	TOTAL	**$5,045**

FISCAL YEAR 2017/2018		
CODE 830	CLASSIFICATION:	Legal
		(Dist./Personnel)
	2016/2017 Budget	$99,530
	Cumulative as of	$114,018
	2/28/2017	
ITEM		AMOUNT
Ann Danforth-General Counsel	2017 Monthly Retainer for	
	14 hours of service at	
	$2520/mo. 2018 $2660/mo.	$31,080
Ann Danforth-Monthly Meeting Attendance		
2017 1st 4 hrs $ $135/hr	2018 1st 4 hrs $ $143/hr	$6,672
2017 Add'l mtgs $180/hr x 6	2018 Add'l mtgs $190/hr x 2	$8,760
Ann Danforth-Additional Work	2017=$180/hr 2018=$190/hr	
2017 Add'l Hrs @ 6 per mo.	2018 Add'l Hrs @ 0 per mo.	$6,480
	Ann Danforth Total	$52,992
Public Management Group-Adam Benson 2 x $205/hr per mo.		$4,920
Public Mgmt Grp-Bob Deis 6 x $250/hr GM/Brd workshop		$1,500
	Public Management Grp Total	$6,420
Public Law Group-Propp-Contract mgmt 24 x $305		$7,320
Public Law Group-Sloan-Disciplinary matters 16 x $325		$5,200
Public Law Group-Holtzman-Contract negotiation 40 x $325		$13,000
	Public Law Group Total	$25,520
($14,598)	Total	**$84,932**

FISCAL YEAR 2017/2018		
CODE 835	CLASSIFICATION:	Consultant
	2016/2017 Budget	$46,500
	Cumulative as of 2/28/2017	$24,287
ITEM		AMOUNT
Actuarial Report		$0
MOU Analysis		$15,000
Additional Consultant work per Board		$20,000
($11,500)	Total	**$35,000**

FISCAL YEAR 2017/2018		
CODE 840	CLASSIFICATION:	Accounting
	2016/2017 Budget	$45,500
	Cumulative as of 2/28/2017	$31,983
ITEM		AMOUNT
Deborah Russell Accountant	$70 X 450 HOURS	$31,500
2016/2017 Year End Audit		$14,000
$0	TOTAL	**$45,500**

FISCAL YEAR 2017/2018		
CODE 850	CLASSIFICATION:	Insurance
	2016/2017 Budget	$30,000
	Cumulative as of 2/28/2017	$27,607
ITEM		AMOUNT
Special District Risk Management/$5,000,000 (District General Liability, Auto Liability Property, Floater, Employee Blanket Bond, Error & Omissions, Flood Protection, Personal liability Board Members)		
Kensington Park/Property		
Police Liability Included		$30,000
$0	TOTAL	**$30,000**

FISCAL YEAR 2017/2018		
CODE 860	CLASSIFICATION:	Election
	2016/2017 Budget	$4,500
	Cumulative as of	$3,562
	2/28/2017	
ITEM		AMOUNT
Directors (0), etc.		$0
($4,500)	TOTAL	**$0**

FISCAL YEAR 2017/2018		
CODE 865	CLASSIFICATION:	Police Bldg Lease
	2016/2017 Budget	$1
	Cumulative as of 2/28/2017	$1
ITEM		AMOUNT
Lease to be renegotiated		$30,000
$29,999	Total	**$30,000**

FISCAL YEAR 2017/2018		
Code 870	CLASSIFICATION:	County Expenditures
	2016/2017 Budget	$22,300
	Cumulative as of	$8,273
	2/28/2017	
ITEM		AMOUNT
Property Tax Administration costs		
Senate Bill 2557 (Chapter 466 of 1990)		
$1,300,000 x 1.5%		$20,000
Miscellaneous		
Fees, Assessments, Interest,		
etc		$1,800
($500)	Total	**$21,800**

FISCAL YEAR 2017/2018			
		Franchise Fees	
CODE 890	CLASSIFICATION:	Waste/Recycle Expenses	
	2016/2017 Budget	$20,000	
	Cumulative as of 2/28/2017	$0	
ITEM		AMOUNT	
Garbage Related Expenses	Public Education, etc.	$0	
Legal Fees - Other		$0	
	Current Contract Expires 08/31/2023		
($20,000)	TOTAL	**$0**	

FISCAL YEAR 2017/2018		
CODE 898	CLASSIFICATION:	Miscellaneous Expenses - Board
	2016/2017 Budget	$17,200
	Cumulative as of 2/28/2017	$11,822
ITEM		AMOUNT
LAFCO		$1,550
Service Pins		$500
Seminars/Directors		$4,000
CSDA/CCSDA Membership		$6,200
Miscellaneous		$1,000
Annual Conference		$5,000
Governance Days		$500
$1,550	TOTAL	$18,750

FISCAL YEAR 2017/2018			
CODE 961	CLASSIFICATION:	Police Bldg. Improvements	
	2016/2017 Budget	$0	
	Cumulative as of	$0	
	2/28/2017		
ITEM		AMOUNT	
Final Year of Renovation Fees was 08/09		$0	
$0	TOTAL	**$0**	

CODE 962	CLASSIFICATION:	Patrol Cars
Former 506		
	2016/2017 Budget	$0
	Cumulative as of	$0
PATROL CAR PURCHASE/OUTFITTIN(	2/28/2017	
$0	TOTAL	**$0**

FISCAL YEAR 2017/2018			
CODE 963	CLASSIFICATION:	Patrol Car Accessories	
	2016/2017 Budget	$0	
	Cumulative as of 2/28/2017	$0	
ITEM		AMOUNT	
Five Mobile Data Computers (used)		$1,000	
$1,000	TOTAL	**$1,000**	

FISCAL YEAR 2017/2018		
CODE 965	CLASSIFICATION:	Personal Police
		Equipment-Asset
	2016/2017 Budget	$0
	Cumulative as of	
	2/28/2017	$13,547
ITEM		AMOUNT
$0	TOTAL	**$0**

FISCAL YEAR 2017/2018			
CODE 966	CLASSIFICATION:	Police Traffic Equipment	
	2016/2017 Budget	$0	
	Cumulative as of		
	2/28/2017	$8,550	
ITEM		AMOUNT	
$0	TOTAL	$0	

FISCAL YEAR 2017/2018		
CODE 967	CLASSIFICATION:	Station Equipment
Former 504		
	2016/2017 Budget	$6,100
	Cumulative as of	$6,005
	2/28/2017	
ITEM		AMOUNT
($6,100)	TOTAL	**$0**

FISCAL YEAR 2017/2018			
CODE 968	CLASSIFICATION:	Office Furn. & Equip.	
Former 504			
	2016/2017 Budget	$0	
	Cumulative as of 2/28/2017	$0	
ITEM		AMOUNT	
$0	TOTAL	$0	

FISCAL YEAR 2017/2018		
CODE 969	CLASSIFICATION:	Computer Equipment
Former 800		
	2016/2017 Budget	$3,650
	Cumulative as of	$2,170
	2/28/2017	
ITEM		AMOUNT
Chief of Police Computer Replacement		$1,500
@ RISK Modeling Software		$1,500
($650)	TOTAL	**$3,000**

FISCAL YEAR 2017/2018		
CODE 971	CLASSIFICATION:	Park Land
	2016/2017 Budget	$0
	Cumulative as of	$0
	2/28/2017	
ITEM		AMOUNT
$0	TOTAL	**$0**

FISCAL YEAR 2017/2018			
CODE 972	CLASSIFICATION:	Park Bldgs. Improvements	
	2016/2017 Budget	$100,000	
	Cumulative as of 2/28/2017	$0	
ITEM		AMOUNT	
Community Center ADA & Seismic Upgrades Start Up Costs		$250,000	
	Assuming $50,000 expected to be spent FY 16/17, committed funds balance available here is $168,045		
$150,000	TOTAL	**$250,000**	

FISCAL YEAR 2017/2018			
CODE 973	CLASSIFICATION	Park Construct Grant Exp	
	2016/2017 Budget	$0	
	Cumulative as of	$0	
	2/28/2017		
ITEM			
$0	Total	$0	

FISCAL YEAR 2017/2018			
CODE 974	CLASSIFICATION	Other Park Improvements	
	2016/2017 Budget	$7,500	
	Cumulative as of	$0	
	2/28/2017		
ITEM			
Replace/Add Play Equipment		$4,500	
($3,000)	Total	**$4,500**	

FISCAL YEAR 2017/2018		
CODE 978	CLASSIFICATION:	Park/Rec. Furniture & Equipment
Former 609		
	2016/2017 Budget	$21,000
	Cumulative as of	$34,450
	2/28/2017	
ITEM		AMOUNT
Garbage Can		$1,000
($20,000)	TOTAL	**$1,000**