



---

Date: May 11, 2023  
To: Board of Directors  
From: David Aranda, IGM  
Subject: Draft Fiscal Year 2024 Budget (July 2023-June 2024) and Approval to Publish a Notice of a Public Hearing on June 8, 2023

---

**Recommendation**

Ask questions about the Draft Fiscal Year 2024 Budget and then accept a motion, second and vote to approve placing the public hearing notice in the West County Times.

**Background**

The Community Services Government Code requires that the KPPCSD adopts a budget each fiscal year. Prior to that adoption a preliminary budget is presented to the Board and the Board is asked to vote to direct the General Manager to place a notice in a paper, The West County Times, announcing that a public hearing will be held at the June board meeting (June 8<sup>th</sup> for this year) prior to the Board adopting the budget for fiscal year 2024.

## **A NARRATIVE OVERVIEW OF THE FISCAL YEAR 2024 BUDGET**

**JULY 1, 2023- JUNE 30, 2024**

The draft budget that is being presented at the May 11, 2023 Board of Directors meeting is a result of hard work of our financial consultants from Eide Bailly, The Police Chief, and the General Manager with support from our Accounting Clerk.

The situation at KPPCSD in February 2023 was not ideal for the ability to prepare a budget for fiscal year 2024 but we have worked together to present the attached budget for discussion. Keep in mind that after this meeting an ad will be placed in the local paper noting a public hearing regarding the budget for June 8<sup>th</sup> and then the budget will hopefully be approved on that same date at the regular meeting on June 8<sup>th</sup>.

This narrative is a supplement to the budget as presented.

### **Revenue:**

Property taxes: The district relies heavily on property tax revenue to assist in police operations, park operations and administrative support. The dollar amount presented is based on actual revenue received with a slight increase projected.

Special Tax and Measure G supplemental tax consists of two voter approved revenue streams, restricted for police operations only. Measure G does have a cost of living increase based on the Bay Area consumer price index. So the dollar amounts presented are based on historical dollar amounts received with a slight bump in the Measure G revenue.

Police Fees/Services Charges are increased somewhat to reflect on the ability to handle various charges for services via credit card payment with the bank the District is doing business with. At the June meeting I expect to have an agenda item that addresses the fee structure with some increases from the existing fees.

SLEF Funding previously listed as COPS Grant is funding from the State and is dedicated to police operations. This fund continues to grow a bit each year and thus a slight increase in funds is reflected in the budget.

The POST reimbursement is simply travel money expended for training reimbursed by POST and thus placed in a revenue line item. In reality it somewhat offsets the training costs for police officers.

Park revenue includes the Lighting and Landscaping District that is a parcel tax and has a bit of growth each year based on the Bay Area consumer price index, which is reflected in the budgeted amount.

Other park revenues are based on rental of facilities and the agreement with the KCC.

The other revenue line item is the franchise fees of 7% from the solid waste provider based on a contract in place. Please note that the gross revenue is reduced by about half because the agreement requires the District pay 3% of the 7% to the County.

**EXPENSES:**

PAYROLL: The General Manager and the Chief of Police specifically did a line item of payroll for each employee. The budget reflects the following: 9 sworn officers, 1 part time non-sworn in the police budget. The parks department has a half time park administrator and a part time janitor. The administrative operations has a part time general manager, part time administrator and part time board clerk along with a 32 hour per week account clerk. There is no finance manager in the budget and the costs for overseeing the district finances will fall to an outside company.

Benefits for the police department were calculated by Karn using a spreadsheet to accurately record what each officer is receiving and Eide Bailly calculated the payroll taxes, Cal Pers retirement fund and the other costs associated with payroll burden.

Operating Expenses for Police, Parks and Administration was processed by the General Manager, Police Chief and Eide Bailly doing research for the various line items, consolidating some line items, determining the accuracy and reasons for past expenses in certain line items and then the three of us going line item by line item in discussing the basis for the dollar amounts you see for each line item in the budget.

The large line item of \$331,450 is the Pension Obligation Bond Payment.



# Kensington Police Protection and Community Services District

	FY 24 Proposed Budget Revenues	FY 24 Proposed Budget Expenses	FY 24 Proposed Budget Net Change	End of Year Transfers	Net FY 24 Year End
General Fund Revenues	\$ 2,504,900	\$ (595,600)	\$ 1,909,300	\$ (1,895,300)	\$ 14,000
Police Revenues	1,590,000	(3,304,900)	(1,714,900)	1,714,900	-
Parks Revenues	97,000	(277,400)	(180,400)	180,400	-
Waste Management Revenues	120,000	(120,000)	-	-	-
<i>Total Net Revenues</i>	\$ 4,311,900	\$ (4,297,900)	\$ 14,000	\$ -	\$ 14,000



**Kensington Police Protection & Community Services District**  
**FY 2023/24 Proposed Budget**  
**General**

Acct. #		A	B	C	D	\$ Budget Variance	% Budget Variance
		FY 22 Actual Results	FY 23 YTD May 2	FY 23 Adopted Budget	FY 24 Proposed Budget		
1	<b>REVENUE</b>						
2	401 Levy Tax- Co. Prop. 1%	\$ 2,164,908	\$ 2,307,844	\$ 2,201,900	\$ 2,400,000	198,100	9%
3	456 Interest-District	2,659	7,805	5,000	10,000	5,000	100%
4	458 Other District Revenue/Admin Fees	12,638	28,921	9,700	65,600	55,900	576%
5	480 Rental Revenue - KPFD	-	12,193	-	29,300	29,300	0%
6	<b>TOTAL REVENUE</b>	<b>2,180,204</b>	<b>2,356,763</b>	<b>2,216,600</b>	<b>2,504,900</b>	<b>288,300</b>	<b>12%</b>
7	<b>EXPENSE</b>						
8	<b>Salaries and Benefits</b>						
9	807 Salaries	314,424	302,396	384,200	259,400	(124,800)	-32%
10	808 Payroll Taxes	18,338	28,719	57,700	19,800	(37,900)	-66%
11	809 Benefits/ Unemployment	-	-	50,500	50,000	(500)	-1%
12	851 Workers Compensation	2,264	13,178	4,500	2,200	(2,300)	-51%
13	<b>Total Salaries &amp; Benefits</b>	<b>335,026</b>	<b>344,292</b>	<b>496,900</b>	<b>331,400</b>	<b>(165,500)</b>	<b>-33%</b>
14	<b>Operations &amp; Admin Expenses</b>						
15	815 Admin Communications	5,635	6,764	4,300	7,500	3,200	74%
16	816/817 Office Supplies	4,188	921	2,300	2,000	(300)	-13%
17	819 Dues/Subscriptions	10,545	9,396	10,600	11,000	400	4%
18	825 Board Continuing Ed/Conferences	(2,799)	282	5,500	8,000	2,500	45%
19	830 Legal (District/Personnel)	40,092	120,473	45,000	25,000	(20,000)	-44%
20	818/831 Training and Travel Admin	1,779	11,848	6,900	18,700	11,800	171%
21	835 Consulting	30,131	39,382	35,000	20,000	(15,000)	-43%
22	840 Accounting/Audit	113,631	157,465	75,000	95,000	20,000	27%
23	850 Insurance	31,893	37,560	31,900	45,000	13,100	41%
24	860 Election	-	7,630	7,500	-	(7,500)	-100%
25	861 LAFCO	1,661	1,505	2,100	2,000	(100)	-5%
26	870 County Expenditures	22,385	22,394	25,000	25,000	-	0%
27	891 COVID	1,243	-	-	-	-	0%
28	898 Other Expenses	16,132	25,965	1,000	5,000	4,000	400%
29	<b>Total Operations &amp; Admin Expenses</b>	<b>276,516</b>	<b>441,584</b>	<b>252,100</b>	<b>264,200</b>	<b>12,100</b>	<b>5%</b>
30	<b>TOTAL EXPENSE</b>	<b>611,542</b>	<b>785,876</b>	<b>749,000</b>	<b>595,600</b>	<b>(153,400)</b>	<b>-20%</b>
31	<b>NET REVENUE / (EXPENSE)</b>	<b>\$ 1,568,662</b>	<b>\$ 1,570,887</b>	<b>\$ 1,467,600</b>	<b>\$ 1,909,300</b>	<b>\$ 441,700</b>	<b>30%</b>



**Kensington Police Protection & Community Services District  
FY 2023/24 Proposed Budget  
Police**

Acct. #		A	B	C	D	\$	%
		FY 22 Actual Results	FY 23 YTD May 2	FY 23 Adopted Budget	FY 24 Proposed Budget		
1	<b>REVENUE</b>						
2	402 Special Tax-Police	685,470	685,470	720,000	720,000	-	0%
3	404 Measure G Supplemental Tax PD	620,988	651,974	652,300	660,000	7,700	1%
4	410 Police Fees/Service Charges	4,138	7,687	12,000	5,000	(7,000)	-58%
5	414 POST Reimbursement	2,212	9,352	125,000	10,000	(115,000)	-92%
6	415 SLESF	165,675	196,022	175,000	195,000	20,000	11%
7	418 Reimbursements/Refunds	4,133	68,061	6,000	-	(6,000)	-100%
8	<b>TOTAL REVENUE</b>	<b>1,482,616</b>	<b>1,618,567</b>	<b>1,690,300</b>	<b>1,590,000</b>	<b>(100,300)</b>	<b>-6%</b>
9	<b>EXPENSE</b>						
10	<b>Salaries and Benefits</b>						
11	502 Officers Salaries	855,565	789,509	1,114,883	1,141,400	26,517	2%
12	503.1 Holiday Pay	-	-	-	50,100	50,100	0%
13	503.2 Incentive Pay- BA Degree	-	-	-	3,400	3,400	0%
14	503.3 Incentive Pay- Master Degree	-	-	-	600	600	0%
15	503.4 Incentive Pay- Intermediate Certificate	-	-	-	18,400	18,400	0%
16	503.5 Incentive Pay- Advance Certificate	-	-	-	16,300	16,300	0%
17	506 Overtime	166,773	113,530	100,000	120,000	20,000	20%
18	508 Non-Sworn Salaries	31,008	50,586	68,100	53,900	(14,200)	-21%
19	509 Hiring Bonus	14,000	25,000	20,000	20,000	-	0%
20	510 Vacation Cash Out	-	-	-	20,600	20,600	0%
21	516 Uniform Allowance	7,693	7,576	-	10,800	10,800	0%
22	520 In Lieu Health Expense	-	4,750	-	500	500	0%
23	521-A Medical/Vision/Dental (Active)	104,579	118,468	172,700	183,700	11,000	6%
24	521-R Medical/Vision/Dental (Retired)	165,490	143,159	160,400	145,400	(15,000)	-9%
25	521-T Medical/Vision/Dental (Trust)	-	-	89,817	-	(89,817)	-100%
26	522 Officer Life Insurance	6,682	3,880	10,100	8,500	(1,600)	-16%
27	523 Social Security / Medicare	15,300	19,140	15,300	20,300	5,000	33%
28	524 Social Security / Medicare	10,666	2,944	11,600	4,100	(7,500)	-65%
29	527 CalPERS District Share	143,256	167,382	233,750	269,700	35,950	15%
30	528 CalPERS Officers Share	3,754	-	-	-	-	0%
31	529 Pension Obligation Bond Payment	-	249,697	331,450	330,900	(550)	0%
32	530 Workers Compensation	38,183	39,533	44,900	45,000	100	0%
33	531 Unemployment	-	-	-	52,000	52,000	0%
34	<b>Total Salaries &amp; Benefits</b>	<b>1,562,950</b>	<b>1,735,154</b>	<b>2,373,000</b>	<b>2,515,600</b>	<b>142,600</b>	<b>6%</b>
35	<b>Operations &amp; Admin Expenses</b>						
36	550 Police Operating Expenses - Other	-	750	-	-	-	0%
37	552/582/820 Office Supplies And Expenses	20,176	11,058	19,900	21,400	1,500	8%
38	553 Police Equipment And Supplies	20,249	20,377	28,500	30,000	1,500	5%
39	554 Traffic Safety	2,850	1,902	32,000	25,000	(7,000)	-22%
40	560 Crossing Guard	18,614	16,910	17,800	-	(17,800)	-100%
41	561 Fleet Expense	24,654	42,111	91,500	17,000	(74,500)	-81%
42	562 Vehicle Operation	23,341	2,926	-	30,000	30,000	0%
43	563 Vehicle Lease	2,523	38,296	21,478	86,500	65,022	303%
44	564/596/810 IT and Communications	178,212	223,137	221,100	160,000	(61,100)	-28%
45	566 Radio Maintenance	9,720	-	-	37,800	37,800	0%
46	567 Alarm	1,047	-	-	4,000	4,000	0%
47	568 Evidence	1,095	22,395	6,000	7,500	1,500	25%
48	570 Training And Travel Exp	11,936	9,397	25,000	30,000	5,000	20%
49	571 Records	5,008	-	6,000	38,800	32,800	547%
50	572 Hiring	29,267	8,308	20,000	25,000	5,000	25%
51	576 Dues And Subscriptions	6,024	5,032	5,000	7,000	2,000	40%
52	578 POST - Reimburse	3,640	-	-	-	-	0%
53	597.2/580 Utilities - Police	9,219	7,114	13,500	27,000	13,500	100%
54	581 Building Repairs and Maintenance	1,870	-	-	10,000	10,000	0%
55	587 Information Technology	28,197	-	-	43,300	43,300	0%
56	588 Telephone	42,667	18,405	30,300	10,000	(20,300)	-67%
57	591 General Liability Insurance	31,893	40,177	42,100	55,000	12,900	31%
58	592 Printing and Publications	4,531	42	9,200	5,000	(4,200)	-46%
59	574/593 Volunteer Programs	597	235	6,000	7,500	1,500	25%
60	594 Community Events	200	1,107	5,000	7,500	2,500	50%
61	595 Professional Services	9,531	30,149	9,000	9,000	-	0%
62	597 Police Building Lease	39,653	53,298	48,000	66,000	18,000	38%
63	597.1 Building Maintenance and Repair	-	2,977	3,500	10,000	6,500	186%
64	590/597.3 Janitorial	5,912	3,194	7,200	14,000	6,800	94%
65	599 Police Taxes Administration	4,159	1,049	5,500	5,000	(500)	-9%
66	<b>Total Operations &amp; Admin Expenses</b>	<b>536,785</b>	<b>560,347</b>	<b>673,578</b>	<b>789,300</b>	<b>115,722</b>	<b>17%</b>
67	<b>TOTAL EXPENSE</b>	<b>2,099,736</b>	<b>2,295,501</b>	<b>3,046,578</b>	<b>3,304,900</b>	<b>258,322</b>	<b>8%</b>
68	<b>NET REVENUE/EXPENSE (Before Capital)</b>	<b>\$ (617,120)</b>	<b>\$ (676,934)</b>	<b>\$ (1,356,278)</b>	<b>\$ (1,714,900)</b>	<b>\$ (358,622)</b>	<b>26%</b>
69	<b>Capital Expenses</b>						
70	963 Patrol Car Accessories	607	2,814	15,000	-	(15,000)	-100%
71	967 Station Equipment	622	49,579	50,000	-	(50,000)	-100%
72	968 Office Furn/Eq	462	18,647	50,000	-	(50,000)	-100%
73	969 Computer Equipment	17,380	20,756	25,000	-	(25,000)	-100%
74	970 Upgrade Phone System	-	10,214	25,000	-	(25,000)	-100%
75	<b>TOTAL CAPITAL EXPENSE</b>	<b>19,070</b>	<b>102,009</b>	<b>165,000</b>	<b>-</b>	<b>(165,000)</b>	<b>-100%</b>
76	<b>NET REVENUE/EXPENSE (After Capital)</b>	<b>\$ (636,190)</b>	<b>\$ (778,943)</b>	<b>\$ (1,521,278)</b>	<b>\$ (1,714,900)</b>	<b>\$ (193,622)</b>	<b>13%</b>



**Kensington Police Protection & Community Services District**  
**FY 2023/24 Proposed Budget**  
**Parks**

Acct. #		A	B	C	D	\$	%
		FY 22 Actual Results	FY 23 YTD May 2	FY 23 Adopted Budget	FY 24 Proposed Budget		
1	<b>REVENUE</b>						
2	405 Measure W Park Grant	\$ 158,358	\$ -	\$ -	\$ -	-	0%
3	423 Misc Tax-Park/Rec	15	-	-	-	-	0%
4	424 Special Tax-L&L Parks	42,164	44,359	44,400	46,000	1,600	4%
5	427 Community Center Revenue	31,768	34,277	57,700	50,000	(7,700)	-13%
6	438 Tennis Court Revenue	1,424	991	1,500	1,000	(500)	-33%
7	439 Other Community Center Revenue	-	456	15,000	-	(15,000)	-100%
8	<b>TOTAL REVENUE</b>	<b>233,729</b>	<b>80,082</b>	<b>118,600</b>	<b>97,000</b>	<b>(21,600)</b>	<b>-22%</b>
9	<b>EXPENSE</b>						
10	<b>Salaries and Benefits</b>						
11	601 Parks & Rec Salaries	-	26,190	41,500	86,000	44,500	107%
12	623 Social Security / Medicare	-	-	10,800	6,600	(4,200)	-39%
13	<b>Total Salaries &amp; Benefits</b>	<b>-</b>	<b>26,190</b>	<b>52,300</b>	<b>92,600</b>	<b>40,300</b>	<b>77%</b>
14	<b>Operations &amp; Admin Expenses</b>						
15	602 Custodial/Cleaning Services	2,550	9,100	45,000	12,000	(33,000)	-73%
16	640 Community Center Expenses - Other	-	-	-	-	-	0%
17	641 General Maintenance	2,500	24,000	3,000	2,500	(500)	-17%
18	642 Utilities-Community Center	17,848	11,455	19,500	13,000	(6,500)	-33%
19	643 Janitorial Supplies	350	1,297	1,200	1,500	300	25%
20	644/653 Landscaping	75,805	40,040	68,000	30,000	(38,000)	-56%
21	645 Workers Compensation	8,253	9,390	3,500	3,300	(200)	-6%
22	646 Community Center Repairs	5,083	5,104	7,500	10,000	2,500	33%
23	647 Legal/Consulting	-	4,518	10,000	-	(10,000)	-100%
24	651/652 General Maintenance and Repairs	44,367	37,692	47,400	30,000	(17,400)	-37%
25	656 Utilities	7,660	9,015	2,400	-	(2,400)	-100%
26	657 General Liability	7,973	9,390	9,600	12,000	2,400	25%
27	658 Levy Administration	8,155	9,249	9,500	10,000	500	5%
28	659 Other Park Expenses	3	-	500	-	(500)	-100%
29	665 Annex General Maintenance	160	-	-	-	-	0%
30	674 Tennis Court Maint/Repair	-	-	500	-	(500)	-100%
31	678 Misc Park/Rec Expense	3,040	-	-	-	-	0%
32	<b>Total Operations &amp; Admin Expenses</b>	<b>183,747</b>	<b>170,251</b>	<b>227,600</b>	<b>124,300</b>	<b>(103,300)</b>	<b>-45%</b>
33	975 Community Center Loan Repayment	7,872	-	30,600	30,500	(100)	0%
34	<b>TOTAL EXPENSE</b>	<b>191,619</b>	<b>196,441</b>	<b>310,500</b>	<b>247,400</b>	<b>(63,100)</b>	<b>-20%</b>
35	<b>NET REVENUE/EXPENSE (Before Capital)</b>	<b>\$ 42,110</b>	<b>\$ (116,358)</b>	<b>\$ (191,900)</b>	<b>\$ (150,400)</b>	<b>\$ 41,500</b>	<b>-22%</b>
36	<b>Capital Expenses</b>						
37	978 Pk/Rec Furn/Eq	-	21,521	25,000	-	(25,000)	-100%
38	983 Building Temporary Relocation	-	108,788	100,000	-	(100,000)	-100%
39	974 Other Park Improvements	26,806	41,765	25,000	30,000	5,000	20%
40	<b>TOTAL CAPITAL EXPENSE</b>	<b>26,806</b>	<b>172,074</b>	<b>150,000</b>	<b>30,000</b>	<b>(120,000)</b>	<b>-80%</b>
41	<b>NET REVENUE/EXPENSE (After Capital)</b>	<b>\$ 15,304</b>	<b>\$ (288,432)</b>	<b>\$ (341,900)</b>	<b>\$ (180,400)</b>	<b>\$ 161,500</b>	<b>-47%</b>



**Kensington Police Protection & Community Services District**  
**FY 2023/24 Proposed Budget**  
**Waste Management**

Acct. #		A	B	C	D	\$ Budget Variance	% Budget Variance
		FY 22 Actual Results	FY 23 YTD May 2	FY 23 Adopted Budget	FY 24 Proposed Budget		
1	<b>REVENUE</b>						
2	448 Franchise Fees	\$ 66,551	\$ 80,376	\$ 171,857	\$ 120,000	(51,857)	-30%
3	<b>TOTAL REVENUE</b>	<b>66,551</b>	<b>80,376</b>	<b>171,857</b>	<b>120,000</b>	<b>(51,857)</b>	<b>-43%</b>
4	<b>EXPENSE</b>						
5	<b>Operations &amp; Admin Expenses</b>						
6	751 Waste Removal Franchise Fee Exp	-	18,068	47,300	51,400	4,100	9%
7	752 Waste Management Program Admin	-	-	3,000	65,560	62,560	2085%
8	753 Other Waste Management Exp	-	-	500	3,040	2,540	508%
9	890 Waste/Recycle	-	510	-	-	-	0%
10	<b>Total Operations &amp; Admin Expenses</b>	<b>-</b>	<b>18,578</b>	<b>50,800</b>	<b>120,000</b>	<b>69,200</b>	<b>136%</b>
11	<b>TOTAL EXPENSE</b>	<b>-</b>	<b>18,578</b>	<b>50,800</b>	<b>120,000</b>	<b>69,200</b>	<b>136%</b>
12	<b>NET REVENUE / (EXPENSE)</b>	<b>\$ 66,551</b>	<b>\$ 61,799</b>	<b>\$ 121,057</b>	<b>\$ -</b>	<b>\$ (121,057)</b>	<b>-100%</b>



# POLICE DEPARTMENT

Mike Gancasz, Chief of Police



## MEMORANDUM

**DATE:** April 26, 2023

**TO:** D. Aranda, Interim General Manager  
Cindy Byerrum, MPA, CPA Partner Government  
Advisory Services Eide Bailly LLP

**FROM:** M. Gancasz, Chief of Police

**SUBJECT:** Recommended Line-Item Changes to Budget

I recommend the following adjustments to the Line-Items listed in **Red** be made to the Kensington Police Expense Column. Some need the title changed and others I recommend be deleted entirely because they were consolidated elsewhere.

Change Title or Remove	What is happening with the account/what's included
564 · is now - Annual Law Enforcement Tec/Comm/County Contracts	Police Dispatch W/Albany/County Accounts/Axon/Annual Cal-ID-Aries-Critical Reach/Action Network/
574 · Reserve Officers	Reserve Officers - Delete Combined with Volunteers
578 · POST - Reimburse	POST - Reimburse - Recommend Add to Revenue This is not an Expense? (We discussed during today's meeting)
582 · Expendable Office Supplies	Expendable Office Supplies - Remove
588 · is now - InTime Scheduling & Payroll Bridge	InTime Scheduling \$3100 annually + anticipated software upgrade of one time \$10,000 plus additional annual fees undetermined. <b>Telephone was moved to Line Item 580</b>
590 · Janitorial	Police Department Janitorial Contract - Moved To District Responsibility (I might be mistaken)
592 · is now - Online Services/Business Accounts/Publications	Online/Cloud Accounts/Nixle/Facebook/Instagram/Opti sign/Amazon/Costco/Annual Subscriptions/Tickets/Police forms
596 · CAL I.D.	Remove - Combined into 564

# SPECIAL DISTRICT OF KENSINGTON

