

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

AGENDA

A Regular Meeting of the Board of Directors of the Kensington Police Protection and Community Services District will be held Thursday, November 11, 2010, at **6:00 P.M.**, at the Community Center, 59 Arlington Avenue, Kensington, California. The Board will enter into closed session pursuant to California Government Code Section 54957.6, to discuss labor negotiations with the Kensington Police Officer Association.

Note: All proceedings of this meeting will be tape recorded and ***please note the earlier start time.***

Roll Call
Public Comments
Board Member/ Staff Comments

CLOSED SESSION

1. Pursuant to California Government Code Section 54957.6, the Board will enter into closed session to discuss the following:

Conference with Labor Negotiators
Agency Representatives: Chuck Toombs and Bill Wright
Employee Organization: Kensington Police Officer Association

Possible Board Action.

OPEN SESSION

APPROVAL OF CONSENT CALENDAR

- a) Minutes of the Special Meeting October 7, 2010, Page
- b) Minutes of the Regular Meeting October 14, 2010, Page
- c) Profit & Loss Budget Performance for October 2010, Page
- d) Variance Report October 2010, Page
- e) Board Member Reports-None
- f) Correspondence, Page
- g) Police Department Update, Page
- h) Monthly Calendar, Page
- i) Recreation Report , Page
- j) General Manager Update, Page

DISTRICT – OLD BUSINESS

1. General Manager Greg Harman will provide the Board an update to the Kensington Park Restroom project.
2. Steven Chang, of Lamorena & Chang, will present to the Board for possible approval the Fiscal Year 2008/2009 Kensington Police Protection & Community Services District Financial Audit. Board Action. Page

DISTRICT - NEW BUSINESS

1. General Manager/ Chief of Police Greg Harman will present commendations to Detective Keith Barrow and Officer Juan Ramos.
2. General Manager/ Chief of Police Greg Harman will swear in Reserve Officers Christopher Turner, Christopher Armanino, and Theodore Foley.
3. General Manager Greg Harman will update the Board on Bay View's request for a one time surcharge to cover costs for extraordinary events that occurred this year and have affected their profit margin. Board Action.
4. The Board will discuss release of the Kensington Police Officers Salary Compensation Survey and related documents. Board Action
5. General Manager Greg Harman will ask the Board to discuss the possibility of considering a landscaping study to improve the lighting and security in the park. Board Action.

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 AUXILARY AID OR SERVICE AT LEAST 10 DAYS BEFORE THE MEETING. REQUESTS SHOULD BE SENT TO:

District General Manager Greg Harman will present to the Board for review and possible approval General Manager Gregory E. Haman, 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.

KENSINGTON POLICE PROTECTION & COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS

Meeting Minutes for 10/07/2010

AGENDA

A Special meeting of the Board of Directors of the Kensington Police Protection and Community Services District was held Thursday, October 7, 2010, 7:00 PM, at the Community Center, 59 Arlington Avenue, Kensington, California.

The board entered into Open Session at 7:00 PM

ATTENDEES

Elected Members	Guests/Presenters:	
Charles Toombs, President	Lynn Wolter	
John Stein, Vice President	Joan Gallegos	
Cathie Kosel, Director	Paul Dorroh	
Patricia M. McLaughlin, Director	Linda Lipscomb	
Bill Wright Director	Tony Lloyd	
Staff Members		
Gregory E. Harman, General Manager/ Chief of Police		

ANNOUNCEMENTS: None

PUBLIC COMMENTS-None

BOARD COMMENTS-None

STAFF COMMENTS-None

CONSENT CALENDAR-NA

The Board entered into closed session at 7:05 PM to discuss the following: Pursuant to California Government Code Section 54957.6

Conference with Labor Negotiators

Agency Designated Representatives: Chuck Toombs and Bill Wright

Employee Organization: Kensington Police Officers Association.

KENSINGTON POLICE PROTECTION & COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS

The Board returned to open session at 9:50 PM.

Board President Toombs announced that during the closed session, the Board developed a consensus to what they are proposed to offer as a contract to the Kensington Police Officers Association.

The Board moves to adjourn the meeting at 9:51 PM

KENSINGTON POLICE PROTECTION & COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS

Meeting Minutes for 10/14/2010

AGENDA

A Regular meeting of the Board of Directors of the Kensington Police Protection and Community Services District was held Thursday, October 14, 2010, 6:30 PM, at the Community Center, 59 Arlington Avenue, Kensington, California.

The board entered into Open Session at 6:30 PM.

ATTENDEES

Elected Members	Guests/Presenters:	
Charles Toombs, President	Lynn Wolter	Gloria Morrison
John Stein, Vice President	Joan Gallegos	Nicki Kaiser
Cathie Kosel, Director	Joel Koosed	Sergeant Rickey Hull
Patricia M. McLaughlin, Director	Detective Keith Barrow	Ciara Wood
Bill Wright, Director	Tony Lloyd	Officer Kevin Hui
	Linda Lipscomb	Vida Dorroh
	Kim Zvik	Mark Choi
Staff Members	Elena Caruthers	Mari Metcalf
	Anthony Knight	Bill Stanton
Gregory E. Harman, General Manager/ Chief of Police	Unidentified Male, "Peter"	Unidentified Female

ANNOUNCEMENTS: None

PUBLIC COMMENTS

Joan Gallegos reminded the Board the there should be no recording of the Board's closed session.

Nicki Kaiser stated she attended the Fire Board meeting and learned that there could be funding for fire abatement for removal of trees overhanging residences.

Gloria Morrison stated that in Director Kosel's letter to the editor in the recent Outlook, Director Kosel indicated that our officers make \$50,000 more in salary and benefits than other agencies. Gloria indicated that she is on the Finance Committee and asked Director Kosel where she got this information.

Director Kosel responded that most cities and counties have their salaries on their websites and that the Board is in possession of data of comparable cities.

President Toombs then stated that total compensation information should not be negotiated in public.

KENSINGTON POLICE PROTECTION & COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Nicki Kaiser stated that negotiations should not take place in the press and that Board members are making strong comments in the paper that can not be backed up.

Vida Dorroh stated that she has a copy of comparable cities that she took off of various websites and would provide copies to those who wished one.

BOARD COMMENTS

Director Kosel stated that she thought it was remarkable that people think board members should be muzzled.

President Toombs stated that he believed the public comments are good.

STAFF COMMENTS- None

At 6:50 PM the board entered into closed session Pursuant to California Government Code Section 54957.6, to discuss the following:

Conference with Labor Negotiators
Agency Representatives: Chuck Toombs and Bill Wright
Employee Organization: Kensington Police Officer Association

At 7:15 PM, the board returned to open session.

President Toombs announced that the board agreed to return to speak with the Kensington Police Officers Association to continue negotiations.

CONSENT CALENDAR

President Toombs pulls items B and F from the Consent Calendar.

Item B- September Unaudited Profit & Loss Statement;

Director Wright asks that the yearly budgeted figures for Account 521 Police Medical be added to the Profit & Loss statement.

Item F- Police Department Update;

Director Kosel asks Chief Harman how many residents participated in the Key and Vacation Watch Programs?

Chief Harman replies that there are over 600 residents in the Key Program but it would be hard to determine how many residents participate in the Vacation Watch Program.

Joan Gallegos then reminds President Toombs that the next Board meeting scheduled for November 11th falls on the Veteran's Day Holiday. Following a brief Board discussion, the Board agrees to keep the scheduled meeting date.

KENSINGTON POLICE PROTECTION & COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS

President Toombs moves to have the Consent Calendar approved, second by Director Stein.

MOTION: The Board moves to adopt the Consent Calendar.

AYES: Toombs, Kosel, McLaughlin, Stein, Wright

NOES: 0

ABSENT: 0

OLD BUSINESS #1 - General Manager Greg Harman will provide the Board an update to the Kensington Park Restroom project.

Following General Manager Greg Harman's update on the restroom project, the Board took no action.

*** Note that the actual recording of the meeting starts now due to recording malfunction.**

NEW BUSINESS #1 - General Manager Greg Harman will present to the Board for possible approval the Fiscal Year 2008/2009 Kensington Police Protection & Community Services District Financial Audit prepared by Steven Chang. Board Action.

BOARD COMMENTS

Director McLaughlin asks for clarification on the listed \$324,456 on page 51 of 80 of the agenda packet. Following a brief discussion, Director McLaughlin indicated that she understood the entry.

Director Stein stated that future audits should be presented by the auditor.

Director Wright stated that the Finance Committee met to review the audit and recommended bringing it to the Board. He stated however the overtime issue was not discussed by the Finance Committee and that he met separately with GM Harman to discuss it.

PUBLIC COMMENTS

Gloria Morrison asks GM Harman if the excessive payout for overtime was \$39,000 or \$3,900.

GM Harman responded that it was \$3,900.

MOTION: Made by Director Stein to have the 2008/2009 Audit presented by the auditor. Second by McLaughlin. Passes 5 to 0.

AYES: Toombs, McLaughlin, Stein, Kosel, Wright

NOES: 0

ABSENT: 0

NEW BUSINESS #2 - General Manager Greg Harman will request that the Board authorize him to enter into a contract with HF&H Consultants to review the financial reports provided by Bay View Refuse in response to Bay View's request for a one time surcharge to cover costs for extraordinary events that occurred this year and have affected their profit margin. General Manager Greg Harman will also request that the Board set a Proposition 218 hearing date for December 9, 2010 to review the Bay View request for a supplemental surcharge. Board Action.

KENSINGTON POLICE PROTECTION & COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS

GM Harman provides the board with background information on the item.

BOARD COMMENTS

Director Wright asks if GM Harman was asking if he should be directed by the board to continue working with our attorney and Bay View, and GM Harman responds yes.

Director Kosel states she has some background in this issue regarding Mr. Figone, who has indicated people have switched from the 35 gallon can to the mini can causing him to lose revenue. She then questions the rate process and GM Harman explains the contract and clarifies what Bay View is claiming extraordinary events are versus what the contract defines. Director Kosel then states she wants to give some information regarding rates in other cities.

Director McLaughlin asks what defines extraordinary events.

Director Stein asks GM Harman what you are asking the board to do in regards to this item, continue discussions. GM Harman states yes.

President Toombs states that Mari Metcalf passes a piece of paper to Director Kosel and wonders what the source of that document was. He further states that he views this in the same way as the police contract, needing the proper documents to make an informed decision.

PUBLIC COMMENTS

Nicki Kaiser asks the Board if as going to hire a consultant to see if our rates are low and that we are paying less than other towns.

Bill Stanton asks why Director Kosel's document regarding other cities rates was questioned.

The Board took No Action on New Business Item #2

NEW BUSINESS #3 - General Manager Greg Harman will request that the Board authorize him to enter into a contract with Nicolay Consulting Group to complete an actuarial valuation of the postemployment healthcare program provided by the Kensington Police Protection & Community Services District for Fiscal Years beginning July 1, 2010 and July 1, 2011. Board Action.

GM Harman provides the board with background information on the item.

BOARD COMMENTS

Director Wright states that he believes it would be a good idea to bring in a new firm to complete the actuarial in order to get a second opinion.

Director Stein states that if GM Harman could provide him with a listing of the approved CalPERS actuaries, he could review them with members of his firm and make a recommendation as to what firms we should look into using.

KENSINGTON POLICE PROTECTION & COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS

President Toombs asks the Board why the need for a second opinion. There was a brief board discussion on the merits of the second opinion.

Director McLaughlin states she believes that any actuarial figures will change anyway due to the numbers will change because the officers change and rates on return of investments change, no matter who does the actuarial.

PUBLIC COMMENTS

Mari Metcalf states that it is responsible to ask CalPERS for a waiver of the second actuarial right after completing this year's due to the size of our community.

Linda Lipscomb tells the board to do the actuarial and not ask for the waiver from CalPERS.

MOTION: Made by Director McLaughlin to not approve the Nicolay contract and for GM Harman to work with Director Stein in locating a new actuary. If the fees for service from the new actuary are under \$5,000, then the GM can sign the agreement. Passes 5 to 0.

AYES: Toombs, Kosel, McLaughlin, Stein, Wright

NOES: 0

ABSENT: 0

NEW BUSINESS #4 - General Manager Greg Harman will request that the Board authorize him to enter into a contract with Local Government Consultants to file with the State of California claims resulting from the KPPCSD having held public meetings under the provisions of Senate Bill 90. Board Action.

GM Harman provides the board with background information on the item. During the presentation the board asked several questions that GM Harman responds to. Director McLaughlin states that the District has received this reimbursement from the state in the past.

PUBLIC COMMENTS

Peter (Unknown Last Name) from Norwood Avenue states he thinks that the District can complete the documents itself.

Kim Zvik states you should only pay the consultant half of his fee now and half when the District collects its reimbursement.

Nicki Kaiser states that she finds that there are a lot of consultants at conferences that are shames and that she would recommend that the board only pay the consultant 10% up front.

MOTION: Made by Director McLaughlin and seconded by President Toombs to direct GM Harman to check references and see if we can get a better deal from Local Government Consultants. Motion passes 5 to 0.

AYES: Toombs, Kosel, McLaughlin, Stein, Wright

NOES: 0

ABSENT: 0

**KENSINGTON POLICE PROTECTION & COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS**

The board moves to adjourn the meeting at 10:00 PM.

KPPCSD
Unaudited Profit & Loss Budget Performance
October 2010

	Oct 10	Budget	Jul - Oct 10	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
400 · Police Activities Revenue					
401 · Levy Tax	0.00		1,185,827.92	1,234,000.00	1,234,000.00
402 · Special Tax-Police	0.00	680,130.00	1,085,701.40	680,130.00	680,130.00
404 · Measure G Supplemental Tax Rev	0.00	405,720.00	0.00	405,720.00	405,720.00
410 · Police Fees/Service Charges	195.00	166.67	365.00	666.64	2,000.00
415 · Grants-Police	0.00		13,974.46		
416 · Interest-Police	0.00	1,500.00	0.00	1,500.00	6,000.00
418 · Misc Police Income	1,642.77	1,000.00	4,066.57	4,000.00	12,000.00
419 · Supplemental W/C Reimb (4850)	15,787.04		15,787.04		
Total 400 · Police Activities Revenue	17,624.81	1,088,516.67	2,305,722.39	2,326,016.64	2,339,850.00
420 · Park/Rec Activities Revenue					
421 · Levy Tax-Park/Rec	0.00		31,127.64		
424 · Special Tax-L&L	0.00	30,000.00	0.00	30,000.00	30,000.00
426 · Park Donations	0.00	41.67	0.00	166.68	500.00
427 · Community Center Revenue	1,400.00	1,666.67	2,596.00	6,666.64	20,000.00
428 · Building E Revenue	0.00		6,000.00		
435 · Grants-Park/Rec	0.00	8,500.00	0.00	34,000.00	102,000.00
436 · Interest-Park/Rec	0.00	75.00	0.00	75.00	300.00
438 · Misc Park/Rec Rev	150.00	83.33	330.00	333.36	1,000.00
Total 420 · Park/Rec Activities Revenue	1,550.00	40,366.67	40,053.64	71,241.68	153,800.00
440 · District Activities Revenue					
448 · Franchise Fees	6,576.73	7,000.00	6,576.73	7,000.00	21,000.00
456 · Interest-District	0.00	200.00	0.00	200.00	800.00
Total 440 · District Activities Revenue	6,576.73	7,200.00	6,576.73	7,200.00	21,800.00
Total Income	25,751.54	1,136,083.34	2,352,352.76	2,404,458.32	2,515,450.00

KPPCSD
Unaudited Profit & Loss Budget Performance
October 2010

Expense	Oct 10	Budget	Jul - Oct 10	YTD Budget	Annual Budget
500 · Police Sal & Ben					
502 · Salary - Officers	76,383.40	75,581.50	303,473.10	302,326.00	906,978.00
504 · Compensated Absences	0.00	0.00	0.00	0.00	10,000.00
506 · Overtime	1,121.86	3,333.33	4,209.02	13,333.32	40,000.00
508 · Salary - Non-Sworn	976.08	4,333.33	9,667.82	17,333.32	52,000.00
516 · Uniform Allowance	666.60	666.67	2,666.40	2,666.68	8,000.00
518 · Safety Equipment	0.00	208.33	0.00	833.32	2,500.00
521-A · Medical/Vision/Dental-Active	11,272.16	32,677.75	61,842.71	130,711.00	392,133.00
521-R · Medical/Vision/Dental-Retired	11,060.35	0.00	272,933.89	0.00	0.00
522 · Insurance - Police	657.31	1,016.67	1,728.64	4,066.68	12,200.00
523 · Social Security/Medicare	1,039.50	1,228.83	4,128.44	4,915.32	14,746.00
524 · Social Security - District	115.37	268.67	654.25	1,074.68	3,224.00
527 · PERS - District Portion	21,515.48	21,349.50	85,486.55	85,398.00	256,194.00
528 · PERS - Officers Portion	6,934.48	6,862.33	27,552.50	27,449.32	82,348.00
530 · Workers Comp	0.00		10,775.00	11,670.50	46,682.00
Total 500 · Police Sal & Ben	131,742.59	147,526.91	785,118.32	601,778.14	1,827,005.00
550 · Other Police Expenses					
552 · Expendable Police Supplies	247.94	166.67	429.87	666.68	2,000.00
553 · Range/Ammunition Supplies	447.07	333.33	2,047.55	1,333.32	4,000.00
560 · Crossing Guard	1,069.60	802.17	1,764.84	3,208.68	9,626.00
562 · Vehicle Operation	2,758.79	3,125.00	12,716.94	12,500.00	37,500.00
564 · Communications (RPD)	17,347.27	11,386.67	37,110.83	45,546.68	136,640.00
566 · Radio Maintenance	0.00	366.67	0.00	1,466.68	4,400.00
568 · Prisoner/Case Exp./Booking	588.00	416.67	1,878.73	1,666.68	5,000.00
570 · Training	1,298.26	1,000.00	3,300.11	4,000.00	12,000.00
572 · Recruiting	1,270.00	637.50	3,970.00	2,550.00	7,650.00

KPPCSD

Unaudited Profit & Loss Budget Performance

October 2010

	Oct 10	Budget	Jul - Oct 10	YTD Budget	Annual Budget
574 · Reserve Officers	0.00	666.67	76.00	2,666.68	8,000.00
576 · Misc. Meals & Travel	850.00	275.00	1,800.00	1,100.00	3,300.00
580 · Utilities - Police	839.45	666.67	3,166.58	2,666.64	8,000.00
581 · Bldg Repairs/Maint.	225.00	83.33	225.00	333.36	1,000.00
582 · Expendable Office Supplies	62.44	500.00	704.17	2,000.00	6,000.00
588 · Telephone(±Rich. Line)	837.92	920.67	3,419.58	3,682.64	11,048.00
590 · Housekeeping	673.81	416.67	1,660.73	1,666.64	5,000.00
592 · Publications	63.00	250.00	63.00	1,000.00	3,000.00
594 · Community Policing	0.00	416.67	1,116.53	1,666.68	5,000.00
596 · WEST-NET/CAL I.D.	0.00		12,656.00	12,472.00	12,472.00
598 · COPS Special Fund	663.60		701.62		
550 · Other Police Expenses - Other	42.85		825.75		
Total 550 · Other Police Expenses	29,285.00	22,430.36	89,633.83	102,193.36	281,636.00
600 · Park/Rec Sal & Ben					
601 · Park & Rec Administrator	221.13	541.67	1,072.88	2,166.68	6,500.00
602 · Custodian	1,750.00	2,000.00	7,000.00	8,000.00	24,000.00
623 · Social Security/Medicare - Dist	0.00	41.42	65.17	165.68	497.00
Total 600 · Park/Rec Sal & Ben	1,971.13	2,583.09	8,138.05	10,332.36	30,997.00
635 · Park/Recreation Expenses					
640 · Community Center Expenses					
642 · Utilities-Community Center	0.00	396.33	653.27	1,585.32	4,756.00
643 · Janitorial Supplies	0.00	1,500.00	0.00	1,500.00	1,500.00
646 · Community Center Repairs	212.44	83.33	336.63	333.32	1,000.00
Total 640 · Community Center Expenses	212.44	1,979.66	989.90	3,418.64	7,256.00
660 · Annex Expenses					
662 · Utilities - Annex	105.19	41.67	181.65	166.64	500.00

Unaudited Profit & Loss Budget Performance
October 2010

	Oct 10	Budget	Jul - Oct 10	YTD Budget	Annual Budget
668 · Misc Annex Expenses	0.00	41.67	0.00	166.68	500.00
Total 660 · Annex Expenses	105.19	83.34	181.65	333.32	1,000.00
670 · Gardening Supplies	0.00	166.67	0.00	666.64	2,000.00
672 · Kensington Park O&M	2,702.92	5,133.33	17,239.60	20,533.36	61,600.00
678 · Misc Park/Rec Expense	155.00	166.67	218.82	666.64	2,000.00
Total 635 · Park/Recreation Expenses	3,175.55	7,529.67	18,629.97	25,618.60	73,856.00
800 · District Expenses					
810 · Computer Maintenance	1,357.00	2,502.83	21,273.00	10,011.36	30,034.00
820 · Cannon Copier Contract	359.78	430.00	1,657.42	1,720.00	5,160.00
830 · Legal (District/Personnel)	0.00	4,166.67	21,789.04	16,666.64	50,000.00
835 · Consulting	3,570.00	400.00	4,140.00	1,000.00	4,000.00
840 · Accounting	3,765.00	2,150.00	18,200.00	8,600.00	25,800.00
850 · Insurance	26,838.51		26,838.51	30,000.00	30,000.00
860 · Election	0.00	1,000.00	0.00	4,000.00	12,000.00
865 · Police Bldg. Lease	0.00		0.00		28,840.00
870 · County Expenditures	0.00	1,658.33	1,440.30	6,633.36	19,900.00
890 · Waste/Recycle	0.00	208.33	1,242.00	833.36	2,500.00
898 · Misc. Expenses/Lobbyist	0.00	787.50	210.73	3,150.00	9,450.00
Total 800 · District Expenses	35,890.29	13,303.66	96,791.00	82,614.72	217,684.00
950 · Capital Outlay					
962 · Patrol Cars	0.00	30,000.00	0.00	30,000.00	30,000.00
972 · Park Buildings Improvement	0.00	10,000.00	336.35	10,000.00	150,000.00
Total 950 · Capital Outlay	0.00	40,000.00	336.35	40,000.00	180,000.00
Total Expense	202,064.56	233,373.69	998,647.52	862,537.18	2,611,178.00
Net Ordinary Income	-176,313.02	902,709.65	1,353,705.24	1,541,921.14	-95,728.00

KPPCSD
 Unaudited Profit & Loss Budget Performance
 October 2010

	Oct 10	Budget	Jul - Oct 10	YTD Budget	Annual Budget
Other Income/Expense					
Other Expense					
700 · Bond Issue Expenses					
701 · Bond Proceeds	0.00		-177,900.66		
710 · Bond Admin.	0.00		2,182.21		
720 · Bond Principal	0.00		105,422.05		
730 · Bond Interest	0.00		30,111.42		
Total 700 · Bond Issue Expenses	<u>0.00</u>		<u>-40,184.98</u>		
Total Other Expense	0.00		-40,184.98		
Net Other Income	0.00	0.00	40,184.98	0.00	0.00
	<u>-176,313.02</u>	<u>902,709.65</u>	<u>1,393,890.22</u>	<u>1,541,921.14</u>	<u>-95,728.00</u>

Memorandum

Kensington Police Department



To: KPPCSD Board of Directors

APPROVED YES NO

From: Gregory E. Harman, General Manager/Chief of Police

FORWARDED TO:

Date: Friday, November 05, 2010

Subject: October 2010 Unaudited Profit & Loss Variance Report

-
- | | |
|-----------------------|---|
| 402 Special Tax | In the July-October column, there is an entry indicating \$1,085,701.40 which is incorrect. It appears that the accountant has added both the advances for the Special Tax and the Measure G Tax in this area causing an incorrect total July- October amounts for Account 402 and 404. This will need to be corrected by the accountant. |
| 415 Grants-Police | The \$13,974 shown as revenue for July- October should be adjusted to revenue received and posted in 2009/2010 because it was the last quarter payment of the 2009/2010 COPS Grant. This item will need to be corrected by the accountant. |
| 512R Medical Retiree | The Year to Date amount and the Annual Budgeted amount has not been included in the report and needs to be entered by the accountant. |
| 598 COPS Special Fund | The \$663.60 expensed was for Andrea DiNapoli's salary and should not be expensed here. We will need to correct and charge this amount to 508 Salaries Non-Sworn. |

The chart of accounts will be corrected by the accountant by the November report.

Overall, expenses to date have been relatively close to budgeted projections at the end of the first quarter of this fiscal year. The two expenses that are over budget are legal and accounting.

Greg Harman
General Manager

Greg Harman

From:
Sent: Thursday, October 28, 2010 8:54 PM
To: gharman@kensingtoncalifornia.org
Subject: re Officer Ramos- my hero!!

Dear Mr. Harman

Today my six year old daughter, , got confused about where she was supposed to go after school and instead of waiting to be taken to aftercare, she went to the front of the school to wait for me. When I didn't arrive to pick her up, she set off for home (Cerrito Drive in El Cerrito).

Officer Ramos spotted her near the Kensington Library and stopped to investigate, ultimately first attempting to deliver her here to our home and then taking her back to school when he learned I wasn't here.

I can't begin to tell you how grateful I am to Officer Ramos for taking the time to insure Noe was safe and where she was supposed to be.

Nothing makes a mother's blood run cold more than the idea of her child wandering unsupervised down a city street, even if it is a street in Kensington. Words can't express how comforted I am to know that someone like Officer Ramos is out there keeping a watchful eye on all our children and that when things go awry, like they did today, that there is a trustworthy and observant police officer in our community who can set things right.

Thank you so much-- I am deeply grateful to Officer Ramos and to the Kensington Police Department for watching out and taking care of my little girl when she was so frightened and upset. Thank you, Thank you, Thank you!!

Sincerely,



U. S. Department of Justice
Drug Enforcement Administration
San Francisco Field Division
450 Golden Gate Avenue
PO Box 36035
San Francisco, CA 94102

www.dea.gov

OCT 29 2010

Greg Harman
Chief of Police
Kensington Police Department
217 Arlington Ave.
Kensington, CA 94707

Greg
Dear ~~Chief~~ Harman,

On behalf of the Drug Enforcement Administration (DEA), I would like to thank you for participating in the National Take Back Initiative on September 25, 2010. The overall success of the program was due in a large part to the support and cooperation the DEA received from the many state and local law enforcement agencies, community groups, and national coalitions. This national initiative provided an opportunity for the public to surrender expired, unused, or unwanted controlled substances and pharmaceuticals accumulating in their homes that were a potential source of supply for the increasing abuse of pharmaceutical drugs in the United States. Through your assistance, we were able to empty medicine cabinets around the country and dispose of over 242,000 pounds of pharmaceuticals.

This program is an integral component of DEA's mission to facilitate and strengthen cooperation between DEA and state and local law enforcement agencies as well as reaching out to the community to provide a much needed service. Having your assistance in this program sent a strong message to the public that we are united in our efforts to curtail prescription and controlled substance abuse.

DEA looks forward to your continued cooperation toward our mutual goal of preventing the diversion of pharmaceutical controlled substances.

Sincerely,

Anthony D. Williams
Special Agent in Charge

October 2010 Police Department Report

November 5, 2010

- Department Personnel

Sergeant Khan is currently on Workman's Comp medical leave. Sergeant Hull has now been assigned to work Tuesday through Saturday, to provide a street supervisor for Team 1 at least two days a week.

On Thursday, November 11th, we will be swearing in Reserve Officers Christopher Turner, Christopher Armanino, and Theodore Foley during the KPPCSD Board meeting. We will now have seven reserve officers in the department.

- Commendations and Correspondence

Also on November 11th, Detective Keith Barrow will receive a blue commendation for his arrest of a bank robbery suspect out of San Jose, and Officer Juan Ramos will receive a blue commendation for locating a lost child.

- Investigation of Alleged Misconduct

- Department Investigation #09-06 was initiated on December 24th on an allegation that an officer was rude during a disturbance call for service. The investigation was being conducted by Sergeant Khan but has now been reassigned to Sergeant Hull. The subject officer's interview is pending.

- Department Investigation #10-001 was initiated on September 20th on an allegation that an officer posted an inappropriate screen saver on a District computer. The investigation is being conducted by Sergeant Hull.

- Department Investigation #10-002 was initiated on November 2nd on an allegation that an officer was rude during a traffic stop. This investigation is being conducted by Sergeant Hull.

- 9-1-1 / Richmond Communication Center Information.

- The Ring Time Report for September identified 2 of the 83 "911" calls

received with a ring time of over 20 seconds.

The first one occurred on 09-10-10, at 11:49 AM with a ring time of 27 seconds. The call was a misdial. The second occurred on 09-19-10 at 1:09 AM with a ring time of 39 seconds. The call was for a residential alarm.

The Ring Time Report for October identified 3 of the 70 "911" calls received with a ring time of over 20 seconds.

The first occurred on 10-11-10 at 9:37 PM with a ring time of 31 seconds. The call was on a report of a subject with chest pains. The second occurred on 10-18-10 at 10:21 PM with a ring time of 21 seconds and was a fire department call for service. The third occurred on 10-28-10 at 9:35 AM with a ring time of 45 seconds. The call was on a report of a traffic collision.

- Communication Center Service Complaints

- No complaints received this month however, ***this is a good time to remind everyone that for police non-emergencies, you need to contact the dispatch center at "236-0474" and not the KPPCSD business line of 526-4141.*** The KPPCSD business line is only monitored 6 hours a day during the week and should not be used to report police matters. Doing so, only delays the police response time, so please dial Dispatch direct.

- Community Networking

- On 10-01-10, Officer Martinez attended the Arlington Earth Quakers meeting.
- On 10-03-10, Officer Hui attended the Columbia Avenue Block party.
- On 10-06-10, Chief Harman attended the Contra Costa County Police Academy graduation in Walnut Creek.
- On 10-11-10, Officer Wilson attended the Kensington Public Safety Council meeting.
- On 10-16-10, Chief Harman participated in the KIC Town Hall meeting.
- On 10-17-10, Chief Harman, Officer Stegman, and Reserve Officers Chandler, Tyler, and Colon participated in the KCC Fall

Parade and Picnic.

- On 10-18-10, Chief Harman attended the Urban Shield Seminar and Vendor Display in Oakland.
- On 10-21-10, Officer Wilson attended the Pipeline Safety Workshop sponsored by the County in Antioch.
- On 10-25-10, Chief Harman attended the KIC meeting.
- On 10-27-10, Chief Harman attended the Contra Costa County Police Chief's Association meeting in Martinez.
- On 10-29-10, Chief Harman attended the CSDA membership & Education Committee meetings in Sacramento.
- On 10-31-10, Officer Stegman and Reserve Officer Colon increased their patrol activity at the Farmer's Market which Chief Harman later attended.

Later Halloween night, Officers Wilson and Hui, Reserve Officer Tyler, and Chief Harman provided additional patrol for the Halloween festivities occurring throughout the District.

- Community Criminal Activity
 - This section of the Watch Commanders Report has been prepared by Sergeant Hull who has now been assigned as the supervisor for both Team 1 & 2.
- Watch Commander Reports

Sergeant Hull

TEAM 2 OCTOBER MONTHLY WATCH COMMANDER REPORT

TEAM STATISTICS

Officer:	Martinez (K31) (0600-1800)	Medina (K35) (1800-0600)	Ramos (K41) (0730-1730)
Days Worked	16	16	16
Traffic Stops	22	19	21
Moving Citations	4	1	12
Parking Citations	8	4	3
Vacation/Security Checks	37	96	40

FI-Field Interview	0	0	0
Cases	6	2	2
Self Initiated Cases	1	0	0
Arrests	2	0	0
Calls For Service	56	30	40

SIGNIFICANT EVENTS:

- 2010-5004 – On 10-1-2010, Officer Medina responded to the 200 block of Purdue Ave. to a report of trespassing. The suspect was not located.
- 2010-5013 – On 10-1-2010, Officer Martinez responded to the 700 block of Wellesley Ave. to a civil dispute between neighbors over obstructed views.
- 2010-5020 - On 10-1-2010, Officer Medina responded to the 100 block of Ardmore Rd. to a dispute between mother and adult son.
- 2010-5151 – On 10-8-2010, Officer Martinez responded to the 200 block of Amherst Ave. to a report of residential burglary.
- 2010-5169 – On 10-9-2010, Officer Martinez conducted a traffic stop in the 300 block of Colusa Avenue. The vehicle's registration was expired past six months so the vehicle was towed.
- 2010-5227 – On 10-12-2010, Officer Ramos responded to the unit block of Kingston Rd. on a report of petty theft from a vehicle.
- 2010-5299 – On 10-15-2010, Officer Martinez responded to the 200 block of Arlington Ave. to a report of commercial burglary.
- 2010-5302 – On 10-15-2010, Officer Martinez responded to the unit block of Highland Blvd. to a report of vandalism to a vehicle.
- 2010-5308 – On 10-15-2010, Officer Medina responded to the 300 block of Colusa Ave. to a report of petty theft.
- 2010-5319 – On 10-16-2010, Officer Martinez responded to the unit block of Arlington Ave. to a report of Arson. A suspect, unknown at this time, attempted to set fire to District property.
- 2010-5421 – On 10-21-2010, Officer Martinez responded to the 200 block of Colgate Ave. to a report of theft from the bed of a truck.

- 2010-5427 – On 10-21-2010, Officer Martinez responded to the unit block of Highgate Rd. to a report of domestic violence. The primary aggressor was arrested and taken to County Jail.
- 2010-5476 – On 10-23-2010, Officer Martinez issued a parking citation for parking in a handicap parking space in the unit block of Arlington Avenue. Ticket recipients became upset that Kensington residents were being cited.
- 2010-5521 – On 10-26-2010, Officer Ramos responded to the unit block of Arlington Ct. to a report of fraudulent use of a credit card.

TEAM 1

TEAM STATISTICS

Officer:	Stegman (K32) (0600-1600)	Hui (K42) (1100-2100)	Wilson (K38) (2000-0600)
Days Worked	16	8	16
Traffic Stops	13	14	0
Moving Citations	2	6	2
Parking Citations	5	2	1
Vacation/Security Checks	28	55	61
FI-Field Interview	0	1	0
Cases	2	4	3
Self Initiated Cases	0	0	0
Arrests	0	0	2
Calls For Service	49	29	26

SIGNIFICANT EVENTS:

- 2010-5052 – On 10-3-2010, Officer Hui responded to the unit block of Norwood Ave. to a report of attempt suicide.
- 2010-5078 – On 10-4-2010, Officer Hui responded to the 300 block of Colusa Ave. to a report of a civil dispute between an employee of a business and a customer.
- 2010-5095 – On 10-5-2010., Officer Stegman responded to the unit block of Arlington Ave. to a report of vehicle collision.
- 2010-5101 – On 10-5-2010, Officer Hui responded to the 100 block of Ardmore Rd. to a report of theft from a vehicle.

- 2010-5104 – On 10-5-2010, Officer Hui responded to the 200 block of Purdue Ave. to a report of theft from a vehicle.
- 2010-5119 – On 10-6-2010, Officer Hui responded to the 300 block of Berkeley Park Blvd. to a report of vandalism.
- 2010-5225 – On 10-12-2010, Officer Wilson responded to the 700 block of Coventry Rd. to a report of tampering with a vehicle.
- 2010-5235 – On 10-12-2010, Officer Hui responded to the 100 block of Purdue Ave. to a report of a juvenile out of control.
- 2010-5236 – On 10-12-2010, Officer Hui responded to the 100 block of Ardmore Rd. to a report of theft from a vehicle.
- 2010-5260 – On 10-13-2010, Officer Hui responded to the 300 block of Berkeley Park Blvd. to a neighbor dispute over an unleashed dog.
- 2010-5351 – On 10-17-2010, Officer Stegman responded to the unit block of Arlington Ave. to a report of arson to District property.
- 2010-5356 – On 10-18-2010, Officer Stegman took a phone report of a Hit & Run in the unit block of Arlington Avenue.
- 2010-5365 – On 10-18-2010, Officer Wilson responded to the 500 block of Coventry Rd. to a report of identity theft.
- 2010-5366 – On 10-18-2010, Officer Wilson responded to the 200 block of Colgate Ave. to a report of brandishing a firearm. A citizen's arrest was completed.

Officer Hui completed 80 hours of Impact Weapons Instructor training.

BRIEFING/TRAINING:

- Reviewed first responder response to fire bombs.
- Reviewed KPD Policy 1040 – Outside Employment
- Reviewed KPD Policy 1042 – On Duty Injuries
- Reviewed KPD Policy 1044 – Personal Appearance Standards
- Reviewed PC11108 – Property to be reported to Department of Justice
- Reviewed elements for PC 422 Terrorist Threats
- Handed out Abducted Children/Missing Person cheat sheet.

KPD RESERVES:

- Reserve Colon wrote three moving citation and three parking tickets.
 - Reserve Colon responded to unit block of Sunset Dr. to a report of vandalism.
- Reserve Lafitte wrote one moving citation and one parking ticket.
- Reserve Tyler wrote two moving citations.

•• **Detective Keith Barrow**

SIGNIFICANT EVENTS:

2010-5427 Criminal Threats and Battery on Spouse

This case was filed with the Contra Costa County District Attorneys Office.

2010-5399 Outside Assist

On 10-19-10, I assisted San Pablo Police Department with the apprehension of a bank robber out of San Jose. **No further action is to be taken in this case.**

2010-5366 Brandishing Firearm.

On 10-18-10, a resident was reported brandishing a firearm at two individuals that had entered the resident's yard. An arrest was made. **This case was filed with the Contra Costa County District Attorneys Office.**

2010-5319 and 5351 Arson

On 10-16-10 and 10-17-10, Kensington police officers responded to fires at 59 Arlington Avenue, the Kensington Park building E. The fires were determined to be arsons. These cases are under investigation.

2010-5118 Outside Assist, Search Warrant

On 10-06-10, I assisted the University of California San Francisco's, Police Department's Officers on a search and an arrest warrant for a Kensington resident. The suspect was arrested and released at the scene without incident. **No further action will be taken in this case.**

WEST-NET ASIGNMENT:

I am currently assigned to the West Contra Costa County Narcotic Enforcement Team (West-NET) one day per week.

While on this assignment I work with other West Contra Costa County law enforcement officers and agencies. I participate and aid in the service of search warrants, surveillance and ongoing narcotics investigations.

I have been assigned the task of locating fugitives or wanted persons in connection with West-NET cases. To date I have been able to locate several individuals out of state and will be consulting with the Contra Costa DA. for further action.

INVESTIGATORS SUMMARY:

In the month of October the District of Kensington sustained 2 arsons, 1 identity theft, 1 non-injury vehicle accident and 1 Hit and Run Vehicle Accidents, 0 Injury Hit and Run Accident, 1 Injury Accident, 0 Residential Burglaries, 0 Attempted Residential Burglaries, 1 Commercial Burglary, 0 Auto Burglaries, 3 Theft from an unlocked vehicle, 0 Stolen Vehicles, 2 Petty Thefts, 3 Vandalisms, 0 Embezzlement, 1 Fraud, 0 Forgery, 0 Attempted Grand Thefts and 2 Grand Thefts. Additionally, I made;

- Made several court runs for filling cases, and citation drop off's.
- Updated the KPD residential burglary log.
- Updated the KPD stolen vehicle log.

•• Chief Harman

I have been mentioning for several months now, both in this column and at community meetings that I attend, that the department is moving towards a "Zero Tolerance Policy" of traffic enforcement. That's why I was a little surprised by last month's Police Report when it indicated that our Traffic Officer, Juan Ramos, made 73 traffic stops in September but only issued 3 citations.

I recently asked Officer Ramos about his enforcement activity and he informed me that September's Police Report was incorrect. He stated that for the month of September, he issued 53 citations with the following breakdown of citation locations;

- 10- Arlington & Rincon
- 11- Franciscan Way
- 10- 200-400 block of Arlington
- 10- 59 Arlington at the traffic light
- 12- at other locations in the District

Although Officer Ramos' traffic enforcement activity for the month of October was down due to his assignments to cover patrol shifts, he assures me that he has indeed moved towards a "Zero Tolerance Policy" of enforcement and will continue to do so.

November 2010

December 2010

November 2010

S	M	T	W	T	F	S
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

S	M	T	W	T	F	S
1	2	3	4	5	6	
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Oct 31	Nov 1	2	3	4	5	6
	4:00pm Brownies, CC 7:00pm KCC, CCM 7:00pm Pack 82, CCI	6:00pm Elections, RN		7:30pm Emergency P 7:30pm EBC, CC3		
7	8	9	10	11	12	13
	4:00pm Brownies, CC 7:00pm Pack 82, CCI 7:30pm KARO, CC3	7:00pm Troop 100, C	11:00am California Chi 7:00pm KFD Mtg, CC	6:00pm KPPCSB MTC 7:00pm GPFF, CCM		8:00am Cent Program
14	15	16	17	18	19	20
11:00am CC Rental, C	4:00pm Brownies, CC 7:00pm Pack 82, CCI	7:00pm Troop 100, C		7:30pm EBC, CC3	6:00pm CC Rental, C	1:00pm CC Rental, C
21	22	23	24	25	26	27
	4:00pm Brownies, CC 4:00pm Daisy Troop 7:00pm Pack 82, CCI	7:00pm Troop 100, C				
28	29	30	Dec 1	2	3	4
	4:00pm Brownies, CC 7:00pm Pack 82, CCI 7:30pm KIC, CC3	7:00pm Troop 100, C 7:30pm KMAC, CC3				

Oct 31 - Nov 6

Nov 7 - 13

Nov 14 - 20

Nov 21 - 27

Nov 28 - Dec 4

December 2010

January 2011

December 2010

S	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29
M	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31					
T																												
W																												
T																												
F																												
S																												

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Nov 28	29	30	Dec 1	2	3	4
7:00pm CC Rental; C	4:00pm Brownies, CC 7:00pm KGC; CCM 7:00pm Pack 82; CC	7:00pm Troop 100; C	6:00pm KASEP Regis 7:00pm KFD Mtg; CC	7:30pm EBC; CC3		1:00pm PK; CCM 4:00pm CC Rental; C
5	6	7	8	9	10	11
7:00pm CC Rental; C	4:00pm Brownies, CC 7:00pm KGC; CCM 7:00pm Pack 82; CC	7:00pm Troop 100; C	6:00pm KASEP Regis 7:00pm KFD Mtg; CC	6:00pm KPPCSD Mtg 7:00pm GPFF; CCM		
12	13	14	15	16	17	18
	4:00pm Brownies, CC 7:00pm KFD Mtg; CC 7:00pm Pack 82; CC 7:30pm KARO; CC3	7:00pm Troop 100; C		6:00pm KASEP Holiday 7:30pm EBC; CC3		
19	20	21	22	23	24	25
	4:00pm Brownies, CC 7:00pm Pack 82; CC	7:00pm Troop 100; C				
26	27	28	29	30	31	Jan 1, 11
2:00pm CC Rental; C	4:00pm Brownies, CC 7:00pm Pack 82; CC 7:30pm KIC; CC3	7:00pm Troop 100; C 7:30pm KIMAC, CC3				

Nov 28 - Dec 4

Dec 5 - 11

Dec 12 - 18

Dec 19 - 25

Dec 26 - Jan 1

Kensington Community Council Calendar for 2010 /11

- Sept 8: Fall KASEP registration, starting at 6:45 pm
- Sept. 13: KCC Board meeting, 7:30 pm
- Sept. 20: First day of fall KASEP
- Oct. 4: KCC Board meeting, 7:30 pm
- Oct. 12: KCC Teacher meeting, 1pm
- Oct. 12: KASEP oversight committee meeting
- Oct 17: Fall Parade and Picnic
- Nov. 1: KCC board meeting, 7:30
- Dec. 6 KCC board meeting, 7:30
- Dec. 8: Winter KASEP registration starting at 6:45 pm
- Dec. 16: KASEP Winter Holiday Performance and Party starting at 6:30
- Jan. 3: KCC board meeting with K-groups, 7:30-9:30 pm
- Jan. 19: KASEP Teachers' meeting, 1:00-1:45 pm
- Jan. 25: KASEP oversight committee meeting, 7:30 pm
- Feb. 7: KCC Board meeting, 7:30 pm
- March 2: KASEP spring registration, set-up beginning at 6 pm
- March 7: KCC Board meeting, 7:30 pm
- March 16: KCC Summer Camp registration, starting at 7 pm
- March 12?: KCC Spring Celebration
- March 21: KASEP spring session begins
- April 4: KCC board meeting, 7:30 pm
- April 5: KASEP oversight committee meeting, 7:30 pm
- April 13: KASEP Teachers' meeting, 1:00-1:45 pm
- May 1?: High School Seniors picture for Outlook
- May 2: KCC board meeting, 7:30 pm
- June 3: Last day of KASEP
- June 6: KCC Board meeting, 7:30 pm
- June 13: First day of KCC Summer Day Camp
- July 11: KCC board meeting, 7:30 pm
- Aug. 19: Last day of KCC Summer camp

CLASSES WITH THE KENSINGTON COMMUNITY COUNCIL

Wildcrafted Wreaths!

Join us on Friday, December 3, 6-8 pm, for a hands-on wildcrafted wreath making workshop at the Kensington Community Center! Minimum of 12 students needed for class.

We will use a diverse array of evergreen cuttings, as well as eucalyptus and succulents, to create the wreaths. We'll have everything you need to create a unique, festive, and long-lasting wreath to complement a front door or any room of our house. Wreaths will be bound with raffia ties and will be completely compostable. Please bring pruning shears (if you have them), as well as accents and ribbons to personalize your wreath (if you want).

Cost of \$30 includes all materials. You will be able to select evergreen boughs and boughs of contrasting foliage and accents from a diversity of those that we will provide.

Taught by two experienced floral and event designers, Catherine Johnson and Ondine Boulter. Please call or email Catherine at csings2faye@yahoo.com or (510) 367-7977 with questions. To register, please call the KCC office at (510) 525-0292 or email at kccrec@yahoo.com, or mail your check to KCC at 59 Arlington Ave, Kensington, 94707.

Hoop Power: Weekly Morning Hoop Dance Class

Monday Mornings, 8:30 – 9:30

Eight Week Session, October 25-December 13

Located in the Kensington Community Center (Youth Hut)

\$110 for eight classes (minimum of 6 students enrolled); \$15 for drop-in

Fun and fitness, movement and meditation are all found in hoop-dance. We will start with basic waist hooping, moving on to more intermediate moves both on and off the body, all while discovering your own dance in a hoola-hoop and the soothing, meditative aspects of hoping.

No hoop experience necessary. This is a beginning class. Please wear comfortable clothes and bring water. Hoops provided for class and will be available for purchase.

About the teacher: Kaye Anderson is the founder and lead hooper of Hoop Power. She is also a clinical social worker who has been working with children, teens, and families for over 15 years. A lifetime student of music and yoga, and a lover of dance, Kaye discovered hoop-dance in 2007. A certified hoop-dance teacher through HeroHoops, Kaye teaches both children and adults in Berkeley and beyond.

To Register: please call the KCC office at 510-525-0292 or e-mail kccrec@yahoo.com. For more information about the class, please call Kaye at 510-919-2783 or e-mail kayelcsw@hotmail.com.

New Adult Yoga Class at the Kensington Community Center (Youth Hut)

All Levels Welcome

Thursday Mornings 9-10 a.m., 10 Week Session begin 9/9/10 (last class 11/18) -

Drop-ins welcome - \$12 per class; Mats provided

The class will incorporate a diversity of stretches, breathing exercises, meditations, and chants from the Kundalini and Iyengar Yoga traditions. The goal of the class is to provide inspiration and an understanding of yoga as the union with that which is divine within ourselves.

Catherine 'Cricket' Johnson is a certified Kundalini Yoga instructor and has been practicing yoga for the past twenty years and has taught nearly as long. She will draw on her diverse experience as such as well as her eclectic life experience as a dancer, singer, musician and bodyworker in conducting classes. Many breathing exercises, meditations, and chants from the Kundalini tradition will be explored.

Cricket is skilled at reading energy in groups and will be sensitive to the needs of the class in leading a class that is physically challenging and yet not overwhelming. Students are encouraged to challenge themselves, but also to listen deeply to their bodies to know what is best for them. Kundalini Yoga is a unique and engaging practice. Much of the practice is done with eyes closed, and an emphasis is placed on internal experience rather than external form. Practitioners will be engaged and present.

Please feel free to contact Cricket with questions. csings2faye@yahoo.com, 510.367.7977. Please register with the KCC office in the park, or call KCC at 510-525-0292.

NEW CLASS: CLASSICAL GUITAR

Thursday evenings, 7:00-8:30, October 21 – December 16 (no class on Thanksgiving, Nov. 25)

Ages: 16 - ADULT

Location: Kensington Recreation Building (Bldg. E), Room A

Cost: \$96 for eight class series (\$97 for nonresidents)

Do you wish to read and play music for the guitar? Learn to play a melody, understand rhythm and where notes are on the guitar. Bring your guitar, preferably with nylon strings, and join in. The class is designed for all levels with an emphasis on introducing the guitar to non-players. We will break into small groups so that everyone is comfortable and has support at his/her own level. Text: Classic Guitar Technique, Volume One by Aaron Shearer (available from the instructor at a cost of \$18.50, or bring your own copy).

Instructor Claude Sprague has been teaching classical guitar through the Mt. Diablo Adult Education program for 16 years and has also taught at the Albany Adult School and the Santa Rosa and Sonoma Community Centers. Claude studied with George Sakellariou at the SF Conservatory

of Music, as well as privately for ten years. He has also performed in Master Classes taught by John Duarte.

For any questions about the class, please contact Claude at claudio@theguitarinstructor.net. To register, please come by the KCC office in the park, or call (510) 525-0292.

**USER-FRIENDLY PILATES: Get Stronger Without Getting Hurt (*mixed-level class)
With Ernie Adams**

**Wednesdays, Nov. 3-Dec. 22 (no class Nov. 24), 7:30-8:30pm, 7-class series
Recreation Building (by grassy field)
\$92 residents/\$93 non-residents. *\$15 drop-in (1st class only)**

User-Friendly Pilates engages your deepest core abdominal, lumbar, and pelvic floor muscles, and teaches you to stretch and strengthen in a safer way. Training with the proper awareness and mental focus can increase core strength, and also improve posture, balance and coordination. *User-Friendly Pilates* can help you feel more powerful, age more gracefully, and move with more rhythm and flow.

Ernie Adams is a Pilates Instructor and Feldenkrais® Movement Educator, with an extensive background as a professional dancer. He has over 17-years experience collaborating with physical therapists to treat orthopedic, neurological, dance and sports related injuries. Ernie offers classes and workshops in the San Francisco Bay Area, Esalen Institute, and Kaiser Oakland. Taking a class with Ernie can help you have more fun while getting fit! Private Sessions are also available. For more information, or to make an appointment, please contact Ernie at 510-619-9223, adams@bodyinaction.com, or go to www.bodyinaction.com.

PRE-REGISTRATION STRONGLY ENCOURAGED: 510-525-0292 (Community Center). Drop by KCC Office to register (M-F 10am-4pm), or send checks payable to KCC: 59 Arlington Ave., Kensington CA 94707

*MAXIMUM NUMBER OF STUDENTS LIMITED TO 18. Please, sign-up early to guarantee a space.
LOCATION: Kensington Community Center, 59 Arlington Ave., (next to KCC Office/south of playing field)

Acrylic Painting

Stan Cohen (533-3003) leads this informal but professional workshop for established and serious beginning adult artists. Mornings are devoted to developing painting, with assistance available. Afternoons are reserved for class critique. Enrollment is limited. Instructor approval required.

When: Wednesdays, 9:45 a.m. – 1:30 p.m.

Fees: \$32/month (\$36 for nonresidents)

Where: Community Center

General Manager

October 2010 Report

Budget

SB 90

While attending the CSDA Annual Conference in Newport Beach, I attended a workshop on Senate Bill 90, the public meeting cost recovery program. I learned that the District could apply for costs associated with holding public meetings for the past 5 years. I also spoke with a consultant whose firm processes these claims for public agencies. At the Board's October 14th meeting, I was directed to check the references for Local Government Consultants before entering into an agreement with them to contract to recover these costs under SB 90 for a possible recovery of up to \$35,000.

Kensington Park

Park Restroom

The volunteer restroom group reviewed the District's legal counsel's bid documents and returned the documents to me on November 1st. The group made corrections which it believes need to be made to the document. These documents need to be amended by counsel and returned prior to being approved by the KPPCSD Board meeting on December 9th for final approval.

Community Center & Annex

The second grouping of the Park Building Committee held their first meeting Wednesday, October 27th to begin the process of identifying a consultant for the KPPCSD Board to hire. This consultant will facilitate community input and make recommendations to the KPPCSD Board regarding the best use of the park buildings. The second meeting of the committee is scheduled for December 1st.

CPRS Training

Andrea DiNapoli and I attended the CPRS District 3 Fall Institute Training Workshop held October 7th in Livermore. I attended the workshops on Designing parks, risk management, and contract maintenance while Andrea attended the customer service, sustainability, and handicapped access workshops.

Emergency Preparedness

We now have the agenda and the minutes of the Public Safety Council posted on the KPPCSD web page for review.

The next meeting of the Kensington Public Safety Council will take place Monday, November 8th, at 6:30 PM at the Community Center Room #3.

Officer Doug Wilson has made arrangements for Pam Grossman, a volunteer with the Office of Emergency Services at the Berkeley Fire Department, to give her presentation on “**Disaster Preparedness**” to the Kensington community on **Thursday, November 4th, at 7:30 PM**, in the Community Center Main Room. Pam’s presentation to the Columbia Neighborhood Group was excellent and we are very fortunate that she has agreed to present to all of our neighborhood groups and individuals interested in disaster preparedness. We have also secured a presentation by Eve Ridgers of the County’s Community Warning System to open the meeting.

Other District Items of Interest

Solid Waste

Bay View Refuse has made a request for a supplemental surcharge to cover “extraordinary” costs that occurred this year which they contend will reduce their profit margin below 12%. I have received Bay View’s financial reports and projections and will place an item on the November 11th KPPCSD Board agenda to update the Board on the request.

Street Sweeping

Street sweeping began in Kensington in January and will be provided at no cost to Kensington by the Contra Costa County Public Works Department. On the first Friday of every month, the County will sweep the streets of Arlington, Coventry, Ardmore, Edgecroft, Lenox, Kingston, Stratford, Beverly, Berkeley Park, Ocean View, Oak View, and Colusa.

Residents are being asked to help by moving their vehicles, garbage and recycling cans from the street, clearing large debris and obstructions from the gutters, trimming back vegetation along the curb and sidewalk, and not piling leaves or green waste in the roadway.

If we all do our part we can keep Kensington streets clean and help keep pollutants out of our waterways.

District Secretary

We have held several sets of interviews of candidates for the position of District Secretary and have not been able to successfully hire anyone at this time. Anyone interested in learning more about the position or would like to submit a resume, please contact me at gharman@kensingtoncalifornia.org.

Website

The Board packets, monthly reports, and minutes and recordings of the KPPCSD Board Meetings are available for review on our website at:

www.kensingtoncalifornia.org.

**KENSINGTON POLICE PROTECTION
AND COMMUNITY SERVICES DISTRICT**

Report to the Board of Directors
Results of the Fiscal Year 2009 Audit

July 27, 2010

Board of Directors
Kensington Police Protection and Community Services District
Kensington, California

I have audited the financial statements of the Kensington Police Protection and Community (KPPCSD) for the year ended June 30, 2009, and have issued my report thereon. In planning and performing my audit, I considered KPPCSD's internal control in order to determine my auditing procedures for the purpose of expressing an opinion on the consolidated financial statements and not to provide assurance on internal control. This letter summarized comments under professional standards regarding my engagement and suggestions regarding opportunities for strengthening internal controls and operating efficiency. This letter does not affect my report on the financial statements.

I. The Auditor's Responsibility for Detecting Fraud

As stated in my engagement letter dated September 13, 2005, my responsibility, as described by professional standards, is to plan and perform my audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatements and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because I did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts may exist and not be detected by me.

II. Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of my engagement letter, I will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Kensington Police Protection and Community are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the Fiscal Year. I noted no transactions entered into by KPPCSD during the year that were both significant and unusual, and of which, under professional standards, I am required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

KENSINGTON POLICE PROTECTION AND COMMUNITY

Report to the Board of Directors Results of the Fiscal Year 2009 Audit

III. Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Depreciation estimates for capital assets, including depreciation methods and useful lives assigned to depreciable property
- Accrual of compensated absences

During my audit, I evaluated the key factors and assumptions used to develop the accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

IV. Audit Adjustments

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in my judgment, may not have been detected except through my auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on KPPCSD's financial reporting process (that is, cause future financial statements to be materially misstated). The following audit adjustments, in my judgment, indicate matters that could have a significant effect on KPPCSD's financial reporting process.

- No audit adjustments for 2009.

V. Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to my satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. I am pleased to report that no such disagreements arose during the course of my audit.

KENSINGTON POLICE PROTECTION AND COMMUNITY

Report to the Board of Directors Results of the Fiscal Year 2009 Audit

VI. Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, my professional standards require the consulting accountant to check with me to determine that the consultant has all the relevant facts. To my knowledge, there were no such consultations with other accountants during FISCAL YEAR 2009.

VII. Issues Discussed Prior to Retention of Independent Auditors

I generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Kensington Police Protection and Community's auditors. However, these discussions occurred in the normal course of my professional relationship and my responses were not a condition to my retention.

VIII. Difficulties Encountered in Performing the Audit

I encountered some difficulties in getting schedules from the client in performing my audit. Therefore, the audit for 2009 was late.

KENSINGTON POLICE PROTECTION AND COMMUNITY

Report to the Board of Directors
Results of the Fiscal Year 2009 Audit

IX. CURRENT YEAR RECOMMENDATIONS

- I recommend to institute more thorough review procedures for payroll processing.

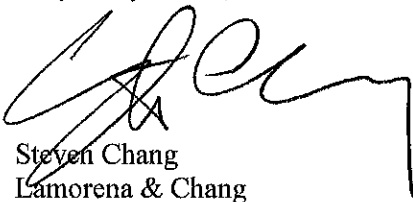
X. PRIOR YEAR RECOMMENDATIONS

None

I will review the status of these comments during my next audit engagement. I have already discussed many of these comments and suggestions with various Kensington Police Protection and Community's personnel, and I will be pleased to discuss these comments in further detail.

This information is intended solely for the information and use of the Board of Directors, management, and governmental agencies as required, and should not be used by any other party for any purpose.

Very Truly Yours,



Steven Chang
Lamorena & Chang

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES
DISTRICT
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
JUNE 30, 2009**

2009-1

Over-time wages paid was not properly supported.

Criteria

Over-time wages expenditure is \$39,006 in fiscal year 2009. Kensington Police Protection and Community Services District required employees to report over-time hours on their timesheets. The supervisors are responsible for approving over-time claims. Approved timesheets are given to the payroll department to process paychecks.

Condition

L&C have identified a total of 4 incidents, out of a total of 30 samples tested. The 4 sample support timesheets did not tie and agree to the payroll register. In all 4 incidents, the officers were paid more over-time than what was reported.

Effect

There was a control weakness that appears to be no preliminary review process of payroll register to the timesheets. As a result, over-time wages paid was inaccurate and KPPCSD overpaid its employees for over-time wages.

Recommendation

L&C recommended that KPPCSD should assign another employee to check the accuracy of the preliminary payroll register against approved timesheets before paychecks are finalized for payment.

Questioned Costs

Not able to determine as L&C did not test the whole population of the over-time wages records.

Management Response and Corrective Action Plan

Management completely agrees with the findings of the 2008/2009 audit and has already taken corrective action.

Between April and December of 2009, officer's schedules were changed from a "4/10" schedule to a "3/12" schedule to cover for a personnel/ staffing shortage. This resulted in officers working four built in overtime hours a pay period, which they were not required to fill out a daily overtime slip for.

However, Management also began to discover payroll and payable issues by the end of 2009 that were traced back to a personnel issue. Following an internal audit conducted by the District's accountant/CPA, by March of 2010, changes were made in the way payroll was processed. It was during this time that the District's accountant/CPA took over the responsibility to process payroll and continued to audit the payroll and payables process.

With changes in personnel occurring in August 2010, Management has begun the search to identify personnel who would be qualified and have the necessary experience in day to day accounting transactions and payroll processes. The search is being conducted with the assistance of the District's accountant/CPA.

**KENSINGTON POLICE PROTECTION AND
COMMUNITY SERVICES DISTRICT**

Basic Financial Statements and Independent Auditor's Report for the
Year ended June 30, 2009

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
 Basic Financial Statements
 and Required Supplementary Information
 for the Fiscal Year Ended June 30, 2009

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1-2
Management's Discussion and Analysis (Required Supplementary Information)	3-6
Basic Financial Statements	
Statement of Net Assets and Governmental Funds Balance Sheet.....	7
Statement of Activities and Governmental Funds Statement of Revenues and Expenditures and Changes in Fund Balance	8-9
Statement of Fiduciary Net Assets	10
Statement of Changes in Net Assets—Fiduciary Funds	11
Statement of Revenue, Expenditure and Change in Fund Balances—Actual and Budget.....	12
Notes to the Basic Financial Statements.....	13-25
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	26-27
Status of Prior Year Findings	28
Current Year Findings	29
Schedule of Current Year Findings and Questioned Cost	30-31

Independent Auditor's Report

Board of Directors
Kensington Police Protection and Community Services District
Kensington, California

I have audited the accompanying basic financial statements of the governmental activities and each major fund of the Kensington Police Protection and Community Services District (District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

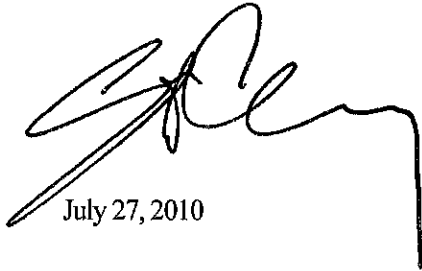
In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2009, and the changes in its financial position thereof and the respective budgetary comparison for the general and special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments: Omnibus*; GASB Statement No. 38, *Certain Financial Statement Note Disclosures*; and GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

In accordance with *Government Auditing Standards*, I have also issued my report dated July 27, 2010, on my consideration of the District's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Independent Auditor's Report (continued)

The management's discussion and analysis and budgetary comparison information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

A handwritten signature in black ink, appearing to be 'J. R. ...', written over the date.

July 27, 2010

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009
(Required Supplementary Information)**

This discussion and analysis of the Kensington Police Protection and Community Service District's fiscal performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2009. Please review it in conjunction with the transmittal letter and the basic financial statements, which begin on page 7.

FINANCIAL HIGHLIGHTS

From the Statement of Net Assets

- Total net assets for the years ended June 30, 2009 and 2008 are \$5,881,196 and \$6,015,041, respectively. This is a 2.23% decrease.
- Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations, are \$1,895,241.

From the Governmental Fund Financial Statements

Our General Fund balance decreased by \$63,925.

- Property tax revenues (including special tax revenue for police services) for fiscal years ended June 30, 2009 and 2008 were \$1,923,865 and \$1,886,000, respectively. This is a 2.01% increase.

OVERVIEW OF FINANCIAL STATEMENTS

The District's basic financial statements are comprised of three components: government-wide financial statements, governmental funds financial statements, and notes to the financial statements. Required supplementary information in addition to the basic financial statements is also presented.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. There are two government-wide financial statements—the Statement of Net Assets and the Statement of Activities and Changes in Net Assets.

The Statement of Net Assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets, may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net assets changed during the fiscal year. Accrual of revenue and expenses are taken into account regardless of when cash is received or paid.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Government-wide financial statements (continued)

As in a private-sector business, capital assets are depreciated, debt service is not a source of revenue, and compensated absences are expensed in the period earned.

Governmental funds financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The major differences between fund financial statements and government-wide financial statements are in the way debt proceeds, capital outlay, and compensated absences are recorded. Reconciliations between the two types of financial statements are found on page 7 using the adjustment column.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

Supplementary information

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules and a PERS schedule of funding progress.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets serve over time as a useful indicator of the District's financial position. In the case of the District, assets exceeded liabilities by \$5,881,196 as of June 30, 2009 and \$6,015,041 as of June 30, 2008. This number is comprised of two components:

	June 30, 2009	June 30, 2008
Investment in capital assets, net of debt	\$ 3,985,955	\$ 4,058,244
Unrestricted assets	1,895,241	1,956,797
Total net assets	\$ 5,881,196	\$ 6,015,041

Investment in capital assets consists of fixed assets less any related debt that is still outstanding.

Unrestricted assets are used to finance day-to-day operations, including debt service.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

GOVERNMENTAL FUNDS ANALYSIS

The District's largest source of revenue is derived from property tax allocations. In 1978 the voters passed Proposition 13 and removed the ability of local agencies to set their own property taxes. The 1% maximum property tax rate is fixed by Article XIII A, § 1(a) of the California Constitution. The Legislature adopted statutes ("AB 8") that tell county auditor-controllers how to allocate the resulting revenues. This is unrestricted revenue and can be used for all District business.

The District's collection of Special Tax Revenue, another large source of revenue, is restricted to police activities. The current rate as of June 30, 2009 was established in 1997 after receiving voter approval in 1994.

The District also collects a special assessment called the Kensington Park Landscape and Lighting District Assessment. The funds are restricted for New Park maintenance only.

In fiscal year ended June 30, 2009, the District was the beneficiary of the COPS Grant minimum allocation of \$100,000. The funds must be used for front line equipment/services and all expenditures have been approved by the District Board of Directors.

The largest expenditure of the District is salary and benefits, including PERS contributions. These are governed by current Memorandum of Understanding agreements negotiated between the District and represented and non-represented employees.

The other area of expenditures of significance is for services and supplies. That would include items such as vehicle maintenance, including the purchase of gasoline. This is the support structure for the police department.

Other reserved funds:

Reserved for compensated absences payable—\$57,544

COMMENTS ON BUDGET COMPARISONS

Actual revenues exceeded budgeted revenues by \$46,086.

Actual expenditures were less than final budgeted expenditures by \$324,456, mostly due to not moving forward with capital projects as budgeted. These include park restroom, annex renovation, patrol car and in-car video.

These two differences added together equal a positive variance of \$370,542.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

HISTORY AND ECONOMIC FACTORS

The Kensington Police Protection and Community Services District was formed as a Police Protection District in 1946 for the purpose of providing police services to the community of Kensington. In 1953, the District was changed to a Community Services District, per Government Code 61600, which enabled the District to provide park and recreation services, oversight to the solid waste contract, and the provision of police protection services.

In 1978, Proposition 13 was passed by California voters resulting in the implementation of AB 8 which set the formula used in property tax allocation for local government. The formula was based on prior years' budgets and the Kensington Police Protection and Community Services District had a history of very lean budgets.

In 1980, the Board of Directors for the District approved Resolutions 80-01 and 80-02, setting into motion a proposal for a special tax and a special election for the special tax. The original amount of the tax was \$45 per year for single family residential, \$90 per year for multiple unit residential, \$135 per year for commercial and institutional property and \$45 per year for miscellaneous improved property.

In 1984, the Board of Directors for the District approved Resolution 84-01 requesting the electorate approve an increase in the special tax to \$90 per year for single family residential, \$135 per year for multiple unit residential, \$180 per year for commercial and institutional property and \$90 per year for miscellaneous improved property.

In 1993, the Board of Directors for the District approved Resolution 93-04 requesting the electorate approve an increase in the special tax to \$210 per year for single family residential, \$315 per year for multiple units residential, \$315 per year for commercial and institutional, \$210 per year for miscellaneous improved property and \$63 per year for unimproved property.

In 1994, the Board of Directors for the District approved Resolution 94-13 requesting the electorate approve an increase in the special tax to \$300 per year for single family residential, \$450 per year for multiple units residential, \$450 per year for commercial and institutional, \$300 per year for miscellaneous improved property and \$90 per year for unimproved property. An increase of tax was voted and passed.

In 1997, the Board of Directors for the District approved Ordinance 97-01 setting the rates at the maximum allowed based on Resolution 94-13.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to General Manager/Chief of Police Greg Harman.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
STATEMENT OF NET ASSETS AND GOVERNMENTAL FUNDS BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>General Fund</u>	<u>Capital Project</u>	<u>Total</u>	<u>Adjustment (Note 9)</u>	<u>Statement of Net Assets</u>
Assets					
Cash and investments	\$ 1,803,360	\$ 125,154	\$ 1,928,514	\$ -	\$ 1,928,514
Receivables					
Supplemental taxes and Community Services District	12,531	-	12,531	-	12,531
Interest receivable	4,660	370	5,030	-	5,030
Grant receivable	39,575	-	39,575	-	39,575
Reimbursements and other	6,000	-	6,000	-	6,000
Prepaid	1,092	-	1,092	-	1,092
Capital assets					
Land	-	-	-	2,808,347	2,808,347
Vehicle and equipment	-	-	-	475,391	475,391
Building and improvement	-	-	-	1,472,602	1,472,602
Furniture & fixtures	-	-	-	28,396	28,396
Accumulated depreciation	-	-	-	(798,781)	(798,781)
Total assets	<u>\$ 1,867,218</u>	<u>\$ 125,524</u>	<u>\$ 1,992,742</u>	<u>\$ 3,985,955</u>	<u>\$ 5,978,697</u>
Liabilities					
Accounts payable	\$ 36,629	\$ -	\$ 36,629	\$ -	\$ 36,629
Compensated absence	57,544	-	57,544	-	57,544
Accrued payable	3,328	-	3,328	-	3,328
Lease payable	-	-	-	-	-
Total liabilities	<u>\$ 97,501</u>	<u>\$ -</u>	<u>\$ 97,501</u>	<u>\$ -</u>	<u>\$ 97,501</u>
Fund balances/net assets					
Fund balances					
Reserved for					
Compensated absence	\$ 57,544	\$ -	\$ 57,544	\$ (57,544)	\$ -
Unreserved for					
Undesignated	<u>1,712,173</u>	<u>125,524</u>	<u>1,837,697</u>	<u>(1,837,697)</u>	<u>-</u>
Total fund balances	<u>1,769,717</u>	<u>125,524</u>	<u>1,895,241</u>	<u>(1,895,241)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,867,218</u>	<u>\$ 125,524</u>	<u>\$ 1,992,742</u>		
Net assets					
Capital assets				3,985,955	3,985,955
Unrestricted				<u>-</u>	<u>1,895,241</u>
Total net assets				<u>\$ 3,985,955</u>	<u>\$ 5,881,196</u>

The accompanying notes are an integral part of the financial statements.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT
OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2009**

	General	Capital Project	Total	Adjustment (Note 10)	Statement of Activities
EXPENDITURES/EXPENSES					
Current expenditures/expenses					
Police Salary and Benefits					
Salary-Officers	\$ 878,273	\$ -	\$ 878,273	\$ -	\$ 878,273
Compensated Absence	(9,517)	-	(9,517)	-	(9,517)
Overtime	39,006	-	39,006	-	39,006
Salary-Non sworn	31,705	-	31,705	-	31,705
Uniform Allowance	8,033	-	8,033	-	8,033
Safety Equipment	2,047	-	2,047	-	2,047
Medical Insurance	225,531	-	225,531	-	225,531
Disability & Life insurance	6,725	-	6,725	-	6,725
Social Security/Medicare	17,485	-	17,485	-	17,485
PERS District	258,854	-	258,854	-	258,854
PERS Officers	80,903	-	80,903	-	80,903
Workers Compensation	63,229	-	63,229	-	63,229
Police Expenses					
Expendable Police Supplies	714	-	714	-	714
Range/Ammunition Supplies	1,134	-	1,134	-	1,134
Vehicle Operation	42,732	-	42,732	-	42,732
Communications (RPD)	117,839	-	117,839	-	117,839
Prisoner/Case Exp/Booking	2,860	-	2,860	-	2,860
Training	14,479	-	14,479	-	14,479
Recruiting	3,090	-	3,090	-	3,090
Reserve Officers	1,851	-	1,851	-	1,851
Meals and Travel	3,949	-	3,949	-	3,949
Utilities	7,864	-	7,864	-	7,864
Building Repair	2,244	-	2,244	-	2,244
Office Supplies	6,198	-	6,198	-	6,198
Telephone	10,857	-	10,857	-	10,857
Housekeeping	3,754	-	3,754	-	3,754
Publications	2,410	-	2,410	-	2,410
West-Net/Cal	12,296	-	12,296	-	12,296
Community Policing	3,320	-	3,320	-	3,320
COPS Special Fund	49,439	-	49,439	-	49,439
Consulting	9,504	-	9,504	-	9,504
Recreation Salary and Benefits					
Park and Recreation Administration	9,583	-	9,583	-	9,583
Custodian	21,000	-	21,000	-	21,000
Social Security/Medicare	764	-	764	-	764
Recreation Expenses					
Community Center Utilities	3,542	-	3,542	-	3,542
Janitorial Supplies	1,169	-	1,169	-	1,169
Community Center Repairs	791	-	791	-	791
Building B Repair	1,350	-	1,350	-	1,350
Annex Utilities	270	-	270	-	270
Park O&M	38,575	-	38,575	-	38,575
Misc. Park/Rec Expense	3,593	-	3,593	-	3,593
District Expenses					
Computer Maintenance	20,575	-	20,575	-	20,575
Legal	85,737	-	85,737	-	85,737
Accounting	13,722	-	13,722	-	13,722
Equipment Rental	3,875	-	3,875	-	3,875
Insurance	28,603	-	28,603	-	28,603
Election	5,307	-	5,307	-	5,307
MCI Fund/KFPD Maintenance	11,457	-	11,457	-	11,457
County Expense	19,486	-	19,486	-	19,486
Waste/Cycle	5,113	-	5,113	-	5,113
Miscellaneous	11,017	-	11,017	-	11,017
Depreciation	-	-	-	95,780	95,780
Total current expenditures/expenses	2,184,337	-	2,184,337	95,780	2,280,117
Capital outlay					
Equipment and furniture	3,061	-	3,061	(3,061)	-
Buildings and improvements	22,130	-	22,130	(22,130)	-
Total capital outlay	25,191	-	25,191	(25,191)	-
Bad Debt	-	-	-	1,700	1,700
Total expenditures/expenses	2,209,528	-	2,209,528	72,289	2,281,817

The accompanying notes are an integral part of the financial statements.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT
OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2009
(continued)**

	General	Capital Project	Total	Adjustment (Note 10)	Statement of Activities
GENERAL REVENUES:					
Property Taxes	1,243,448	-	1,243,448	-	1,243,448
Special Assessments	680,340	-	680,340	-	680,340
Grants	100,000	-	100,000	-	100,000
Charges for Services	8,067	-	8,067	-	8,067
Rents and Fees	24,923	-	24,923	-	24,923
Investment Income	26,676	2,134	28,810	-	28,810
Franchise Fees	21,040	-	21,040	-	21,040
Other Tax Income	29,357	-	29,357	-	29,357
Other Income	12,411	-	12,411	-	12,411
Private Contributions	250	-	250	-	250
Total Revenues	<u>2,146,512</u>	<u>2,134</u>	<u>2,148,646</u>	<u>-</u>	<u>2,148,646</u>
Excess (deficiency) of Revenues Over Other (under) Expenditures	<u>(63,016)</u>	<u>2,134</u>	<u>(60,882)</u>	<u>(72,289)</u>	<u>(133,171)</u>
Other Financing Sources (Uses)					
Transfers In	(7,912)	-	(7,912)	-	(7,912)
Transfers Out	7,003	-	7,003	-	7,003
Total Other Financing Sources (uses)	<u>(909)</u>	<u>-</u>	<u>(909)</u>	<u>-</u>	<u>(909)</u>
Change in Net Assets	<u>(63,925)</u>	<u>2,134</u>	<u>(61,791)</u>	<u>(72,289)</u>	<u>(134,080)</u>
Fund Balances/Net Assets, beginning of year	1,833,407	123,390	1,967,797	4,058,244	6,015,276
Prior Year Adjustment	<u>235</u>	<u>-</u>	<u>235</u>	<u>-</u>	<u>235</u>
Fund balances/net assets, end of year	<u>\$ 1,769,482</u>	<u>\$ 125,524</u>	<u>\$ 1,906,006</u>	<u>\$ 3,985,955</u>	<u>\$ 5,881,196</u>

The accompanying notes are an integral part of the financial statements.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2009**

	Emergency Preparedness Fund	Kensington Park Reassessment District 2004-1 Fund	Total
Assets			
Cash and investments	\$ 902	\$ 257,798	\$ 258,700
Interest receivable	-	351	351
Special assessments receivable	-	1,402,307	1,402,307
Total assets	\$ 902	\$ 1,660,456	\$ 1,661,358
Liabilities			
Accounts payable	\$ 451	\$ 2	\$ 453
2004 Limited Obligation Improvement Bonds	-	1,518,979	1,518,979
Bond interest payable	-	26,472	26,472
Total liabilities	\$ 451	\$ 1,545,453	\$ 1,545,904
Net Assets			
Reserved for Emergency Preparedness Council	\$ 451	\$ -	\$ 451
Reserved for Reassessment District 2004-1	-	115,003	115,003
Total net assets	\$ 451	\$ 115,003	\$ 115,454

The accompanying notes are an integral part of the financial statements.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
STATEMENT OF CHANGES IN NET ASSETS-FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009**

	Emergency Preparedness Fund	Kensington Park Reassessment District 2004-1 Fund	Total
ADDITIONS:			
Special assessments	\$ -	\$ 180,503	\$ 180,503
Interest income	-	2,041	2,041
Total additions	-	182,544	182,544
DEDUCTIONS:			
Bond administration charges	-	8,730	8,730
Bond expenses	-	66,609	66,609
Bond principal	-	93,937	93,937
Contract services	-	-	-
Total deductions	-	169,276	169,276
Net increase (decrease) in fiduciary net assets	-	13,268	13,268
Transfer in	-	(6,259)	(6,259)
Transfer out	-	7,168	7,168
Net assets, beginning of year	451	100,826	101,277
Net assets, end of year	<u>\$ 451</u>	<u>\$ 115,003</u>	<u>\$ 115,454</u>

The accompanying notes are an integral part of the financial statements.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGE IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>General Fund Budget</u>	<u>General Fund Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:			
Property Taxes	\$ 1,287,926	\$ 1,243,448	\$ (44,478)
Special Assessments	679,000	680,340	1,340
Grant Revenue	-	100,000	100,000
Investment Income	40,400	26,676	(13,724)
Rents and Fees	22,000	24,923	2,923
Charges for Services	3,500	8,067	4,567
Franchise Fees	20,800	21,040	240
Special Assessments-Park Maintenance	28,800	29,357	557
Other Income	15,000	12,411	(2,589)
Donations	3,000	250	(2,750)
Total Revenues	<u>2,100,426</u>	<u>2,146,512</u>	<u>46,086</u>
Expenses:			
Police Salary and Benefits	1,700,433	1,602,274	98,159
Police Other Expenses	256,112	287,031	(30,919)
Recreation Salary and Benefits	38,237	31,347	6,890
Recreation Expenses	63,240	49,290	13,950
District Expenses	161,262	214,395	(53,133)
Capital Outlay	314,700	25,191	289,509
Total Expenditures	<u>2,533,984</u>	<u>2,209,528</u>	<u>324,456</u>
Excess of Revenues over (under) Expenditures	<u>\$ (433,558)</u>	<u>\$ (63,016)</u>	

The accompanying notes are an integral part of the financial statements.

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Kensington Police Protection and Community Services District (the "District") is presented to assist in understanding the District's financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Organization and description of funds

The District was formed to provide police protection services and parks and recreation services. The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise the fund's assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The District also maintains two fiduciary funds: (1) Emergency Preparedness Fund (used for expenses in conjunction with the emergency radio network) and (2) Kensington Park Reassessment District 2004-1 Fund (used to account for special assessment funds, see Note 4).

Government-wide Financial Statements

The District's Government-wide Financial Statements include a Statement of Net Assets and a Statement of Activities and Changes in Net Assets. These statements present summaries of Governmental Activities for the District accompanied by a total column.

These statements are presented on an economic resources measurement focus and the *accrual basis* of accounting. Accordingly, all of the District's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

The Government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenditures identifies the extent to which each program is self-financing or draws from the general revenues of the District.

Net assets should be reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net assets restricted for other purposes result from special revenue funds and the restrictions on their net asset use.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Separate financial statements are provided for governmental funds. Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Major individual governmental funds are reported as separate columns in the governmental fund financial statements. No major funds are aggregated and presented in a single column. The District had no major funds in the fiscal year ended June 30, 2009.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Accompanying schedules are presented to reconcile and explain the differences in net assets as presented in these statements to the net assets presented in the Government-wide Financial Statements.

All governmental funds are accounted for on a spending or current financial resources measurement focus and the *modified accrual basis* of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are intergovernmental revenues, investment earnings and charges for services. Expenditures are generally recognized when incurred under the modified accrual basis of accounting.

The District has only two funds in fiscal year 2009, the General Fund and Capital Project Fund.

General Fund—the General Fund is the operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund—The Debt Service Fund is used to account for financial resources to be used or the retirement of debt. The Kensington Park Reassessment Bond 2004-1 issued in June 2004 in defeasance of the 1994 special assessment bonds has been determined to be an Agency Fund since the District is not obligated to repay the debt. The balance in the debt service fund has therefore been transferred to the Kensington Park Reassessment District 2004-1 Fund (see Note 4) and is not part of fiscal year 2009 presentation.

Capital Projects Fund—The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and budgetary accounting

The District follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During the month of May, the General Manager/ Chief of Police submits to the Board of Directors a preliminary operating budget. During the month of June the General Manager/Chief of Police submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. The budget is enacted through a motion to adopt the Budget.
3. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund and Capital Projects Fund.
4. Budgets for the General Fund and the Capital Projects Fund are adopted on a basis consistent with accounting principles generally accepted in the United States (US GAAP).

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and the Capital Projects Fund. All appropriations lapse at fiscal year end.

Cash and investments

Cash includes amounts in demand deposits as well as short-term investments. Investments are carried at market value.

Accounting pronouncements

Effective July 1, 2003, the District adopted the provisions of GASB No. 34, issued in June 1999; GASB No. 37, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments: Omnibus* (“GASB No. 37”) issued in June 2001 and GASB No. 38, *Certain Financial Statement Disclosures* (“GASB No. 38”) issued in June 2001.

The Governmental Accounting Standards Board Statement No. 34, “Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments” establishes a new financial reporting model for state and local governments. This new model requires that at a minimum the basic financial statements of a government include: (1) management’s discussion and analysis (MD&A) as a component of required supplementary information (RSI), (2) both government-wide financial statements and fund financial statements, (3) notes to the financial statements and (4) RSI other than MD&A.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated absences

District employees are entitled to certain compensated absences based on their length of employment. Payable for compensated absences is \$57,544 at June 30, 2009.

Fund equity reservations and designations

Reservations and designations of the ending fund balance indicate portions of fund balance not appropriate for expenditures or amounts legally segregated for a specific future use.

Statement calculations and use of estimates

Due to rounding, column and row calculations may approximate actual figures. Approximations may result when decimal places are eliminated to present whole numbers.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenditures during the reporting periods. Actual results could differ from those estimates.

Reclassification

Certain accounts in the prior-year financial statements have been reclassified to conform to the presentation in the current-year financial statements.

NOTE 2—CASH AND INVESTMENTS

The District maintains most of its cash in the County of Contra Costa treasury. Balances are stated at cost, which is approximately market value.

The District maintains a cash and investment that is available for use by all funds. Investments made by the District are summarized below. The investments that are represented by specific identifiable investment securities are classified below according to credit risk:

Category 1—Investments that are insured or registered, or for which securities are held by the District or its agent in the District's name.

Category 2—Uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the District's name.

Category 3—Uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the District's name.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 2—CASH AND INVESTMENTS (Continued)

A summary of the District's cash and investments at June 30, 2009 follows:

	Carrying Value	Market Value
<u>Governmental Funds (District Fund)</u>		
<u>Category 1:</u>		
Cash in Checking Accounts	\$ 3,725	\$ 3,725
Petty Cash	100	100
	3,825	3,825
<u>Uncategorized:</u>		
County Treasury	1,924,689	1,924,689
Total Governmental Fund (District Fund)	1,928,514	1,928,514
 <u>Fiduciary Funds</u>		
<u>Category 1:</u>		
Cash in Checking Accounts	902	902
<u>Uncategorized:</u>		
County Treasury	257,798	257,798
Total Fiduciary Fund	258,700	258,700
Total Governmental & Fiduciary Fund	\$ 2,187,214	\$ 2,187,214

The disposition of cash and investments by fund is as follows:

General Fund	\$ 1,803,360
Capital Projects Fund	125,154
	\$ 1,928,514
Emergency Preparedness Fund	\$ 902
2004-1 Park Reassessment Bond Fund	\$ 257,798

The District's cash fund in the County Treasury is not categorized by risk category because the District's share is not evidenced by specifically identifiable securities.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 2—CASH AND INVESTMENTS (Continued)

Deposits

The California Government Code requires California banks and savings and loan associations to secure a local governmental agency's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 100% of the agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150% of an agency's total deposits. The agency may waive collateral requirements for deposits, which are fully insured up to \$100,000 by federal deposit insurance.

NOTE 3—CAPITAL ASSETS

The District's capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. Capital assets are recorded at cost and depreciated over their estimated useful lives. Depreciation is charged to governmental activities by function.

Depreciation of capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, accumulated depreciation, is reported on the Statement of Net Assets as a reduction in the book value of capital assets.

Depreciation of capital assets in service is provided using the straight-line method, which means the cost of the asset is divided by its expected useful life in years, and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets:

Vehicles	5 years
Furniture and fixtures	5 years
Building and improvements	20-40 years
Machinery and equipment	5-10 years

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 3—CAPITAL ASSETS (continued)

A summary of changes in general fixed assets follows:

	<u>Balance 6/30/08</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 6/30/09</u>
Non-Depreciable Assets				
Land	\$ 2,808,347	\$ -	\$ -	\$ 2,808,347
Depreciable Assets				
Building & Improvements	1,450,472	22,130	-	1,472,602
Vehicles & Equipment	472,330	3,061	-	475,391
Furniture & Fixtures	28,396	-	-	28,396
	<u>4,759,545</u>	<u>25,191</u>	<u>-</u>	<u>4,784,736</u>
Accumulated Depreciation				
Building & Improvements	289,025	42,322	-	331,347
Vehicles & Equipment	385,612	53,425	-	439,037
Furniture/Fixtures/Improvements	28,363	34	-	28,397
	<u>703,000</u>	<u>95,781</u>	<u>-</u>	<u>798,781</u>
Capital Assets Net of Depreciation	<u><u>\$ 4,056,545</u></u>	<u><u>\$ (70,590)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,985,955</u></u>

NOTE 4—SPECIAL ASSESSMENT DEBT

Kensington Park Reassessment District 2004-1 Refunding Bonds

	<u>June 30, 2008</u>	<u>Borrowings</u>	<u>Payments</u>	<u>June 30, 2009</u>
2004 Limited Improvement Bonds Obligation	<u>\$ 1,612,916</u>	<u>\$ -</u>	<u>\$ 93,937</u>	<u>\$ 1,518,979</u>
	<u><u>\$ 1,612,916</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 93,937</u></u>	<u><u>\$ 1,518,979</u></u>

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 4—SPECIAL ASSESSMENT DEBT (continued)

The original 1994 Limited Obligation Improvement Bonds were issued pursuant to the provisions of the Improvement Bond Act of 1915 to finance costs of acquisition of land to be used as a park and installation of certain recreational improvements. The bonds are limited obligations of the District and are equally and ratably secured by unpaid assessments on certain parcels of property located within the Kensington Park Assessment district. The Kensington Park Assessment District was created by the District pursuant to the Landscaping and Lighting Act of 1972 specifically to finance the park landscaping and lighting project. The unpaid assessments represent fixed liens on each assessed parcel. Annual installments of the unpaid assessments together with interest thereon, sufficient to meet the scheduled debt service, are included in the tax bills for the assessed properties and the receipts are deposited into a redemption fund used to pay interest and principal on the bonds as they come due. The District is in no way liable for the repayment of the improvement bonds. The District is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings.

On June 17, 2004, the District issued \$1,868,600 of 2004 Limited Obligation Improvement Bonds for the purpose of refunding the \$2,050,000 of outstanding 1994 Limited Obligation Improvement Bonds. The refunding took advantage of lower interest rates which were available and resulted in reductions in debt service requirements over the life of the new debt. The net proceeds of \$1,868,600 from these bonds were transferred to a trustee and placed in an irrevocable trust to redeem the 1994 Limited Obligation Improvement Bonds. These funds were invested in U.S. government securities to provide for the redemption price and interest through the call date. The 2004 bond bears annual interest at a fixed rate of 4.25%. The bond was issued as a fully registered note in a single denomination of \$1,868,600. Interest on the bond becomes payable commencing March 2, 2005, and semi-annually thereafter on each September 2 and March 2 until maturity. The bond maturity date is September 2, 2020.

The following funds have been created: (1) Reserve Fund, established in the initial amount of \$93,430 from the bond proceeds; (2) Redemption Fund, established to collect all payments of principal and interest installments on the assessments; (3) cost of issuance fund, established to pay issuance costs and (4) administrative expense fund, established to reimburse payment of administrative expenses. The District's liability to advance funds to the Redemption Fund in the event of delinquent installments shall not exceed the balance in the Reserve Fund.

As of June 30, 2009, future debt service payments were as follows:

<u>Fiscal year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 101,987	\$ 62,425	\$ 164,412
2011	105,483	58,016	163,499
2012	108,987	53,459	162,446
2013	112,176	48,759	160,935
2014	120,367	43,818	164,185
Thereafter	969,979	150,542	1,120,521
	<u>\$ 1,518,979</u>	<u>\$ 417,019</u>	<u>\$ 1,935,998</u>

Current Portion of Interest: \$62,425

Current Portion of Principal: \$101,987

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 5—DEFINED BENEFIT PENSION PLAN

PERS plan description

The District has a defined benefit pension plan (the “Plan”) which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Plan is part of the Public District portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the state of California. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees’ Retirement Law. The District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through board action. CalPERS issues a separate comprehensive annual financial report. Copies of the report may be obtained from the CalPERS Executive Office at 400 P Street, Sacramento, CA 95814.

Funding policy

Active plan members in the Plan are required to contribute 9% of their annual covered salary. The District “picks up” the tax deferred contributions required of District employees on their behalf and for their accounts. The District is required to contribute the actuarially determined amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. An employer contribution of 29.83% was required for fiscal 2009. The contribution requirements for the plan members are established by State statute. The employer contribution rate is established and may be amended by CalPERS. For 2009/2010, the required employer contribution rate is 30.55% and 2010/2011 is 27.92%.

Annual pension cost

For the fiscal year ended June 30, 2009, the total contributions amounted to \$339,757. Of this amount, \$258,854 was contributed by the District on behalf of the plan members. The District’s required contribution for fiscal year ended June 30, 2009 of \$269,432 was determined as part of the June 30, 2007 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included: a) an 7.75% investment rate of return (net of administrative expenditures); and b) projected salary increases of 3.25% to 14.45%. Both a) and b) include an inflation component of 3% and anticipated payroll growth of 3.25%. The actuarial value of the plan’s assets were determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a rolling period, depending on the size of investment gains and/or losses.

Three-year trend information for the Plan is as follows:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>% of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
2007	213,422	100%	\$ -
2008	230,734	100%	-
2009	258,854	100%	-

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 6—PAYABLE TO KENSINGTON FIRE PROTECTION DISTRICT (KFPD)

In July 1998, the District entered into a lease agreement as a lessee to occupy office space from KFPD for a ten-year period through June 30, 2009. The agreement provides for the following costs to be paid by the District:

- (1) The District will reimburse KFPD \$127,000 of the total building renovation costs incurred by KFPD to renovate its building. The obligation is payable in semi-annual installments (January 1 and July 1) of \$6,350 interest-free over a ten-year period expiring June 30, 2009. If the KFPD terminates the lease the balance of the obligation from the District shall be forgiven. If the District were to terminate the lease the balance of the obligation would become immediately due and payable. At June 30, 2009, the payable to KFPD is as follows:

(2)

	<u>June 30, 2008</u>	<u>Repayments</u>	<u>June 30, 2009</u>
Payable to KFPD	\$ <u>12,700</u>	\$ <u>12,700</u>	\$ <u>-</u>

The \$12,700 repayment is included in Police Principal Expense in the accompanying Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances.

The installment agreement has been paid in full and that the District has entered into a new lease with KFPD.

- (3) Annual maintenance fee of \$3,787, payable in semi-annual installments of \$1,894. KFPD deposits the payments into a separate bank account. Any unused amounts at fiscal year-end are reported as deposits receivable from KFPD. At June 30, 2009, deposits receivable from KFPD were \$3,051. Principal payments for last year were \$12,700.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 7—FUND EQUITY RESERVES AND DESIGNATIONS

Fund balance consists of reserved and unreserved amounts. Reserved fund balance represents that portion of a fund balance which has been appropriated for expenditure or is legally segregated for a specific future use. The remaining portion is unreserved and is classified as designated or undesignated. Fund balance reserves and designations at June 30, 2009 are as follows:

<u>Fund balances</u>	<u>General</u>	<u>Capital Projects</u>	<u>Total</u>
Reserved			
Compensated Absences	\$ 57,544	\$ -	\$ 57,544
Total Reserved	<u>57,544</u>	<u>-</u>	<u>57,544</u>
Unreserved and Undesignated	1,712,173	125,524	1,837,697
Total Unreserved and Undesignated	<u>1,712,173</u>	<u>125,524</u>	<u>1,837,697</u>
 Total Fund Balance	 <u>\$ 1,769,717</u>	 <u>\$ 125,524</u>	 <u>\$ 1,895,241</u>

NOTE 8—INSURANCE POOLS

Special District Risk Management District

The District is a member of the Special District Risk Management District (“SDRMA”). SDRMA was organized to provide certain levels of liability insurance coverage, property insurance coverage, claims management, risk management services and legal defense to its participating members. The financial results of SDRMA are not included in the accompanying basic financial statements because the District does not have oversight responsibility.

SDRMA provides the District with property and general liability coverage to the limits as set forth in the agreement. The annual member contribution was \$28,603 for fiscal 2009 coverage. Members are subject to dividends and/or assessments in accordance with the provisions of the Joint Powers agreement. At June 30, 2009, SDRMA could not confirm the status of any incurred but not reported (“IBNR”) claims.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

NOTE 8—INSURANCE POOLS (Continued)

The Special Districts Workers Compensation District (“SDWCD”) was formed by an agreement between certain public agencies to provide workers’ compensation coverage. SDWCD is governed by a Board of Directors, which is comprised of officials appointed by member agencies.

The District currently reports all of its risk management activities in its General Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated.

The District maintains a workers’ compensation fund, which is self-insured for the first \$100,000 of loss per accident. Excess coverage is purchased from an outside insurance carrier up to statutory limits.

**NOTE 9—EXPLANATION OF DIFFERENCES BETWEEN THE GOVERNMENTAL
FUND BALANCE SHEET AND THE STATEMENT OF NET ASSETS**

Total fund balance of the District's governmental funds differs from the net assets of governmental activities reported in the statement of net assets primarily as a result of the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheet. When capital assets (land, building, and equipment) that are used in governmental activities are purchased or constructed, the costs of those assets are reported as capital outlay expenditures in the governmental fund. However, the statement of net assets includes the capital assets, net of accumulated depreciation, among the assets of the District.

Differences	Balance June 30, 2009
Cost of capital assets	\$ 4,784,736
Less: Accumulated depreciation	<u>798,781</u>
Net capital assets	3,985,955
Net difference	<u>\$ 3,985,955</u>

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2009**

**NOTE 10—EXPLANATION OF DIFFERENCES BETWEEN THE GOVERNMENTAL
FUND OPERATING STATEMENT AND THE STATEMENT OF ACTIVITIES**

The net change in fund balance for the governmental funds differs from the "change in net assets" as a result of the long-term economic focus of the statement of activities versus the current financial resources focus of the general fund. When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as capital outlay expenditures in the general fund. Also, when capital assets are sold, the resources received are reported as proceeds from sale of capital assets in the respective fund. However, in the statement of activities, the cost of those assets purchased or constructed is allocated over their estimated useful lives and reported as depreciation expense. The resources received from the sale of capital assets offset against the net carrying value of the assets sold and reported as a gain or loss in the statement of activities. As a result, the fund balance decreased by the amount of financial resources expended and increased by the amount of financial resources received, whereas net assets decreased by the amount of depreciation expense on equipment items during the year and increased (decreased) by the amount of net gain (loss) on disposal of capital assets.

Differences	Balance June 30, 2009
Capital Outlay	\$ (25,191)
Add: Bad Debt	1,700
Add: Depreciation Expense	95,780
Net difference	\$ 72,289

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Board of Directors
Kensington Police Protection and Community Services District
Kensington, California

I have audited the basic financial statements of the Kensington Police Protection and Community Services District (District), as of and for the fiscal year ended June 30, 2009, and have issued my report thereon dated July 27, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the District's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

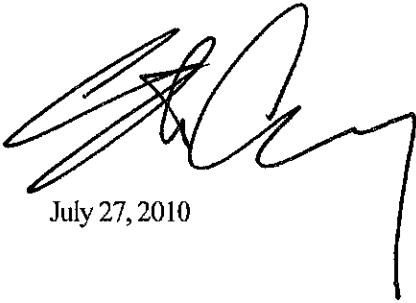
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. However, I identified certain deficiencies in internal control over financial reporting, described in schedule of finding and questioned cost as 2009-1.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatements, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

KPPCSD's response to the finding identified in my audit is described in the accompanying schedule of findings and questioned costs. I did not audit KPPCSD's responses and, accordingly, I express no opinion on the responses.

This report is intended solely for the information and use of management and others within the District. This is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to be 'A. J. [unclear]', written over the date.

July 27, 2010

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
STATUS OF PRIOR YEAR FINDINGS
YEAR ENDED JUNE 30, 2009**

<u>Findings</u>	<u>Present Status</u>	<u>Explanation if not fully implemented</u>
None		

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
CURRENT YEAR FINDINGS
YEAR ENDED JUNE 30, 2009**

<u>Findings</u>	<u>Present Status</u>	<u>Explanation if not fully implemented</u>
2009-1	N/A	N/A

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

2009-1

Over-time wages paid was not properly supported.

Criteria

Over-time wages expenditure is \$39,006 in fiscal year 2009. Kensington Police Protection and Community Services District required employees to report over-time hours on their timesheets. The supervisors are responsible for approving over-time claims. Approved timesheets are given to the payroll department to process paychecks.

Condition

L&C have identified a total of 4 incidents, out of a total of 30 samples tested. The 4 sample support timesheets did not tie and agree to the payroll register. In all 4 incidents, the officers were paid more over-time than what was reported.

Effect

There was a control weakness that appears to be no preliminary review process of payroll register to the timesheets. As a result, over-time wages paid was inaccurate and KPPCSD overpaid its employees for over-time wages.

Recommendation

L&C recommended that KPPCSD should assign another employee to check the accuracy of the preliminary payroll register against approved timesheets before paychecks are finalized for payment.

Questioned Costs

Not able to determine as L&C did not test the whole population of the over-time wages records.

**KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS (Continued)
YEAR ENDED JUNE 30, 2009**

Management Response and Corrective Action Plan

Management completely agrees with the findings of the 2008/2009 audit and has already taken corrective action.

Between April and December of 2009, officer's schedules were changed from a "4/10" schedule to a "3/12" schedule to cover for a personnel/ staffing shortage. This resulted in officers working four built in overtime hours a pay period, which they were not required to fill out a daily overtime slip for.

However, Management also began to track payroll and payable issues by the end of 2009 that were traced back to a personnel issue. Following an internal audit conducted by the District's accountant/CPA, by March of 2010, changes were made in the way payroll was processed. It was during this time that the District's accountant/CPA took over the responsibility to process payroll and continued to audit the payroll and payables process.

With changes in personnel occurring in August 2010, Management has begun the search to identify personnel who would be qualified and have the necessary experience in day to day accounting transactions and payroll processes. The search is being conducted with the assistance of the District's accountant/CPA.

Memorandum

Kensington Police Department



To: KPPCSD Board of Directors

APPROVED YES NO

From: KPPCSD President Charles Toombs

Date: Thursday, November 04, 2010

FORWARDED TO:

Subject: New Business Item #4 Release of Salary Survey

By action taken at the District meeting of June 10th, 2010, this Board voted to enter into an agreement with Koff & Associates to prepare a Kensington Police Officers Total Compensation Survey, which would provide among other things, a comparison of the total compensation of our police officers and sergeants against a number of comparator agencies to assist the District in negotiating a new Memorandum of Understanding with the Kensington Police Officers Association. At that public meeting, the District voted: (1) that this survey would be prepared as a joint report to the District and to the KPOA; and (2) that the District would keep the substance of the report confidential until after conclusion of the negotiations at which time it would be released to the Community. This was done in good faith to allow for candid negotiations to proceed with the KPOA.

Immediately prior to the recent elections, many in the community publicly and vocally raised the notion that these documents should not be kept confidential and that the public had a right to the information contained in them. The District asked its legal counsel to address these concerns. District counsel advises that there are compelling legal authorities that allow the Board to retain this veil of confidentiality over some of the documents but if tested, the public's legitimate right to access to this information will likely outweigh the legitimate and equitable interests of the Board in it remaining confidential. Under these circumstances, the better course is to publish the material for the community to review and consider.

In this regard, the District's legal counsel advises that the Final Report captioned "Total Compensation Study for the Kensington Police Protection and Community Services District dated October 2010", should be distributed to the public. Additionally, the District's legal counsel advises that the "white paper" captioned "Proposal for Regional Pension Reform" dated February 2, 2010 and prepared by the Alameda County City Managers Association and the Contra Costa County Public Managers Association for general circulation should also be distributed to the public.

In light of these legal recommendations, the Board is asked to reverse its prior vote deeming some or all of these documents as confidential, and to vote to disclose them. If approved, limited amounts of the documents will be provided to those in attendance at this meeting and the documents will be immediately posted to the District's website. If disclosure is also approved, the District will arrange for the authors of this report to make a formal presentation to the Community at the next public board meeting, now set for December 9, 2010 after the new Board is sworn in office.