

**KENSINGTON FIRE PROTECTION DISTRICT  
AGENDA OF A MEETING OF THE  
BOARD OF DIRECTORS**

Date of Meeting: January 8, 2014  
Time of Meeting: 7:00 p.m.  
Place of Meeting: Kensington Community Center  
59 Arlington Avenue, Kensington, CA 94707

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Please Note: Copies of the agenda bills and other written documentation relating to each item of business referred to on the agenda are on file in the office of the Kensington Fire Protection District Administration Office, 217 Arlington Avenue, Kensington, and are available for public inspection. A copy of the Board of Directors packet can be viewed on the internet at [www.kensingtonfire.org/agenda/index.shtml](http://www.kensingtonfire.org/agenda/index.shtml).

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office Manager, 510/527-8395. Notification 48 hours prior to the meeting will enable the Kensington Fire Protection District to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title 1).

7:00 p.m.

**CALL TO ORDER**

Directors: Helmut Blaszczyk, Joe de Ville, Nina Harmon, Janice Kosel, and Larry Nagel

1. **ADOPTION OF CONSENT ITEMS.** Items 3, 4, 5 & 6  
All matters listed with the notation "CC" are consent items, which are considered to be routine by the Board of Directors and will be enacted by one motion. The Board of Directors has received and considered reports and recommendations prior to assigning consent item designations to the various items. Copies of the reports are on file in the Fire Protection District Administrative Office at 217 Arlington Avenue and are available to the public. The disposition of the item is indicated. There will be no separate discussion of consent items. If discussion is requested for an item, that item will be removed from the list of consent items and considered separately on the agenda. PLEASE NOTE: Public review copy of the agenda packet is available at the Directors' table at the Board meetings.
2. **ORAL COMMUNICATIONS.** (This place on the agenda is reserved for comments and inquiries from citizens and Board members concerning matters that do not otherwise appear on the agenda. Speakers shall be requested to provide their names and addresses prior to giving public comments or making inquiries.)
- CC 3. **APPROVAL OF THE MINUTES.** Approval of the minutes of the regular meeting of December 11, 2013 (APPROVE)
- CC 4. **APPROVAL OF MONTHLY A/P VOUCHER - TRANSMITTAL #7** (APPROVE)
- CC 5. **APPROVAL OF MONTHLY FINANCIAL REPORT.** November/December 2013 (APPROVE)
- CC 6. **APPROVAL OF MONTHLY INCIDENT ACTIVITY REPORT.** November 2013 (APPROVE)
7. **PRESIDENT'S REPORT**
  - a. Committee Assignments for 2014
8. **FIRE CHIEF'S REPORT**
  - a. Review of operations.
  - b. Regional issues and developments.

**NEW BUSINESS**

9. Review of FY12-13 Financial Statements and Independent Auditor's Review (ACTION)

10. **BOARD REPORTS**

Informational reports from Board members or staff covering the following assignments:

- a. Finance Committee (Kosel/Blaschczyk): Next meeting to be held on January 21, 2014
- b. Public Safety Building (de Ville/Harmon)
- c. Education (Kosel)
- d. Contra Costa County/California Special Districts Assoc. (Nagel/Harmon): Next meeting to be held January 27, 2014
- e. Diablo Fire Safe Council/Interface (Staff)
- f. Water System Improvements (Staff): Copy of letter from EBMUD Board of Directors to Anthony Knight
- g. Correspondence: Note from Carmelite Nuns; Thank you from Nikki Bailey; Thank you from Marjorie Gliksman

**ADJOURNMENT.** The next regular meeting of the Board of Directors of the Kensington Fire Protection District will be held on Wednesday, February 12, 2014 at 7:00 p.m. at the Kensington Community Center, 59 Arlington Avenue, Kensington, CA 94707.

The deadline for agenda items to be included in the Board packet for the next regular meeting of 2/12/14 is Wednesday, 1/29/14 by 1:00 p.m. The deadline for agenda-related materials to be included in the Board packet is Wednesday, 2/5/14 by 1:00 p.m., Fire Protection District Administration Office, 217 Arlington Ave., Kensington.

IF YOU CHALLENGE A DECISION OF THE BOARD OF DIRECTORS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED AT THE BOARD MEETING OR IN WRITTEN CORRESPONDENCE DELIVERED AT, OR PRIOR TO, THE BOARD MEETING

# **CONSENT CALENDAR**

**MINUTES OF THE DECEMBER 11, 2013 MEETING OF THE BOARD OF DIRECTORS  
OF THE KENSINGTON FIRE PROTECTION DISTRICT**

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**PRESENT:**      Directors:      Helmut Blaschczyk, Nina Harmon, Janice Kosel  
                         Staff:                      Chief Lance Maples  
                         Absent:                      Directors Joe deVille and Larry Nagel, Manager Brenda Navellier

**CALL TO ORDER:**

Vice President Blaschczyk called the meeting to order at 7:00 p.m. and noted that Directors de Ville and Nagel were both excused.

**APPROVAL OF CONSENT ITEMS:**

Vice President Blaschczyk called for the approval of the consent calendar (items 3, 4 & 5) consisting of approval of the minutes of the November 13, 2013 meeting, approval of the monthly transmittal #6, and approval of the monthly October/November financial report. Director Kosel made a motion to accept the consent calendar items as presented. The motion was seconded and passed unanimously.

**ORAL COMMUNICATIONS:**

None.

**PRESIDENT'S REPORT:**

None.

**CHIEF'S REPORT:**

Chief Maples gave an update on Richmond/El Cerrito fire and police holiday toy program. Maples encouraged everyone to drop off toys at the fire stations. The department has been participating in this program for over 20 years. Toys are accepted up until the 24<sup>th</sup> and are put in the toy program warehouse for the following year after that date.

The Kensington area has received three vegetation management partnership grants from Diablo Fire Safe Council this year. The grants are a partnership between the homeowners, EBRPD and DFSC. The recipients are located on Lake Drive, Los Altos, and Purdue and each grant is for \$3,000. In addition, El Cerrito received two grants from DFSC. Kensington's success with this program stems from staff's involvement and resident, Ciara Wood's involvement in DFSC.

**NEW BUSINESS:**

Director Blaschczyk called for nominations for the office of President. Director Harmon nominated Director Kosel for President for calendar year 2014. The nomination was seconded and passed unanimously.

Director Blaschczyk called for nominations for the office of Vice President. Director Kosel nominated Director Blaschczyk for Vice President for calendar year 2014. The nomination was seconded and passed unanimously.

Director Blaschczyk called for nominations for the office of Secretary. Director Kosel nominated Director Harmon for Secretary for calendar year 2014. The nomination was seconded and passed unanimously.

Director Kosel asked the Directors present to inform her if they would like changes on their committee assignments for calendar year 2014 prior to the next meeting.

**BOARD REPORTS:**

Finance Committee: Kosel reported that the Finance Committee will meet in January.

CSDA: The next meeting will be held in January. KFPD will be awarded its reaccreditation of a District of Distinction and the Transparency Certificate of Excellence at that meeting. Chief Maples and Manager Navellier will attend with Director Nagel.

Correspondence: A thank you note from the Kruger family regarding two responses from KFPD was included in the packet.

**ADJOURNMENT**: The meeting was adjourned at 7:12 p.m.

MINUTES PREPARED BY: Brenda J. Navellier

These minutes were approved at the regular Board meeting of the Kensington Fire Protection District on January 8, 2014.

Attest:

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Larry Nagel, Board Secretary

TRANSMITTAL - APPROVAL

TO: Auditor Controller of Contra Costa County:

Forwarded herewith are the following invoices and claims for goods and services received which have been approved for payment:

		KENSINGTON FPD		PY/CY:	
		TRANSMITTAL - APPROVAL		BATCH #:	
		Invoices		DATE:	
				LOCATION #:	
				FILENAME:	
				KENSINGTON	
00982	Delta Dental	1/1/2014	BE000676647 Jan dental	7840 1061	1,189.07
1169	CalPERS	12/17/2013	014186566 Jan med	7840 1061	7,321.85
01406	KFPD	01/03/14	Reimburse revolving fund	7840 2490	13,227.10
01634	Vision Service Plan	12/19/13	001027770001 Jan vision	7840 1061	330.22
02120	City of El Cerrito	01/01/14	Jan fire protection	7840 2328	192,760.66
TOTAL					214,828.90

Kensington FPD Approval

Date: 1/15/14

*Audrey A. Quill*  
Date: 1/15/14

January 3, 2014

**Attachment to Transmittal 0114**

Kensington Fire Protection District Revolving Fund 01406

Detailed invoice for reimbursement to the Revolving Fund for payment of the following expenditures:

<u>INVOICE</u> <u>DATE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
12/10/2013	ICMA deferred comp Nov	712.86
12/10/2013	Pagepoint - website posting	18.75
11/22/2013	Comcast - internet	80.70
12/1/2013	Allways Green - janitorial	105.00
12/6/2013	EBMUD - water/wastewater	334.04
12/4/2013	PG&E - electric	805.80
12/5/2013	PG&E - gas	119.06
12/15/2013	Terminix - pest control	106.00
12/9/2013	Nextel - telephone	64.47
12/5/2013	Office Depot - office supplies	13.52
12/5/2013	AT&T - telephone	346.89
12/6/2013	Nagel - SDLF conf mileage	43.51
12/17/2013	Payroll processing	124.30
12/17/2013	Payroll - 12/1-12/15/13	2,490.44
12/17/2013	Withholding payroll taxes 12/1- 12/15/13	977.57
1/1/2014	Bay View Refuse - Jan-Apr	336.28
12/13/2013	Mechanics - trading cards, SDLF hotel, etc.	709.04
12/20/2013	Cruikshank - parking lot clean up	970.00
12/20/2013	Olivero - bathroom leak repair	149.72
12/22/2013	Comcast - internet	80.70
1/1/2014	Stericycle - medical waste	215.30
1/1/2014	ICMA deferred comp Dec	712.86
1/1/2014	Allways Green - janitorial	92.89
1/2/2014	Payroll processing	52.40
1/2/2014	Payroll - 12/16-12/31/13	2,492.15
1/2/2014	Withholding payroll taxes 12/16- 12/31/13	1,072.85
	<b>Total</b>	<b>13,227.10</b>

Please complete the enclosed deposit ticket and mail in the attached envelope to The Mechanics Bank.

**Kensington Fire Protection District**  
**Balance Sheet**  
As of December 11, 2013

Dec 11, 13

**ASSETS**

**Current Assets**

**Checking/Savings**

Petty Cash	200.00
KFPD Revolving Acct - Gen Fund	10,108.13
General Fund	383,278.60
Special Tax Fund	16,210.25
Capital Fund	5,022.77

**Total Checking/Savings** 414,819.75

**Accounts Receivable**

Advance on Taxes	3,044,008.93
Advance on Supplemental Taxes	30,716.14

**Total Accounts Receivable** 3,074,725.07

**Other Current Assets**

Prepaid Services - EC	1,377,145.31
Prepaid CERBT - Retiree Trust	1,058,875.80

**Investments**

Capital Replacement Funds	969,877.00
Fire Protect. Contract Reserves	2,365,475.00
Investments - Other	-818,979.11

**Total Investments** 2,516,372.89

**Total Other Current Assets** 4,952,394.00

**Total Current Assets** 8,441,938.82

**Fixed Assets**

Equipment	1,056,930.12
Accumulated Depreciation-Equip	-626,703.00
Land	5,800.00
Building and Improvements	1,997,306.30
Accumulated Depreciation - Bldg	-684,659.00
Current Capital Outlay	
Airpacks	15,561.45

**Total Current Capital Outlay** 15,561.45

**Total Fixed Assets** 1,764,235.87

**TOTAL ASSETS** 10,206,174.69

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

Due to Other - Issued by CCC	21,747.53
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**Total Accounts Payable** 21,747.53

**Other Current Liabilities**

El Cerrito Service Contract Pay	1,377,145.31
Wages & PR Taxes Payable	1,239.00

**Total Other Current Liabilities** 1,378,384.31

**Total Current Liabilities** 1,400,131.84

**Total Liabilities** 1,400,131.84



**Kensington Fire Protection District**  
**Balance Sheet**  
As of December 11, 2013

	<u>Dec 11, 13</u>
Equity	
Fund Equity - General	3,325,448.26
Fund Equity - Capital Projects	548,373.00
Fund Equity - Special Revenue	17,789.00
Fund Equity - Gen Fixed Asset	1,321,009.00
Fund Equity	1,535,196.38
Net Income	2,058,227.21
Total Equity	<u>8,806,042.85</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>10,206,174.69</u></u>

## Kensington Fire Protection District Revenue & Expense Prev Year Comparison

July 1 through December 11, 2013

	Jul 1 - Dec 11, 13	Jul 1 - Dec 11, 12	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
Property Taxes	2,925,607.33	2,777,770.14	147,837.19	5.3%
Special Taxes	200,428.40	200,395.20	33.20	0.0%
Other Tax Income	148.12	0.00	148.12	100.0%
Lease Agreement	15,757.00	15,298.00	459.00	3.0%
Interest Income	1,916.82	2,396.31	-479.49	-20.0%
Salary Reimbursement Agreement	19,885.62	19,421.85	463.77	2.4%
Miscellaneous Income	14,266.11	0.00	14,266.11	100.0%
<b>Total Income</b>	<b>3,178,009.40</b>	<b>3,015,281.50</b>	<b>162,727.90</b>	<b>5.4%</b>
<b>Expense</b>				
<b>OUTSIDE PROFESSIONAL SERVICES</b>				
LAFCO Fees	1,760.39	1,541.07	219.32	14.2%
Contra Costa County Expenses	246.33	2,577.53	-2,331.20	-90.4%
El Cerrito Contract Fee	983,688.85	985,614.45	-1,925.60	-0.2%
Water System Improvements	0.00	280,000.00	-280,000.00	-100.0%
Fire Abatement Contract	865.00	2,550.00	-1,685.00	-66.1%
Risk Management Insurance	10,601.00	10,200.00	401.00	3.9%
<b>Professional Fees</b>				
Accounting	1,608.75	1,153.75	455.00	39.4%
Actuarial Valuation	2,500.00	0.00	2,500.00	100.0%
Audit	12,000.00	7,000.00	5,000.00	71.4%
Legal Fees	1,536.30	1,273.78	262.52	20.6%
<b>Total Professional Fees</b>	<b>17,645.05</b>	<b>9,427.53</b>	<b>8,217.52</b>	<b>87.2%</b>
Wildland Vegetation Mgmt	3,710.00	3,710.00	0.00	0.0%
<b>Total OUTSIDE PROFESSIONAL SERVI...</b>	<b>1,018,516.62</b>	<b>1,295,620.58</b>	<b>-277,103.96</b>	<b>-21.4%</b>
<b>RETIREE MEDICAL BENEFITS</b>				
PERS Medical	25,632.52	28,110.81	-2,478.29	-8.8%
Delta Dental	3,279.98	3,082.50	197.48	6.4%
Vision Care	894.98	840.00	54.98	6.6%
<b>Total RETIREE MEDICAL BENEFITS</b>	<b>29,807.48</b>	<b>32,033.31</b>	<b>-2,225.83</b>	<b>-7.0%</b>
<b>COMMUNITY SERVICE ACTIVITIES</b>				
Public Education	4,101.48	3,789.61	311.87	8.2%
Comm. Pharmaceutical Drop-Off	238.14	707.54	-469.40	-66.3%
Vial of Life Program	114.27	5.46	108.81	1,992.9%
Open Houses	287.48	304.60	-17.12	-5.6%
<b>Total COMMUNITY SERVICE ACTIVITIES</b>	<b>4,741.37</b>	<b>4,807.21</b>	<b>-65.84</b>	<b>-1.4%</b>
<b>DISTRICT ACTIVITIES</b>				
Firefighter's Apparel	0.00	822.15	-822.15	-100.0%
Firefighters' Expenses	0.00	3,581.31	-3,581.31	-100.0%
Professional Development	3,170.29	0.00	3,170.29	100.0%
<b>Building Maintenance</b>				
Janitorial Service	624.66	398.64	226.02	56.7%
Medical Waste Disposal	1,096.31	3,393.95	-2,297.64	-67.7%
Building alarm	100.00	100.00	0.00	0.0%
Gardening service	360.00	360.00	0.00	0.0%
Miscellaneous Maint.	7,252.87	5,349.00	1,903.87	35.6%
<b>Total Building Maintenance</b>	<b>9,433.84</b>	<b>9,601.59</b>	<b>-167.75</b>	<b>-1.8%</b>
<b>Building Utilities/Service</b>				
Garbage	284.96	275.56	9.40	3.4%
Gas and Electric	3,863.93	3,702.87	161.06	4.4%
Water/Sewer	559.50	1,051.33	-491.83	-46.8%
<b>Total Building Utilities/Service</b>	<b>4,708.39</b>	<b>5,029.76</b>	<b>-321.37</b>	<b>-6.4%</b>
Memberships	5,519.00	4,626.00	893.00	19.3%
<b>Office</b>				
Office Expense	377.33	63.50	313.83	494.2%
Office Supplies	248.73	329.73	-81.00	-24.6%
Telephone	2,518.97	2,263.15	255.82	11.3%
<b>Total Office</b>	<b>3,145.03</b>	<b>2,656.38</b>	<b>488.65</b>	<b>18.4%</b>
<b>Total DISTRICT ACTIVITIES</b>	<b>25,976.55</b>	<b>26,317.19</b>	<b>-340.64</b>	<b>-1.3%</b>
<b>Staff</b>				
Wages	31,286.60	30,680.00	606.60	2.0%
Overtime Wages	216.59	451.32	-234.73	-52.0%
Medical/dental ins compensation	3,000.00	2,650.00	350.00	13.2%
Retirement Contribution	1,564.30	1,534.00	30.30	2.0%
Payroll Taxes	2,410.07	2,381.61	28.46	1.2%
Workers Compensation/Life Ins	1,738.61	1,316.30	422.31	32.1%
Payroll Processing	524.00	503.90	20.10	4.0%
<b>Total Staff</b>	<b>40,740.17</b>	<b>39,517.13</b>	<b>1,223.04</b>	<b>3.1%</b>
<b>Contingency</b>				
General	0.00	3,160.61	-3,160.61	-100.0%
<b>Total Contingency</b>	<b>0.00</b>	<b>3,160.61</b>	<b>-3,160.61</b>	<b>-100.0%</b>
<b>Total Expense</b>	<b>1,119,782.19</b>	<b>1,401,456.03</b>	<b>-281,673.84</b>	<b>-20.1%</b>
<b>Net Ordinary Income</b>	<b>2,058,227.21</b>	<b>1,613,825.47</b>	<b>444,401.74</b>	<b>27.5%</b>

**Kensington Fire Protection District  
Revenue & Expense Prev Year Comparison**

July 1 through December 11, 2013

	Jul 1 - Dec 11, 13	Jul 1 - Dec 11, 12	\$ Change	% Change
<b>Other Income/Expense</b>				
Other Income	1,218.21	1,385.40	-167.19	-12.1%
Transfers In - General	1,218.21	1,385.40	-167.19	-12.1%
<b>Total Other Income</b>	1,218.21	1,385.40	-167.19	-12.1%
Other Expense	1,218.21	1,385.40	-167.19	-12.1%
Transfers Out - Capital	1,218.21	1,385.40	-167.19	-12.1%
<b>Total Other Expense</b>	0.00	0.00	0.00	0.0%
<b>Net Other Income</b>	2,058,227.21	1,613,825.47	444,401.74	27.5%
<b>Net Income</b>				

# Kensington Fire Protection District Revenue & Expense Budget vs. Actual

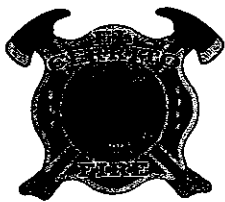
July through November 2013

	Jul - Nov 13	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
Income	2,901,581.85	2,765,000.00	136,581.85	104.9%
Property Taxes	200,428.40	200,395.00	33.40	100.0%
Special Taxes	148.12	0.00	148.12	100.0%
Other Tax Income	15,757.00	15,757.00	0.00	100.0%
Lease Agreement	1,916.82	2,000.00	-83.18	95.8%
Interest Income	19,885.62	20,272.90	-387.28	98.1%
Salary Reimbursement Agreement	14,266.11	0.00	14,266.11	100.0%
Miscellaneous Income	3,153,983.92	3,003,424.90	150,559.02	105.0%
<b>Total Income</b>				
Expense				
<b>OUTSIDE PROFESSIONAL SERVICES</b>	1,760.39	1,620.00	140.39	108.7%
LAFCO Fees	131.58	2,553.00	-2,421.42	5.2%
Contra Costa County Expenses	983,688.85	983,680.85	8.00	100.0%
EI Cerrito Contract Fee	0.00	0.00	0.00	0.0%
Water System Improvements	865.00	8,000.00	-7,135.00	10.8%
Fire Abatement Contract	10,601.00	10,600.00	1.00	100.0%
Risk Management Insurance				85.8%
Professional Fees	1,608.75	1,875.00	-266.25	71.4%
Accounting	2,500.00	3,500.00	-1,000.00	0.0%
Actuarial Valuation	0.00	0.00	0.00	0.0%
State Mandated Claims Consult	0.00	7,000.00	-7,000.00	0.0%
Audit	1,536.30	12,500.00	-10,963.70	12.3%
Legal Fees	5,645.05	24,875.00	-19,229.95	22.7%
Total Professional Fees	3,710.00	5,000.00	-1,290.00	74.2%
Wildland Vegetation Mgmt	1,006,401.87	1,036,328.85	-29,926.98	97.1%
<b>Total OUTSIDE PROFESSIONAL SERVI...</b>				
RETIREE MEDICAL BENEFITS	25,632.52	21,360.40	4,272.12	120.0%
PERS Medical	2,733.31	2,733.35	-0.04	100.0%
Delta Dental	894.98	745.85	149.13	120.0%
Vislon Care	29,260.81	24,839.60	4,421.21	117.8%
<b>Total RETIREE MEDICAL BENEFITS</b>				
<b>COMMUNITY SERVICE ACTIVITIES</b>	4,082.73	5,416.65	-1,333.92	75.4%
Public Education	238.14	1,500.00	-1,261.86	15.9%
Comm. Pharmaceutical Drop-Off	114.27	100.00	14.27	114.3%
Vial of Life Program	0.00	0.00	0.00	0.0%
CERT Emergency Kits	287.48	1,000.00	-712.52	28.7%
Open Houses	0.00	0.00	0.00	0.0%
Community Shredder	4,722.62	8,016.65	-3,294.03	58.9%
<b>Total COMMUNITY SERVICE ACTIVITIES</b>				
<b>DISTRICT ACTIVITIES</b>	0.00	800.00	-800.00	0.0%
Firefighter's Apparel	0.00	2,000.00	-2,000.00	0.0%
Firefighters' Expenses	0.00	3,000.00	-3,000.00	0.0%
Engine Rescue Equipment	0.00	0.00	0.00	0.0%
Staff Appreciation	3,170.29	2,875.00	295.29	110.3%
Professional Development				83.1%
Building Maintenance	519.66	625.00	-105.34	36.4%
Janitorial Service	1,096.31	3,012.50	-1,916.19	100.0%
Medical Waste Disposal	100.00	100.00	0.00	57.6%
Building alarm	360.00	625.00	-265.00	145.1%
Gardening service	7,252.87	5,000.00	2,252.87	99.6%
Miscellaneous Maint.	9,328.84	9,362.50	-33.66	96.6%
<b>Total Building Maintenance</b>				
Building Utilities/Service	284.96	295.00	-10.04	132.5%
Garbage	3,863.93	2,916.65	947.28	62.2%
Gas and Electric	559.50	900.00	-340.50	114.5%
Water/Sewer	4,708.39	4,111.65	596.74	0.0%
<b>Total Building Utilities/Service</b>				
Election	0.00	0.00	0.00	100.3%
Memberships	5,519.00	5,500.00	19.00	25.9%
Office	377.33	1,458.35	-1,081.02	23.9%
Office Expense	248.73	1,041.65	-792.92	101.0%
Office Supplies	2,438.27	2,414.60	23.67	62.4%
Telephone	3,064.33	4,914.60	-1,850.27	79.2%
<b>Total Office</b>				
<b>Total DISTRICT ACTIVITIES</b>	25,790.85	32,563.75	-6,772.90	100.0%
<b>Staff</b>	31,286.60	31,293.75	-7.15	20.0%
Wages	216.59	1,083.35	-866.76	0.0%
Overtime Wages	0.00	0.00	0.00	100.0%
Vacation Wages	3,000.00	3,000.00	0.00	100.0%
Medical/dental ins compensation	1,564.30	1,564.60	-0.30	90.2%
Retirement Contribution	2,410.07	2,672.50	-262.43	115.9%
Payroll Taxes	1,738.61	1,500.00	238.61	102.5%
Workers Compensation/Life Ins	471.60	460.00	11.60	97.9%
Payroll Processing	40,687.77	41,574.20	-886.43	
<b>Total Staff</b>				

**Kensington Fire Protection District  
Revenue & Expense Budget vs. Actual**

July through November 2013

	Jul - Nov 13	Budget	\$ Over Budget	% of Budget
Contingency				
General	0.00	25,000.00	-25,000.00	0.0%
Contingency - Other	0.00	0.00	0.00	0.0%
<b>Total Contingency</b>	<b>0.00</b>	<b>25,000.00</b>	<b>-25,000.00</b>	<b>0.0%</b>
<b>Total Expense</b>	<b>1,106,863.92</b>	<b>1,168,323.05</b>	<b>-61,459.13</b>	<b>94.7%</b>
<b>Net Ordinary Income</b>	<b>2,047,120.00</b>	<b>1,835,101.85</b>	<b>212,018.15</b>	<b>111.6%</b>
<b>Other Income/Expense</b>				
Other Income				
Transfers In - General	1,218.21			
<b>Total Other Income</b>	<b>1,218.21</b>			
Other Expense				
Transfers Out - Capital	1,218.21			
<b>Total Other Expense</b>	<b>1,218.21</b>			
<b>Net Other Income</b>	<b>0.00</b>			
<b>Net Income</b>	<b>2,047,120.00</b>	<b>1,835,101.85</b>	<b>212,018.15</b>	<b>111.6%</b>



# EL CERRITO FIRE DEPARTMENT

## Memorandum

December 21, 2013

**TO:** Kensington Fire Protection District Board Members

**FROM:** Laurence Carr, Battalion Chief

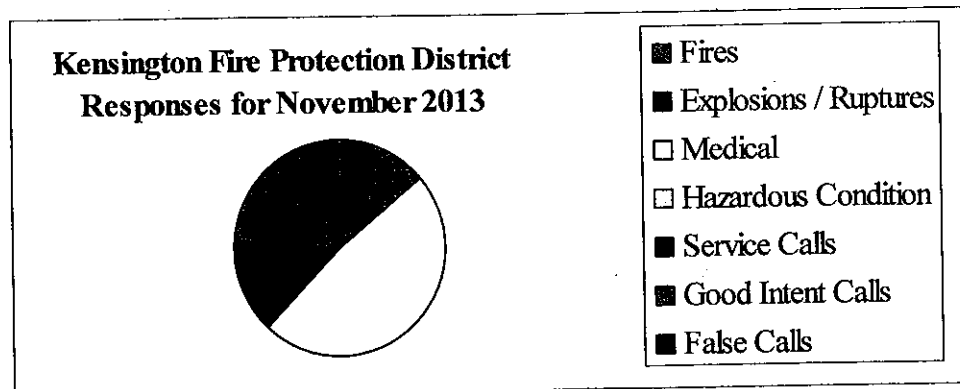
**RE: Incident Activity Reports for the Month of November 2013**

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There were 21 incidents that occurred during the month of November in the community of Kensington. Please see the attached "Incident Log" for the dates and times, locations and incident type for the calls that the Fire Department responded to this past month. Total calls for E65 was 46 in all districts.

The chart below is broken down into NFIRS Incident Types. The following is a list of the response types, the number of responses for each type and the percentage of the total calls for each type.

<u>Call Type</u>		<u>Incident Count</u>	<u>Percentages</u>
<b>Fires</b>	<i>(Structure, Trash, Vehicles, Vegetation Fires)</i>	3	14.29%
<b>Explosions / Ruptures</b>	<i>(Over Pressure/Ruptures, Explosions, Bombs)</i>	0	0.00%
<b>Medical</b>	<i>(EMS, Vehicle Accidents, Extrication Rescue)</i>	10	47.62%
<b>Hazardous Condition</b>	<i>(Chemical Spills, Leaks, Down Power Lines)</i>	0	0.00%
<b>Service Calls</b>	<i>(Distress, Water/Smoke/Odor Problems, Public Assists)</i>	3	14.29%
<b>Good Intent Calls</b>	<i>(Cancelled En Route, Wrong Location)</i>	4	19.05%
<b>False Calls</b>	<i>(Wrong Company/Unit Dispatched)</i>	1	4.76%
<b>Totals</b>		<b>21</b>	<b>100.00%</b>



# Kensington Fire Protection District Response Log for November 2013

#	Incident Number	Date & Time	Address	City	Apparatus ID	Incident Type*
1	1302464	02-Nov-13 23:12:44	215 AMHERST AVE	Kensington	E65	321
2	1302480	04-Nov-13 15:04:43	206 YALE AVE	Kensington	E72	321
3	1302488	05-Nov-13 08:41:46	414 COLUSA AVE	Kensington	E65	311
4	1302504	06-Nov-13 18:49:11	99 ARDMORE DR	Kensington	E65	100
5	1302512	08-Nov-13 09:34:36	41 COWPER AVE	Kensington	E65	113
6	1302525	09-Nov-13 17:33:28	63 HIGHLAND BLVD	Kensington	E65	554
7	1302532	12-Nov-13 02:20:22	9 GARDEN DR	Kensington	E65	550
8	1302558	16-Nov-13 00:28:33	387 COVENTRY DR	Kensington	E65	321
9	1302559	16-Nov-13 03:23:46	9 GARDEN DR	Kensington	E65	554
10	1302568	17-Nov-13 16:39:58	212 LAKE DR	Kensington	E65	700
11	1302583	19-Nov-13 16:02:08	20 FRANCISCAN WAY	Kensington	E65	321
12	1302589	20-Nov-13 10:50:59	316 ARLINGTON AVE	Kensington	E72	600
13	1302595	20-Nov-13 22:46:41	339 BERKELEY PARK BLVD	Kensington	E65	113
14	1302597	21-Nov-13 04:50:51	104 ARLINGTON AVE	Kensington	E65	321
15	1302598	21-Nov-13 05:44:24	2 ARLINGTON AVE	Kensington	E65	321
16	1302603	21-Nov-13 09:42:16	2 ARLINGTON AVE	Kensington	E72	321
17	1302627	23-Nov-13 19:31:54	356 COVENTRY DR	Kensington	E65	600
18	1302629	24-Nov-13 09:48:09	26 SUNSET DR	Kensington	E65	600
19	1302630	24-Nov-13 11:12:05	215 ARLINGTON AVE	Kensington	E65	321
20	1302661	28-Nov-13 09:27:32	12 ELDRIDGE CT	Kensington	E65	600
21	1302665	28-Nov-13 20:03:08	45 KENYON AVE	Kensington	E65	321

\* See Attached Table for Incident Type Explanations

### Description

- 100 (Structure, Trash, Vehicle, Vegetation Fire)
- 200 (Over Pressure/Ruptures Explosions, Bombs)
- 300 (EMS, Vehicle Accidents, Extrication, Rescue)
- 400 (Chemical Spills, Leaks, Down power Lines)
- 500 (Distress, Water/ Smoke/Odor Problems, Public Assists)
- 600 (Cancelled En Route, Wrong Location)
- 700 (Wrong Company/Unit Dispatched)

# Kensington Fire Protection District

## Engine 65 Response Log for November 2013

#	Incident Number	Date & Time	Address	City	Apparatus ID	Incident Type*
1	1302456	01-Nov-13 17:04:31	728 NORVELL ST	El Cerrito	E65	113
2	1302464	02-Nov-13 23:12:44	215 AMHERST AVE	Kensington	E65	321
3	1302468	03-Nov-13 13:27:36	RICHMOND ST	El Cerrito	E65	324
4	1302475	04-Nov-13 10:16:09	10203 SAN PABLO AVE	El Cerrito	E65	321
5	1302482	04-Nov-13 15:24:33	7476 MOESER LN	El Cerrito	E65	321
6	1302487	05-Nov-13 08:24:47	2000 EL CERRITO PLZ	El Cerrito	E65	424
7	1302488	05-Nov-13 08:41:46	414 COLUSA AVE	Kensington	E65	311
8	1302490	05-Nov-13 11:38:33	911 LEXINGTON AVE	El Cerrito	E65	321
9	1302496	06-Nov-13 08:06:32	10203 SAN PABLO AVE	El Cerrito	E65	735
10	1302498	06-Nov-13 10:11:09	546 STEGE AVE	Richmond	E65	321
11	1302500	06-Nov-13 16:31:20	6510 GLADYS AVE	El Cerrito	E65	321
12	1302504	06-Nov-13 18:49:11	99 ARDMORE DR	Kensington	E65	100
13	1302510	08-Nov-13 01:20:28	7607 LYNN AVE	El Cerrito	E65	321
14	1302512	08-Nov-13 09:34:36	41 COWPER AVE	Kensington	E65	113
15	1302522	09-Nov-13 13:03:11	7666 STOCKTON AVE	El Cerrito	E65	321
16	1302525	09-Nov-13 17:33:28	63 HIGHLAND BLVD	Kensington	E65	554
17	1302527	09-Nov-13 23:57:41	712 MIDCREST WAY	El Cerrito	E65	321
18	1302529	11-Nov-13 11:31:49	6510 GLADYS AVE	El Cerrito	E65	321
19	1302532	12-Nov-13 02:20:22	9 GARDEN DR	Kensington	E65	550
20	1302551	15-Nov-13 09:34:19	517 SEAVIEW DR	El Cerrito	E65	321
21	1302558	16-Nov-13 00:28:33	387 COVENTRY DR	Kensington	E65	321
22	1302559	16-Nov-13 03:23:46	9 GARDEN DR	Kensington	E65	554
23	1302568	17-Nov-13 16:39:58	212 LAKE DR	Kensington	E65	700
24	1302571	18-Nov-13 04:47:59	820 SHEVLIN DR	El Cerrito	E65	321
25	1302583	19-Nov-13 16:02:08	20 FRANCISCAN WAY	Kensington	E65	321
26	1302584	19-Nov-13 19:32:35	569 COLUSA AVE	El Cerrito	E65	440
27	1302588	20-Nov-13 04:03:04	1108 CONTRA COSTA DR	El Cerrito	E65	735
28	1302595	20-Nov-13 22:46:41	339 BERKELEY PARK BLVD	Kensington	E65	113
29	1302597	21-Nov-13 04:50:51	104 ARLINGTON AVE	Kensington	E65	321
30	1302598	21-Nov-13 05:44:24	2 ARLINGTON AVE	Kensington	E65	321



31	1302605	21-Nov-13 09:49:55	825 ASHBURY AVE	El Cerrito	E65	700
32	1302607	21-Nov-13 10:38:37	10203 SAN PABLO AVE	El Cerrito	E65	745
33	1302627	23-Nov-13 19:31:54	356 COVENTRY DR	Kensington	E65	600
34	1302629	24-Nov-13 09:48:09	26 SUNSET DR	Kensington	E65	600
35	1302630	24-Nov-13 11:12:05	215 ARLINGTON AVE	Kensington	E65	321
36	1302642	26-Nov-13 10:25:03	2133 NAPA ST	Richmond	E65	311
37	1302645	26-Nov-13 13:58:45	63 HIGHLAND BLVD	Kensington	E65	321
38	1302652	27-Nov-13 11:09:04	308 CARMEL AVE	El Cerrito	E65	321
39	1302661	28-Nov-13 09:27:32	12 ELDRIDGE CT	Kensington	E65	600
40	1302665	28-Nov-13 20:03:08	45 KENYON AVE	Kensington	E65	321
41	1302669	29-Nov-13 03:03:40	925 KING DR	El Cerrito	E65	321
42	1302670	29-Nov-13 10:38:18	925 KING DR	El Cerrito	E65	321
43	1302675	29-Nov-13 21:18:43	832 BALRA DR	El Cerrito	E65	311
44	1302680	30-Nov-13 12:34:54	670 EL CERRITO PLZ	El Cerrito	E65	321
45	1302681	30-Nov-13 12:54:14	1407 RIFLE RANGE RD	El Cerrito	E65	321
46	1302684	30-Nov-13 21:14:35	945 CONTRA COSTA DR	El Cerrito	E65	700

\* See Attached Table for Incident Type Explanations

Type Series	Description
100	(Structure, Trash, Vehicle, Vegetation Fire)
200	(Over Pressure/Ruptures Explosions, Bombs)
300	(EMS, Vehicle Accidents, Extrication, Rescue)
400	(Chemical Spills, Leaks, Down power Lines)
500	(Distress, Water/ Smoke/Odor Problems, Public Assists)
600	(Cancelled En Route, Wrong Location)
700	(Wrong Company/Unit Dispatched)

# **NEW BUSINESS**

**KENSINGTON FIRE PROTECTION  
DISTRICT**

Report to the Board of Directors  
Results of the Fiscal Year 2013 Audit

October 25, 2013

Board of Directors  
Kensington Fire Protection District  
Kensington, California

I have audited the financial statements of the Kensington Fire Protection District (KFPD) for the year ended June 30, 2013, and have issued my report thereon. In planning and performing my audit, I considered KFPD'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 April 27, 2011 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 KFPD 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 KFPD 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 FIRE PROTECTION DISTRICT

## Report to the Board of Directors Results of the Fiscal Year 2013 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 and OPEB liability

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 KFPD'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 KFPD's financial reporting process.

- No audit adjustments for 2013.

### 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 FIRE PROTECTION DISTRICT

## Report to the Board of Directors Results of the Fiscal Year 2013 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 2013.

### **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 KFPD'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 no difficulties in dealing with your employee performing my audit.

### **IX. Current Year Recommendations**

None

### **X. Prior Year Recommendations**

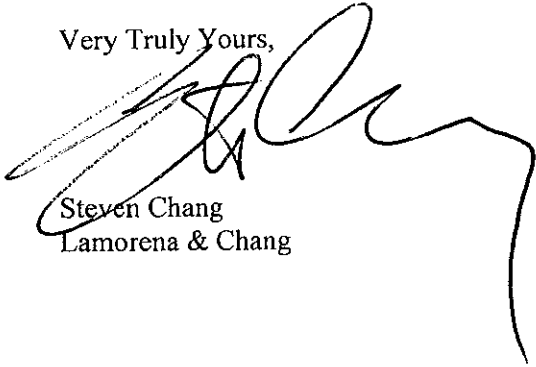
None

**KENSINGTON FIRE PROTECTION DISTRICT**

Report to the Board of Directors  
Results of the Fiscal Year 2013 Audit

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,

A large, stylized handwritten signature in black ink, appearing to read 'S. Chang', is written over the typed name.

Steven Chang  
Lamorena & Chang

**KENSINGTON FIRE  
PROTECTION DISTRICT**

**Financial Statements and Independent Auditor's Report for the  
Year ended June 30, 2013**



**KENSINGTON FIRE PROTECTION DISTRICT**  
For the Fiscal Year Ended June 30, 2013

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**KENSINGTON FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2013**

(Required Supplementary Information)

The following discussion and analysis provides an overview of the Kensington Fire Protection District's (District) financial activities for the year ended June 30, 2013. Please read it in conjunction with the District's basic financial statements, which follow this section.

**Financial Highlights**

- At the close of the year, June 30, 2013, assets of the District exceeded its liabilities by \$6.75 million (net assets). Of this amount, \$2.9 million (unrestricted net assets) may be used to meet the District's ongoing obligations to the citizens that the District serves.
- The District's total net assets increased by \$190,065.
- At the close of the year, June 30, 2013, the District's general fund reported an ending fund balance of \$4,007,439, a decrease of \$29,414 when compared with the prior year.
- At the close of the year, June 30, 2013, the District's special revenue fund reported an ending fund balance of \$16,210, an increase of \$1,791 when compared with the prior year.
- At the close of the year, June 30, 2013, the District's capital project fund reported an ending fund balance of \$975,492, an increase of \$193,344 when compared with the prior year.
- At the end of the current year, June 30, 2013, unrestricted fund balance for the governmental funds was \$2,936,469 or 97.51 % of total governmental funds' expenditures.

**Overview of the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The annual financial report for the District includes this management's discussion and analysis (MD&A), the basic financial statements and notes to basic financial statements.

The basic financial statements of the District are presented showing two different views of the District in one statement. The government-wide financial statements view shows both long-term and short-term information on the District's overall financial status. The fund financial statements view focuses on the District's operations with a short-term focus.

The government-wide statements are the statement of net assets and the statement of activities, which are prepared using the economic resources measurement focus and the accrual basis of accounting. These statements provide both long-term and short-term information about the District's overall financial status. All of the current year's revenues and expenses are accounted for in the statement of activities, regardless of whether cash is received or paid. The two government-wide statements report the District's net assets and how they have changed. Net assets, the difference between the District's assets and liabilities, are one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net assets is an indicator, of whether its financial health is improving or deteriorating, respectively.

**KENSINGTON FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2013**

*Overview of the Basic Financial Statements (continued)*

The fund financial statements are the balance sheet and statement of revenues, expenditures and changes in fund balance and are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Fund financial statements keep track of specific sources of funding and spending for particular purposes. The District has three funds: general fund, special revenue fund, and capital project fund. They are all components of the governmental funds. The fund financial statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided in the footnotes that explains the relationship (or differences) between them.

***Government-wide financial statement analysis***

A comparative analysis of government-wide data is as follows:

Net assets serve over time as a useful indicator of a government's financial position. For the District, assets exceeded liabilities in the years ended June 30, 2013 and 2012 by \$6,747,816 and \$6,557,751, respectively. The largest portion of the District's net assets, 43.52%, reflects its investment in unrestricted net assets. The final component of the District's net assets represents its investment in capital assets, which makes up the remaining 25.91% of the District's net assets. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

The following table summarizes the net assets of the District as of:

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
<b>General revenues</b>		
Property taxes	\$ 2,766,585	\$ 2,799,582
Other revenues	434,732	505,917
<b>Total general revenues</b>	<u>3,201,317</u>	<u>3,305,499</u>
<b>Total program expenses – public safety - fire protection operation</b>	<u>(3,011,252)</u>	<u>(3,107,245)</u>
Change in net assets	190,065	198,254
Net assets, beginning of year	<u>6,557,751</u>	<u>6,359,497</u>
Net assets, end of year	<u>\$ 6,747,816</u>	<u>\$ 6,557,751</u>

**KENSINGTON FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2013**

*Fund financial statement analysis*

**General fund** — The general fund's revenue is derived from County of Contra Costa property taxes, which are used to run daily operations of the District.

Property taxes decreased by \$32,997 (about 1.18%) in the current year.

Program expenses decreased by \$95,993 (about 3.08%) in the current year.

**Special revenue fund** — The special revenue fund receives the special assessment tax voted in by the Kensington taxpayers in 1980 to be used for fire protection and prevention operations as determined by the District. The revenue received remains consistent with prior years.

**Capital project fund** — The capital project fund receives no tax revenue of its own; it is funded by the general fund on an as-needed basis. The District's Board of Directors votes annually on an amount to transfer and invest from the general fund to the capital project fund for long-term expected replacements.

*General Fund Budgetary Highlights*

The budget was adopted by the Board of Directors at the September 2012 meeting.

*Capital Assets*

As shown in the table below, the District's investment in capital assets (net of accumulated depreciation) as of June 30, 2013 and 2012 was \$1,748,675 and \$1,720,749, respectively.

*Capital Assets (Net of accumulated depreciation)*

	<b>Governmental Activities</b>	
	<b>2013</b>	<b>2012</b>
Land	\$ 5,800	\$ 5,800
Building and improvements	1,312,647	1,367,835
Equipment and furniture	241,603	112,118
Rolling stock	188,625	234,996
<b>Total</b>	<b>\$ 1,748,675</b>	<b>\$ 1,720,749</b>

**KENSINGTON FIRE PROTECTION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2013**

***Retiree Healthcare Benefits***

In June 2007, the District implemented Governmental Accounting Standards Board Statement No. 45 (GASB 45). This statement requires governmental entities to account for and report their costs and obligations for Other Postemployment Benefits (OPEB). OPEB are part of an exchange of salaries and benefits for employee services rendered, such as agreements to provide health care benefits to employee upon retirement. Prior to GASB 45, the District financed the retiree health care costs on a "pay-as-you-go" basis, and did not report the financial effects of OPEB until the promised benefits are paid.

Based on the latest valuation for the District's OPEB plan (July 1, 2011), the District's unfunded actuarial accrued liability was \$135,730 as of June 30, 2013; and its annual required contribution (ARC) was \$13,793 for the fiscal year ended June 30, 2013. The ARC is calculated in accordance with certain parameters, and includes (a) the normal cost, the actuarial present value of benefits attributed to prior services; and (b) a component for amortization of the total unfunded actuarial accrued liabilities (or funding excess) of the plan over a period not to exceed twenty years.

***Economic Factors and Next Year's Budgets and Rates***

The primary factor affecting expenditures in the District's fiscal year 2013-14 budget is the City of El Cerrito service contract fee.

**Request for Information**

Questions concerning any of the information provided, in this report or requests for additional financial information should be addressed to the Kensington Fire Protection District, 217 Arlington Avenue, Kensington, California 94707.

## **Independent Auditor's Report**

Board of Directors  
Kensington Fire Protection District  
Kensington, California

### **Report on the Financial Statements**

I have audited the accompanying financial statements of the governmental activities and each major fund of Kensington Fire Protection District (KFPD), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise KFPD's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### **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 KFPD, as of June 30, 2013, and the respective changes in financial position, and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Independent Auditor's Report (continued)

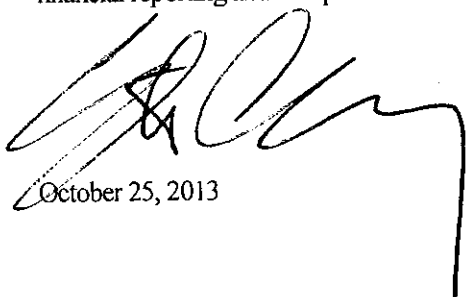
### Other Matters

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on page 1 to 4 and 8 presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated October 25, 2013 on my consideration of KFPD'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering KFPD's internal control over financial reporting and compliance.



October 25, 2013

**Basic Financial Statements**



**KENSINGTON FIRE PROTECTION DISTRICT  
STATEMENT OF NET ASSETS AND GOVERNMENTAL FUNDS BALANCE SHEET  
FOR THE YEAR ENDED JUNE 30, 2013**

	General Fund	Special Revenue Fund	Capital Project Fund	Total	GAAP Adjustment (Note 3)	Statement of Net Assets
<b>ASSET</b>						
Cash and investments	\$ 2,897,967	\$ 16,210	\$ 974,904	\$ 3,889,081	\$ -	\$ 3,889,081
Receivables:						
Supplemental taxes	22,811			22,811	-	22,811
Accounts receivable- KPPCSD	-			-	-	-
Interest receivables	1,234		590	1,824	-	1,824
Prepaid Expenses	1,309			1,309	-	1,309
Reimbursements and other	13,487			13,487	-	13,487
Net OPEB assets	1,092,898			1,092,898	-	1,092,898
Capital assets:						
Land	-	-	-	-	5,800	5,800
Buildings and improvements, net	-	-	-	-	1,312,647	1,312,647
Equipment and furniture, net	-	-	-	-	241,603	241,603
Rolling stock, net	-	-	-	-	188,625	188,625
<b>Total assets</b>	<u>\$ 4,029,706</u>	<u>\$ 16,210</u>	<u>\$ 975,494</u>	<u>\$ 5,021,410</u>	<u>\$ 1,748,675</u>	<u>\$ 6,770,085</u>
<b>LIABILITIES</b>						
Accounts payable and other accruals	\$ 17,660	\$ -	\$ 2	\$ 17,662	\$ -	\$ 17,662
Wages payable	4,607	-	-	4,607	-	4,607
<b>Total liabilities</b>	<u>22,267</u>	<u>-</u>	<u>2</u>	<u>22,269</u>	<u>-</u>	<u>22,269</u>
<b>FUND BALANCES</b>						
Nonspendable	\$ 1,092,898	\$ -	\$ -	\$ 1,092,898	\$ -	\$ -
Restricted	-	-	-	-	-	-
Committed	-	-	969,877	969,877	-	-
Assigned	2,365,475	-	-	2,365,475	1,748,675	-
Unassigned	549,066	16,210	5,615	570,891	-	-
<b>Total fund balances</b>	<u>4,007,439</u>	<u>16,210</u>	<u>975,492</u>	<u>4,999,141</u>	<u>1,748,675</u>	<u>-</u>
<b>Total liabilities and fund balances</b>	<u>\$ 4,029,706</u>	<u>\$ 16,210</u>	<u>\$ 975,494</u>	<u>\$ 5,021,410</u>		
<b>Net assets:</b>						
Invested in capital assets					1,748,675	1,748,675
Restricted					2,062,775	2,062,775
Unrestricted					2,936,366	2,936,366
<b>Total net assets</b>					<u>\$ 6,747,816</u>	<u>\$ 6,747,816</u>

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

**KENSINGTON FIRE PROTECTION DISTRICT**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT**  
**OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	General Fund	Special Revenue Fund	Capital Project Fund	Total	Adjustment (Note 4)	Statement of Activities
<b>EXPENDITURES/EXPENSES</b>						
<b>Current expenditures/expenses:</b>						
Public safety:						
City of El Cerrito service contract	\$ 2,365,475	\$ -	\$ -	\$ 2,365,475	\$ -	\$ 2,365,475
Retiree health insurance	56,035	-	-	56,035	-	56,035
Firefighters' apparel/expenses	6,437	-	-	6,437	-	6,437
Insurance	10,200	-	-	10,200	-	10,200
Office wages and related expenses	91,999	-	-	91,999	-	91,999
County property tax administration/fees	28,886	2,186	10	31,082	-	31,082
Wildland vegetation management	8,697	-	-	8,697	-	8,697
Water system improvement	237,734	-	-	237,734	-	237,734
Fire abatement contract	2,550	-	-	2,550	-	2,550
LAFCO	1,541	-	-	1,541	-	1,541
Professional development	1,587	-	-	1,587	-	1,587
Outside professional service fees	17,305	-	-	17,305	-	17,305
Public education	6,829	-	-	6,829	-	6,829
Office equipment and supplies	2,975	-	-	2,975	-	2,975
Building utilities/services	34,106	-	-	34,106	-	34,106
Memberships	5,126	-	-	5,126	-	5,126
Community service activities	2,274	-	-	2,274	-	2,274
Staff Appreciation	1,590	-	-	1,590	-	1,590
Contingency	3,161	-	-	3,161	-	3,161
Miscellaneous	384	-	-	384	-	384
Depreciation	-	-	-	-	124,165	124,165
<b>Total current expenditures/expenses</b>	<b>2,884,891</b>	<b>2,186</b>	<b>10</b>	<b>2,887,087</b>	<b>124,165</b>	<b>3,011,252</b>
<b>Capital outlay:</b>						
Equipment and furniture	152,091	-	-	152,091	(152,091)	-
Buildings and improvements	-	-	-	-	-	-
<b>Total capital outlay</b>	<b>152,091</b>	<b>-</b>	<b>-</b>	<b>152,091</b>	<b>(152,091)</b>	<b>-</b>
<b>Total expenditures/expenses</b>	<b>3,036,982</b>	<b>2,186</b>	<b>10</b>	<b>3,039,178</b>	<b>(27,926)</b>	<b>3,011,252</b>
<b>GENERAL REVENUES</b>						
Property taxes	2,766,585	-	-	2,766,585	-	2,766,585
Special taxes	-	200,395	-	200,395	-	200,395
Other taxes	33,315	-	-	33,315	-	33,315
Other revenue	-	-	-	-	-	-
Rental income	30,596	-	-	30,596	-	30,596
Other income	101,591	-	-	101,591	-	101,591
Salary reimbursement income	46,612	-	-	46,612	-	46,612
Investment income	19,712	-	2,511	22,223	-	22,223
<b>Total revenues</b>	<b>2,998,411</b>	<b>200,395</b>	<b>2,511</b>	<b>3,201,317</b>	<b>-</b>	<b>3,201,317</b>
Excess (deficiency) of revenues over (under) expenditures before extraordinary item:	(38,571)	198,209	2,501	162,139	27,926	190,065
Extraordinary item-Construction performance surety bond gain	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures after extraordinary item:	(38,571)	198,209	2,501	162,139	27,926	190,065
<b>Other financing sources (uses):</b>						
Transfers in	202,612	-	193,455	396,067	-	396,067
Transfers out	(193,455)	(200,000)	(2,612)	(396,067)	-	(396,067)
<b>Total other financing sources (uses)</b>	<b>9,157</b>	<b>(200,000)</b>	<b>190,843</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in net assets</b>	<b>(29,414)</b>	<b>(1,791)</b>	<b>193,344</b>	<b>162,139</b>	<b>27,926</b>	<b>190,065</b>
Fund balances/net assets, beginning of year	4,036,853	18,001	782,148	4,837,002	1,720,749	6,557,751
<b>Fund balances/net assets, end of year</b>	<b>\$ 4,007,439</b>	<b>\$ 16,210</b>	<b>\$ 975,492</b>	<b>\$ 4,999,141</b>	<b>\$ 1,748,675</b>	<b>\$ 6,747,816</b>

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

**KENSINGTON FIRE PROTECTION DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2013**

	General Fund			Special Revenue Fund		
	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>						
Property taxes	\$ 2,790,000	\$ 2,766,585	\$ (23,415)	\$ -	\$ -	\$ -
Special taxes	-	-	-	200,395	200,395	-
Other taxes	34,000	33,315	(685)	-	-	-
Other revenue	-	101,591	101,591	-	-	-
Rental income	30,596	30,596	-	-	-	-
Salary reimbursement income	46,559	46,612	53	-	-	-
Interest income	6,000	19,712	13,712	-	-	-
<b>Total revenues</b>	<u>2,907,155</u>	<u>2,998,411</u>	<u>91,256</u>	<u>200,395</u>	<u>200,395</u>	<u>-</u>
<b>Current expenditures:</b>						
Public safety:						
City of El Cerrito service contract	2,365,475	2,365,475	-	-	-	-
Retiree health insurance	56,035	56,035	-	-	-	-
Firefighters' apparel and expenses	12,500	6,437	6,063	-	-	-
Insurance	12,600	10,200	2,400	-	-	-
Office wages and related expenses	96,948	91,999	4,949	-	-	-
County property tax administration/fees	30,725	28,886	1,839	2,200	2,186	14
Wildland vegetation management	10,000	8,697	1,303	-	-	-
Water system improvement	600,000	237,734	362,266	-	-	-
Fire Abatement Contract	8,000	2,550	5,450	-	-	-
LAFCO	1,500	1,541	(41)	-	-	-
Professional development	5,500	1,587	3,913	-	-	-
Outside professional service fees	48,450	17,305	31,145	-	-	-
Public education	13,000	6,829	6,171	-	-	-
Office equipment and supplies	6,000	2,975	3,025	-	-	-
Building utilities/services	39,250	34,106	5,144	-	-	-
Memberships	5,600	5,126	474	-	-	-
Community service activities	9,900	2,274	7,626	-	-	-
Staff Appreciation	2,500	1,590	-	-	-	-
Contingency	20,000	3,161	16,839	-	-	-
Miscellaneous	1,000	384	616	-	-	-
<b>Total current expenditures</b>	<u>3,344,983</u>	<u>2,884,891</u>	<u>459,182</u>	<u>2,200</u>	<u>2,186</u>	<u>14</u>
<b>Capital outlay:</b>						
Equipment and Furniture	69,000	152,091	(83,091)	-	-	-
Buildings and Improvements	-	-	-	-	-	-
<b>Total capital outlay</b>	<u>69,000</u>	<u>152,091</u>	<u>(83,091)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures before extraordinary item:	<u>(506,828)</u>	<u>(38,571)</u>	<u>468,257</u>	<u>198,195</u>	<u>198,209</u>	<u>(14)</u>
Extraordinary item-Construction performance surety bond gain	-	-	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures after extraordinary item:	<u>(506,828)</u>	<u>(38,571)</u>	<u>468,257</u>	<u>198,195</u>	<u>198,209</u>	<u>(14)</u>
Other financing sources (uses):						
Transfers in	-	202,612	(202,612)	-	-	-
Transfers out	-	(193,455)	193,455	-	(200,000)	200,000
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>9,157</u>	<u>(9,157)</u>	<u>-</u>	<u>(200,000)</u>	<u>200,000</u>
Excess (deficiency) of revenues and other Financing sources over (under) expenditures and other financing uses	<u>(506,828)</u>	<u>(29,414)</u>	<u>459,100</u>	<u>198,195</u>	<u>(1,791)</u>	<u>199,986</u>
Fund balances/net assets, beginning of year, as restated		<u>4,036,853</u>			<u>18,001</u>	
<b>Fund balances/net assets, end of year</b>		<u>\$ 4,007,439</u>			<u>\$ 16,210</u>	

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

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 1 – REPORTING ENTITY**

The Kensington Fire Protection District (District) is a special district empowered to take all the necessary steps to provide for fire protection and prevention services including enforcement of California State (State) laws applicable to fire codes. The financial statements of the District include all funds of the District. An elected Board of Directors governs the District, and exercises powers granted by State statutes.

In August 1995, the District entered into a contract with the City of El Cerrito (City) under which the City provides fire suppression and emergency medical services for the District. The contract provides that the District will pay the City an annual fee as defined in the contract (paid on a monthly basis) that expires June 30, 2015. The annual fee that the District paid under this contract for the fiscal years ended June 30, 2013 and 2012 were \$2,365,475 and \$2,260,942, respectively.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Implementation of Governmental Accounting Standards (GASB) Statement***

In February 2009, GASB released a new Statement, *GASB Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions*. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. The initial distinction in reporting fund balance information is identifying amounts that are considered *nonspendable*, such as fund balance associated with inventories. This Statement provides for additional classification as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent. The requirements of the Statement are effective for financial statements for periods beginning after June 15, 2010. The details for the fund balance classifications prescribed under this Statement are separately discussed in Note 9.

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Measurement focus, basis of accounting and financial statement presentation***

The District prepares its government-wide statements using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The District's fund financial statements are prepared using the current financial resources focus and the modified accrual basis of accounting. Revenues are recorded when "susceptible to accrual" (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means that revenues are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 90 days of the end of the current fiscal year. Revenues meeting these availability criteria include special and other taxes. The availability period for property taxes is 60 days. Revenues not considered available are recorded as deferred revenues. Expenditures are generally recorded when the fund liability is incurred, except for compensated absences, such as vacation and sick leave, which are recognized when due. Liabilities expected to be paid after one year is recorded in the government-wide column as a noncurrent liability due more than one year.

***Fund Accounting***

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 by providing a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. The District uses the following funds.

**Governmental Fund Types**

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

The *Special Revenue Fund* accounts for the special tax authorized by Section 53978 of the Government Code and approved by the District's electorate on April 8, 1980.

The *Capital Project Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities and rolling stock.

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Budgets and Budgetary Accounting***

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

1. At the June Board of Directors (Board) meeting, the Finance Committee submits to the Board proposed operating and capital improvement draft budgets for the fiscal year commencing the following July 1. The operating and capital improvement budgets include proposed expenditures and the means of financing them.
2. The Draft budget is legally enacted through the adoption of a resolution by the Board.
3. A final operating and capital improvement budget is submitted to the Board at the September Board meeting. The budget is legally enacted through the adoption of a resolution by the Board.
4. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund. The Capital Project Fund is budgeted over the life of the project.
5. Budgets for the General Fund, Special Revenue Fund and the Capital Project Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. The Special Revenue Fund is only used to accumulate special tax revenues, which are then transferred to the other funds as needed.

***Encumbrances***

Encumbrance accounting, under which purchases 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 Capital Project Fund. There are no appropriations or encumbrances in the Special Revenue Fund. All appropriations lapse at fiscal year-end.

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Cash and Investments***

Cash and investments include amounts in demand deposits as well as short-term investments. Substantially all of the District's cash and investments are held by the County of Contra Costa (County) as its fiscal agent. The District's investments are reported at fair value. The fair value represents the amount the District could reasonably expect to receive for an investment in a current sale between a willing buyer and a willing seller. The fair value of investments is obtained by using quotations obtained from independent published sources. The District also maintains a general checking account to facilitate the processing of small transactions.

As permitted by the California Government Code, contracts and agreements, the District is permitted to invest in the County's cash and investment pool, obligations of the U.S. Treasury or its agencies; certificates of deposits; mutual funds invested in U.S. Government securities; and other permitted investments.

***Capital assets***

Capital assets, which include land, buildings, rolling stock (vehicles), and equipment and furniture, are valued at historical cost. Donated capital assets are valued at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated using the straight-line method over the estimated useful lives in the government-wide statements.

Depreciation has been computed using the straight-line method over the following estimated useful lives:

Building and improvements	15 to 40 years
Rolling stock, equipment and furniture	5 to 15 years

***Property Taxes and Special Assessments Revenue***

Revenue is recognized in the fiscal year for which the tax and assessment are levied. The County levies, bills and collects property taxes and special assessments for the District; under the County's "Teeter Plan," the County remits the entire amount levied and handles all delinquencies while retaining related interest and penalties.

Taxes are levied for each fiscal year on taxable real and personal property situated in the County. The levy is based on the assessed values as of the preceding January 1st, which is also the lien date. Property taxes on the secured roll are due in two installments: November 1st and February 1st and become delinquent after December 10th and April 10th, respectively. Supplemental property taxes are levied based on changes in assessed values between the date of real property sales or construction completion and the preceding assessment date. The additional supplemental property taxes are prorated from the first day of the month following the date of such occurrence. Property taxes on the unsecured roll are due on the lien date (January 1), and become delinquent if unpaid by August 31st.

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Interfund Transactions***

All interfund transactions are treated as transfers. The general fund is the main operating fund for the District. Annually, tax revenues recorded in the special revenue fund are transferred to the general fund to fund the District's operations. Transfers between governmental funds are eliminated as part of the adjustments to the government-wide presentation.

***Use of Estimates***

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Effects of New Pronouncements***

In June 2004, GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which addresses how state and local governments should account for and report their costs and obligations related to postemployment healthcare and nonpension benefits. Collectively, these benefits are commonly referred to as other postemployment benefits (OPEB). The GASB statement generally requires that employers account for and report the annual OPEB cost and the outstanding obligations and commitments related to OPEB in essentially the same manner as employers currently do for pensions. Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due. This statement's provisions may be applied prospectively and do not require governments to fund their OPEB plans. An employer may establish its OPEB liability at zero as of the beginning of the initial year of implementation; however, the unfunded actuarial liability is required to be amortized over future periods. This statement also establishes disclosure requirements for information about the plans in which an employer participates, the funding policy followed, the actuarial valuation process and assumptions, and for certain employers, the extent to which the plan has been funded over time. At July 1, 2008, the District implemented GASB Statement No. 45 prospectively and as such, the District did not have a net OPEB obligation at transition (i.e., July 1, 2007). The District pays all health care insurance premiums for retired employees. Employees became eligible for these benefits when they reached normal retirement age while working for the District. As of June 30, 2013, the District's annual OPEB expense of \$56,035 and the current year requirements have been met as of June 30, 2013.



**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – POSTEMPLOYMENT HEALTHCARE BENEFITS**

***Plan Description***

The District provides postretirement health benefits (medical, dental and vision) to a closed group of former employees who have retired from the District and to their surviving spouses and dependent children. The District pays 100% of the annuitants' health plan premiums. Currently, a total of 11 family units (19 individuals) are receiving postretirement health benefits.

In October 2008, KFPD participated in the California Employers' Retiree Benefits Trust (CERBT). CERBT is an irrevocable trust fund that allows public employers to prefund the future cost of their retiree health insurance benefits and other postemployment benefits (OPEB) for their covered retirees. The District elected to participate in CERBT and contributed a total of \$1,165,000 to CalPERS, the CERBT's administrator. The prefunding was intended to reduce and stabilize the District's annual required contribution to its OPEB plan in future years at an expected level for budgeting purposes. CalPERS issued a publicly available financial report that includes financial statements and required supplementary information for CERBT in aggregate. The report may be obtained by writing to CalPERS, Lincoln Plaza North, 400 Q Street, Sacramento, CA 95811.

***Funding Policy***

The contribution requirements of plan members and the District are established and may be amended by the Board. As of June 30, 2013, the District contributed \$56,035, or 100%, of the OPEB cost, to the CERBT.

The District is required to contribute the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed twenty years.

***Annual OPEB Cost***

As of June 30, 2013, the District's annual other postemployment benefit (OPEB) expense of \$13,793 was equal to the ARC. The following table represents annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation.

<b>Fiscal year ended</b>	<b>Annual OPEB Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
June 30, 2013	\$ 56,035	100%	\$ -

The actuarial valuation was performed as of July 1, 2011 covering the fiscal year ended June 30, 2013. The next valuation will be performed in two years from July 1, 2011.

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)**

***Funded Status and Funding Progress***

Using the actuarial valuation date of July 1, 2011, the funded status of the plan was as follows:

Actuarial accrued liability (AAL)	\$	1,823,001
Actuarial value of plan assets		1,687,271
Unfunded actuarial accrued liability (UAAL)	\$	135,730
Funded ratio (actuarial value of plan assets/AAL)		92.55%
Covered payroll (active plan members)	\$	-
UAAL as a percentage of covered payroll		0.00%

Based upon 6.39% discount rate.

KFPD will updated actuarial valuation in next year (Fiscal year 2014).

***Actuarial Methods and Assumptions***

Actuarial valuations of an ongoing plan involved estimates of the value of reported amounts and assumptions about the probability of occurrence of certain events far into the future. Examples include assumptions about mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents current year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided as the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

In the July 1, 2011 actuarial valuation, a level dollar amortization method was used. Under this method, the amortization period is 19 years. The healthcare cost trend rate assumptions included a 6.39 percent investment rate of return and an annual healthcare cost trend rate of 7.3 percent in 2013 reduced by decrements to an ultimate rate of 5.5 percent after 8th years (2019 and thereafter). CERBT's unfunded actuarial accrued liability is being amortized as a level dollar amortization on a closed basis.

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 3 – POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)**

As of June 30, 2013, KFPD paid \$125,909 directly to medical service provider vendors, increasing the CERBT balance by \$69,874, netting to the OPEB costs of \$56,035. KFPD requested and received a reimbursement of \$129,338 from CERBT, bringing net OPEB assets balance (before Actuarial Valuation) on KFPD's balance sheet to \$1,092,898.

**NOTE 4 - 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, rolling stock 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. In addition, compensated absences are accrued on the governmental activities statement of net assets but not on the balance sheet since they also have a long-term economic focus.

	<b>June 30, 2013</b>	<b>June 30, 2012</b>
<b>Differences</b>		
Cost of capital assets	\$ 3,060,036	\$ 2,909,354
Accumulated depreciation	(1,311,361)	(1,188,605)
Net capital assets	1,748,675	1,720,749
<b>Net difference</b>	<b>\$ 1,748,675</b>	<b>\$ 1,720,749</b>

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 5 - 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 rolling stock and equipment items during the year and increased (decreased) by the amount of net gain (loss) on disposal of capital assets. In addition, the fund balance is reduced to account for the recording of compensated absences, which has a long-term focus.

	<b>June 30, 2013</b>	<b>June 30, 2012</b>
<b>Differences</b>		
Capital outlay	\$ 152,091	\$ 573,483
Net gain (loss) on Depreciation expense	(124,165)	(114,535)
<b>Net difference</b>	<b>\$ 27,926</b>	<b>\$ 458,948</b>

**NOTE 6 - CASH AND INVESTMENTS**

The District's cash and investments included the following:

	<b>June 30, 2013</b>	<b>June 30, 2012</b>
Deposits	\$ 11,062	\$ 13,536
Cash held by the county	465,186	308,288
Separately held investments - LAIF	3,412,633	3,153,164
Petty cash	200	200
<b>Total</b>	<b>\$ 3,889,081</b>	<b>\$ 3,475,188</b>

*Deposits*

At year-end, the carrying amount of the District's demand deposits was \$11,062 with a commercial bank which is covered by federal depository insurance.

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 6 - CASH AND INVESTMENTS (Continued)**

*Cash held by the County*

The District's cash is included in the Contra Costa County (County) Treasurer cash and investments pool. Investments made by the Treasurers are regulated by California Government Code and by a County investment policy approved annually by the County Treasury Oversight Committee. Adherence to the statutes and policies is monitored by the County Board of Supervisors and by the Treasury Oversight Committee via monthly reports and an annual audit. Investment income earned on the District's cash is allocated quarterly to the District. Changes in fair value are included in investment income. Redeemed or sold shares are priced at book value, which includes realized investment earnings such as interest income, realized gains or losses upon sale of investments, and amortized premiums and discounts. This number may differ from the shares' fair value, which would include unrealized gains or losses based on market conditions. Additional information regarding insurance, collateralization, and custodial risk categorization of the County's cash and investments is presented in the notes of the County's basic financial statements.

*Separately Held Investments*

The County also has investments in the State Treasurer's Local Agency Investment Fund (LAIF) separately held for the District. As of June 30, 2013, the District's investment in LAIF is \$3,412,633 which is approximately 17.56% of total Contra Costa County LAIF. The total amount invested by all public agencies under the County Pool in LAIF at June 30, 2013 is \$194,311,346. Of that amount, approximately 3.3% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different from the fair value of the District's position in the pool.

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 7 - CAPITAL ASSETS**

A summary of changes in capital assets for the year ended June 30, 2013 follows:

<b>Governmental Activities</b>	<b>Balance</b>	<b>Current</b>	<b>Balance</b>
	<b>June 30, 2012</b>	<b>Year</b>	<b>June 30, 2013</b>
		<b>Additions</b>	<b>Retirements</b>
<i>Capital assets not being depreciated</i>			
Land	\$ 5,800	\$ -	\$ -
Construction in progress	-	-	-
Total capital assets not being depreciated	<u>5,800</u>	<u>-</u>	<u>-</u>
<i>Capital assets being depreciated</i>			
Building & improvements	1,997,305	-	-
Equipment & furniture	254,459	152,091	(1,408)
Rolling stock equipment	651,789	-	-
Total capital assets being depreciated	<u>2,903,553</u>	<u>152,091</u>	<u>(1,408)</u>
<i>Less accumulated depreciation for:</i>			
Building & improvements	(629,470)	(55,189)	-
Equipment & furniture	(142,341)	(22,606)	1,408
Rolling stock equipment	(416,793)	(46,370)	-
Total accumulated depreciation	<u>(1,188,604)</u>	<u>(124,165)</u>	<u>1,408</u>
Total capital assets being depreciated, net	<u>1,714,949</u>	<u>27,926</u>	<u>(2,816)</u>
Capital assets, net	<u>\$ 1,720,749</u>	<u>\$ 27,926</u>	<u>\$ (2,816)</u>

**NOTE 8 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts damages, and destructions of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for risks of loss. There have been no significant reductions in insurance coverage from the previous year, nor have settled claims exceeded the District's insurance coverage in any of the past three fiscal years.

*The Kensington Fire Protection District is a member of Contra Costa County Fire Districts Joint Power of Authority Insurance Pool (CSAC). Deductibles and maximum coverage are as follows:*

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 8 - RISK MANAGEMENT (Continued)**

<u>Coverage Description</u>	<u>Deductibles</u>	<u>Insurance Coverage</u>
General & Automobile Liability	None	\$50,000,000
All Risk Property	\$500 (all other property)	\$600,000,000 (all other property)
	\$100,000 (flood)	\$600,000,000 (flood)
	\$500 (mobile equip)	
	\$500,000 (terrorism)	\$200,000,000
Earthquake	5% per unit	\$280,000,000
	\$100,000 minimum	
Employee Dishonesty	\$50,000	\$10,000,000
Pollution Liability	\$500,000	\$10,000,000
Boiler & Machinery	\$5,000	\$100,000,000

**NOTE 9 – FUND BALANCES**

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2013, fund balance for government funds are made up of the followings:

- *Nonspendable Fund Balance* – includes amounts that are (a) not in spendable forms, or (b) legally or contractually required to be maintained intact. The ‘not in spendable form’ criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.
- *Restricted Fund Balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed Fund Balance* – includes amounts that can only be used for the specific purposes determined by a formal action of the District’s highest level of decision-making authority, the District’s Board. Commitments may be changed or lifted only by the District taking the same formal action that imposed the constraint originally (for example: resolution and ordinance).
- *Assigned Fund Balance* – comprises amounts intended to be used by the District for specific purposes that are neither restricted nor committed. *Intent* is expressed by (1) the District’s Board or (b) a body (for example: a budget or finance committee) or official to which the District’s Board has delegated the authority to assign amounts to be used for specific purposes.
- *Unassigned Fund Balance* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

**KENSINGTON FIRE PROTECTION DISTRICT**  
**Notes to the Basic Financial Statements**  
**June 30, 2013**

**NOTE 9 – FUND BALANCES (continued)**

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

Fund balances for all the major and non-major governmental funds as of June 30, 2013, were distributed as follows:

	General Fund	Special Revenue Fund	Capital Project Fund	Total
<b>Nonspendable:</b>				
Inventory	\$ -	\$ -	\$ -	\$ -
Advances (OPEB)	1,092,898	-	-	1,092,898
Subtotal	1,092,898	-	-	1,092,898
<b>Restricted for:</b>				
General government	-	-	-	-
Public protection	-	-	-	-
Public ways & facilities	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Subtotal	-	-	-	-
<b>Committed to:</b>				
Public protection	-	-	969,877	969,877
Capital projects	-	-	-	-
Subtotal	-	-	969,877	969,877
<b>Assigned to:</b>				
General government	-	-	-	-
Public protection	2,365,475	-	-	2,365,475
Capital projects	-	-	-	-
Subtotal	2,365,475	-	-	2,365,475
<b>Unassigned</b>	549,066	16,210	5,615	570,891
<b>Total</b>	<b>\$ 4,007,439</b>	<b>\$ 16,210</b>	<b>\$ 975,492</b>	<b>\$ 4,999,141</b>

The Board's financial planning aims to help reduce the negative impact on the District in times of economic uncertainty and potential losses of funding from federal or state governmental agencies. District funds are *restricted*, *committed* and *assigned* as part of a multi-year financial plan to balance the budget and avoid operating deficits.



**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 Fire Protection District  
Kensington, California

I have audited the financial statements of the Kensington Fire Protection District (the "District"), as of and for the fiscal year ended June 30, 2013, and have issued my report thereon dated October 15, 2013. 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 District's financial statements will not be prevented, or detected and corrected on a timely basis.

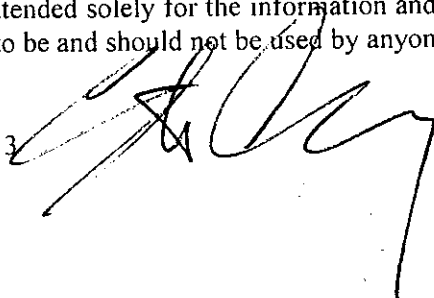
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

***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*.

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.

October 25, 2013



**KENSINGTON FIRE PROTECTION DISTRICT  
STATUS OF PRIOR YEAR FINDINGS  
YEAR ENDED JUNE 30, 2013**

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

**KENSINGTON FIRE PROTECTION DISTRICT  
CURRENT YEAR FINDINGS  
YEAR ENDED JUNE 30, 2013**

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

# **BOARD REPORTS**

December 10, 2013

Anthony Knight  
234 Willamette Avenue  
Kensington, CA 94708-1039

Dear Mr. Knight:

Thank you for writing to me with your concerns. East Bay Municipal Utility District (EBMUD) has an extensive monitoring and maintenance program for its entire infrastructure, including water mains in the streets of Kensington. Last year EBMUD spent \$24.7M on pipeline infrastructure replacements district-wide. Our charter is to provide high quality drinking water and we plan and design for the necessary infrastructure for fire service as part of our infrastructure replacements. We also have a program that allows individual communities to enhance their fire service beyond the as-designed pipe capacity (see attached EBMUD Policy 3.03). The Kensington Fire Protection District (KFPD) developed their Kensington Water System Improvements Master Plan in 1999 and elected to implement a program using available tax funds to pay for pipeline improvements to increase fire flows to address local concerns about wild land fires. These improvements are beyond the designed capacity of the existing pipes. EBMUD worked with the KFPD to implement these enhancements including financing part of the work in accordance with Policy 3.03.

EBMUD maintains over 4,200 miles of water mains. We have an extensive monitoring and record keeping program for every pipe in the ground. Age is only one indicator of when a pipe may need to be replaced. Pipe material (cement, cast iron, steel, plastic, etc.), soils and earth movement all play a role in determining the lifespan of any particular stretch of pipe. We have pipes fail at 100 years old and others at 20 years. We track every pipe leak failure. That information allows us to decide if a pipe can be repaired or if a replacement is warranted based on historical data. Historically, we replaced 7 to 10 miles of pipe per year. We currently target replacing up to 15 miles of pipe per year. We continuously evaluate the cost of replacement vs. the cost of repair for our ratepayers.

In Kensington, we replaced 1.2 miles of pipeline between 2000 and 2012 as part of the fire flow enhancement program. KFPD is considering funding 0.2 miles of pipeline replacement in 2014. Additionally, EBMUD has replaced 0.4 miles of pipeline in the past two years as a direct result

Anthony Knight  
December 10, 2013  
Page 2

of our annual infrastructure monitoring and condition assessment program. We have an additional 1.5 miles of pipeline in Kensington that is currently in various stages of evaluation and design, which will go to construction in the coming years.

Please let me know if there is anything else I can help you with. I have copied Fire Chief Maples and the Kensington Fire Protection Board of Directors on this letter so that they are also aware of your concerns. You can get more information on the Kensington Fire Protection District at <http://www.kensingtonfire.org>.

If you want more information about the program we have with the Kensington Fire Protection District, please contact Michelle Blackwell in Community Affairs at 510-287-2053 or via email at [mblackwe@ebmud.com](mailto:mblackwe@ebmud.com) and she will assist you in getting your specific questions answered. Feel free to contact me at 510-848-5001 or at [akatz@ebmud.com](mailto:akatz@ebmud.com).

Sincerely,



Andy Katz  
President, EBMUD Board of Directors

AK:LML:av

cc: Alexander Coate, General Manager  
Kensington Fire Protection District Board of Directors  
Chief Maples, Kensington Fire Protection District



# Policy 3.03

EFFECTIVE 27 SEP 11

SUPERSEDES 27 OCT 09

## COMMUNITY FIRE FLOW IMPROVEMENT PROGRAM

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### IT IS THE POLICY OF EAST BAY MUNICIPAL UTILITY DISTRICT TO:

Work with service area government agencies and communities to support financing and implementation of community-initiated substantial fire flow improvements to the water distribution system where technically and operationally feasible.

---

**Purpose** To provide for improvements to EBMUD's water distribution infrastructure that will meet the local public agencies' goals to increase fire flow, while at the same time continuing to provide high quality water service to the customers.

Responsibility for improvements shall be allocated in accordance with the following criteria:

- EBMUD's cost responsibility will be based on maintaining the as-designed capacity of the pipelines. This will be presumed to be 500 gallons per minute unless other acceptable documentation is available.
  - Local government agencies will be responsible for the costs to improve pipelines to meet modern fire flow standards above the as-designed pipeline capacity. These costs will include planning, design, construction and extraordinary operations and maintenance costs associated with the improvements.
  - EBMUD will not, as the only participating agency, undertake system modifications solely to improve fire flow.
  - EBMUD will size new pipeline segments to meet current fire flow standards, where feasible, when individual pipeline segments are improved to address infrastructure maintenance or pipeline relocation needs.
  - Any fire flow improvements must be designed in such a way as to avoid any degrading of water quality or impact to EBMUD's operational flexibility or ability to provide a reliable, high quality water supply.
- 

**EBMUD Assistance** At the request of local government agencies, EBMUD will work with those entities to assess the need for and cost of fire flow improvements. When fire flow improvements within EBMUD's service area are identified as a community priority, EBMUD will provide assistance to local government agencies in their fire flow improvement efforts by:

- Providing up to \$25 million in financing, subject to a fixed interest rate that is the same as EBMUD's cost of borrowing. The rate will be set at the time of the local government agency's request for financial assistance, and will remain available for up to one year. Any financing provided will include sufficient contingency to protect EBMUD ratepayers from unforeseen cost increases.
- Overseeing the design and construction of all fire flow improvements.

Assistance to local government agencies will be provided at EBMUD's discretion subject to the following conditions being met by the local government agencies:

- Providing EBMUD with a written request to undertake the improvements detailing the public benefits to be derived from implementation of the program.

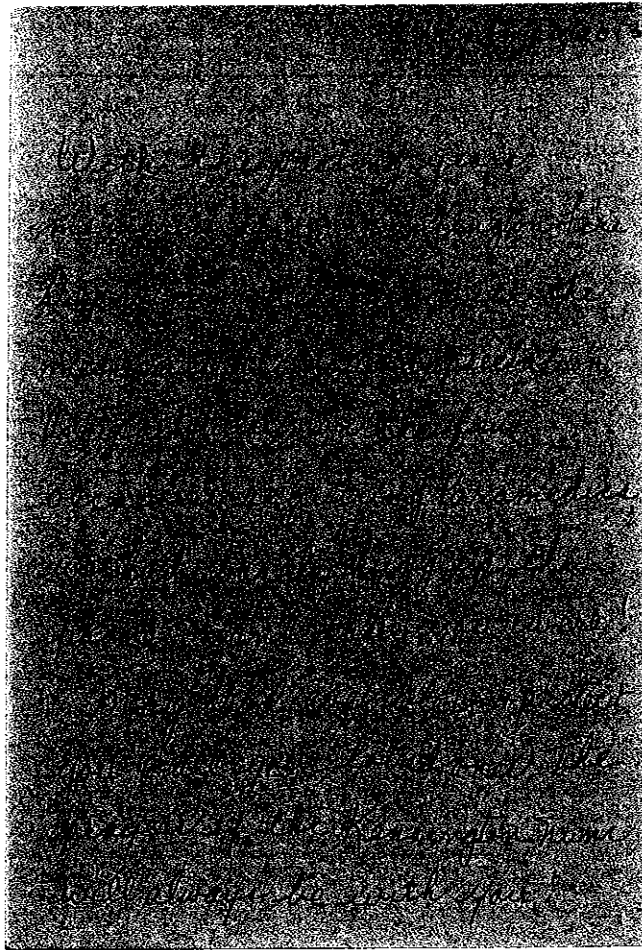
- Establishing a dedicated revenue stream that will be adequate to repay the funds advanced by EBMUD over a specified number of years, not to exceed 20 years.
  - Obtaining local support for a community financing plan, which may be evidenced either by implementing a tax via a successful vote of the residents or by passing a special assessment district procedure. The local government agency and community are responsible for any public outreach efforts necessary to ascertain local support.
  - Agreeing to defend any challenges to the revenue methods and to guarantee payment to EBMUD for any fire flow improvements made, including in the event of a successful challenge.
  - Executing an implementation agreement that details all responsibilities and financial arrangements.
- 

**Authority**

Resolution No. 33300-02, April 9, 2002  
Amended by Resolution No. 33646-07, December 11, 2007  
Amended by Resolution No. 33732-09, October 27, 2009  
Amended by Resolution No. 33841-11, September 27, 2011

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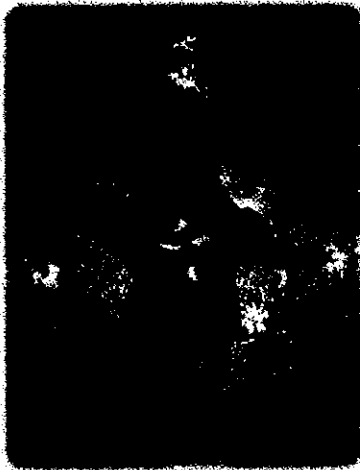




A Holy Day has dawned upon us;  
 we all ye Nations and adore the Lord.

For today a great Light  
 Has descended upon the earth.

*from the Mass of Christmas Day*



Masses at our Cristo Rey Chapel

December 24, 2013 - 12:00 Midnight

December 25, - 9:15 a.m.

January 1, 2014, - 9:15 a.m.

As a gift of loving friendship,  
 the Nuns are remembering you and your  
 intentions in a Novena of Masses.

### *Christmas Spiritual Bouquet*

<i>Masses Heard</i>	100
<i>Holy Communions</i>	100
<i>Spiritual Communions</i>	200
<i>Hours of Prayer</i>	100
<i>Hours of Silence</i>	200
<i>Hours of Work</i>	400
<i>Short Prayers</i>	1,250
<i>Visits to the Blessed Sacrament</i>	100
<i>Rosaries</i>	100
<i>Liturgy of the Hours</i>	100

May the miracle of Christmas  
 fill your heart with love and peace  
 throughout the coming New Year.

Your devoted and grateful Carmelite Nuns from

Wishing you  
Peace, Love & Joy

Thank you for your  
great Christmas gift  
last May, accepting  
bags of stuff to be  
shredded!

I'm so grateful to you all  
for making this happen -

Nikki Bailey



December 18, 2013

Dear Fire, Police and Paramedics,

I am extremely grateful  
for all your help and

May your holidays  
be merry and bright!

professionalism that you  
guide me when all was  
ill for so long. You  
made it possible for me  
to keep my husband at  
home. He died August 1st.  
(my little dog died the day  
before.)

I am grateful  
that I live in  
Kensington.

Thank you all  
for being so  
kind.

Margie Glusman  
260 Yale Ave