

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

Date of Meeting: February 8, 2017
Time of Meeting: 7:00 p.m.
Place of Meeting: Kensington Community Center
59 Arlington Avenue, Kensington, CA 94707

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.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the 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: Joe de Ville, Don Dommer, Nina Harmon, Janice Kosel, and Laurence Nagel

1. **ADOPTION OF CONSENT ITEMS.** Items 3, 4 & 5

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 January 11, 2017 (APPROVE)

CC 4. **APPROVAL OF MONTHLY A/P VOUCHER - TRANSMITTAL #8** (APPROVE)

CC 5. **APPROVAL OF MONTHLY FINANCIAL REPORT.** December 2016/January 2017 (APPROVE)

6. **FIRE CHIEF'S REPORT**

- a. Review of operations.
- b. Regional issues and developments.

7. **PRESIDENT'S REPORT**

- a. Form 700 electronic filing – completion by 3/8/17
- b. Harassment prevention free CSDA training – completion by 3/15/17

NEW BUSINESS

8. Fiscal Year 16-17 Mid-Year Budget Review – Finance Committee (ACTION)

9. **BOARD REPORTS**

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

- a. Finance Committee (Kosel/Dommer): Minutes of the May 31, 2016 Committee meeting.
- b. Public Safety Building (Dommer/Harmon): Update on needs assessment
- c. Education (Kosel):
- d. Contra Costa County/California Special Districts Assoc. (Nagel): Report on Chapter meeting of 1/23/17
- e. Diablo Fire Safe Council/Interface (Staff/Nagel): 2016 Annual Report

ADJOURNMENT. The next regular meeting of the Board of Directors of the Kensington Fire Protection District will be held on Wednesday, March 8, 2017, 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 3/8/17 is Wednesday, 2/22/17 by 1:00 p.m. The deadline for agenda-related materials to be included in the Board packet is Wednesday, 3/1/17 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 JANUARY 11, 2017 MEETING OF THE BOARD OF DIRECTORS
OF THE KENSINGTON FIRE PROTECTION DISTRICT**

PRESENT: **Directors:** Joe de Ville, Don Dommer, Nina Harmon, Janice Kosel and Larry Nagel
 Staff: Fire Chief Lance Maples, Manager Brenda Navellier

CALL TO ORDER:

President Don Dommer called the meeting to order at 7:00 p.m. and noted that all Directors were present.

APPROVAL OF CONSENT ITEMS:

President Dommer called for the approval of the consent calendar (items 3, 4, 5 & 6), consisting of approval of the December 14, 2016 minutes, acceptance of the December incident activity report, approval of the monthly transmittal #7, and approval of the November/December financial reports. Director Nagel made a motion to approve the Consent Calendar items as submitted. Director de Ville seconded the motion.

AYES: de Ville, Dommer, Harmon, Kosel, Nagel
NOES: None
ABSTAIN: None

ORAL COMMUNICATIONS:

Karl Kruger asked about the lot size of the current public safety building. Chief Maples reported that it is 11,446 s.f.

Jim Watt asked for a projected timeframe for a presentation of the public safety building alternatives. President Dommer said he would address that under Board Reports.

Linnea Due said she had the same question about the public safety building. She would like to do extensive coverage about the issue in the Outlook when appropriate.

FIRE CHIEF'S REPORT:

Chief Maples reported on the statistical numbers for 2016 calls within Kensington. The District ran 361 calls in 2016 which is consistent with previous years. There was no great fire loss this past year in Kensington or El Cerrito. Maples explained the units that respond to a code 3 fire.

Maples reported that there are approximately 3,000 calls per year in both El Cerrito and Kensington. David Spath suggested pie chart showing the type of calls and number that Kensington responds into El Cerrito.

PRESIDENT'S REPORT:

President Dommer reported that all Committee assignments will stay the same as 2016 with the exception of the Public Safety Building Ad Hoc Committee which he will serve on with Director Harmon.

NEW BUSINESS:

Review and Accept FY15-16 Financial Statements and Independent Auditor's Review: Director Kosel highlighted a few items from the audit report that was included in the packet. On page 14, retiree benefits, the District now has 16 people on medical, dental and vision benefits. According to the current actuarial report, the District is about \$200,000 over funded (page 15). The District will commission an updated actuarial report this coming summer. Page 21 shows where the District's cash is held: nonspendable is the OPEB retiree benefits, assigned is the El Cerrito contract set-aside, and committed is the engine and building set-asides. With the unassigned cash, the District currently has about \$2 million toward the public safety building project (unassigned with capital). Industry standards suggest considering changing auditors every five years. The District will evaluate proposals from different auditors this year. There is a small pool of local government auditors. In the past, when the District obtained proposals and sample audits, they chose to stay with Lamorena and Chang since they had the most user friendly report format.

Karl Kruger noted that the District is carrying the land that the public safety building is on at \$5,800. Will they do that forever and is that wise? Kosel said that was the cost of the land when it was bought and reporting it that way complies with accounting principles.

Director Nagel pointed to the last page of the audit where it states that there are “no findings”. Kosel agreed, the District has had a “clean” audit for many years. Director Nagel made a motion to accept the FY15-16 independent auditor’s report as submitted. Director Kosel seconded the motion.

AYES: de Ville, Dommer, Harmon, Kosel, Nagel
NOES: None
ABSTAIN: None

BOARD REPORTS:

Finance Committee: The next meeting will be held on January 24th at 8:30 a.m. in the public safety building. The Committee will be performing a mid-year budget review to present to the Board in February.

Public Safety Building: Dommer reported that the Committee had to reconcile the amount of funding that it could support with the size of the program. The Committee had to make cuts to the program. The Committee will meet with the architects later this month to get on track for reconciling the design and estimate and start preparing for a public presentation in the spring. Dommer is going to go to KPPCSD to request their permission to develop a scheme at the park site. He is hoping to be on their February agenda. Two schemes have been developed for rebuilding at the current site and developing a different site. Renovating at the current site didn’t pan out very well. It is unknown at this time how the CSD will fit into the project. Kosel asked for financing timing since the District’s investments are in bonds. Dommer will work on a schedule.

CSDA: The next County meeting will take place on 1/23/17. Director Nagel will attend. Director Harmon stated she may join him. KPPCSD Nottoli said she may also be able to attend.

DFSC: Director Nagel stated there was no meeting in December. The next meeting will be on 1/19/17. This is a new calendar year with new grants. Captain Gagne will attend. KPPCSD Nottoli said EBMUD has lots of free wood chips but they want them picked up. DFSC does not have any equipment. Chief Maples said EBRPD does not want non-EBRPD chips on their property (due to sudden oak death and bark beetles for instance).

Correspondence: Resident Ann Sussman sent an email questioning District personnel’s participation in setting up the Sundar Shadi holiday event. It was originally sent to the KPPCSD Board. Maples said the El Cerrito Fire Department has been assisting with this event for 30 years. The Kensington District has also been participating prior to the contract. Maples is asking for the Board’s direction on whether or not to continue to participate. Director Kosel said yes. Mr. Shadi created the display 60 years ago for the community’s enjoyment. Shadi himself was Hindu but he did it for his neighbors. It is a long tradition and brings pleasure to many people. Kosel thinks it is legal and referred to the National Christmas tree that is put up by federal employees. If the community had a menorah that they needed assistance with, the firefighters would assist with that too. Maples said that all personnel are asked if they are comfortable with volunteering to assist while on duty. Both on duty and off duty personnel have participated, along with a cross section of both communities. Harmon and Nagel said government employees participate in many holiday activities including the firefighter’s annual toy drive. The Board all agreed by consensus to continue to allow the firefighters to participate in the setting up of the Sundar Shadi display.

Maples explained the many thank you emails/photographs from the firefighters for the annual holiday dinner that the District provides to them.

Director Nagel noted that there was a medical emergency at the UUCB’s Christmas eve service. 9-1-1 was called and Nagel praised them for their exemplary professionalism. The personnel handled the situation and that calmed the 400+ attendees of the service. Nagel is very proud to be part of the KFPD.

Director Harmon said she was speaking at the KCC meeting this past week and was approached by someone who had to call for help for her 2-year old. She said the three personnel were responsive and did not give up helping her with the child’s car seat too.

Chief Maples said he is proud to be the Chief of the men and women of the El Cerrito-Kensington Fire Department.

Jim Watt said his grandson had a seizure and E65 responded. The personnel handled to call fantastically and his grandson is doing well.

ADJOURNMENT: The meeting was adjourned at 7:39 p.m.

MINUTES PREPARED BY: Brenda J. Navellier

These minutes were approved at the regular Board meeting of the Kensington Fire Protection District on February 8, 2017.

Attest:

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:
LINE	VENDOR NAME	INVOICE DATE	DESCRIPTION	FUND ORG	SUB ACCT	ACTY ORG	ACTY ACCT	ACTY DESC	ACTY AMT	PAYMENT AMOUNT
50146	Delta Dental	2/1/2017	Feb dental	7840	1061					468.23
50148	CalPERS	01/18/17	7072901257 Mar medical	7840	1061					8,588.47
50147	KFPD Revolving Fund	02/03/17	Reimburse revolving fund	7840	2490					13,840.25
50150	Vision Service Plan	01/19/17	001027770001 Feb vision	7840	1061					315.20
50151	City of El Cerrito	02/01/17	Feb fire protection	7840	2328					208,317.09
50096	Diablo Fire Safe Council	02/01/17	2016 matching grants	7840	2490					8,000.00
TOTAL										239,529.24

Kensington FPD Approval
Frank R. Reese Date: 2/13/17
 Date: ___/___/___

2/3/17

Attachment to Transmittal 0217

Kensington Fire Protection District Revolving Fund 01406

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

INVOICE DATE	DESCRIPTION	AMOUNT
1/5/2017	PG&E - gas	488.83
1/5/2017	PG&E - electric	866.90
1/17/2017	Payroll processing	60.09
1/17/2017	Payroll - 1/1-1/15/17	2,583.54
1/17/2017	Withholding payroll taxes 1/1-1/15/17	1,288.48
1/9/2017	Sprint - telephone	65.55
1/5/2017	Office Depot - office supplies	106.11
1/9/2017	Russell - November accounting	227.50
1/18/2017	Pagepoint - website updates	45.00
2/1/2017	Stericycle - medical waste	394.68
1/12/2017	Mechanics Bank - sandbags, staff apprec., etc.	2,731.75
2/2/2017	Payroll processing	60.09
2/2/2017	Payroll - 1/15/17-1/31/17	2,583.53
2/2/2017	Withholding payroll taxes 1/15-1/31/17	1,211.82
2/5/2017	ICMA/RC - deferred comp	1,126.38
	Total	13,840.25

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

Kensington Fire Protection District
Balance Sheet
As of January 12, 2017

	Jan 12, 17
ASSETS	
Current Assets	
Checking/Savings	
Petty Cash	200.00
KFPD Revolving Acct - Gen Fund	11,296.17
General Fund	1,903,728.97
Special Tax Fund	123,485.93
Capital Fund	-993,044.23
Total Checking/Savings	1,045,666.84
Accounts Receivable	
Due from County for Reimb.	14,772.60
Accounts Receivable	630.63
Interest Receivable	776.91
Advance on Taxes	1,819,893.90
Advance on Supplemental Taxes	60,850.02
Total Accounts Receivable	1,896,924.06
Other Current Assets	
Prepaid Services - EC	1,459,773.61
Prepaid Exp.	8,255.22
Prepaid CERBT - Retiree Trust	992,580.04
Investments	
Capital Replacement Funds	2,193,425.00
Fire Protect. Contract Reserves	2,552,869.07
Investments - Other	-209,747.06
Total Investments	4,536,547.01
Total Other Current Assets	6,997,155.88
Total Current Assets	9,939,746.78
Fixed Assets	
Land	5,800.00
Equipment	1,719,998.35
Accumulated Depreciation-Equip	-855,614.15
Building and Improvements	2,391,581.26
Accumulated Depreciation - Bldg	-858,754.00
Total Fixed Assets	2,403,011.46
TOTAL ASSETS	12,342,758.24
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Due to Revolving Acct - Gen Fnd	14,772.60
Due to Other - Issued by CCC	23,764.33
Total Accounts Payable	38,536.93
Other Current Liabilities	
El Cerrito Service Contract Pay	1,459,773.54
Wages & PR Taxes Payable	2,497.08
Total Other Current Liabilities	1,462,270.62
Total Current Liabilities	1,500,807.55
Total Liabilities	1,500,807.55
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

Kensington Fire Protection District
Balance Sheet
As of January 12, 2017

	Jan 12, 17
Fund Equity	3,271,383.99
Net Income	2,357,947.44
Total Equity	10,841,950.69
TOTAL LIABILITIES & EQUITY	12,342,758.24

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

July 1, 2016 through January 12, 2017

	Jul 1, '16 - Jan 12, 17	Jul 1, '15 - Jan 12, 16	\$ Change	% Change
Ordinary Income/Expense				
Income				
Property Taxes	3,634,456.11	3,399,120.62	235,335.59	6.9%
Special Taxes	200,287.30	200,345.40	-58.10	0.0%
Other Tax Income	12,987.35	13,133.26	-145.91	-1.1%
Lease Agreement	1.00	0.00	1.00	100.0%
Interest Income	12,386.84	3,280.90	9,105.94	277.5%
Salary Reimbursement Agreement	26,532.00	25,172.10	1,359.90	5.4%
Miscellaneous Income	31,388.24	2,213.71	29,174.53	1,317.9%
Total Income	3,918,038.84	3,643,265.89	274,772.95	7.5%
Expense				
OUTSIDE PROFESSIONAL SERVICES				
LAFCO Fees	2,123.97	1,801.11	322.86	17.9%
Contra Costa County Expenses	2,646.00	2,435.66	210.34	8.6%
EI Cerrito Contract Fee	1,276,434.53	1,184,765.06	91,669.47	7.7%
Water System Improvements	0.00	220,000.00	-220,000.00	-100.0%
Fire Abatement Contract	265.00	500.00	-235.00	-47.0%
Risk Management Insurance	12,106.00	11,491.00	615.00	5.4%
Professional Fees				
Accounting	1,755.00	1,998.75	-243.75	-12.2%
Audit	13,000.00	8,000.00	5,000.00	62.5%
Legal Fees	15,890.04	881.28	15,008.76	1,703.1%
Total Professional Fees	30,645.04	10,880.03	19,765.01	181.7%
Wildland Vegetation Mgmt	0.00	630.00	-630.00	-100.0%
Total OUTSIDE PROFESSIONAL SER...	1,324,220.54	1,432,502.86	-108,282.32	-7.6%
RETIREE MEDICAL BENEFITS				
PERS Medical	14,406.08	12,605.36	1,800.72	14.3%
Delta Dental	1,490.37	1,490.37	0.00	0.0%
Vision Care	405.37	405.37	0.00	0.0%
Total RETIREE MEDICAL BENEFITS	16,301.82	14,501.10	1,800.72	12.4%
COMMUNITY SERVICE ACTIVITIES				
Public Education	3,831.42	5,232.75	-1,401.33	-26.8%
Comm. Pharmaceutical Drop-Off	1,008.88	71.90	936.98	1,303.2%
CERT Emerg Kits/Sheds/Prepared	10,903.34	0.00	10,903.34	100.0%
Open Houses	335.83	1,127.07	-791.24	-70.2%
Community Shredder	1,162.05	1,623.40	-461.35	-28.4%
DFSC Matching Grants	0.00	4,225.00	-4,225.00	-100.0%
Community Sandbags	1,253.43	2,595.52	-1,342.09	-51.7%
Total COMMUNITY SERVICE ACTIVITI...	18,494.95	14,875.64	3,619.31	24.3%
DISTRICT ACTIVITIES				
Firefighter's Apparel & PPE	22,609.84	0.00	22,609.84	100.0%
Firefighters' Expenses	164.53	9,038.21	-8,873.68	-98.2%
Professional Development	2,121.59	3,253.49	-1,131.90	-34.8%
Building Maintenance				
Needs Assess/Feasibility Study	93,682.62	0.00	93,682.62	100.0%
Janitorial Service	630.00	735.00	-105.00	-14.3%
Medical Waste Disposal	1,704.63	1,453.74	250.89	17.3%
Building alarm	115.00	180.00	-65.00	-36.1%
Gardening service	480.00	360.00	120.00	33.3%
Miscellaneous Maint.	5,149.71	5,178.47	-28.76	-0.6%
Total Building Maintenance	101,761.96	7,907.21	93,854.75	1,187.0%
Building Utilities/Service				
Garbage	0.00	346.40	-346.40	-100.0%
Gas and Electric	5,743.50	4,669.31	1,074.19	23.0%
Water/Sewer	1,257.77	1,255.06	2.71	0.2%
Total Building Utilities/Service	7,001.27	6,270.77	730.50	11.7%
Memberships	6,676.00	6,309.00	367.00	5.8%
Office				
Office Expense	409.26	2,391.10	-1,981.84	-82.9%
Office Supplies	344.02	668.54	-324.52	-48.5%
Telephone	3,669.41	3,908.92	-239.51	-6.1%
Total Office	4,422.69	6,968.56	-2,545.87	-36.5%
Total DISTRICT ACTIVITIES	144,757.88	39,747.24	105,010.64	264.2%
Staff				
Wages	41,556.60	39,056.64	2,499.96	6.4%
Longevity Pay	1,000.00	1,000.00	0.00	0.0%
Overtime Wages	419.54	591.46	-171.92	-29.1%
Medical/dental ins compensation	4,095.00	3,900.00	195.00	5.0%
Retirement Contribution	3,466.94	2,968.32	497.62	16.8%
Payroll Taxes	3,510.59	3,504.60	5.99	0.2%
Workers Compensation/Life Ins	1,343.57	1,476.31	-132.74	-9.0%
Payroll Processing	924.97	758.66	166.31	21.9%
Total Staff	56,316.21	53,255.99	3,060.22	5.8%

Kensington Fire Protection District
Revenue & Expense Prev Year Comparison
 July 1, 2016 through January 12, 2017

	Jul 1, '16 - Jan 12, 17	Jul 1, '15 - Jan 12, 16	\$ Change	% Change
Total Expense	1,560,091.40	1,554,882.83	5,208.57	0.3%
Net Ordinary Income	2,357,947.44	2,088,383.06	269,564.38	12.9%
Other Income/Expense				
Other Income				
Transfers In - General	370,360.08	3,255.09	367,104.99	11,277.9%
Total Other Income	370,360.08	3,255.09	367,104.99	11,277.9%
Other Expense				
Transfers Out - Capital	370,360.08	3,255.09	367,104.99	11,277.9%
<Gain>/Loss on Asset Disposal	0.00	630.87	-630.87	-100.0%
Total Other Expense	370,360.08	3,885.96	366,474.12	9,430.7%
Net Other Income	0.00	-630.87	630.87	100.0%
Net Income	2,357,947.44	2,087,752.19	270,195.25	12.9%

Kensington Fire Protection District
Revenue & Expense Budget vs. Actual
 July through December 2016

	Jul - Dec 16	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Property Taxes	3,834,456.11	3,520,295.00	114,181.11	103.2%
Special Taxes	200,287.30	200,287.00	0.30	100.0%
Lease Agreement	1.00	1.00	0.00	100.0%
Interest Income	12,386.84	5,000.00	7,386.84	247.7%
Salary Reimbursement Agreement	26,532.00	27,300.00	-768.00	97.2%
Miscellaneous Income	31,388.24	0.00	31,388.24	100.0%
Total Income	3,905,051.49	3,752,883.00	152,188.49	104.1%
Expense				
OUTSIDE PROFESSIONAL SERVICES				
LAFCO Fees	2,123.97	1,850.00	273.97	114.8%
Contra Costa County Expenses	2,646.00	2,205.00	441.00	120.0%
El Cerrito Contract Fee	1,276,434.53	1,276,434.48	0.05	100.0%
Water System Improvements	0.00	10,000.00	-10,000.00	0.0%
Fire Abatement Contract	265.00	8,000.00	-7,735.00	3.3%
Risk Management Insurance	12,106.00	12,110.00	-4.00	100.0%
Professional Fees				
Accounting	1,755.00	2,500.02	-745.02	70.2%
Actuarial Valuation	0.00	0.00	0.00	0.0%
Audit	13,000.00	13,000.00	0.00	100.0%
Legal Fees	15,890.04	15,000.00	890.04	105.9%
Total Professional Fees	30,645.04	30,500.02	145.02	100.5%
Wildland Vegetation Mgmt	0.00	2,500.00	-2,500.00	0.0%
Total OUTSIDE PROFESSIONAL SERVICES	1,324,220.54	1,343,599.50	-19,378.96	98.6%
RETIREE MEDICAL BENEFITS				
PERS Medical	14,408.08	18,425.02	-4,018.94	78.2%
Delta Dental	1,277.46	2,885.02	-1,607.56	44.3%
Vision Care	405.37	887.48	-482.11	45.7%
Total RETIREE MEDICAL BENEFITS	16,088.91	22,197.52	-6,108.61	72.5%
COMMUNITY SERVICE ACTIVITIES				
Public Education	3,808.92	6,500.02	-2,691.10	58.6%
Comm. Pharmaceutical Drop-Off	1,008.88	2,500.00	-1,491.12	40.4%
Vial of Life Program	0.00	50.00	-50.00	0.0%
CERT Emerg Kits/Sheds/Prepared	10,903.34	14,266.68	-3,363.34	76.4%
Open Houses	335.83	750.00	-414.17	44.8%
Community Shredder	1,162.05	1,750.00	-587.95	66.4%
Firesafe Planting Grants	0.00	0.00	0.00	0.0%
Community Sandbags	1,263.43	3,000.00	-1,746.57	41.8%
Total COMMUNITY SERVICE ACTIVITIES	18,472.45	28,816.70	-10,344.25	64.1%
DISTRICT ACTIVITIES				
Firefighter's Apparel & PPE	22,609.84	25,000.00	-2,390.16	90.4%
Firefighters' Expenses	164.53	4,999.98	-4,835.45	3.3%
Professional Development	2,121.59	2,499.98	-378.39	84.9%
Building Maintenance				
Needs Assess/Feasibility Study	93,682.62	124,500.00	-30,817.38	75.2%
Storage Room Emergency Repair	0.00	0.00	0.00	0.0%
Janitorial Service	630.00	750.00	-120.00	84.0%
Medical Waste Disposal	1,309.95	1,749.98	-440.03	74.9%
Building alarm	115.00	200.00	-85.00	57.5%
Gardening service	360.00	818.16	-458.16	44.0%
Miscellaneous Maint.	4,932.21	6,000.00	-1,067.79	82.2%
Total Building Maintenance	101,029.78	134,018.14	-32,988.36	75.4%
Building Utilities/Service				
Garbage	0.00	0.00	0.00	0.0%
Gas and Electric	4,387.77	3,750.00	637.77	117.0%
Water/Sewer	1,257.77	1,500.00	-242.23	83.9%
Total Building Utilities/Service	5,645.54	5,250.00	395.54	107.5%
Election	0.00	1,000.00	-1,000.00	0.0%
Memberships	6,876.00	6,650.00	26.00	100.4%
Office				
Office Expense	409.26	1,750.02	-1,340.76	23.4%
Office Supplies	344.02	1,249.98	-905.96	27.5%
Telephone	3,528.29	4,000.02	-471.73	88.2%
Total Office	4,281.57	7,000.02	-2,718.45	61.2%
Total DISTRICT ACTIVITIES	142,528.85	186,418.12	-43,889.27	78.5%
Staff				
Wages	41,556.80	41,556.48	0.12	100.0%
Longevity Pay	1,000.00	1,000.00	0.00	100.0%
Overtime Wages	419.54	675.00	-255.46	62.2%
Medical/dental ins compensation	4,095.00	4,095.00	0.00	100.0%
Retirement Contribution	3,465.94	3,168.28	307.66	109.7%
Payroll Taxes	3,510.59	3,443.00	67.59	102.0%
Workers Compensation/Life Ins	1,343.57	1,600.00	-256.43	84.0%
Payroll Processing	864.88	759.00	105.88	113.9%
Total Staff	56,256.12	56,266.76	-30.64	99.9%
Contingency				
General	0.00	6,250.00	-6,250.00	0.0%
Total Contingency	0.00	6,250.00	-6,250.00	0.0%
Total Expense	1,557,568.87	1,843,568.60	-86,001.73	94.8%
Net Ordinary Income	2,347,484.62	2,109,314.40	238,170.22	111.3%
Other Income/Expense				
Other Income				
Transfers In - General	353,020.08	0.00	353,020.08	100.0%
Total Other Income	353,020.08	0.00	353,020.08	100.0%
Other Expense				
Transfers Out - Capital	353,020.08	2,735.09	350,284.99	12,907.1%

Kensington Fire Protection District
Revenue & Expense Budget vs. Actual
 July through December 2016

	Jul - Dec 16	Budget	\$ Over Budget	% of Budget
<Gain>/Loss on Asset Disposal	0.00	630.87	-630.87	0.0%
Total Other Expense	353,020.08	3,365.98	349,654.12	10,487.9%
Net Other Income	0.00	-3,365.98	3,365.98	0.0%
Net Income	2,347,484.62	2,105,948.44	241,536.18	111.5%

CHIEF'S REPORT

**KENSINGTON FIRE PROTECTION DISTRICT
MEMORANDUM**

February 1, 2017

TO: President and Board Members, Kensington Fire Protection District

FROM: Lance J. Maples, Fire Chief

SUBJECT: **Fire Chief's Report**

CERT 2016 Update

In 2016, the El Cerrito/Kensington CERT Program continued steady program growth in several different areas. First, we continued our relationship with our West County CERT neighbors in San Pablo and Richmond. This partnership once again produced high-quality spring and fall final exercises with Department members playing a very prominent coordination and instruction role. Once again, student feedback following both exercises was very positive and all participating students expressed their gratitude to us for producing such high-quality training and the knowledge of our instructors. This partnership continues to be a very cost effective model for producing a high quality training experience for our participants.

Secondly, our community participation in the El Cerrito/Kensington CERT Program continued to grow with 57 participants and 21 graduates of the 26-hour CERT course. Participation was up 50% and graduates were up 24% from 2015. In addition, we had eight graduates of our April Boot Camp which is a condensed version of the CERT Program delivered in a one-day format for those that are unable to attend the full class. These Boot Camps remain a very viable alternative for citizens who cannot make the commitment to the full 26 hour course

Thirdly, we continued our expansion of the CERT Area Program by working closely with the Area Coordinators in our 17 CERT areas in El Cerrito and Kensington. During the year we lost some of our Area Coordinators but we were able to find volunteer replacements to continue the work in each area. These CERT Area's will play a critical role in our response and recovery in a disaster by providing immediate care following the disaster, transmitting information to the EOC and short-term sheltering neighbors. The Kensington Fire Protection District expanded their support of the six Areas in Kensington by providing funding for Area equipment caches that provide a significant amount of tools and equipment for the Area's to utilize.

Lastly, we believe that one of our critical areas following a disaster will be communications. In 2015 we conducted a community-wide drill to exercise our CERT Areas but also came to realize how important the emergency communications network component will play in the response and recovery of an area-wide disaster such as a major earthquake. With that in mind, we launched our efforts to begin building the emergency communications network by contacting local licensed HAM Radio operators to discuss the need, explore the steps to build the network, outline the step building, form working groups and set goals for 2017 and beyond.

We are looking forward to another busy year in 2017 as we continue to present both the full and boot camp classes, provide drills, expand the CERT website, develop our emergency communications network, create area supply caches, organize our CERT Areas and increase our partnerships in order to strive to do the greatest good for the greatest number of our citizens as we make every effort to become a self-sufficient community in the event of a major disaster.

NEW BUSINESS

**Kensington Fire Protection District
Revenue & Expense Budget vs. Actual
July through December 2016**

	Jul - Dec 16	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Property Taxes	3,634,458.11	3,520,295.00	114,161.11	103.2%
Special Taxes	200,287.30	200,287.00	0.30	100.0%
Lease Agreement	1.00	1.00	0.00	100.0%
Interest Income	12,386.84	5,000.00	7,386.84	247.7%
Salary Reimbursement Agreement	26,532.00	27,300.00	-768.00	97.2%
Miscellaneous Income	31,388.24	0.00	31,388.24	100.0%
Total Income	3,905,051.49	3,752,883.00	152,168.49	104.1%
Expense				
OUTSIDE PROFESSIONAL SERVICES				
LAFCO Fees	2,123.97	1,850.00	273.97	114.8%
Contra Costa County Expenses	2,846.00	2,205.00	441.00	120.0%
El Cerrito Contract Fee	1,276,434.53	1,276,434.48	0.05	100.0%
Water System Improvements	0.00	10,000.00	-10,000.00	0.0%
Fire Abatement Contract	265.00	8,000.00	-7,735.00	3.3%
Risk Management Insurance	12,106.00	12,110.00	-4.00	100.0%
Professional Fees				
Accounting	1,755.00	2,500.02	-745.02	70.2%
Actuarial Valuation	0.00	0.00	0.00	0.0%
Audit	13,000.00	13,000.00	0.00	100.0%
Legal Fees	15,890.04	15,000.00	890.04	105.9%
Total Professional Fees	30,645.04	30,500.02	145.02	100.5%
Wildland Vegetation Mgmt	0.00	2,500.00	-2,500.00	0.0%
Total OUTSIDE PROFESSIONAL SERVICES	1,324,220.54	1,343,599.50	-19,378.96	98.6%
RETIREE MEDICAL BENEFITS				
PERS Medical	14,406.08	18,425.02	-4,018.94	78.2%
Delta Dental	1,277.46	2,885.02	-1,607.56	44.3%
Vision Care	405.37	887.48	-482.11	45.7%
Total RETIREE MEDICAL BENEFITS	16,088.91	22,197.52	-6,108.61	72.5%
COMMUNITY SERVICE ACTIVITIES				
Public Education	3,808.92	6,500.02	-2,691.10	58.6%
Comm. Pharmaceutical Drop-Off	1,008.88	2,500.00	-1,491.12	40.4%
Vial of Life Program	0.00	50.00	-50.00	0.0%
CERT Emerg Kits/Sheds/Prepared	10,903.34	14,286.88	-3,383.34	76.4%
Open Houses	335.83	750.00	-414.17	44.8%
Community Shredder	1,162.05	1,750.00	-587.95	66.4%
Firesafe Planting Grants	0.00	0.00	0.00	0.0%
Community Sandbags	1,253.43	3,000.00	-1,746.57	41.8%
Total COMMUNITY SERVICE ACTIVITIES	18,472.45	28,616.70	-10,344.25	64.1%
DISTRICT ACTIVITIES				
Firefighter's Apparel & PPE	22,609.84	25,000.00	-2,390.16	80.4%
Firefighters' Expenses	164.53	4,999.98	-4,835.45	3.3%
Professional Development	2,121.59	2,499.98	-378.39	84.9%
Building Maintenance				
Needs Assess/Feasibility Study	93,682.62	124,500.00	-30,817.38	75.2%
Storage Room Emergency Repair	0.00	0.00	0.00	0.0%
Janitorial Service	630.00	750.00	-120.00	84.0%
Medical Waste Disposal	1,309.95	1,749.98	-440.03	74.9%
Building alarm	115.00	200.00	-85.00	57.5%
Gardening service	360.00	818.16	-458.16	44.0%
Miscellaneous Maint.	4,932.21	6,000.00	-1,067.79	82.2%
Total Building Maintenance	101,029.78	134,018.14	-32,988.36	75.4%
Building Utilities/Service				
Garbage	0.00	0.00	0.00	0.0%
Gas and Electric	4,387.77	3,750.00	637.77	117.0%
Water/Sewer	1,257.77	1,500.00	-242.23	83.9%
Total Building Utilities/Service	5,645.54	5,250.00	395.54	107.5%
Election	0.00	1,000.00	-1,000.00	0.0%
Memberships	6,676.00	6,650.00	26.00	100.4%
Office				
Office Expense	409.26	1,750.02	-1,340.76	23.4%
Office Supplies	344.02	1,249.98	-905.96	27.5%
Telephone	3,528.29	4,000.02	-471.73	88.2%
Total Office	4,281.57	7,000.02	-2,718.45	61.2%
Total DISTRICT ACTIVITIES	142,528.85	186,418.12	-43,889.27	76.5%
Staff				
Wages	41,556.60	41,556.48	0.12	100.0%
Longevity Pay	1,000.00	1,000.00	0.00	100.0%
Overtime Wages	419.54	675.00	-255.46	62.2%
Medical/dental ins compensation	4,095.00	4,095.00	0.00	100.0%
Retirement Contribution	3,465.94	3,158.28	307.66	109.7%
Payroll Taxes	3,510.59	3,443.00	67.59	102.0%
Workers Compensation/Life Ins	1,343.57	1,600.00	-256.43	84.0%
Payroll Processing	864.88	759.00	105.88	113.9%
Total Staff	56,256.12	56,286.76	-30.64	99.9%
Contingency				
General	0.00	8,250.00	-8,250.00	0.0%
Total Contingency	0.00	8,250.00	-8,250.00	0.0%
Total Expense	1,557,566.87	1,843,568.80	-86,001.73	94.8%
Net Ordinary Income	2,347,484.62	2,109,314.40	238,170.22	111.3%
Other Income/Expense				
Other Income				
Transfers In - General	353,020.08	0.00	353,020.08	100.0%
Total Other Income	353,020.08	0.00	353,020.08	100.0%
Other Expense				
Transfers Out - Capital	353,020.08	2,735.09	350,284.99	12,907.1%

**Kensington Fire Protection District
Revenue & Expense Budget vs. Actual
July through December 2016**

	Jul - Dec 16	Budget	\$ Over Budget	% of Budget
<Gain>/Loss on Asset Disposal	0.00	630.87	-630.87	0.0%
Total Other Expense	353,020.08	3,365.96	349,654.12	10,487.9%
Net Other Income	0.00	-3,365.96	3,365.96	0.0%
Net Income	2,347,484.62	2,105,948.44	241,536.18	111.5%

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET

Fiscal Year 2016-2017

	FY 2015-2016	FY 2015-2016	FY 2016-2017	FY 2017-2018
<u>REVENUE BUDGET</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Planning</u>
Property Taxes	3,328,995	3,466,307	3,570,295	3,641,700
Special Taxes	200,345	200,345	200,287	200,287
Other tax income	27,000	26,734	26,000	26,000
Interest income	9,000	17,866	20,000	5,000
Lease agreement	1	1	1	0
Salary reimb agreement	51,586	50,344	54,600	55,930
Miscellaneous income	0	42,024	0	0
Total Revenue	3,616,928	3,803,621	3,871,184	3,928,918
	FY 2015-2016	FY 2015-2016	FY 2016-2017	FY 2017-2018
<u>OPERATING EXPENSE BUDGET</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Planning</u>
OUTSIDE PROFESSIONAL SERVICES				
Accounting	4,500	4,590	5,000	5,250
Actuarial Valuation	3,500	3,400	0	3,500
Audit	13,000	13,000	13,000	13,650
CC County Expenses	32,795	31,763	33,350	35,020
El Cerrito Contract	2,369,530	2,369,530	2,552,869	2,654,985
Fire Abatement Contract	8,000	500	8,000	8,000
Insurance - Risk Mgmt	11,490	11,998	12,110	12,715
LAFCO Fees	1,800	1,801	1,850	1,900
Legal Fees	30,000	4,521	30,000	30,000
Water System Improvements	185,000	91,366	20,000	20,000
Wildland Vegetation Mgmt	10,000	5,630	10,000	10,000
RETIREE MEDICAL BENEFITS**				
PERS Medical (OPEB cost)	21,380	21,609	36,850	0
Delta Dental	2,735	2,555	5,770	0
Vision Care	745	695	1,775	0
COMMUNITY SERVICE ACTIVITES				
Public Education	13,000	8,025	13,000	13,000
Community Pharmaceutical Drop-Off	2,500	3,344	5,000	5,000
Vial of Life Program	200	0	200	200
CERT Kits/Sheds/Preparedness	35,000	5,757	30,000	15,000
Open Houses	750	1,127	750	1,200
Community Shredder	3,500	2,757	3,500	3,500
DFSC Matching Grants	4,000	4,225	5,000	5,000
Firesafe Planting Grants	0	0	3,000	3,000
Demonstration Garden	5,000	0	10,000	5,000
Community Sandbags	6,000	4,038	6,000	6,000
DISTRICT ACTIVITIES				
Professional Development	5,000	4,538	5,000	5,000
District Office				
Office expense	3,500	3,119	3,500	3,500
Office supplies	2,500	1,679	2,500	2,500
Telephone	8,455	7,476	8,000	8,400
Election	0	0	1,000	0
Firefighter's Apparel & PPE	1,500	1,228	27,000	1,500
Firefighters' Expenses	10,000	9,038	10,000	10,000
Staff Appreciation	2,500	1,264	4,000	2,500
Memberships	7,230	7,309	7,675	8,060
P/S Building				
Needs Assessment/Feasibility Study *	40,000	19,991	125,000	0
Emergency Repair of Storage Room *	45,000	33,640	0	0
Gardening service	2,000	1,280	2,000	2,000
Building alarm	2,000	1,444	2,000	2,000
Medical waste disposal	4,000	2,985	3,500	4,000
Janitorial	1,500	1,260	1,500	1,500

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET

Fiscal Year 2016-2017

Misc. Maint/Improvements	12,500	8,298	12,000	12,000
PG&E	7,500	6,616	7,500	7,500
Water/Sewer	1,665	1,780	1,900	1,995
Garbage	1,080	346	0	0
Staff				
Wages	78,104	78,113	83,113	84,760
Longevity Pay	1,000	1,000	1,000	1,000
Overtime Wages	1,300	1,183	1,350	1,400
Vacation Wages Accrual Adjustment	0	2,497	766	0
Medical/dental insurance compensation	7,800	7,800	8,190	8,600
Retirement Contribution	5,934	5,937	6,317	6,442
Payroll Taxes	7,030	7,033	7,493	7,674
Insurance - Workers Comp/Life	1,800	1,454	1,600	1,800
Processing	1,505	1,445	1,515	1,590
Operating Contingency Fund	<u>25,000</u>	<u>0</u>	<u>25,000</u>	<u>25,000</u>
Total Operating Expense	3,051,825	2,811,982	3,167,441	3,062,637
Capital Outlay				
Type I Engine	350,000	349,689	0	0
Firefighter qtrs/equip	15,000	10,526	15,000	15,000
Apparatus Bay Construction	370,000	359,517	0	0
Office Furniture/Computers	<u>5,000</u>	<u>4,647</u>	<u>5,000</u>	<u>0</u>
Total Capital Outlay	740,000	724,379	20,000	15,000
TOTAL EXPENDITURES	3,791,825	3,536,361	3,187,441	3,077,637

Notes: The standard expenditure increase is 5% unless otherwise indicated or unless policy decisions mandated.

* During audit preparation it was determined to reclassify these two expenditures from Capital Outlay to Building Expense.

** Due to new reporting rules under GASB 75 and the fact that our OPEB assets equal liabilities, the actuary stated preliminarily that we will have no OPEB expense beginning in FY 17/18.

Designated Funds (see attached schedules)

Engine Replacement Fund	41,994	41,994	117,874	117,874
Public Safety Building Fund	<u>432,486</u>	<u>432,486</u>	<u>1,089,786</u>	<u>931,377</u>
	474,480	474,480	1,207,660	1,049,251
	FY 2015-2016	FY 2015-2016	FY 2016-2017	FY 2017-2018
	Budget	Actual	Budget	Planning
Beginning Cash	5,829,574	6,000,755	5,853,180	6,536,922
Revenue	3,616,928	3,803,621	3,871,184	3,928,918
Operating Expenditures	-3,051,825	-2,811,982	-3,167,441	-3,062,637
Capital Expenditures	-740,000	-724,379	-20,000	-15,000
Accrual to Cash Adjustment		-414,836		
ENDING CASH	5,654,676	5,853,180	6,536,922	7,388,202
Cumulative Designated Funds				
Capital Replacement Funds	-1,210,765	-1,210,765	-2,418,425	-2,260,016
Prepaid CERBT - Retiree Trust	-1,000,148	-1,004,837	-1,004,837	-1,004,837
EI Cerrito Contract 12 month set aside	-2,369,530	-2,369,530	-2,552,869	-2,654,985
AVAILABLE CASH	1,074,233	1,268,048	560,791	1,468,364

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET
 Fiscal Year 2016-2017

SCHEDULE FOR REPLACEMENT OF EQUIPMENT

Type I Vehicle Cost	Estimated Cost 15 yrs/4%	Fiscal Year	Yearly Contribution To Cap. Fund	Accumulated Funds	Type III Vehicle Cost	Estimated Cost 15 yrs/4%	Fiscal Year	Yearly Contribution To Cap. Fund	Accumulated Funds
						\$540,094			
					\$94,000		02-03		
					\$205,895		03-04		
							04-05	32,860	32,860
							05-06	32,860	65,720
							06-07	32,855	98,575
							07-08	36,793	135,368
							08-09	36,793	172,161
					adjust to	\$592,100	09-10	41,994	214,155
							10-11	41,994	256,149
							11-12	41,994	298,143
							12-13	41,994	340,137
							13-14	41,994	382,131
							14-15	41,994	424,125
632000	1,138,200	15-16					15-16	41,994	466,119
		16-17	75,880	75,880			16-17	41,994	508,113
		17-18	75,880	151,760			17-18	41,994	550,107
		18-19	75,880	227,640			18-19	<u>41,994</u>	592,101
		19-20	75,880	303,520				592,101	
		20-21	75,880	379,400					
		21-22	75,880	455,280					
		22-23	75,880	531,160					
		23-24	75,880	607,040					
		24-25	75,880	682,920					
		25-26	75,880	758,800					
		26-27	75,880	834,680					
		27-28	75,880	910,560					
		28-29	75,880	986,440					
		29-30	75,880	1,062,320					
		30-31	<u>75,880</u>	1,138,200					
			1,138,200						

KFPD COMBINED REVENUE, EXPENSE AND CAPITAL BUDGET
Fiscal Year 2016-2017

SAVINGS SCHEDULE FOR BUILDING IMPROVEMENTS/RENOVATION/REPLACEMENT

Adjusted for 4% <u>Inflation</u>	<u>Fiscal</u> <u>Year</u>	<u>Yearly</u> <u>Contribution</u>	<u>Accumulated</u> <u>Reserves</u>
	12-13	100,000	100,000
	13-14	104,000	204,000
	14-15	108,160	312,160
	15-16	432,486	744,646
	16-17	1,089,786	1,834,432
	17-18	931,377	2,765,810
	18-19	968,632	3,734,442

* Based on historical building expenditures, KFPD will be setting aside \$100,000 per fiscal year to accumulate funds to be available for future building improvements/major repairs.

BOARD REPORTS

**MINUTES OF THE MAY 31, 2016 FINANCE COMMITTEE MEETING
OF THE KENSINGTON FIRE PROTECTION DISTRICT**

PRESENT: Directors: Janice Kosel and Don Dommer
 Staff: Chief Lance Maples, Manager Brenda Navellier, CPA Deborah Russell
 Guest: El Cerrito City Manager Scott Hanin

CALL TO ORDER:

Director Kosel called the meeting to order at 2:00 p.m. and noted the Committee members, guest and staff that were present. In addition there were three members of the public at the beginning of the meeting.

ORAL COMMUNICATIONS:

None.

APPROVAL OF JANUARY 27, 2016 COMMITTEE MINUTES:

Director Kosel noted that the Committee's last meeting was held on January 27th. The Committee approved the minutes as submitted by consensus.

EL CERRITO CONTRACT FEE PROPOSAL FY16-17:

Kosel reported that the Committee typically meets with the El Cerrito City Manager and Fire Chief every year around May to receive the proposed contract fee and reconciliation. A chart of fee increases since inception was also included in the packet. Kosel reported that Kensington contracted with El Cerrito 20 years ago and it has been a win-win situation for both communities. KFPD is in a relatively healthy position and any surplus will be dedicated to the building reserves. KFPD is in the midst of a study regarding the building and whether it needs to be repaired or replaced. At the end of the upcoming fiscal year the District will have \$1.8 million in its replacement funds. KPPCSD has appointed an adhoc committee to look at the dissolution of KFPD to be taken over by KPPCSD. KFPD's attorney is looking into the next steps including the contract with El Cerrito. Maples is monitoring through LAFCO. *Russell arrived at the meeting.*

Hanin responded that he has met with the KPPCSD adhoc committee in regard to policing. El Cerrito has not provided a detailed proposal until KPPCSD Board makes a decision. Police is handled very different than fire. Hanin said that the City has carried about 15% of total positions vacant for the last two to three years. Currently the City is hiring and will bring that percentage up to about 8%. Revenues are strong, particularly property taxes. Real estate prices are very high and rent is very strong. The City is projecting a 7.5% increase in property taxes for the next two years. Sales taxes are on a steady growth. Numerous new developments are taking place in town over the next 18 months which Hanin reviewed. Most City fees are up 3%. Reserves are at almost 9%. The City credit rating has gone up. Expenses are also up around personnel due to filled vacancies. Medical costs are flat. Public Safety will be paying the full 12% of the PERS costs starting in FY16-17. A new Finance Director has been hired and will start in two weeks. The El Cerrito-Kensington contract relationship is great. Hanin does not believe that KFPD could get a higher level of service or a better price.

Kosel agreed and noted that KFPD gets nothing but compliments from the public. Hanin agreed the fire department has a great culture, the city is very happy with the department and Chief Maples does a great job. Kosel noted that 5/4/16 was National Firefighter Day. Kosel had "Thank You Kensington Firefighter" signs printed and there was a high demand for them. Hanin will not be able to attend the KFPD Board meeting next week.

Ciara Wood added that people who wanted the "Thank You" signs but did not receive them were miffed.

Chief Maples gave an overview of the Fire Department budget narrative. Salary and benefits is a 4.5% increase from the previous year. The employees will be picking up the final 1.5% in PERS contributions to bring them up to 12%. That is the maximum amount that they can pay. Hanin pointed out it is effectively a 3% raise which matches the CPI. Overtime follows the increase of 4.5%. PERS costs are up 7.5%. Jim Watt clarified that the PERS line would have been a 9% increase but the employee's contribution of 1.5% is factored in. Under Professional Services, Maples listed the line items that had increases for the first time in numerous years. The proposed fee is \$2,499,805 and then add back in ½ of Navellier's salary plus the reconciliation making the proposed contract fee \$2,552,869 or 7.74%. Maples said that he believes the contract fee is fair and equitable on both sides due to the flexibility of the men and women of the fire department and the support of City Hall. Medical costs being

Director Kosel said she is happy to recommend the proposed contract to the Board. She asked that Maples & Navellier update the fire station cost comparison sheet when they have time. Kosel said that comparison shows that El Cerrito-Kensington is a low cost leader and Kensington is getting a good deal. Hanin said he keeps having to education his Finance Directors on why Kensington is only charged 27% instead of 33%. Maples said ultimately the community decides on whether the service they receive is worth the cost.

Ciara Wood noted that Kensington is the most represented community on the Diablo Fire Safe Council from which Kensington has received lots of grant funding.

Jim Watt questioned how the fee increased came to 7.74? The salary increase is 4.5%, PERS has gone up by 7.5% and medical costs are flat. Maples said there were a few contributing factors, one being the \$62,000 reconciliation from two years ago which is about 1/3 of the increase. Hanin said it is important to look at the past two years together (El Cerrito operates on a two-year budget). Add the 7.74 with the -1.90 and the past two years have been about a 3% increase each. Maples added that the reconciliation from 13-14 was a negative. Watt asked about the \$1.3 million in grants that ECFD has received. Maples explained that was for the new ladder truck and also cardiac compression devices. They are not for personnel. Watt asked if Kensington has an opportunity to apply for a grant for the new engine they purchased. Maples said the department does not write grants for first line equipment as they are not usually successful in their experience. Usually unique or regional opportunities are successful. Last year there were nine responses for mutual aid throughout the State. All expenditures are paid by El Cerrito and then reimbursed directly to El Cerrito by the State. There is a separate line item titled OES overtime. Watt noted there is lots of overtime. Why not hire new personnel or staff at something less than three? Maples said overtime is cheaper compared to a top step firefighter with benefits. It also allows flexibility so that personnel can work overtime which they appreciate. Watt asked why the engines are staff at three personnel. Maples explained that is the industry standard and the National Fire Protection Agency calls for a minimum of three but recommends four personnel. Staffing is based on personnel that would be needed for a working fire. Before the contract, Kensington employed five people on the engine per day and reduced to four in the early 90's. Kensington and El Cerrito have had years of relationship and reciprocity prior to the contract based on automatic aid. Maples views the two communities as one area since the contract. Dommer added that Berkeley and Albany have the same auto aid relationship. Hanin gave an explanation of why three personnel are necessary and the department would never consider two because personnel would not be able to enter a house to attack fire but would have to stay outside to protect the neighbors only. Ciara Wood noted that it has been 25 years since the Oakland Hills Fire and the community will need outside help if a similar fire came out of the canyon. Watt asked how many of the 33 personnel are currently out on disability to which Maples answered none. The department has a very low workers comp claim history. It does have a strong wellness program and a robust training program that includes physical fitness. Ciara Wood asked how many internal investigations the fire department has had? Maples replied none. He also stated there has not been a grievance filed in 10 years and only one in the 10 years before that. *Scott Hanin left the meeting.*

FY2015-2016 AUDITOR PROPOSAL/RECOMMENDATION:

A proposal from Lamorena & Chang was included in the packet. There is no increase to the \$13,000 fee. The District reviewed other auditors a few years ago but Lamorena & Chang's presentation was the most intelligible. The Committee agreed by consensus to recommend L&C's proposal to the Board.

REVIEW AND RECOMMEND DRAFT FY2016-2017 BUDGET:

Director Kosel noted that the property tax increase is not slated as high as El Cerrito's but Kensington doesn't have the same growth or turnover. The lease agreement of \$1 to KPPCSD expires on 6/30/17. The planning budget is leaving that line item as a 0 since it is currently unknown what the building plan is. Total revenue is \$3.8. Total expenses are currently slated at \$3.087 million which is a total surplus of \$700,000 which will be dedicated to the building capital fund. At the end of the FY16-17 the District will have over \$1.5 million saved for the building which may be a drop in the bucket of the total cost for the building project. Dommer added that the Building Committee has selected an architect and their contract will be on the June agenda. Kosel noted that legal expenses year to date are approximately \$4,000. Kosel noted that KFPD has agreed to match Kensington resident contribution to Diablo Fire Safe Council since Kensington is benefitting so much in grants to the community. The District went over budget by \$225 during the current year on this item so has increased the budget for FY16-17 to \$5,000 from \$4,000. Wood reported on DFSC's purchase of a power mower for the Kensington interface. The Committee said Navellier's salary should be increased by at least 3% for cost of living. Initially the Committee was planning on preparing a five year budget for the meeting but decided the building is too large of an unknown to create that at this time. The Committee decided to change the needs assessment/feasibility study item to \$125,000 to cover the cost of the architect and project management. Dommer gave an explanation on the proposed building

project. Ciara Wood talked about the removal of juniper and the ramifications of not removing them. She will be asking DFSC for the services of a professional photographer and KFPD may want to consider that also. Kosel said there has been no traction with the KPPCSD on the proposed demonstration garden in Kensington Park. Dommer suggested a pamphlet regarding juniper removal. The budget will be on the Board's June agenda and the final will be adopted in September. *Chief Maples left the meeting.*

REVIEW DISTRICT INVESTMENTS:

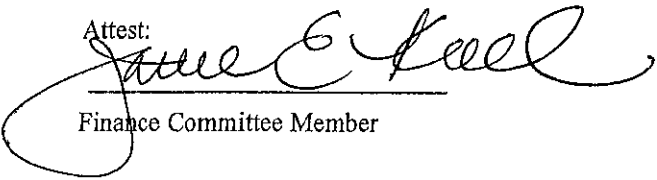
Navellier passed out a cash flow for May through October 2016. The District does have a provision in the El Cerrito contract that it will maintain one year's worth of contract fee in reserves. At different times during the year, the District does not always have those funds set aside depending on cash but El Cerrito is aware of that. Russell noted that the contract says that our intention is to try to set aside that amount. At the beginning of the year, the District moved much of its investments outside of LAIF and the returns have tripled but are still low. Russell pointed out there was a \$5,000 buy in which offset the returns. Kosel would like to review the investments after one year to decide whether to continue with the County or move to Wells Fargo. If KFPD leaves the County for investments they would have to leave County admin also and hire out the work or hire more help. Maybe KFPD could hire El Cerrito for financial services. Russell gave an explanation of the replacement funds and when they are moved.

ADJOURNMENT: The meeting was adjourned at 3:25 p.m.

MINUTES PREPARED BY: Brenda J. Navellier

These minutes were approved at the Committee meeting of January 24, 2017.

Attest:



Finance Committee Member

2016 Annual Report

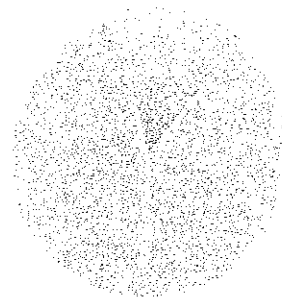
January 2017

Accomplishments



- **Grant funds expended as of 12/31/2016 total \$563,245**
Four US Forest Service Federal grants through the California Fire Safe Council \$437,505. One CAL FIRE SRA grant \$25,740. Three Pacific Gas & Electric Company grants \$100,000. Grant funds used for outreach and education, hazardous fuel reduction, CWPP planning, and DFSC operations.
- **Community match for hazardous fuel reduction:** \$114,093 and in-kind value of \$74,975 with over 2,850 volunteer hours for 46 hazardous fuel reduction projects in 2016.
- **Funding for Defensible Space Projects in Alameda & Contra Costa Counties**
Up to \$5,000 seed funding for groups of neighbors, groups and agencies linked by concern of wildfire hazards around their homes and adjacent open space. Two federal grants were completed in 2016 funding a total of 53 projects (36 projects in 2016 & 17 projects in 2015).
- **Pacific Gas and Electric Company (PG&E) drought related special funding for hazardous fuel reduction projects in Alameda & Contra Costa Counties.** Total grant \$50,000.
As a match for federal funding, PG&E provided up to \$5,000 funding each for 12 community-led projects. Projects were located in the communities of Berkeley, El Cerrito, Kensington, Moraga, Oakland and Sunol.
- **Sunol Fire Safe Coalition**
DFSC serve as fiscal sponsor for community of Sunol partnership to remove dead trees, chip homeowner-cut materials, and provide roadside clearance. Total grant \$50,000 by Pacific Gas and Electric Company drought related special funding. A new grant from the CAL FIRE SRA program is planned for 2017.
- **Kensington Fuel Reduction Project**
Seventh year of neighbors working under DFSC sponsored Right of Entry (ROE) Agreement with East Bay Regional Park to create defensible space in Wildcat Canyon Regional Park adjacent to homes. A total of \$21,596 grant funds and \$24,375 community match for 5 projects in Kensington ROE area. 12 additional Kensington projects totaled \$56,788 grant funds and \$46,345 match. More projects planned for 2017.
- **Park Hills Fuel Reduction Project**
Fourth year of Park Hills, Berkeley neighbors working under DFSC sponsored ROE in Tilden Regional Park adjacent to homes. A total of \$5,500 grant funds and \$5,309 in match went to the project.
- **Clayton Morgan Territory Fire Action Plan.**
A focused plan for Clayton Morgan Territory area was developed through 3 stakeholder meetings, 24 representatives from 18 organizations. Draft reviewed in February 2016. In addition 2 defensible space projects received \$10,000 grant funds with \$14,751 community matches. More projects planned for 2017.
- **Membership, Corporate Grants, Kensington community financial support for DFSC and local projects \$111,250.**
Patron level member: Kensington Fire Protection District.
Corporate Grant: Pacific Gas and Electric Company. Friends of DFSC: 58 Kensington, Oakland and Berkeley residents' donations.
- **Outreach and Education**
Moraga Orinda Fire District Open House, Piedmont Fire Department Open House and Quad City Safety Fair (Albany, El Cerrito, Kensington and Richmond). Presentations for groups Clayton Kensington, Rossmoor and Sunol. Partners in Wildfire Prevention luncheon co-sponsored with PG&E. Articles in Lamorinda Weekly, SF Chronicle, Oakland Tribune, Contra Costa Times and Tri-City Voice.
- **Website update + E-mail updates + Newsletters**

Matches from Partners in Wildfire Prevention



- DFSC Board + Partners
- Fuel projects in-kind cash
- Fuel projects sweat equity
- Planning partners

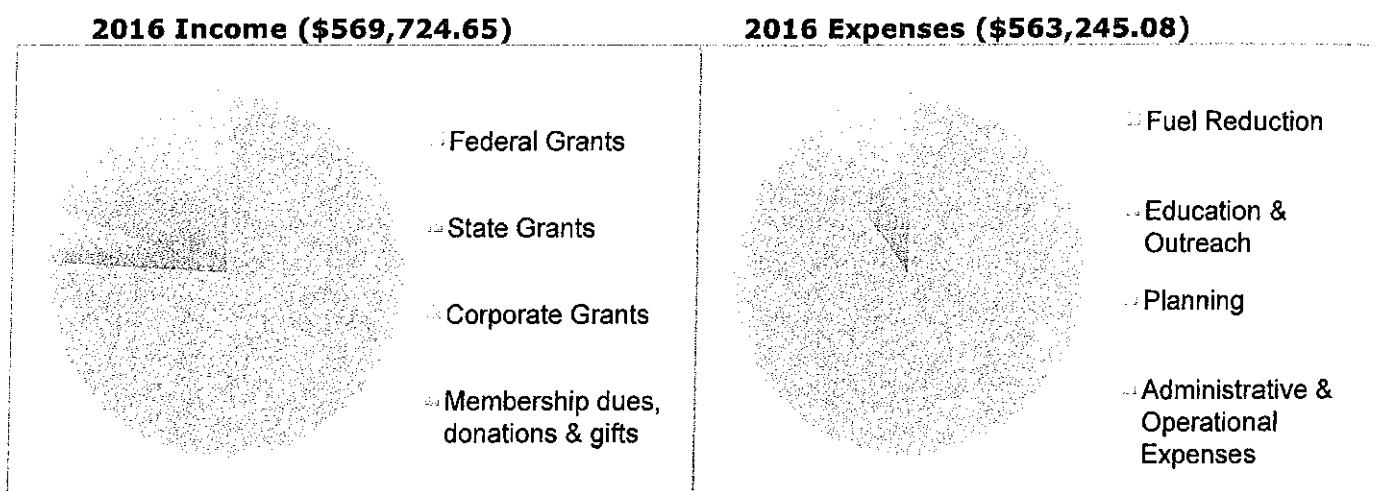
Financial Report

Balance Sheet - Assets & Liabilities as of December 31, 2016

Assets	
Cash in Banks	<u>\$169,583.20</u>
Total Assets	<u>\$169,583.20</u>
Liabilities & Equity	
Deferred Revenues & Grant Advances	\$118,735.75
Equity	
Unrestricted	\$44,367.88*
Net Income	<u>\$6,479.57</u>
Total Liabilities & Equity	<u>\$50,847.45</u>

*Unrestricted funds include \$17,619.02 Board Designated Funds reserved for special projects.

Income and Expenses



Grant Programs Status as of December 31, 2016

	Budget	Expenditures through 2016*	Balance	Status
2016 Pacific Gas and Electric Company	\$100,000	\$100,000	\$0	Completed
14USFS-WUI0005 Western Contra Costa County	\$259,670	\$259,670*	\$0	Completed
14USFS-SFAX0029 Filling the Gaps in Community Fuel Reduction	\$178,320	\$178,320*	\$0	Completed
5GS14120 Clayton Morgan Territory Fire Safe 2015	\$170,680	\$34,777	\$135,903	Active (ends 3/17)
15USFS-SFA36798 Filling More Gaps	\$187,320	\$25,040	\$162,280	Active (ends 8/17)
16WUI-44933 Central West Contra Costa County WUI	\$260,000	\$24,394	\$235,606	Active (ends 11/17)
15 USFWS Antioch Dunes	\$60,054	Waiting \$	\$60,054	Active (ends 8/17)
5GS15140 FireSafe Sunol 2016-17	\$56,740	Waiting \$	\$56,740	Active (ends 12/17)
Subtotals	\$1,272,784	\$622,201*	\$650,583	

*Expenditures include grant funds spent in 2015 & 2016.

2016 Project locations

46 hazardous fuel reduction projects with total value of \$810,084

# of projects	Location	Federal Grant \$ Paid	2016 PG&E grant + EBRPD match + CAL FIRE SRA grant	Community Match	Total value
3	Contra Costa County SRA	\$147,900	\$187,495	\$5,309	\$340,704
1	Danville	\$5,000		\$10,259	\$15,259
5	El Cerrito	\$31,665	\$9,415	\$61,138	\$102,219
12	Kensington	\$56,788	\$6,444	\$39,901	\$103,132
1	Moraga	\$6,781	\$14,170	\$1,549	\$22,499
2	Morgan Territory		\$10,000	\$14,751	\$24,751
12	Oakland	\$58,671	\$13,000	\$34,531	\$106,203
10	Sunol	\$20,725	\$55,000	\$19,593	\$95,318
46	Subtotals	\$327,530	\$295,524	\$187,030	\$810,084

