

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

AGENDA

A Special Meeting of the Finance Committee of the Kensington Police Protection and Community Services District will be held **Wednesday April 6, 2016, at 6: 00 P.M.**, at the Community Center, 59 Arlington Avenue, Kensington, California.

1. **Call to Order/Roll Call 6:00 P.M.**
2. **Public Comments-** Members of the public may address the Committee on any issue not listed on the agenda that are within the purview of the Committee. Comments on matters that are listed on the agenda may be made at the time the Committee is considering each item. Each speaker is allowed a maximum of five (5) minutes per Board Policy 5030.41.
3. **Approval of the Finance Committee Minutes.**
 - a. Minutes of the Finance Committee Special Meeting of February 1, 2016. Page 2
4. The Committee will receive a report regarding a proposed contract with the Kensington Police Officer's Association and the Kensington Police Protection and Community Services District. The Committee will review the terms and conditions of the contract and possibly vote to recommend the Kensington Police Protection and Community Services Board of Directors approve the agreement. Page 9

General Information-Accessible Public Meetings

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

Interim General Manager Kevin. E. Hart, Kensington Police Protection & Community Services District, 217 Arlington Ave, Kensington, CA 94707. POSTED: Public Safety Building-Colusa Food-Library-Arlington Kiosk- and at www.kensingtoncalifornia.org.

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

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

The deadline for agenda items to be included in the Board packet for the regular monthly meeting is the Wednesday before the regular scheduled Thursday meeting the following week.

KPPCSD Finance Committee Meeting Minutes for 2/1/16

A Special Meeting of the Finance Committee of the Kensington Police Protection and Community Services District was held Monday, February 1, 2016, at 6:00 P.M., at the Community Center, 59 Arlington Avenue, Main Room, Kensington, California.

ATTENDEES

<u>Committee Members</u>	<u>Speakers/Presenters</u>
Len Welsh, President (arrived 6:17 P.M.)	Adam Benson, Renne Sloan Holtzman Sakai
Chuck Toombs, Director	Deborah Russell, CPA
Paul Dorroh	Celia Concus
Derek Suring	David Spath
Karl Kruger	
Jim Watt	
Paula Black	
Simon Brafman	
Gloria Morrison	
Rob Firmin	
<u>Staff Members</u>	
Kevin Hart, Interim General Manager/Chief of Police (IGM/COP)	
Lynn Wolter, District Administrator	
<u>Press</u>	

Because President Len Welsh had not yet arrived, Director Toombs called the meeting to order at 6:04 PM and took roll call. Director Chuck Toombs, Derek Suring, Karl Kruger, Paul Dorroh, Gloria Morrison, Simon Brafman, Jim Watt, Paula Black, Rob Firmin, General Manager Hart, and District Administrator Wolter were present. President Len Welsh arrived at 6:17 P.M. Elena Caruthers, Pat McLaughlin, Linda Lipscomb, and Paul Haxo were absent.

New Committee member Rob Firmin introduced himself as someone with a long and varied career in finance, computer modeling, budgeting, and as a CFO.

PUBLIC COMMENTS

None

STAFF COMMENTS

IGM/COP Hart noted that Kensington was rich in volunteers and said that, as a token of appreciation for the work and dedication of those volunteering to better the community, he wanted to present each member of the Committee with a Kensington Police Department challenge coin. He gave a brief history of Challenge Coins and handed each committee member with one.

With respect to the December 17, 2015 minutes, Karl Kruger asked if there was a cost decrease for retirees transitioning onto Medicare. Adam Benson responded in the affirmative and said that, when a retiree qualified for Medicare, he/she was required to move to Parts A and B with CalPERS but that the District covered the cost of the Medicare Supplemental Plan. He added that this was complicated and had many variables.

APPROVAL OF MINUTES

MOTION: Karl Kruger moved, and Gloria Morrison seconded, that the minutes of December 17, 2015 be approved.

Motion passed 9 – 1, with Paula Black abstaining because she had been absent from the 12/17/15 meeting.

COMMITTEE MEMBER COMMENTS

Jim Watt said that the Committee meeting had come up suddenly and that, moving forward, he would like more lead time so members could better prepare themselves.

Mr. Watt said that the Buildings Committee would need approval for certain aspects of its work. Director Toombs responded that this wasn't on the evening's agenda and so couldn't be addressed because it would be a violation of the Brown Act. But, he said the item could be placed on the Board's next meeting agenda. Director Toombs added that time was running out to apply for WW Funds.

President Welsh arrived at 6:17 P.M.

IGM/COP Hart asked if those items related to the consultants – Items 5, 6, and 7 – could be addressed first. The Committee began with Item 6.

6. The Committee received a presentation regarding the review of the Actuarial Study for Retiree Health Liabilities as of July 2015 and considered recommending to the Board increasing the Annual Required Contribution (ARC) the District contributes.

Adam Benson gave a summary of his memo. He noted that the Committee had reviewed the Actuarial Report at its last meeting. He outlined the high level assumptions and said he saw four major issues in the report.

- Discount Rate of 7%
- Medical Trend Rate of 4%
- Mortality
- Implicit Rate Subsidy (younger members subsidizing older members)

Mr. Benson noted that the District's actuary was the only one in the State not using Implied Rate Subsidy but said it was not a CalPERS legal requirement to include it.

Deborah Russell asked, if the District had current younger members, would including the Implied Subsidy constitute double counting. Mr. Benson replied in the negative.

Mr. Benson said that he had run numbers after having consulted with actuary John Bartel. Based on this consultation, Mr. Benson had determined that, by using more conservative assumptions, it appeared that a contribution of between \$45,000 and \$65,000 more could be added to the ARC amount that had been determined by the District's actuary. He said that doing so would accelerate funding but that the District had no obligation to do this.

Derek Suring noted that the District had a \$2.5 unfunded OPEB liability. Mr. Benson confirmed this and noted that this was a liability with a long horizon and that the \$2.5 million would never be due in any one year. Mr. Benson added that the District had \$630,000 set aside and that some agencies had nothing set aside.

Ms. Russell said that the District had an actuarial report prepared every two years because assumptions constantly changed. Mr. Benson added that the calculations used broad assumptions that would constantly change into the future.

Ms. Russell reported that the District was paying retiree health premiums on a current/pay-as-you-go basis and that, in addition to this amount, the District was setting money aside in the OPEB Trust, where it would earn money. She added that the ARC was being reduced by the pay-as-you-go amount.

Derek Suring asked what benefit there would be in paying more sooner. Mr. Benson responded that, if the District didn't pay enough now, it might have costs in the future for service no longer being received. He noted that the District reviewed assumptions every two years and, thus, could have more discussions in the future. Mr. Benson said that there was no need to do another actuarial report now: The Board just needed to decide whether it wanted to set more aside now.

Discussion ensued about whether a 7% discount rate was viable for the District's long-term horizon. Mr. Firmin said that, given so much economic uncertainty, 7% was too high. Mr. Benson said that, given an infinite horizon, 7% might not be too high from an actuary's point of view.

Director Toombs noted that, whenever there was a change in a contract for the officers, there would need to be a new actuarial report. Mr. Benson responded that, although one wouldn't be required, it would be best practice to do so, and he added that the current actuarial report hadn't anticipated the District's coming cafeteria plan for the IGM/COP.

Mr. Watt said the District should add \$75,000 to its current ARC and said the actuarial report didn't include the correct number of retirees. Ms. Russell responded that the report did include the correct number of retirees and that this number had recently been confirmed. Mr. Watt said that the actuarial report's numbers didn't tie to the budget; that the Fire District had fully funded its OPEB, in the amount of \$1.5 million; and that the KPPCSD needed to increase the amount of its contribution. Mr. Benson responded that, if the District could afford to contribute more out of its cash flow, it could choose to contribute more.

Director Toombs reiterated that the District would need to have a new actuarial report done upon completion of the MOU process, which he said would be soon.

Simon Brafman said that, given the market's volatility, he was uncomfortable with the report.

Mr. Benson noted that, once there were no more demands for funds in a District's OPEB Trust, the remaining funds would revert back to that District.

Mr. Firmin said that, if Obama-care were to be repealed, the medical trend rate could increase dramatically. David Spath asked how the medical trend rate had been determined, when the Kaiser trend rate had been

6% historically. Ms. Russell responded that the actuary didn't use the Kaiser trend rate. Mr. Benson said that 6% would be a more reasonable medical trend rate to use.

Karl Kruger said that he appreciated Mr. Watt's and Mr. Benson's hard work but that he didn't think the District needed to do anything right now. He said that the District's OPEB contained adequate reserves; that he was more concerned with expenditures; and that, once money was put into the OPEB Trust, the District would not be able to get it back.

Paula Black said that Mr. Benson had recommended putting more into the OPEB Trust and that she wanted to go with his recommendation.

Gloria Morrison said that the MOU would trigger a new report.

Director Toombs noted that the District was looking at an infinite horizon and that it was still paying on a current, pay-as-you-go basis, for retirees. He said it would be prudent to wait until the MOU process had been completed and the IGM/COP's new cafeteria plan had been implemented. He added that any additional amount put into the OPEB Trust would mean that less money would be available for something else.

Mr. Kruger said he didn't see any urgency to this, as the District would have a new MOU soon.

President Welsh said there were more urgent funding issues and, thus, he was sensitive about locking away money.

Mr. Benson said there weren't any errors in the actuarial report, and it was noted that the Board had already adopted the actuarial report.

Mr. Suring said that he wanted to know the cost and that he wanted that built into the budget. Mr. Kruger responded that there was no absolute number.

President Welsh concluded the discussion by saying that the District would need to revisit the matter over time.

**MOTION: Karl Kruger moved, and Gloria Morrison seconded, that, while Jim Watt's and Adam Benson's work is appreciated and the Committee has a better understanding of what's going on, the Committee recommends to the Board that it feels there is no need to increase the amount of the ARC contribution.
The vote was tied, at 5 – 5.**

5. The Committee reviewed and discussed the possible development of a Budget Reserve Policy for the District. The committee discussed recommending to the board that a sub-committee be formed to develop a reserve policy.

Mr. Benson provided the background for the agenda item. He reported that all agencies should have a reserve policy, that there was no right amount, and that fund balances should be based on an agency's specific circumstances.

Ms. Russell asked what was intended with the term "reserves" and said that, by definition, these should have a specific purpose. Mr. Benson added that, per GASB, there were five levels of reserves. He said it would be good practice to have a certain amount set aside and said he liked Atherton's policy, a copy of which had been included in the meeting's packet. He said a reserve policy should be broad, have intention, and should not bind future boards.

Ms. Black said there should be a risk analysis, especially for those things not insured.

IGM/COP Hart said this item was on the agenda for purposes of discussion and for the possible recommendation to appoint a sub-committee.

Mr. Benson noted that the District had a healthy reserve balance of \$962,000. Ms. Russell said the reserve balance should also include the \$241,000 building funds. Mr. Kruger asked if the solid waste balance should be included in the total balance. Ms. Russell responded that funds in the solid waste fund balance could be used only for solid waste related expenses. David Spath said that, legally, the solid waste funds didn't need to be used only for solid waste.

**MOTION: Paula Black moved, and Paul Dorroh seconded, that the Committee recommend to the Board that it form a subcommittee.
Motion passed unanimously.**

President Welsh asked who would be willing to serve on the subcommittee. Director Toombs asked if the subcommittee would be a Brown Act committee. President Welsh responded that, if the subcommittee were to consist of fewer than five members, it would comprise less than a majority of the Finance Committee and would not need to comply with the Brown Act. President Welsh asked for volunteers. Mr. Watt, Ms. Morrison, Mr. Firmin, Ms. Black, and Mr. Kruger volunteered. President Welsh asked the subcommittee to determine amounts and levels of restriction and to return to the Finance Committee with a recommendation.

**MOTION: President Welsh moved, and Paul Dorroh seconded, that the Finance Committee recommend to the Board that these five individuals be appointed to serve on the subcommittee.
Motion passed unanimously.**

IGM/COP Hart noted that the Board would need to approve this appointment before the subcommittee could begin meeting.

7. The Committee received a presentation regarding the cost of extending the Interim General Manager/Chief of Police contract by three months.

IGM/COP Hart excused himself from the meeting.

General discussion ensued, and it was determined that there would be no new cost related to the budget if the three-month extension were to be approved.

President Welsh asked if there were any questions.

Mr. Firmin said he would like a copy of the spreadsheet for a five-year forecast. Mr. Benson said this would be worked on following the adoption of an MOU. Mr. Firman asked for a copy of the budget spreadsheet, noting that he would like to see the equations.

Mr. Watt asked when it had been decided that the District would pick up IGM/COP Hart's medical benefits and asked what the cost would have been if Alameda had picked up this cost. Ms. Russell and District Administrator Wolter responded that could not have happened because CalPERS prohibited having one employer pay pension benefits while having another employer pay for health benefits for a single employee.

President Welsh said this was an information only agenda item; thus, no action was required and none was taken.

8. The Committee reviewed the current billings for legal and consulting services and considered recommending possible budget increases to the Board.

IGM/COP Hart provided the background for this item. He reported there had been lengthy preliminary budget discussions about the amount to budget for legal fees. He said he had little control over the legal bills and said he predicted that legal costs would end the year approximately \$99,000 over budget.

President Welsh asked by how much IGM/COP Hart would like to increase the legal line item in the budget. IGM/COP Hart responded, \$80,000 to \$90,000. It was explained that there were four components of the Public Law Group's costs: general legal (Randy Riddle); consulting (Adam Benson); POA negotiations (John Holtzman); and labor advice.

Ms. Black asked if legal services provided to the Ad Hoc Committee were included. IGM/COP Hart responded in the affirmative. She asked if the Committee's future needs had been incorporated into his projections. IGM/COP Hart responded that the Committee had not expressed any such need.

Mr. Kruger said he would not support changing the budget: Once a budget was adopted one had to live with it. He added that there appeared not to be an efficient use of attorneys' time. Director Toombs said that adjustments should not be made to the budget and that variances need to fall where they fall.

Mr. Suring asked if the budget or actual was used for projections. Director Toombs responded that the District wasn't at that point yet.

Paul Dorroh said the budget was the budget: It was not a spending limit; it was a planning tool.

IGM/COP Hart said he wanted to be on the record as having reported that legal expenses would exceed the amount budgeted and that he had little control over this expense.

4. The Committee received a presentation from the IGM/COP to increase the FY 12/16 Budget – Capital Outlay Item 965 by \$18,000. This amount would be offset by new revenue from Asset Forfeiture Funds.

IGM/COP Hart provided the background for this item. He reported that five police departments and the Department of Justice had participated in WESTNET's undercover, drug interdiction and asset seizure efforts for west Contra Costa County. He said that the WESTNET program had ended about a year earlier and that the \$1.5 million of assets that had been seized were being disbursed as the courts adjudicated cases. He said that the District had just received its first disbursement of asset forfeiture funds, in the amount of \$18,525.71, and that these funds were restricted and had to be used for things like firearms and vests. He added that he wanted to standardize weapons and training.

Mr. Firmin asked if body cameras would be included. IGM/COP Hart responded that this would require a meet and confer with the officers and said that he believed that the government code required that the District provide bulletproof vests and weapons. He said that he would like to allocate \$10,000 for vests and \$18,000 for weapons and that aspects to be considered for the weapons were ease of firing, light weight, caliber, and safety. He noted that the Board had already approved the purchase of weapons and that, following a meet and confer, the officers had requested that the District provide vests first and then weapons.

Ms. Black asked what would be the benefits of standardized weapons to the community. IGM/COP Hart responded, consistency. She asked if the District currently had different kinds of weapons. IGM/COP Hart responded in the affirmative and added that, with one type of weapon, the officers would need just one kind of ammunition.

Ms. Morrison asked if the officers had ever had a need for body armor and said the request seemed "a little over the top."

Mr. Brafman asked if the officers were comfortable with changing weapons and if the change would affect performance. IGM/COP Hart responded that the officers would train for the new weapons.

President Welsh said it was a legal requirement to provide vests.

IGM//COP Hart noted that, with the proposed change, the District would own the weapons; the District did not currently own the officers' weapons. He said that Kensington was "ripe" for body cameras and that, if there were more asset forfeiture funds, he would recommend acquiring them.

Ms. Morrison said the police department had changed.

Mr. Firmin said that he supported the plan to standardize and that, if there were an unfortunate incident, it would be good to know what weapon the officers were carrying.

Mr. Kruger asked if body armor would affect the District's insurance premiums. IGM/COP Hart responded, not likely.

Mr. Firmin asked if the officers would carry only the issued weapons. IGM/COP Hart responded in the affirmative.

President Welsh reiterated that, by law, the employer must purchase body armor and the employee must wear it.

Celia Concus said that contracting out might mean that the District wouldn't need this equipment. IGM/COP Hart responded that, if the community opted for contracting out, it would take at least six to eight months to complete the process.

**MOTION: Paul Dorroh moved, and President Welsh seconded, that the Committee recommend that the Board authorize IGM/COP Hart's recommendation to increase the FY 15/16 Capital Outlay – 965 amount by \$18,000.
Motion passed unanimously.**

The meeting was adjourned at 8:42 P.M.

Lynn Wolter

MEMORANDUM OF UNDERSTANDING

Between

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

And

KENSINGTON POLICE OFFICERS' ASSOCIATION

July 1, 2014 until December 31, 2017

This Memorandum of Understanding is made and entered into on _____, 2016, between the Kensington Police Protection and Community Services District, Contra Costa County, Kensington, California, hereinafter referred to as "The District", and the Kensington Police Officers' Association, hereinafter referred to as "The Association". It is the intent and purpose of this Memorandum to assure sound and mutually beneficial working and economic relations between the parties hereto. This Memorandum of Understanding will become effective retroactive to July 1, 2014 (the "Effective Date").

ARTICLE I RECOGNITION

The District agrees to recognize the Association as the majority representative of all police personnel excluding the Chief of Police, and agrees to meet and confer with the Association in all matters relating to wages, hours and other terms and conditions of employment.

ARTICLE II RIGHTS

A. District Rights Include:

Except as otherwise provided in this Agreement, the rights of the District include, but are not limited to, the exclusive right to determine the mission of its constituent departments, commissions and boards; set standards of service; determine the procedures and standards of selection for employment and promotion; direct its employees; take disciplinary action; relieve its employees from duty because of lack of work, lack of sufficient financial resources, or for other business related reasons as determined in the sole discretion of the District; maintain the efficiency of government operation; determine the methods, means and personnel by which government operations are to be conducted; determine the content of job classifications; take all necessary actions to carry out its mission in emergencies; and exercise complete control and discretion over its organization and the technology of performing its work, including contracting of specified services.

Nothing contained within this article is intended to, in any way, supersede or infringe upon the rights of the recognized employee organization as provided under state and federal law, including, but not limited to, California State Government Code Sections 3500 through 3510, inclusive.

B. Association Rights Include:

1. The Association's right to represent their members before the Board of Directors or advisory boards with regard to wages, hours and working conditions or other matters within the scope of representation.
2. The right to be given reasonable written notice of any proposed ordinance, rule, resolution, regulation or amendment thereto relating to matters within the scope of representation.
3. Employees represented by the Association shall be free to participate in Association activities without interference, intimidation or discrimination, in accordance with State Law and the Department's Rules & Regulations.

ARTICLE III SCOPE OF AGREEMENT

A. Conditions

The terms of this Memorandum of Understanding are final. Except as otherwise provided herein, no changes or modifications shall be offered, or otherwise presented by the Association or the District for the duration of this agreement, provided, however, that nothing herein shall prevent the parties to this Memorandum of Understanding from meeting and conferring and making modifications herein by mutual consent.

B. Procedure for Meet and Confer

The District, through its representatives, and representatives of the Association shall meet and confer in good faith regarding matters within the scope of this agreement.

ARTICLE IV HEALTH PLAN BENEFITS/PENSION

A. Health Plan Benefits

Current Employees

The District shall provide health benefits through the Public Employees' Retirement System Health Benefit Program.

Effective July 1, 2014, the District will pay up to 100% of the premium for the non-Medicare and Medicare-eligible Kaiser Bay Area HMO plan for the eligible employee and his or her eligible dependents. If the employee chooses a plan other than the Kaiser Bay Area HMO, the employee shall be solely responsible for all costs over the premium for the Kaiser Bay Area HMO plan.

Effective January 1, 2017, all eligible employees will be required to contribute at least \$85 per month toward the cost of healthcare regardless of the coverage level

selected. The District will contribute a maximum of the Kaiser Bay Area HMO plan for Employee only, Employee + 1, or Employee + 2 coverage, less the \$85 monthly employee contribution. If an employee elects a plan that costs more than the Kaiser Bay Area HMO, the employee will be responsible for the \$85 monthly contribution plus any amounts above the District's maximum contribution.

Effective June 30, 2017, all eligible employees will be required to contribute at least \$125 per month toward the cost of coverage regardless of the coverage level selected. The District will contribute a maximum of the Kaiser Bay Area HMO plan for Employee only, Employee + 1, or Employee + 2 coverage, less the \$125 monthly employee contribution. If an employee elects a plan that costs more than the Kaiser Bay Area HMO, the employee will be responsible for the \$125 monthly contribution plus any amounts above the District's maximum contribution.

The following example is provided for illustrative purposes only as 2017 PEMHCA premiums are not yet published:

Coverage Level	<u>Hypothetical</u> 2017 Kaiser Bay Area Monthly Premiums	KPOA Member Contribution Effective 6/30/2017	Maximum District Contribution Effective 6/30/2017
Employee Only	\$746.47	\$125.00	\$621.47
Employee + 1	\$1,492.94	\$125.00	\$1,367.94
Employee + 2	\$1,940.82	\$125.00	\$1,815.82

Eligible Retirees

The District will pay the health care premiums for eligible retirees and their eligible dependents pursuant to the Public Employees' Medical and Hospital Care Act (PEMHCA) and in the amounts required by California Government Code §22892(b).

B. Dental and Vision Benefits

The District shall provide for a vision plan through VSP, and a dental plan through Delta Dental, maintaining the same benefit package as is currently provided under the District's VSP Group Vision Care Plan, effective October 1, 2013, and the District's Contract with Delta Dental, effective October 1, 2007, as amended. The District will pay the premiums for the eligible employee and his or her eligible dependents.

C. Pension/ Retirement Plan

Classic Member (Definition): "Classic Member" means an employee who first became a member of CalPERS, or another public retirement system that has reciprocity with CalPERS, before January 1, 2013, and who did not have a break in service of more than six months before returning to membership in CalPERS with a new employer.

No Change to Classic Members: Three Percent (3%) at Age 50 CalPERS plan.

To Include:	One Year Final Compensation	01/06/93
	1959 Survivor Benefit	09/01/79
	Inc. 59 Survivor Benefit	07/04/80

Pension Cost Sharing under AB 340 (PEPRA), as amended: Per this Memorandum of Understanding;

For Classic Members the District currently pays 9.0% of the employee contribution as an Employer-Paid Member Contribution ("EPMC"). Effective March 1, 2016, the District will pay 7.0% of each Classic Member's employee contribution and the employee will pay 2.0%.

Effective March 1, 2017, the District will pay 5.0% of each Classic Member's employee contribution and the employee will pay 4.0%.

The District shall adopt and file with CalPERS a resolution providing that employee pension contributions will be picked up by the District under section 414(h)(2) of the Internal Revenue Code.

New Member: "New Member" means an employee who first becomes a member of CalPERS on or after January 1, 2013, and who was not a member of another public retirement system that has reciprocity with CalPERS before that date, or, if he or she was a member of CalPERS, or another public retirement system that has reciprocity with CalPERS, before that date, returned to CalPERS membership with a new employer after a break in service of more than a six months.

Pension Plan: CalPERS Option Plan Two; 2.7% at Age 57.

Final compensation for New Members shall be the average of the pensionable compensation earned during the 36-consecutive month period of employment that produces the highest average.

Pension Cost Sharing under AB 340: New Members must contribute 50% of the normal cost of pension benefits, as defined by CalPERS, with no cap in place as for Classic Members. AB 340 (PEPRA), as amended, prohibits the employer from paying this contribution on the employee's behalf (Govt. Code Sect. 7522.30(c)).

The District shall adopt and file with CalPERS a resolution providing that employee pension contributions will be picked up by the District under section 414(h)(2) of the Internal Revenue Code.

D. Life Insurance

The District shall provide an one hundred thousand dollar (\$100,000) term life insurance policy for represented employees. The District shall pay the base premium. The employee shall pay any additional costs over the standard base premium.

E. Disability Insurance

The District agrees to provide disability benefits through California Law Enforcement Association (CLEA) "Plan A" or Police Officers Research Association of California (PORAC) "Premier Plus" plan. The District shall increase each members' base pay by the cost of the plan premium. The employee shall pay the premium for the plan through payroll deduction.

F. Deferred Compensation

The District has established a Deferred Compensation Plan to be made available to all eligible district employees pursuant to Federal legislation permitting such plans. Employees can invest portions of their current income to meet their future financial requirements and supplement their District retirement, at no cost to the District.

G. Contra Costa County Employees' Federal Credit Union

Optional participation by payroll deduction at no cost to the District.

ARTICLE V SICK LEAVE

A. Accrual

All employees shall accrue sick leave at the rate of ten (10) hours for each calendar month that the employee has worked. Employees may accumulate an unlimited amount of sick leave. At the discretion of the Chief of Police, a medical professional's note may be required for any period of sick leave that exceeds three (3) consecutive days. Requests for medical notes shall not be subject to the grievance procedure.

B. Termination of Sick Leave

If an employee has accumulated and unused sick leave at the time of termination, resignation, or retirement, he or she shall not be eligible for a cash payout for that sick leave time. However, retirement credit for any such accumulated and unused sick leave may be allowed per CalPERS agreement in effect at the time of the employee's retirement or resignation.

C. Family Sick Leave

Employees may utilize up to 60 hours of accrued sick leave per year for illness or injury to members of their immediate family as defined by California Labor Code 233. Additional family sick leave may be granted at the discretion of the Chief of Police.

ARTICLE VI VACATION AND LEAVES OF ABSENCE

A. Eligibility

All personnel shall be eligible to take paid vacation leave at the end of twelve (12) months of continuous service. An employee may request to be allowed to take 52 hours of vacation upon completion of continuous service for six (6) months. Such a request must be made in writing and submitted to the Chief of Police, and may be granted at the Chief's discretion.

B. Vacation Accrual

Accrued vacation time shall be posted monthly. Employees shall receive a total of 104 hours (13 days) of accrued vacation time upon completion of the first year. Except as modified by Paragraph C, accrued vacation time shall be determined according to the Vacation Accrual Schedule below.

<u>Year(s) of Service</u>	<u>Total Yearly Hourly Accrual</u>	<u>Accrued Hours Per Month</u>
1	104	8.67
2	112	9.33
3	120	10.00
4	128	10.67
5	136	11.33
6	144	12.00
7	152	12.67
8	160	13.33
9	160	13.33
10	168	14.00
11	168	14.00
12	176	14.67
13	176	14.67
14	184	15.33
15	184	15.33
16	192	16.00
17	192	16.00
18	200	16.67
19	200	16.67
20	208	17.33

C. Use of Vacation:

1. Workweek Vacation Sign Up - Employees are to sign up for their yearly-allotted vacation time by January 31 in the order of their seniority. (Signup sheet to be posted on or around December 15.) Not to include single day vacation requests, employees must sign up for a minimum of one (1) workweek per vacation selection. Employees shall have the option to pass on one or both selections. Vacation period runs from February 1 through January 31.
2. Single Day Vacations - Employees are allowed one single day vacation per shift page. Request must be turned in a minimum of 72 hours prior to the vacation day and are not to be used during the following holidays: Christmas, New Year's Day and Thanksgiving Day. Note: If two (2) or more employees are away, either on vacation, sick or school, single vacation days shall be allowed only if it does not incur overtime or present an undue hardship to the department.
3. Remaining Vacations Days - Upon completion of the initial posting of vacations, employees may sign up for additional vacation time on a first come first serve basis. Additional vacation day requests shall be allowed at the discretion of the Chief of Police. It shall be the policy of the department not to cancel days off during the above mentioned holidays to allow additional vacation day requests.
4. Vacation Accrual Limit - Employees shall be allowed up accrue up to 200 hours of vacation. Once that amount of vacation has accrued, however, no further vacation shall accrue until the employee's balance is reduced below 200 hours through the use of vacation leave. Current employees may retain any vacation accrued as of the date of ratification of this contract by the Association and the District without having such accrual counted as part of the 200 hour accrual limit. The Chief of Police may approve vacation carryovers in excess of the 200 hour accrual limit due to staffing shortages and other operational needs of the District. Such excess carryovers shall only be permitted for a one year period.
5. Number of Employees on Vacation - One officer, corporal or sergeant allowed off per team, when at full strength, a maximum of two (2) officers or two (2) corporals or two (2) sergeants may be off on vacation per workday. Department will make every effort to allow assigned vacations when not at full strength. The Chief of Police has the authority to change the number of employees allowed if circumstances warrant it.
6. Vacation at Termination - Employees leaving the district with accrued vacation leave shall be paid the amount of accrued vacation to the date of termination. Payment for accrued Vacation shall be at the employee's current rate of pay.

7. Effect of Extended Military Leave - An employee who interrupts his or her service because of extended military leave shall be compensated for accrued vacation at the time the leave becomes effective.
8. Sick Leave During Vacation - Vacation leave may be converted to sick leave, subject to the review and approval of the Chief of Police, if an employee is injured or sick during his or her vacation for a period in excess of twenty-four (24) hours.
9. Transfer of Vacation Time to Bereavement Leave - Vacation leave may be converted to bereavement leave, subject to the review and approval of the Chief of Police, if a death or anticipated death in the immediate family of an employee occurs during that employee's vacation period.
10. Leaves of Absence - The Board of Directors has the power to grant leaves of absence with or without pay. The decision is normally based upon the recommendation of the Chief of Police. The Chief of Police has the authority to grant leaves of absence not to exceed three (3) days.
11. Bereavement/Emergency Leave of Absence
 - a. Time off, consisting of 40 hours with pay, may be granted to any employee in the event of the death of a member of the employees' immediate family. One day of death leave for deaths occurring to persons not in the immediate family may also be granted at the discretion of Chief of Police.
 - b. In addition to the 40 hours, additional hours may be granted at the discretion of the Chief of Police,
 - c. Bereavement leave shall not be charged against either vacation or sick leave accumulation.
 - d. The Chief of Police shall be notified as soon as possible of any event requiring an emergency leave of absence.
 - e. Definition of Family

For the purpose of bereavement or emergency leaves of absence, family as, used herein shall be construed as being the following relatives of the employee:

Spouse	Brother	Mother-in-law	Step Child
Child	Sister	Father-in-law	Step Sibling
Mother	Grandmother	Sister-in-law	Step Parent
Father	Grandfather	Brother-in-law	Step Grandparent

ARTICLE VII SALARIES

The Board of Directors provides that an employee must be paid a salary within the range established for his or her classification. The District and the Association agree the District will compensate all members of the Association as follows:

There shall be no wage increase from July 1, 2014 through February 29, 2016. Effective the first pay period after March 1, 2016, all employees on active payroll shall receive a one-time lump sum payment of one-thousand dollars (\$1,000). The parties agree that this one-time bonus is not intended to compensate employees for any time worked in the past and or in the future and further agree that this bonus does not meet the criteria under California Code of Regulations 571(b) as reportable compensation for retirement purposes.

Effective the first pay period after March 1, 2016, salaries will be increased by 3.0%. Specifically, the monthly base wage rate salary schedule and compensation levels for the positions of Master Sergeant, Sergeant, Corporal, and Officer shall be:

	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>
Master Sergeant	\$8,077.74	\$8,320.07	-----	-----	-----
Sergeant	\$7,039.61	\$7,321.19	\$7,540.83	\$7,842.47	-----
Corporal	\$6,977.23	-----	-----	-----	-----
Officer	\$5,516.98	\$5,820.42	\$6,140.54	\$6,478.27	\$6,840.42

Effective the first pay period after March 1, 2017, salaries will be increased 3.0%. Specifically, the monthly base wage rate salary schedule and compensation levels for the positions of Master Sergeant, Sergeant, Corporal, and Officer shall be:

	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>
Master Sergeant	\$8,320.08	\$8,569.67	-----	-----	-----
Sergeant	\$7,250.80	\$7,540.82	\$7,767.05	\$8,077.75	-----
Corporal	\$7,186.55	-----	-----	-----	-----
Officer	\$5,682.49	\$5,995.03	\$6,324.76	\$6,672.62	\$7,045.63

A. Step Increases

1. Classification - Police Officers
 - a. Step One: Minimum hiring rate.
 - b. Step Two: Employees shall be eligible for advancement to Step Two upon completion of twelve, (12) months employment, affirmation by the Chief of Police that there has been satisfactory growth in the service value of the employee.
 - c. Additional Steps: Employees shall be eligible for advancement to additional steps upon completion of one year at the previous step, affirmation by the Chief of Police that there has been satisfactory growth in the service value of the employee.
2. Classification - Sergeants
 - a. Step One: Minimum hiring rate,
 - b. Steps Two: through Step four: Employees shall be eligible for advancement to the next higher Step upon completion of twelve (12) months employment in grade, affirmation by the Chief of Police that there has been satisfactory growth in the service value of the employee.

B. Hourly Rate of Pay

The hourly rate shall be calculated by multiplying the monthly salary by twelve (12) and dividing by the total number of working hours per year, which by convention is 2080.

ARTICLE VIII OVERTIME

A. Overtime Policy - Definition

Overtime work for all employees, except as otherwise provided, shall be defined as any time worked beyond the normal working day or shift, or beyond the normal

working week. Time worked in excess of the basic workweek because of changes in days off or shifts shall not be considered overtime. Except as otherwise provided herein, overtime shall commence at the time an employee reaches the place where he or she is directed to report and shall continue until he or she is released or the work is completed, whichever is the earlier. Compensation for overtime shall be at one and a half the current rate of pay.

B. Compensatory Time Policy - Defined

Compensation for overtime hours worked shall be paid at one and one-half times the employee's basic hourly salary every pay period. Compensatory time off at the rate of one and one-half times the number of hours worked may be accrued at the employees' written request in lieu of time and one-half pay.

Compensatory time off may be requested and taken, as long as it does not cause overtime.

Employees shall be allowed to cash in compensation time three (3) specific times per year, with a maximum cash-in for forty (40) hours each date. Employees will be allowed to hold a maximum of one hundred (100) hours on the books. The specific dates are:

July 1, November 1, and March 1

C. Reimbursement for Meals

District agrees to reimburse members of the Association for up to two (2) meals per month at a cost not to exceed ten (10) dollars per meal when they work over twelve (12) hours during a single shift.

D. Minimum Call-Out Compensation

Employees who are called out to perform unscheduled work shall be compensated for a minimum of three (3) hours work at the time and one-half rate.

E. Non Call-Out Overtime

Non Call-Out overtime, or that overtime which represents a simple extension of, the normal workday, is not subject to any minimum period for pay purposes. Compensation will be based on the nearest one-half hour, to be rounded off; except that overtime worked during the first one-half hour following a normal shift shall be compensated by a minimum of one-half hour overtime.

F. Appearances in Court

Officers directed to appear in court outside of normal shift hours shall receive a minimum of four (4) hours overtime. Court time exceeding the minimum four (4) hours shall be granted on an hour by hour basis, unless part of normal shift.

G. Call-Out Standby

When any employee is placed on standby by the Police Department or any related department in regards to official police duties, the employee shall receive the minimum of two (2) hours overtime (time and a half).

ARTICLE IX EDUCATION / LONGEVITY BENEFITS

A. Education Incentive Program

A monthly incentive payment of five percent (5%) of their base salary shall be paid to qualified personnel, who have obtained an Intermediate Post Certificate,

An additional monthly incentive payment of two and one-half percent (2.5%) of their base salary shall be paid to qualified personnel who obtain an Advanced POST Certificate.

B. Tuition Refund Plan

The District establishes an education pool each Fiscal Year; individual employees shall have the opportunity to draw from this pool to a maximum of five hundred dollars (\$500.00) per year. The money shall, be used for tuition, books, materials and supplies. Employees shall be working towards a degree, POST Certificate or taking a class that benefits the District and must complete the course with a passing grade. Employees are not eligible for the benefits set forth in this Section B until they have completed two years of service with the District as full time officers and only if they are working full time at the time they seek to utilize these benefits. The Chief, in his sole discretion, will be allowed to grant an exception from this policy.

Employees failing to complete the course or failing to receive a passing grade shall reimburse the District the amount paid in full.

C. Training

Training shall be provided as mandated by the State of California, at a minimum.

D. Longevity Incentive Benefit

The District agrees to provide Longevity Incentive to each member of the Association. There will be an annual bonus of one hundred dollars (\$100.00) for each year of service with the District, beginning with the 10th year of service, to be paid every year at the end of the first pay period in December.

ARTICLE X CLOTHING ALLOWANCE./SAFETY EQUIPMENT

A. Installments - Amount

The District shall provide a clothing allowance in the amount of eight hundred dollars (\$800.00) per year, to be paid in twenty-four (24) installments of \$33.33.

B. Damaged Uniforms

It is the policy of the District to pay for the cost of repairing and/or replacing uniforms that are damaged in the line of duty.

C. Safety Equipment

As soon as practical, the District shall purchase body armor vests for all officers pursuant to Kensington Police Department Policy #1024.3. Once issued, body armor vests are to be worn pursuant to Kensington Police Department Policy #1024.1 through 1024.3.3.

The District also agrees to reimburse members of the Association for safety equipment up to two hundred and fifty dollars (\$250.00) per year each year the officer is employed under this contract. Unused reimbursement funds may be rolled over by individual officers to the following year for the life of the contract, not to exceed seven hundred fifty dollars (\$750.00). The Chief of Police shall review and approve all purchases of safety equipment for which the officer seeks reimbursement before such items are purchased.

ARTICLE XI HOLIDAY PAY

A. Holidays

Employees are paid for the following fourteen (14) Holidays: New Year's Day, Martin Luther King's Birthday, Lincoln's Birthday, President's Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Admission Day, Columbus Day, Veteran's Day, Thanksgiving Day, the day after Thanksgiving, and Christmas. Employees are not entitled to any extra compensation if they are required to work on these days.

ARTICLE XII PERSONNEL ACTIONS

A. Authority

The information contained in the Kensington Police Department Policy Manual is furnished to acquaint officers with some of the more important personnel policies and practices pertaining to employment with the Kensington Police Department. Although not presented in the form of regulations, each of the subjects covered in subsequent paragraphs has substantive authority in the powers granted to the Board of Directors or the Chief of Police by special laws of the State of California.

B. Definition of Just Cause

Just cause for employment actions, up to and including termination, shall include, but not be limited to the following: Failure of an employee either willfully, or through negligence or incompetence, to perform the duties of his or her rank or assignment, or violation by an employee of any police policies or order, or instruction having the effect of a policy or order.

C. Definition of Discipline

Consistent with Kensington Police Department Policy Manual #340.8, discipline shall include suspension, punitive transfer, demotion, and termination.

D. Discharge

The Chief of Police may discharge an employee for just cause. Any employee who has been discharged is entitled to receive a written statement of reasons for such action and shall have ten (10) days in which to respond.

E. Suspension

An employee may be suspended from his or her position by the Chief of Police at any time for a disciplinary purpose, or for other just cause. Suspension without pay cannot exceed thirty (30) days per occurrence.

A Master Sergeant or Sergeant, may for the good of the service, detach an employee from active duty, require that the employee relinquish his or her badge and other official police credentials, and assign the employee to remain at his or her home pending action by the Chief of Police at the earliest practical moment.

F. Demotion

The Chief of Police can demote an employee whose ability to perform required duties falls below standard or for disciplinary purposes. Notice of the demotion must be given the employee no later than two (2) weeks prior to the effective date of demotion.

G. Reduction in Departmental Seniority

The Chief of Police can reduce an employee in departmental seniority with attendant loss of privileges normally determined by such seniority and by such seniority and as outlined elsewhere in this Memorandum.

H. Right of Appeal to Matters Not Involving Discipline

An employee has the right to appeal to the Board of Directors relative to any situation affecting his or her employment status or conditions of employment, except in those cases involving a general plan affecting the department as a whole, pursuant to Kensington Police Department Policy Manual #1006. The decision of

the Kensington Police Protection and Community Services District Board is considered final.

I. Right of Appeal to Matters Involving Suspension, Punitive Transfer, Demotion, and Termination

The probationary period for the original appointment of employees shall be for a period of eighteen (18) months. Individual probationary periods may be extended upon decision of the Chief of Police. Consistent with Kensington Police Department Policy Manual #340.9, during the probationary period, an employee may be terminated or otherwise rejected with or without cause, at any time, without right of appeal.

After the probationary period, any employee challenging discipline shall have the option of choosing between the dispute-resolution provisions of Kensington Police Department Policy Manual #1006, or in addition to the grievance procedure and after it is exhausted, requesting an evidentiary hearing to the Board of Directors. Any employee who wishes to preserve the right of appeal and request an evidentiary hearing must within twenty (20) days of the date of a Notice of Discipline, submit in writing to the Chief of Police a separate written statement indicating that he or she wishes a hearing before the Board of Directors consistent with due process rights and the Public Safety Officers Procedural Bill of Rights Act. Each party shall bear the cost of its own presentation, including preparation and post-hearing briefs, if any. The decision of the Kensington Police Protection and Community Services District Board is considered final.

Any grievance not filed or appealed within the time limits specified shall be considered settled on the basis of the last disposition given. The time lines contained in this Article XII Personnel Actions and Policy 1006 may be waived for a specific time period at any step with the mutual agreement of the parties.

ARTICLE XIII NO UNLAWFUL DISCRIMINATION

No employee shall be demoted or dismissed, or in any way unlawfully discriminated against because of race, color, religion, creed, sex, pregnancy, childbirth or related medical condition, ancestry, citizenship, national origin, age, marital status, sexual orientation, physical or mental disability, medical condition or any other characteristic protected by federal, state, or local law.

Neither the District nor the Association shall interfere with, intimidate, restrain, coerce or discriminate against employees because of the exercised of their rights to engage or not to engage in any activities pursuant to Section 3500, *et seq.*, of the Government Code.

ARTICLE XIV SCOPE AND SEVERABILITY

It is mutually agreed that ratification and approval of this Memorandum of Understanding relieves the Association and the District of any and all further obligation to meet and confer pursuant to Section 3500, *et seq.*, of the California Government Code for the period covered by the Memorandum of Understanding. Meet and confer sessions may, however, be reopened during the life of the Memorandum of Understanding by mutual consent of the Association and the District.

In case of material conflict between this Agreement and the approved District policies and procedures, the provisions of the Agreement shall govern.

If any portion of this Memorandum of Understanding is declared null and void by superseding Federal or State Law, the balance of the Memorandum of Understanding shall continue in full force and effect, and the parties hereto shall commence negotiations to ensure that the superseded portion shall be rewritten to conform as closely as possible to the original intent.

ARTICLE XV DURATION

This agreement shall be in full force and effect from the July 1, 2014 through December 31, 2017.

Kensington Police Protection &
Community Services District
Board of Directors

Kensington Police Officers
Association Representatives

Len Welsh, Board President

Keith Barrow, KPOA President

By Kevin Hart
Interim General Manager / Chief of Police

KPPCSD
Title: Police Officer
Analysis Date: 6/30/2015

Survey Agency	Comparable Classification	Top Step Base	POST Pay/Educ. Incent.	Uniform Allowance	Longevity (20 YOS)	EPMC		Wages + EPMC	Insurance				Total Insurance	Total Comp	Rank
						(%)	(\$)		Health	Dental	Vision	OPEB			
Albany	Police Officer	\$8,423	\$505	\$83	\$0	-1.0%	-\$90	\$8,922	\$1,858	\$139	\$0	\$122	\$2,119	\$11,040	5
Berkeley	Police Officer	\$9,628	\$385	\$117	\$481	0.0%	\$0	\$10,611	\$1,534	\$172	\$0	\$1,744	\$3,450	\$14,062	1
Broadmoor Police Protection District	Police Officer	\$7,466	\$560	\$0	\$0	9.0%	\$722	\$8,748	\$1,700	\$0	\$0	\$0	\$1,700	\$10,448	7
Central Marin Police Authority	Police Officer	\$6,929	\$346	\$0	\$0	0.0%	\$0	\$7,275	\$1,858	\$167	\$0	\$156	\$2,181	\$9,456	10
East Bay Regional Park District	Police Officer	\$7,093	\$532	\$92	\$0	6.0%	\$463	\$8,180	\$1,750	\$196	\$0	\$71	\$2,016	\$10,196	8
El Cerrito	Police Officer	\$8,075	\$290	\$83	\$727	0.0%	\$0	\$9,175	\$1,989	\$177	\$0	\$0	\$2,166	\$11,341	4
Moraga	Patrol Officer	\$7,387	\$222	\$88	\$0	0.0%	\$0	\$7,696	\$2,102	\$0	\$0	\$0	\$2,102	\$9,798	9
Piedmont	Police Officer	\$7,902	\$553	\$125	\$0	0.0%	\$0	\$8,580	\$1,798	\$202	\$33	\$1,027	\$3,060	\$11,640	3
Richmond	Police Officer	\$9,293	\$746	\$67	\$651	-2.0%	-\$215	\$10,541	\$1,858	\$122	\$18	\$623	\$2,621	\$13,162	2
KPPCSD	Police Officer	\$5,641	\$498	\$67	\$167	9.0%	\$664	\$8,036	\$1,858	\$203	\$30	\$449	\$2,539	\$10,575	6
	Median (Excluding KPPCSD) Variance from Median	\$7,902 -15.96%						\$8,748 -8.14%						\$11,040 -4.21%	
	Average (Excluding KPPCSD) Variance From Average	\$8,022 -17.21%						\$8,859 -9.29%						\$11,238 -5.90%	

Notes:
Albany: City contributes \$928/month to Retiree Health Savings Plan for employees with 24 to 34 completed YOS; OPEB calculated from PEMHCA minimum
Berkeley: Contract expired July 5, 2014.
Broadmoor Police Protection District: District contributes \$1,700/month per employee to Union run Health & Welfare Trust (includes health, dental, vision, retiree health, and life insurance).
Central Marin Police Authority: Authority contributes 2.0% (16+ YOS) or 2.25% (1-15 YOS) of base pay into Retiree Health Savings Account for employees hired after 1/1/13 (defined contribution plan).
East Bay Regional Park District: POA only eligible for PEMHCA minimum retiree health benefit (\$122/month in 2015) which has a normal cost of 1.0% in most recent GASB 45 actuarial valuation report.
El Cerrito: Employees may continue health coverage in retirement at their own expense (potential implied subsidy, but no direct City contribution).

25

KPPCSD
 Title: Police Officer
 Analysis Date: 6/30/2015

Survey Agency	Comparable Classification	Top Step Base	POST Pay/Educ. Incent.	Uniform Allowance	Longevity (20 YOS)	EPMC		Insurance				Total Insurance	Total Comp	Rank
						(%)	(\$)	Health	Dental	Vision	OPEB			
Broadmoor Police Protection District	Police Officer	\$7,466	\$560	\$0	\$0	9.0%	\$722	\$1,700	\$0	\$0	\$0	\$1,700	\$10,448	2
Central Marin Police Authority	Police Officer	\$6,929	\$346	\$0	\$0	0.0%	\$0	\$1,858	\$167	\$0	\$156	\$2,181	\$9,456	4
East Bay Regional Park District	Police Officer	\$7,093	\$532	\$92	\$0	6.0%	\$463	\$1,750	\$196	\$0	\$71	\$2,016	\$10,196	3
KPPCSD	Police Officer	\$6,641	\$498	\$67	\$167	9.0%	\$664	\$1,858	\$203	\$30	\$449	\$2,539	\$10,575	1
	Median (Excluding KPPCSD) Variance from Median	\$7,093 -6.37%						\$8,180 -1.76%					\$10,196 3.71%	
	Average (Excluding KPPCSD) Variance From Average	\$7,163 -7.28%						\$8,068 -0.39%					\$10,033 5.40%	

Notes:

Broadmoor Police Protection District: District contributes \$1,700/month per employee to Union Health & Welfare Trust (includes health, dental, vision, retiree health, and life insurance).
 Central Marin Police Authority: Authority contributes 2.0% (1-15 YOS) or 2.25% (16+ YOS) of base pay into Retiree Health Savings Account for employees hired after 1/1/13 (defined contribution plan).
 East Bay Regional Park District: POA only eligible for PEMHCA minimum retiree health benefit (\$122/month in 2015) which has a normal cost of 1.0% in most recent GASB 45 actuarial valuation report.

KPPCSD

Title: Police Officer

Analysis Date: 6/30/2015

Survey Agency	Comparable Classification	Top Step Base	EPMC				Insurance				Wages + EPMC	Total Insurance	Total Comp
			POST Pay	Uniform Allowance	Longevity (20 YOS)	(%)	(\$)	Health	Dental	Vision			
El Cerrito	Firefighter	\$8,213	N/A	\$60	N/A	0.0%	\$0	\$1,989	\$177	\$0	\$300	\$2,466	\$10,739
KPPCSD	Police Officer	\$6,641	\$498	\$67	\$167	9.0%	\$664	\$1,858	\$203	\$30	\$449	\$2,539	\$10,575
	Variance (\$)	-\$1,572											-\$164
	Variance (%)	-19.14%											-1.53%

Notes:

Kensington Police Officers' Association
 3-10-2016 Board Session
 Wage & EPMC Contract Comparison

Term	Kensington		Moraga		Tiburon		Belvedere		Clayton		Ross	
	7/1/14 - 6/30/17	7/1/15 - 6/30/17	7/1/15 - 6/30/17	7/1/15 - 6/30/17	7/1/15 - 6/30/18	7/1/15 - 6/30/18	7/1/15 - 6/30/18	7/1/15 - 6/30/18	7/1/15 - 6/30/18	7/1/15 - 6/30/19	7/1/15 - 6/30/19	7/1/15 - 6/30/19
FY2015	0%											
FY2016	3.0% (3/1/16) + \$1,000 lump sum -2.0% EPMC (3/1/16)	3.25% + 1.0% (7/1/15) -1.0% ER cost share (7/1/15)	6.0% (7/1/15) -3.0% ER cost share (7/1/15)	1.0% (7/1/15)	4.0% (7/6/15) -3.0% EPMC (7/6/15)	3.5% (1/1/16) + \$850 lump sum -1.5% EPMC (1/1/16) \$50/mo EE contribution (1/1/16)						
FY2017	3.0% (3/1/17) -2.0% EPMC (3/1/17) \$85/mo EE contribution (1/1/17) \$125/mo EE contribution (6/30/17)	3.25% + 1.0% (7/1/16) -1.0% ER cost share (7/1/16)	3.0% (7/1/16)		4.0% (7/4/16) -3.0% EPMC (7/4/16)	3.5% (7/1/16) -1.5% EPMC (7/1/16) \$75/mo EE contribution (7/1/16)						
FY2018			CPI up to 3.0% (7/1/17)		4.0% (7/3/17) -3.0% EPMC (7/3/17)	3.5% (7/1/17) -1.5% (7/1/17) \$90/mo EE contribution (7/1/17)						
FY2019						3.5% (7/1/18) -1.5% (7/1/18) \$105/mo EE contribution (7/1/18)						
Contract Term Average Annual Net Gain, Excluding Health	+0.66% (1.0% over 2-years)	+3.25%	3.00%	+1.0%	+1.0%	+2.0%						

Kensington Police Officers' Association (Excludes General Manager/Chief of Police)
 MOU Costing
 3-10-2016 Analysis

	FY2015-16 Budget	FY2015-16 Forecast ¹	FY2016-17 Forecast ²	FY2017-18 Forecast ³	FY2018-19 Forecast ³
Wages					
Wages Non-PEPRA (Base, Educ Inc, Long, Holiday)	\$761,949	\$768,282	\$790,564	\$812,795	\$814,195
Wages PEPRA (Base, Educ Inc, Long, Holiday)	\$50,619	\$51,334	\$77,250	\$83,100	\$87,725
Uniform Allowance (9 @ \$800)	\$7,200	\$7,200	\$7,200	\$7,200	\$7,200
Non-Recurring, One-Time Payment (9 @ \$1,000)	\$0	\$9,000	\$0	\$0	\$0
Total Wages	\$819,768	\$835,816	\$875,014	\$903,095	\$909,120
Benefits					
Medical Insurance - Active (Health Only) ⁴	\$133,119	\$133,119	\$139,775	\$146,764	\$154,102
Medical Insurance - Retired (Health Only) ⁴	\$148,854	\$148,854	\$156,297	\$164,112	\$172,317
Medical Insurance - Trust (Health Only) ⁴	\$31,642	\$31,642	\$33,224	\$34,885	\$36,630
CalPERS Benefits					
Employer Normal Rate	\$151,854	\$153,159	\$170,943	\$176,104	\$177,278
Employer UAAL + Side Fund	\$204,742	\$204,742	\$229,208	\$262,557	\$189,857
Employer Paid Member Contribution	\$69,223	\$69,793	\$71,799	\$73,800	\$73,926
Medicare (1.45%)	\$11,887	\$12,119	\$12,688	\$13,095	\$13,182
Total Benefits	\$751,321	\$753,429	\$813,933	\$871,316	\$817,292
Total Wages + Benefits	\$1,571,089	\$1,589,245	\$1,688,947	\$1,774,411	\$1,726,411
Employee Concessions					
EPMC	--	(\$5,165)	(\$21,252)	(\$32,768)	(\$32,824)
Active Health Savings	--	\$0	(\$4,590)	(\$13,500)	(\$13,500)
Retiree Health Savings - Pay-Go	--	\$0	(\$6,630)	(\$19,500)	(\$19,500)
Retiree Health Savings - ARC (Estimate)	--	\$0	(\$4,000)	(\$8,000)	(\$8,000)
Total Wages + Benefits with Concessions	\$1,571,089	\$1,584,080	\$1,652,475	\$1,700,643	\$1,652,588
Year-over-Year Increase (\$)		\$12,991	\$68,394	\$48,169	(\$48,056)
Year-over-Year Increase (%)		0.83%	4.32%	2.91%	-2.83%

¹ Reflects 3.0% wage increase, 2.0% reduction in EPMC effective 3/1/2016, and \$1,000 non-recurring lump sum.

² Reflects 3.0% wage increase, additional 2.0% reduction in EPMC effective 3/1/2017, and 6 months of healthcare contributions at \$85/month.

³ MOU expires halfway through FY2017-18. As such, analysis reflects no wage increase or EPMC reduction. Reflects ongoing savings of \$125/month health contribution.

⁴ Includes 5.0% year-over-year growth in active and retiree health premiums.

Kensington Police Officers' Association
 Old TA v. New Package Proposal
 3/10/2016 Board Session

	7/1/2014	1/1/2015	7/1/2015	3/1/2016	7/1/2016	1/1/2017	3/1/2017	6/30/2017	7/1/2017	Cumulative Change	MOU Start Date	MOU End Date	Term (Years)
Old Tentative Agreement													
Wages	-	3.75%	3.75%	-	4.25%	-	-	-	4.25%	16.98%	1/1/2015	6/30/2018	3.5
EPMC	-	-3.00%	-3.00%	-	-3.00%	-	-	-	-3.00%	-12.00%			
Health	-	-	-	-	-	-	-	-	-	0.00%			
					No Change								

Net => 5.0%

	7/1/2014	1/1/2015	7/1/2015	3/1/2016	7/1/2016	1/1/2017	3/1/2017	6/30/2017	7/1/2017	Cumulative Change	MOU Start Date	MOU End Date	Term (Years)
New Package Proposal													
Wages	-	-	-	3.00% +\$1,000	-	-	3.00%	-	-	6.09%	7/1/2014	12/31/2017	3.5
EPMC	-	-	-	-2.00%	-	-	-2.00%	-	-	-4.00%			
Health	-	-	-	-	-	\$65/month	-	\$125/month	-	-1.77% ¹			

Net => 0.32%

¹ Converted to percentage of base wage for top step Police Officer to facilitate comparison (\$125 / \$7,045.63 = 1.77%).