



Date: June 10, 2021
To: Board of Directors
From: Marti Brown, General Manager
Subject: Fiscal Year 2021-22 Budget

Recommendation:

To receive the staff presentation and provide policy direction as necessary on the proposed Fiscal Year 2021-22 budget.

Rationale for Recommendation:

This is KPPCSD's first public workshop and presentation on the fiscal year 2021-22 budget and, as such, staff recommends receiving the staff presentation, reviewing the proposed budget and providing policy direction and feedback. Staff will revise the budget as necessary and return to the Board of Directors on Tuesday, June 29 for their consideration and approval of a final budget.

Background:

The Kensington Police Protection & Community Service District Fiscal Year 2021-22 recommended operating budget is \$4,014,893 and includes the same amount in revenues and \$3,869,955 in expenditures. The budget will comprise the following four public agency fund type categories: General Fund, Landscape and Lighting Maintenance District Fund, Waste Management Fund (to be established) and Capital Project Fund (to be established).

As of June 30, 2020, the District's Audited Starting Fund Balance was \$2,170,875 with a projected June 30, 2021 Ending General Fund balance of \$2,273,136. As of June 30, 2022, the projected Ending Fund Balance is \$2,418,074.

Discussion and Analysis:

The attached draft Executive Summary for the FY 2021-22 Budget and detailed budget work sheets offer greater detail regarding the recommended budget. However, it is worth noting that the proposed draft FY 2021-22 Budget is predicated on the following budgetary assumptions and recommendations:

- Increase of the Measure G Tax by the maximum permitted rate of 3.8 or \$22,811 (this is based on the increase from projected actuals received in 2020-21 to our budget in 2021-22);
- Pay the actuarially determined portion of retiree health benefits from the OPEB Trust—approximately \$50,000;

- Eliminate 100% District funded, life-long retiree dental and vision - \$25,000/year savings;
- Allocate staff time costs across four District Funds;
- Establish Waste Management Fund;
- Establish Capital Project Fund; and
- Increased revenue from Proposition 68 (\$177,952) and Measure WW (\$158,000) Grants-recorded in Account 458: Misc District Revenue.

With these recommendations and budget assumptions, this year's balanced budget addresses many of the District's deferred maintenance needs in the Parks and Recreation Department, as well as the Police Department, while preserving the District's fiscal health.

Fiscal Impact:

There are no fiscal impacts resulting from the current recommendation.

Attachments:

- Attachment 1: FY 2021-22 Budget Workshop Powerpoint
- Attachment 2: Executive Summary
- Attachment 3: Detailed Budget Worksheets