

Kensington's Police Costs

The KPPCSD has financial oversight over three separate services: the police, Kensington Park and the contract for Bay View refuse. The 2015/16 budget breaks down total expenditures by specific line items. These line items are categorized as Operating Expenses (the costs of running the District on a day-to-day basis) and Capital Outlays (expenditures to acquire assets or to extend their useful life). Since capital expenditures can vary from year-to-year, and generally amount to only 5% of total annual expenditures, the best measure of the District's costs for their three areas of responsibility is to look at Operating Expenses.

Some of these line items costs have both a police and an administrative component. Since the purpose was to estimate police costs as if this was a stand-alone police department, I have attempted to reasonably approximate how much of these costs should be allocated to police services. The table following breaks out my estimate of police costs by line item in the current 2016/2017 budget. This calculation indicates that this year's total police costs are estimated at about \$2.7 million, of which about \$2.2 million are for officer salaries and benefits and the remaining \$500,000 cover other police expenses. The total cost of \$2.7 million represents 90% of our total operating budget of \$3.04 million.

An important caveat is in order. The estimated \$2.7 million in total annual expenditures under estimates true costs because it does not include the expected growth in unfunded liabilities that we have for our officer's pension and retirement costs. Because of CalPERS failure to reach its 7.5% investment target over the last two years, the amount of our unfunded benefit liabilities is soaring. Our pension liabilities increased by over \$500,000 in 2014/15, and can be expected to increase by \$700,000 for 2015/16. For political reason, CalPERS has chosen not to increase our annual pension contribution rate to account for these short falls, even though a good case can be made for increasing our pension contributions by at least \$200,000 annually. This would put our true police costs at about \$2.9 million.

KPPCSD 2016/2017 Budget

Expense	Total 2016/2017	% Police	\$ Police
500 · Police Sal & Ben			
502 · Salary - Officers	\$1,015,274.00		\$1,015,274.00
504 · Compensated Absences	\$9,200.00		\$9,200.00
506 · Overtime	\$75,000.00		\$75,000.00
508 · Salary - Non-Sworn	\$100,677.00	60.00%	\$60,406.20
516 · Uniform Allowance	\$9,000.00		\$9,000.00
518 · Safety Equipment	\$2,250.00		\$2,250.00
521-A · Medicaid/Police-Active	\$182,094.00		\$182,094.00
521-R · Medicaid/Police-Retired	\$160,278.00		\$160,278.00
521-T · Medicaid/Police-Trust	\$64,226.00		\$64,226.00
522 · Insurance - Police	\$6,940.00		\$6,940.00
523 · Social Security/Medicare	\$17,507.00	60.00%	\$10,504.20
524 · Social Security - District	\$6,242.00	60.00%	\$3,745.20
527 · PERS · District Portion	\$509,304.00		\$509,304.00
528 · PERS - Officers Portion	\$59,836.00		\$59,836.00
530 · Workers Comp	\$67,000.00		\$67,000.00
Total 500 · Police Sal & Ben	\$2,284,828.00		\$2,235,057.60
Total GM/COP compensation	\$200,000.00		
Percent GM compensation	33.00%		
GM Allocation	\$66,000.00		-\$66,000.00
Total 500 · Police expense less GM compensation			\$2,169,057.60

GM allocation assumes 2/3 of Hart's total compensation is police related.
 Accounts 508, 523 & 524 assume 60% of office staff time on police issues

550 · Other Police Expenses			
552 · Expendable Police Supplies	\$1,700.00		\$1,700.00
553 · Range/Ammunition Supplies	\$5,000.00		\$5,000.00
560 · Crossing Guard	\$11,150.00		\$11,150.00
562 · Vehicle Operation	\$37,500.00		\$37,500.00
564 · Communications (RPD)	\$156,420.00		\$156,420.00
566 · Radio Maintenance	\$2,281.00		\$2,281.00
568 · Prisoner/Case Exp./Booking	\$8,900.00		\$8,900.00
570 · Training	\$10,000.00		\$10,000.00
572 · Recruiting	\$15,500.00		\$15,500.00

574 · Reserve Officers	\$4,050.00		\$4,050.00
576 · Misc. Dues, Meals & Travel	\$3,035.00		\$3,035.00
580 · Utilities • Police	\$10,000.00		\$10,000.00
581 · Bldg Repairs/Maint.	\$5,000.00		\$5,000.00
582 · Expendable Office Supplies	\$7,500.00		\$7,500.00
588 · Telephone(+Rich. Line)	\$7,476.00		\$7,476.00
590 · Housekeeping	\$4,000.00		\$4,000.00
592 · Publications	\$3,000.00		\$3,000.00
594 · Community Policing	\$14,000.00		\$14,000.00
596 · WEST-NET/CAL I.D	\$6,100.00		\$6,100.00
599 · Police Taxes Administration	\$3,500.00		\$3,500.00
Total 550 · Other Police Expenses	\$316,112.00		\$316,112.00

800 · District Expenses			
810 · Computer Maintenance	\$25,118.00	80.00%	\$20,094.40
820 · Cannon Copier Contract	\$5,700.00	50.00%	\$2,850.00
830 · Legal (District/Personnel)	\$99,530.00	75.00%	\$74,647.50
835 · Consulting	\$46,500.00	75.00%	\$34,875.00
840 · Accounting	\$45,500.00	50.00%	\$22,750.00
850 · Insurance	\$30,000.00	50.00%	\$15,000.00
860 · Election	\$4,500.00	0.00%	\$0.00
865 · Police Bldg. lease	\$1.00	100.00%	\$1.00
870 · County Expenditures	\$22,300.00	75.00%	\$16,725.00
890 · Waste/Recycle	\$20,000.00	0.00%	\$0.00
898 · Misc. Expenses	\$17,200.00	50.00%	\$8,600.00
899 · Depreciation Expense	\$0.00		\$0.00
Total 800 · District Expenses	\$316,349.00		\$195,542.90

District Expenses - These allocations were based on reasonable assumptions to include a comparison with Fire District actuals for like categories.

Total Police expenditures **\$2,680,712.50**