

	Adopted Budget for Fiscal Year 2011-12	Estimated Actual Year End Expenditures for Fiscal Year 2011-12	Adopted Budget for Fiscal Year 2012-13 Adopted by Commission April 23, 2012
<b>6000 EMPLOYEE SALARIES</b>			
Proposal is to continue cost controls for a fifth fiscal year by extending a salary and hiring freeze that has been in effect since July 2008. Salaries are frozen at 2008 levels for the 3 funded positions (Executive Officer, Senior Analyst, Administrative Secretary). No COLAs since 2008. No annual merit (step) increase for the one eligible position (Secretary) since 2008. No funding for an Assoc. Analyst position that was vacated in 2008.	\$ 308,946.00	\$ 308,946.00	\$ 308,946.00
<b>6100 EMPLOYEE BENEFITS</b>			
Proposal is to continue cost controls for a fifth year by extending a benefits freeze in effect since 2008, including no funding or underfunding of some benefits. Anticipated actual benefits cost for the current year is lower than the adopted budget, due to the unpaid / vacant status of Admin Secretary position and a reduction in benefits and payroll taxes tied to that salary. As with prior years, the proposed budget includes \$12K toward the accrued leave liability and \$2245 toward the GASB 45 liability.	\$ 156,592.00	\$ 145,000.00	\$ 159,445.00
<b>TOTAL SALARIES &amp; BENEFITS (see Note 3)</b>	<b>\$ 465,538.00</b>	<b>\$ 453,946.00</b>	<b>\$ 468,391.00</b>

**SERVICES & SUPPLIES**

**2001 Litigation Settlement Agreement Costs**

No litigation settlement payouts are anticipated in FY 2012-13.

**7000 Postage and Shipping**

Includes postage for general correspondence and agenda packet delivery, express mail, and certified mail. Also includes LAFCO election mailings to independent special districts, and mailings required for budget distribution.

**7010 Books & Periodicals**

Includes newspaper subscriptions, publications and codes on LAFCO law, CEQA, employment law and other publications necessary to keep current on laws and trends.

**7030 Copy Machine Charges**

Includes copier machine lease.

**7040 Outside Printers**

Includes copying of large volume publications, maps and other occasional needs.

**7060 Office Supplies**

Includes annual consumable goods for office operations and work production.

**7070 Office Equipment & Furnishings**

Includes office furniture such as small tables and miscellaneous items. Not funded.

**7080 Computer Hardware and Peripherals**

Provides for ongoing replacement of out-of-warranty computers, equipment and devices.

	Adopted Budget for Fiscal Year 2011-12	Estimated Actual Year End Expenditures for Fiscal Year 2011-12	Adopted Budget for Fiscal Year 2012-13 Adopted by Commission April 23, 2012
<b>2001 Litigation Settlement Agreement Costs</b>	\$ -	\$ -	\$ -
<b>7000 Postage and Shipping</b>	\$ 4,500.00	\$ 3,500.00	\$ 4,500.00
<b>7010 Books &amp; Periodicals</b>	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
<b>7030 Copy Machine Charges</b>	\$ 4,500.00	\$ 4,000.00	\$ 4,500.00
<b>7040 Outside Printers</b>	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
<b>7060 Office Supplies</b>	\$ 5,000.00	\$ 4,000.00	\$ 4,000.00
<b>7070 Office Equipment &amp; Furnishings</b>	\$ -	\$ -	\$ -
<b>7080 Computer Hardware and Peripherals</b>	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00

	Adopted Budget for Fiscal Year 2011-12	Estimated Actual Year End Expenditures for Fiscal Year 2011-12	Adopted Budget for Fiscal Year 2012-13 Adopted by Commission April 23, 2012
<p><b>7085 Computer Support Services (Fixed Costs)</b>                      Under contract with the County of Monterey, this line item provides device support (e.g. computer and network printers). Services also include web site housing, email, internet and network access. Costs are fixed.</p>	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
<p><b>7090 Computer Support Services (Variable Costs)</b>                      Under contract with the County of Monterey, this line item provides micro systems (software) support, mapping and GIS support for LAFCO data layers that are stored in the County's centralized GIS system. Charges are variable. The increase in costs reflects a need for mapping/data analysis for LAFCO's busy Municipal Service Review/Sphere of Influence Update program. The increase also reflects the volume of requests for mapping/data from cities and districts that are studying their boundaries. Some of those requests and studies will eventually result in formal proposals to LAFCO.</p>	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00
<p><b>7100 Computer Software</b>                      Includes software updates and licenses. Purposes are to extend the life and compatibility of existing computers. Not funded.</p>	\$ -	\$ -	\$ -
<p><b>7105 Meeting Broadcast Services</b>                      This account funds the live cable TV and web feed coverage of LAFCO meetings, and weekly TV re-broadcasts, under contract with the County of Monterey. Costs are variable depending on number and length of meetings.</p>	\$ 3,000.00	\$ 3,000.00	\$ 3,300.00
<p><b>7110 Property and General Liability Insurance</b>                      Property and Errors &amp; Omissions Insurance is obtained by contract with the Special Districts Risk Management Authority. Current and anticipated premiums reflect discounts. Cost is fixed.</p>	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY  
FINAL BUDGET WORKSHEET  
FISCAL YEAR 2012 - 2013**

Adopted by Commission  
April 23, 2012

	<b>Adopted Budget for Fiscal Year 2011-12</b>	<b>Estimated Actual Year End Expenditures for Fiscal Year 2011-12</b>	<b>Adopted Budget for Fiscal Year 2012-13 Adopted by Commission April 23, 2012</b>
<b>7120 Office Maintenance Services</b> Includes general office cleaning, including blinds, cabinets and underneath furniture. (Basic janitorial service to empty trash and sweep floors is included in office lease.)	\$ 400.00	\$ -	\$ 400.00
<b>7130 Other Equipment Maintenance</b> Includes maintenance agreements for small office equipment. Not funded.	\$ -	\$ -	\$ -
<b>7140 Travel</b> Continues partial funding for employee, counsel and Commissioner travel for meetings, classes and 2013 staff workshop. Includes some transportation, hotel and meal costs. Assumes NO hotel stays or costs for 2012 CALAFCO conference to be held in Monterey.	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00
<b>7145 CALAFCO Travel Expenses</b> For the current year, this line item Includes travel expenses for Executive Officer services as volunteer staff to CALAFCO Board of Directors, offset by a \$1,000 stipend to be paid by CALAFCO to LAFCO. EO's volunteer commitment ended in February 2012. No expenses related to support of CALAFCO Board are assumed in FY 2012-13. The Commission's 2012 CALAFCO Conference hosting duties are a separate line item (see Acct. 7150 below).	\$ 1,000.00	\$ 1,000.00	\$ -
<b>7150 Training, Conferences and Workshops</b> Provides partial funding for employee, counsel and Commissioner registration at annual 2012 CALAFCO conference (Monterey) and 2013 staff workshop (Placer County). As hosts of the October 2012 CALAFCO conference, the budget assumes the cost of 13 full registrations for Monterey LAFCO (10 commissioners, two staff, one counsel). This explains the one-time doubling of the typical cost of this line item.	\$ 3,000.00	\$ 3,000.00	\$ 6,000.00
<b>7160 Vehicle Mileage</b> Reimbursement for use of personal vehicles, at the government rate.	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
<b>7170 Rental of Building</b> FY 2012-13 is year two of a two-year lease extension agreement. Agreement reflects a rent rollback to 2001 level. Includes utilities.	\$ 24,500.00	\$ 24,500.00	\$ 24,500.00
<b>7200 Telephone Communications</b> Includes telephone, cell and fax charges, and system maintenance and repairs.	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY  
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**7230 Temporary Help Services (Clerical)**

Includes temporary clerical services during high workload periods or staff absences. Not funded.

**7240 Outside Professional Services**

This line item includes:

7242: Accounting and Financial Services (fixed rate contract with Hayashi & Wayland). Includes \$1500 for an actuarial study in early 2013 to determine the GASB 45 liability for the following 3 fiscal years.

7245: General Counsel and Special Legal Counsel Services (Not Litigation). General Counsel costs are capped at \$12,000 per a contract with County Counsel's Office. Remainder (\$5,000) is for variable Special Legal Counsel costs, depending on need.

7247: Human resources services (variable rate agreement with Fenton and Keller)

7248: Annual audit (fixed rate contract with Bianchi, Kasavan & Pope)

7249: Temporary In-House Professional Services (during staff absences, vacancies or high workload periods). Not funded.

**7250 Miscellaneous Office Expenses**

Minor expenses for office operations, Commission meetings and recording fees for LAFCO-initiated activities.

**7260 Legal Notices**

Expenses for actions requiring public notices, such as annexations and Sphere of Influence updates. See annual work program for list of anticipated work items in FY 2012-13.

**7261 Pass-Through Expenses**

Current LAFCO practice is to discourage pass-through costs that are reimbursed by project applicants.

**7270 Recruitment Advertising**

To fill any vacant and funded position. No vacancies are anticipated in FY 2012-13.

	Adopted Budget for Fiscal Year 2011-12	Estimated Actual Year End Expenditures for Fiscal Year 2011-12	Adopted Budget for Fiscal Year 2012-13 Adopted by Commission April 23, 2012
<b>7230 Temporary Help Services (Clerical)</b>	\$ -	\$ -	\$ -
<b>7240 Outside Professional Services</b>	<b>\$ 66,000.00</b>	<b>\$ 58,500.00</b>	<b>\$ 68,000.00</b>
7242: Accounting and Financial Services (fixed rate contract with Hayashi & Wayland). Includes \$1500 for an actuarial study in early 2013 to determine the GASB 45 liability for the following 3 fiscal years.	36,000	36,000	37,500
7245: General Counsel and Special Legal Counsel Services (Not Litigation). General Counsel costs are capped at \$12,000 per a contract with County Counsel's Office. Remainder (\$5,000) is for variable Special Legal Counsel costs, depending on need.	17,000	10,000	17,000
7247: Human resources services (variable rate agreement with Fenton and Keller)	500	0	500
7248: Annual audit (fixed rate contract with Bianchi, Kasavan & Pope)	12,500	12,500	13,000
7249: Temporary In-House Professional Services (during staff absences, vacancies or high workload periods). Not funded.	\$ -	\$ -	\$ -
<b>7250 Miscellaneous Office Expenses</b>	<b>\$ 600.00</b>	<b>\$ 300.00</b>	<b>\$ 600.00</b>
<b>7260 Legal Notices</b>	<b>\$ 5,000.00</b>	<b>\$ 2,500.00</b>	<b>\$ 4,000.00</b>
<b>7261 Pass-Through Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>7270 Recruitment Advertising</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY  
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FISCAL YEAR 2012 - 2013**

Adopted by Commission  
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	<b>Adopted Budget for Fiscal Year 2011-12</b>	<b>Estimated Actual Year End Expenditures for Fiscal Year 2011-12</b>	<b>Adopted Budget for Fiscal Year 2012-13 Adopted by Commission April 23, 2012</b>
<b>7280 LAFCO Memberships</b> CALAFCO Membership (\$3500) and California Special Districts Association dues (\$500). CALAFCO membership provides access to legislative and educational activities. CSDA membership is required in order to get the Authority's Property and E & O Insurance.	\$ 4,000.00	\$ 4,000.00	\$ 4,500.00
<b>7290 Litigation Reserve</b> Per current Commission policy, the target funding for the litigation defense reserve is \$300,000. This target would be sufficient for one-year's estimated expenses, but is less than the total estimated cost of litigation defense and would need to be supplemented as part of the annual budget process. LAFCO has no active litigation at this time. The estimated actual balance sheet funding for this reserve will be \$275K as of June 30, 2012. The proposed line item funding for FY 2012-13 (\$25K) will bring the reserve up to target level.	\$ 30,000.00	\$ 30,000.00	\$ 25,000.00
<b>xxxx Records Storage &amp; Security</b> Initiate a system to archive older records in electronic format, and to ensure security of all records. Paper records date back 50 years.	\$ -	\$ -	\$ 3,000.00
<b>7295 Contingency Reserve</b> Per Commission policy, the target funding for the general contingency reserve is 25 percent of the annual budget. The estimated actual balance sheet funding for this reserve will be \$170,000 as of June 30, 2012 -- and is on target for FY 2011-12 and 2012-13 budgets. No line item funding is proposed for this reserve in FY 2012-13.	\$ 20,000.00	\$ 20,000.00	\$ -
<b>SUBTOTAL SERVICES AND SUPPLIES (see Note 3)</b>	<b>\$ 202,000.00</b>	<b>\$ 188,800.00</b>	<b>\$ 187,800.00</b>
<b>LESS PASS-THROUGH EXPENSES (Account 7261)</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>TOTAL SERVICES AND SUPPLIES (NET) (see Note 3)</b>	<b>\$ 202,000.00</b>	<b>\$ 188,800.00</b>	<b>\$ 187,800.00</b>
<b>TOTAL SALARIES &amp; BENEFITS (see Note 3)</b>	<b>\$ 465,538.00</b>	<b>\$ 453,946.00</b>	<b>\$ 468,391.00</b>
<b>NET TOTAL FOR BUDGET UNIT (see Note 3)</b>	<b>\$ 667,538.00</b>	<b>\$ 642,746.00</b>	<b>\$ 656,191.00</b>

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY  
FINAL BUDGET WORKSHEET  
FISCAL YEAR 2012 - 2013**

Adopted by Commission

2012

		Adopted Budget for Fiscal Year 2011-12	Estimated Actual Year End Expenditures for Fiscal Year 2011-12	Adopted Budget for Fiscal Year 2012-13 Adopted by Commission April 23, 2012
6000	Employee Salaries	\$ 308,946.00	\$ 308,946.00	\$ 308,946.00
6100	Employee Benefits	\$ 156,592.00	\$ 145,000.00	\$ 159,445.00
2001	Litigation Settlement Agreement Costs	\$ -	\$ -	\$ -
7000	Postage and Shipping	\$ 4,500.00	\$ 3,500.00	\$ 4,500.00
7010	Books and Periodicals	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
7030	Copy Machine Charges	\$ 4,500.00	\$ 4,000.00	\$ 4,500.00
7040	Outside Printers	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
7060	Office Supplies	\$ 5,000.00	\$ 4,000.00	\$ 4,000.00
7070	Office Equipment and Furnishings	\$ -	\$ -	\$ -
7080	Computer/Hardware/Peripherals	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
7085	Computer Support Services (Fixed Costs)	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
7090	Computer Support Services (Variable Costs)	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00
7100	Computer Software	\$ -	\$ -	\$ -
7105	Meeting Broadcast Services	\$ 3,000.00	\$ 3,000.00	\$ 3,300.00
7110	Property and General Liability Insurance	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00
7120	Office Maintenance Services	\$ 400.00	\$ -	\$ 400.00
7130	Other Equipment Maintenance	\$ -	\$ -	\$ -
7140	Travel	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00
7145	CALAFCO Travel Expenses	\$ 1,000.00	\$ 1,000.00	\$ -
7150	Training, Conferences and Workshops	\$ 3,000.00	\$ 3,000.00	\$ 6,000.00
7160	Vehicle Mileage	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
7170	Rental of Buildings	\$ 24,500.00	\$ 24,500.00	\$ 24,500.00
7200	Telephone Communications	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00
7230	Temporary Help Services (Clerical)	\$ -	\$ -	\$ -
7240	Outside Professional Services - Total for Line Items 7242 - 7249	\$ 66,000.00	\$ 58,500.00	\$ 68,000.00
	7242 Accounting and Financial Services	\$ 36,000.00	\$ 36,000.00	\$ 37,500.00
	7245 General Counsel and Special Counsel	\$ 17,000.00	\$ 10,000.00	\$ 17,000.00
	7247 Human Resources	\$ 500.00	\$ -	\$ 500.00
	7248 Annual Audit	\$ 12,500.00	\$ 12,500.00	\$ 13,000.00
	7249 Temporary In-House Professional Services	\$ -	\$ -	\$ -
7250	Miscellaneous Office Expenses	\$ 600.00	\$ 300.00	\$ 600.00
7260	Legal Notices	\$ 5,000.00	\$ 2,500.00	\$ 4,000.00
7261	Pass-Through Expenses	\$ -	\$ -	\$ -
7270	Recruitment Advertising	\$ -	\$ -	\$ -
7280	LAFCO Memberships	\$ 4,000.00	\$ 4,000.00	\$ 4,500.00
7290	Litigation Reserve	\$ 30,000.00	\$ 30,000.00	\$ 25,000.00
XXXX	Records Storage and Security	\$ -	\$ -	\$ 3,000.00
7295	Contingency Reserve	\$ 20,000.00	\$ 20,000.00	\$ -
	SUB TOTAL EXPENDITURES (see Note 1)	\$ 667,538.00	\$ 642,746.00	\$ 656,191.00
	LESS PASS-THROUGH EXPENSES (Acct. 7261)	\$ -	\$ -	\$ -
	TOTAL EXPENDITURES (NET) (see Note 1)	\$ 667,538.00	\$ 642,746.00	\$ 656,191.00

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY  
FINAL BUDGET WORKSHEET  
FISCAL YEAR 2012 - 2013**

Adopted by Commission  
April 23, 2012

Adopted Budget for Fiscal Year 2011-12	Estimated Actual Year End Expenditures for Fiscal Year 2011-12	Adopted Budget for Fiscal Year 2012-13 Adopted by Commission April 23, 2012
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REVENUES:	Anticipated Budget Revenues for Fiscal Year 2011-12	Estimated Actual Year End Revenues Fiscal Year 2011-12	Anticipated Budget Revenues for Fiscal Year 2012-13
Fees:			
4000 - Project Fees (see Note 1)	\$ 10,000	\$ 6,500.00	\$ 8,000.00
4001 - Pass-through Fees	\$ -	\$ -	\$ -
4205 - County Contribution	\$ 218,346	\$ 218,346.00	\$ 215,397.00
4210 - City Contributions	\$ 218,346	\$ 218,346.00	\$ 215,397.00
4220 - Independent Special District Contributions	\$ 218,346	\$ 218,346.00	\$ 215,397.00
3810 - Contingency Reserve	\$ -	\$ -	\$ -
3850 - Unreserved Fund Balance (see Note 2)	\$ -	\$ -	\$ -
4250 - CALAFCO Reimbursement Income	\$ 1,000	\$ 1,000.00	\$ -
4300 - Interest	\$ 1,500	\$ 1,500.00	\$ 1,500.00
<b>SUB TOTAL REVENUES</b>	<b>\$ 667,538</b>	<b>\$ 664,038.00</b>	<b>\$ 655,691.00</b>
LESS PASS-THROUGH INCOME (Acct. 4001)	\$ -	\$ -	\$ -
<b>TOTAL REVENUE (NET) (see Note 3)</b>	<b>\$ 667,538</b>	<b>\$ 664,038.00</b>	<b>\$ 655,691</b>

**NOTE 1** Commission policy is to show anticipated project fees as revenue in the year in which the fees are collected.

**NOTE 2** Commission policy is to maintain the year-end Unreserved Fund Balance and not apply it as revenue in the new fiscal year.

**NOTE 3** Pursuant to Government Code 56381 (a), the proposed and final budget for FY 2012-13 shall be equal to the budget adopted for FY 2011-12, unless the Commission finds that reduced staffing or program costs will nevertheless allow the Commission to fulfill the purpose and programs of the Cortese-Knox-Hertzberg Act. The Commission would need to make such findings as part of resolutions to adopt the proposed and final budgets.