

**LAFCO** *of Monterey County*

---

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

# FINAL BUDGET FOR FY 2016-2017

Adopted on April 25, 2016

---

**LAFCO** *of Monterey County*

---

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

SUMMARY OF  
EXPENDITURES AND REVENUES  
FOR FY 2016-2017 BUDGET

Adopted on April 25, 2016

---

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY**  
**Final Budget Worksheet for FY 2016-2017**  
**April 25, 2016 (Adopted)**

	Adopted Budget for Fiscal Year 2015-16	Estimated Year-End Expenditures for Fiscal Year 2015-16 (Includes Adopted Budget Amendment No. 1)	Adopted Budget for Fiscal Year 2016-17
<b>SUMMARY OF PROPOSED EXPENDITURES - FISCAL YEAR 2016-17</b>			
6000 Employee Salaries	\$ 445,000.00	\$ 445,000.00	\$ 498,000.00
6100 Employee Benefits	\$ 195,000.00	\$ 185,000.00	\$ 205,000.00
7000 Postage and Shipping	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
7010 Books and Periodicals	\$ 1,000.00	\$ 1,000.00	\$ 1,100.00
7030 Copy Machine Charges	\$ 6,500.00	\$ 6,500.00	\$ 10,000.00
7040 Outside Printers	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
7060 Office Supplies	\$ 4,500.00	\$ 4,500.00	\$ 5,500.00
7070 Office Equipment and Furnishings	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00
7080 Computer/Hardware/Peripherals	\$ 3,000.00	\$ 3,000.00	\$ 4,000.00
7085 Computer Support Services (Fixed Costs)	\$ 7,500.00	\$ 7,500.00	\$ 10,000.00
7090 Computer Support Services (Variable Costs)	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
7100 Computer Software	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
7105 Meeting Broadcast Services	\$ 3,300.00	\$ 3,300.00	\$ 4,000.00
7110 Property and General Liability Insurance	\$ 5,300.00	\$ 5,300.00	\$ 5,300.00
7120 Office Maintenance Services	\$ 400.00	\$ 400.00	\$ 400.00
7140 Travel	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
7150 Training, Conferences and Workshops	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
7160 Vehicle Mileage	\$ 2,000.00	\$ 2,000.00	\$ 2,500.00
7170 Rental of Buildings	\$ 24,400.00	\$ 24,400.00	\$ 25,000.00
7200 Telephone Communications	\$ 6,000.00	\$ 6,000.00	\$ 7,000.00
7230 Temporary Help Services (Clerical)	\$ 25,000.00	\$ 25,000.00	\$ -
7240 Outside Professional Services - Total for Line Items 7242 - 7249	\$ 62,000.00	\$ 72,000.00	\$ 72,000.00
7242 Accounting and Financial Services	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00
7245 General Counsel and Special Counsel	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00
7247 Human Resources	\$ -	\$ 10,000.00	\$ 10,000.00
7248 Annual Audit	\$ 13,500.00	\$ 13,500.00	\$ 13,500.00
7249 Temporary Professional Services	\$ -	\$ -	\$ -
7250 Miscellaneous Office Expenses	\$ 600.00	\$ 600.00	\$ 600.00
7260 Legal Notices	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
7270 Recruitment Expenses	\$ -	\$ -	\$ 1,000.00
7280 LAFCO Memberships	\$ 4,700.00	\$ 4,700.00	\$ 5,100.00
7290 Litigation Reserve	\$ -	\$ -	\$ -
7285 Records Storage and Security	\$ 10,000.00	\$ 10,000.00	\$ -
7295 Contingency Reserve	\$ -	\$ -	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 848,700.00</b>	<b>\$ 848,700.00</b>	<b>\$ 903,000</b>

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY**

**Final Budget for FY 2016-2017**

**April 25, 2016 (Adopted)**

<b>ADOPTED REVENUES - FISCAL YEAR 2016-2017</b>			
<b>Revenue</b>	<b>Adopted Budget Revenues for Fiscal Year 2015-16</b>	<b>Estimated Year-End Revenues Fiscal Year 2015-2016</b>	<b>Anticipated Budget Revenues for Fiscal Year 2016-2017</b>
Source:			
4000 - Project Fees - See Note 1	\$ 10,000	\$ 10,000.00	\$ 10,000.00
4001 - Pass-through Fees	\$ -	\$ -	\$ -
4205 - County Contribution	\$ 269,067	\$ 269,067.00	\$ 280,167.00
4210 - City Contributions	\$ 269,067	\$ 269,067.00	\$ 280,167.00
4220 - Independent Special District Contributions	\$ 269,067	\$ 269,067.00	\$ 280,167.00
3810 - Contingency Reserve	\$ -	\$ -	
3850 - Unreserved Fund Balance - Supplement (as needed)	\$ 30,000	\$ 30,000.00	\$ 50,000.00
4300 - Interest	\$ 1,500	\$ 1,500.00	\$ 2,500.00
<b>TOTAL REVENUES</b>	<b>\$ 848,701</b>	<b>\$ 848,701.00</b>	<b>\$ 903,001.00</b>

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

**LAFCO** *of Monterey County*

---

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

DETAIL OF ADOPTED EXPENDITURES  
AND REVENUES FOR  
FY 2016-17 BUDGET

Adopted on April 25, 2016

---

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY**  
**Final Budget for FY 2016-2017**  
**April 25, 2016 (Adopted)**

	<b>Adopted Budget for Fiscal Year 2015-16</b>	<b>Estimated Year-End Expenditures for Fiscal Year 2015-16 (Includes Adopted Budget Amendment No. 1)</b>	<b>Adopted Budget for Fiscal Year 2016-17</b>
<b>6000 EMPLOYEE SALARIES</b>			
This line item supports all work program activities of the Commission and four current 4.0 FTE positions. Approximately \$32K of proposed Salaries and \$10K of proposed Benefits are for the purpose of establishing a .5 FTE clerical assistant position. This half-time, at-will position would assume clerical and records management duties now performed by temporary agency help, and take on additional support duties. The transition from temporary to salaried clerical support will address workload, staff retention and cross-training needs of LAFCO. The transition can be accomplished with minimal fiscal impact by reallocating \$35K currently budgeted for temporary help (in Services & Supplies) to Employee Salaries & Benefits in FY 2016-2017. Line Items 7230 (Temporary Clerical Help) and 7285 (Records Management Help) will not be funded in FY 2016-2016, as those duties will be reassigned to the half-time clerical position. The remainder of the proposed Salaries increase is for merit step increases and COLAs per employment agreements (for staff retention) and overtime allowances for non-exempt employees (per law).	\$ 445,000.00	\$ 445,000.00	\$ 498,000.00
<b>6100 EMPLOYEE BENEFITS</b>			
This line item assumes no new benefits and no benefits changes for current 4.0 FTE employees, and no change in benefit reductions that are already in place. Assumes minor increase in some benefit costs. LAFCO pays 0% of the employee share of the employee share of retirement plan contributions; employees pay 100% of this cost. This line item also assumes partial benefits for the proposed .5 FTE clerical position, for recruitment and retention purposes. The estimated \$10K cost of these partial benefits can be accomplished with minimal impact by reallocating temporary clerical help funds (in Services & Supplies) to Employee Salaries & Benefits - please see discussion above.	\$ 195,000.00	\$ 185,000.00	\$ 205,000.00
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$ 640,000.00</b>	<b>\$ 630,000.00</b>	<b>\$ 703,000.00</b>

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY**  
**Final Budget for FY 2016-2017**  
**April 25, 2016 (Adopted)**

	<b>Adopted Budget for Fiscal Year 2015-16</b>	<b>Estimated Year-End Expenditures for Fiscal Year 2015-16 (Includes Adopted Budget Amendment No. 1)</b>	<b>Adopted Budget for Fiscal Year 2016-17</b>
<b>SERVICES &amp; SUPPLIES</b>			
<b>7000 Postage and Shipping</b> Includes postage for general correspondence and agenda packet delivery, express mail, courier service and certified mail. Also includes LAFCO election mailings to independent special districts, and distribution of budget.	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
<b>7010 Books &amp; Periodicals</b> Includes newspaper subscriptions, publications and codes on LAFCO law, CEQA, employment law and other publications necessary to keep current on laws and trends.	\$ 1,000.00	\$ 1,000.00	\$ 1,100.00
<b>7030 Copy Machine Charges</b> Includes anticipated increase in costs for copier machine lease, copies and maintenance. Assumes increase in in-house production of studies for LAFCO's Municipal Service Reviews/Sphere of Influence studies, for cost and quality control purposes. Assumes increase in activities associated with pre-application and application processing functions. Includes production of resource maps, district election mailing materials, educational outreach materials, and other work program needs.	\$ 6,500.00	\$ 6,500.00	\$ 10,000.00
<b>7040 Outside Printers</b> Includes copying of Commission/Committee agenda packets, some large volume publications, maps and other occasional needs.	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
<b>7060 Office Supplies</b> Includes annual consumable goods for office operations and work production. Assumes increase in supplies for production of documents (studies, educational materials, etc.).	\$ 4,500.00	\$ 4,500.00	\$ 5,500.00
<b>7070 Office Equipment &amp; Furnishings</b> Includes office furniture replacement, small tables and other miscellaneous items.	\$ 1,000.00	\$ 1,000.00	\$ 5,000.00
<b>7080 Computer Hardware and Peripherals</b> Includes annual lease of 5 work station computers, and occasional purchase of laptops and accessories.	\$ 3,000.00	\$ 3,000.00	\$ 4,000.00

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY**  
**Final Budget for FY 2016-2017**  
**April 25, 2016 (Adopted)**

	<b>Adopted Budget for Fiscal Year 2015-16</b>	<b>Estimated Year-End Expenditures for Fiscal Year 2015-16 (Includes Adopted Budget Amendment No. 1)</b>	<b>Adopted Budget for Fiscal Year 2016-17</b>
<p><b>7085 Computer Support Services (Fixed Costs)</b>  Under contract with the County of Monterey or other vendor, this line item provides device support (e.g. computers and network printers). Services also include web site housing, email, internet and network access, and high volume cloud storage. County IT is primary vendor and fixes costs based on unit counts. County costs for device support are increasing in 2016. Occasional device support service by other vendors is not fixed.</p>	\$ 7,500.00	\$ 7,500.00	\$ 10,000.00
<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. Includes mapping/data analysis for LAFCO's busy Municipal Service Review/Sphere of Influence Update program. Includes County support for 2016 upgrade of LAFCO website. Proposed budget reflects increases in data/mapping needs and increases in County rates. Charges are variable.</p>	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
<p><b>7100 Computer Software</b>  Includes software updates and licenses to extend the life and compatibility of computers.</p>	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
<p><b>7105 Meeting Broadcast Services</b>  This account funds the live cable TV coverage of LAFCO meetings, and weekly TV re-broadcasts, under contract with the County of Monterey and its vendors. Costs are variable depending on number and length of meetings.</p>	\$ 3,300.00	\$ 3,300.00	\$ 4,000.00
<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. Premiums reflect discounts for no claim history. Cost is fixed annually.</p>	\$ 5,300.00	\$ 5,300.00	\$ 5,300.00

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY**  
**Final Budget for FY 2016-2017**  
**April 25, 2016 (Adopted)**

	<b>Adopted Budget for Fiscal Year 2015-16</b>	<b>Estimated Year-End Expenditures for Fiscal Year 2015-16 (Includes Adopted Budget Amendment No. 1)</b>	<b>Adopted Budget for Fiscal Year 2016-17</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	\$ 400.00
<b>7140 Travel</b> Provides partial funding for employee, counsel and Commissioner travel for annual CALAFCO conference (October 2016), annual CALAFCO staff workshop (March 2017), and training classes. Includes some transportation, hotel and meal costs.	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
<b>7150 Training, Conferences and Workshops</b> Provides partial funding for employee, counsel and Commissioner registrations at annual CALAFCO conference (October 2016), annual staff workshop (March 2017), and classes.	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
<b>7160 Vehicle Mileage</b> Reimbursement for use of personal vehicles, at the government rate.	\$ 2,000.00	\$ 2,000.00	\$ 2,500.00
<b>7170 Rental of Building</b> Continues a favorable five-year lease that included rent rollbacks for first two years and minor increases for the last three years. Includes utilities.	\$ 24,400.00	\$ 24,400.00	\$ 25,000.00
<b>7200 Telephone Communications</b> Includes telephone, cell and fax charges, office wi-fi "hotspot" for laptop/visitor use, and system maintenance and repairs.	\$ 6,000.00	\$ 6,000.00	\$ 7,000.00
<b>7230 Temporary Help Services (Clerical)</b> Provides temporary, part-time clerical assistance to support the sustained, high workload of the Clerk to the Commission and professional staff. Funded in FY 2015-2016 but not proposed to be funded in FY 2016-2017. These resources are instead redirected to Employee Salaries & Benefits (Line Items 6000 and 6100) for purposes of hiring a half-time clerical assistant. Current duties of the temporary agency clerk will be reassigned to the proposed half-time clerical assistant position. Please also see related proposal for Line Item 7285 (Records Management).	\$ 25,000.00	\$ 25,000.00	\$ -

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY**  
**Final Budget Worksheet for FY 2016-2017**  
**April 25, 2016 (Adopted)**

	<b>Adopted Budget for Fiscal Year 2015-16</b>	<b>Estimated Year-End Expenditures for Fiscal Year 2015-16 (Includes Adopted Budget Amendment No. 1)</b>	<b>Adopted Budget for Fiscal Year 2016-17</b>
<b>7240 Outside Professional Services</b>	<b>\$ 62,000.00</b>	<b>\$ 72,000.00</b>	<b>\$ 72,000.00</b>
This line item includes:			
7242: <b>Accounting and Financial Services.</b> Fixed rate contract with Hayashi Wayland. Includes \$1,500 for other services by HW or other vendor.	37,500	37,500	\$ 37,500.00
7245: <b>General Counsel and Special Legal Counsel Services (Not Litigation).</b> General Counsel costs are variable, with an annual cap of \$15,000 (per contract with County Counsel's Office). This line item fund is also intended for variable Special Legal Counsel costs, depending on need (per contract with Michael Colantuono).	11,000	11,000	\$ 11,000.00
7247: <b>Human Resources Services.</b> Variable rate services from County of Monterey or other vendor.	\$ -	10,000	\$ 10,000.00
7248: <b>Annual Audit.</b> Fixed rate contract with Bianchi, Kasavan & Pope.	13,500	13,500	\$ 13,500.00
7249: <b>Temporary Professional Services.</b> Intended to provide support during staff absences, vacancies or high workload periods. Not funded. All professional work is done by in-house staff.	\$ -	\$ -	\$ -
<b>7250 Miscellaneous Office Expenses</b>	<b>\$ 600.00</b>	<b>\$ 600.00</b>	<b>\$ 600.00</b>
Minor expenses for office operations, Commission meetings and recording fees for LAFCO-initiated activities.			
<b>7260 Legal Notices</b>	<b>\$ 4,000.00</b>	<b>\$ 4,000.00</b>	<b>\$ 4,000.00</b>
Expenses for actions requiring public notices, such as annexations, Sphere of Influence updates, municipal service reviews and budgets. Some of these costs are reimbursable.			
<b>7270 Recruitment Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,000.00</b>
To fill any vacant position.			

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY**  
**Final Budget for FY 2016-2017**  
**April 25, 2016 (Adopted)**

	<b>Adopted Budget for Fiscal Year 2015-16</b>	<b>Estimated Year-End Expenditures for Fiscal Year 2015-16 (Includes Adopted Budget Amendment No. 1)</b>	<b>Adopted Budget for Fiscal Year 2016-17</b>
<b>7280 LAFCO Memberships</b> CALAFCO Membership (\$3700) and California Special Districts Association dues (\$1400). CALAFCO membership provides access to legislative and educational activities. CSDA membership is required in order to get the Special District Authority's Workers Compensation Insurance and Property & Liability Insurance (Acct.# 7110).	\$ 4,700.00	\$ 4,700.00	\$ 5,100.00
<b>7290 Litigation Reserve</b> Per Commission policy, the target funding for the litigation defense reserve is \$300,000. This target would be sufficient for one-year's estimated expenses. This balance sheet reserve is currently funded to target level. LAFCO has no current or anticipated litigation. Accordingly, no fund supplement is proposed for FY 2016-2017.	\$ -	\$ -	\$ -
<b>7285 Records Management</b> Provides temporary agency clerical assistance to support the ongoing process of implementing LAFCO's Record Management Policy (adopted in 2014). Progress is being made to inventory, organize and archive 50+ years of records. Funded in FY 2015-2016 but not proposed to be funded in FY 2016-2017. These resources are instead redirected to Employee Salaries & Benefits (Line Items 6000 and 6100) for purposes of hiring a half-time clerical assistant. Current duties of the temporary records clerk will be reassigned to the proposed half-time clerical assistant position. Please also see related proposal for Line Item 7230 (Temporary Clerical Help Services).	\$ 10,000.00	\$ 10,000.00	\$ -
<b>7295 Contingency Reserve</b> Per Commission policy, the target funding for the general contingency reserve is 25 percent of the annual budget. This balance sheet reserve is currently funded at \$156,000, which is about two-thirds of the target level for FY 2016-2017. No fund supplement is proposed for FY 2016-2017.	\$ -	\$ -	\$ -
<b>TOTAL SERVICES AND SUPPLIES</b>	<b>\$ 208,700.00</b>	<b>\$ 218,700.00</b>	<b>\$ 200,000.00</b>
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$ 640,000.00</b>	<b>\$ 630,000.00</b>	<b>\$ 703,000.00</b>
<b>TOTAL FOR BUDGET UNIT</b>	<b>\$ 848,700.00</b>	<b>\$ 848,700.00</b>	<b>\$ 903,000.00</b>