

**LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY**  
**ADOPTED PROPOSED BUDGET WORKSHEET**  
**FISCAL YEAR 2011 - 2012**  
**APRIL 25, 2011**

Adopted by LAFCO Commission April 25, 2011

	<b>Adopted Budget Fiscal Year 2010-11</b>	<b>Estimated Actual Year End Expenditures for Fiscal Year 2010-11</b>	<b>Adopted Proposed Budget for Fiscal Year 2011-12</b>
<b>6000 EMPLOYEE SALARIES</b> Proposal is to continue cost controls by extending the current salary freeze that has been in effect since 2008 for the 3 funded positions (Executive Officer, Senior Analyst, Administrative Secretary). No COLAs since 2008. No merit increase for the one eligible position (Admin Secretary) since 2008. No funding for an Analyst position vacated in 2008.	\$ 308,946.00	\$ 305,000.00	\$ 308,946.00
<b>6100 EMPLOYEE BENEFITS</b> Proposal is to continue cost controls by extending the current benefits freeze that has been 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 medical leave of Admin Secretary and a reduction in benefits and payroll taxes tied to that salary.	\$ 148,700.00	\$ 116,050.00	\$ 142,347.00
<b>2220 - Accrued Leave Reserve:</b> Commission policy is to fund the liability for payout of leave time. A cash reserve has been established for this purpose. Proposal is to fund a portion of this liability. This reserve will continue to be underfunded in FY 2011-2012.	\$ 8,000.00	\$ 12,000.00	\$ 12,000.00
<b>2230 - Post-Retirement Healthcare Obligation Reserve (GASB 45):</b> Commission policy is to fund the liability for required employer contribution to retiree healthcare medical benefit premiums. A cash reserve has been established for this purpose. Proposal is to fund the annual cost for this liability (\$2,245). The liability is \$112 per month toward the CALPERS health benefits of any retiree who elects to receive and pay for this benefit. No retiree has elected to receive and pay for this benefit to date.	\$ 2,300.00	\$ 2,245.00	\$ 2,245.00
<b>TOTAL SALARIES &amp; BENEFITS (see Note 3)</b>	<b>\$ 467,946.00</b>	<b>\$ 435,295.00</b>	<b>\$ 465,538.00</b>

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<b>SERVICES &amp; SUPPLIES</b>			
<b>2001 Litigation Settlement Agreement Costs</b> No litigation settlement payouts are anticipated in FY 2011-12.	\$ -	\$ -	\$ -
<b>7000 Postage and Shipping</b> 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.	\$ 5,000.00	\$ 4,000.00	\$ 4,500.00
<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	\$ 1,000.00
<b>7030 Copy Machine Charges</b> Includes copier machine lease.	\$ 5,000.00	\$ 4,000.00	\$ 4,500.00
<b>7040 Outside Printers</b> Includes copying of large volume publications, maps and other occasional needs.	\$ 1,000.00	\$ 750.00	\$ 1,000.00
<b>7060 Office Supplies</b> Includes annual consumable goods for office operations and work production.	\$ 7,000.00	\$ 5,000.00	\$ 5,000.00
<b>7070 Office Equipment &amp; Furnishings</b> Includes office furniture such as small tables and miscellaneous items. Not funded.	\$ -	\$ -	\$ -
<b>7080 Computer Hardware and Peripherals</b> Provides for ongoing replacement of out-of-warranty computers, equipment and devices.	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00

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<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.</p>	\$ 8,000.00	\$ 5,000.00	\$ 5,000.00
<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>	\$ 4,000.00	\$ 3,000.00	\$ 3,000.00
<p><b>7110 Property and General Liability Insurance</b>            Property and Errors &amp; Omissions Insurance is obtained the Special Districts Risk Management Authority. Current and anticipated premiums reflect discounts.</p>	\$ 6,000.00	\$ 5,500.00	\$ 5,500.00

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<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.	\$ 250.00	\$ -	\$ -
<b>7140 Travel</b> Continues partial funding for employee, counsel and Commissioner (one member) travel for meetings, 2011 CALAFCO conference and 2011 staff workshop. Includes some transportation, hotel and meal costs.	\$ 5,000.00	\$ 4,500.00	\$ 4,500.00
<b>7145 CALAFCO Travel Expenses</b> Includes travel expenses for Executive Officer services to CALAFCO through December 2010. These expenses are offset by a \$2,000 annual stipend paid by CALAFCO to LAFCO.	\$ -	\$ 1,500.00	\$ 1,000.00
<b>7150 Training, Conferences and Workshops</b> Continues partial funding for employee, counsel and Commissioner (one member) registration at annual CALAFCO conference and staff workshop. Proposal is to redistribute the total funding available for 7140 Travel and 7150 Training line items, with no change in the overall budgeted amount.	\$ 2,500.00	\$ 2,500.00	\$ 3,000.00
<b>7160 Vehicle Mileage</b> Reimbursement for use of personal vehicles, at the government rate.	\$ 1,000.00	\$ 500.00	\$ 1,000.00
<b>7170 Rental of Building</b> Current year rent is 15 percent lower than last year's rent. An additional \$100 per month rent reduction has been approved for FY 2011-12. Includes utilities.	\$ 25,500.00	\$ 25,530.00	\$ 24,500.00
<b>7200 Telephone Communications</b> Includes telephone, cell and fax charges, and system maintenance and repairs.	\$ 6,000.00	\$ 4,000.00	\$ 4,500.00

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<b>7230 Temporary Help Services (Clerical)</b> Includes temporary clerical services during high workload periods or staff absences. Not funded.	\$ -	\$ -	\$ -
<b>7240 Outside Professional Services</b> This line item includes: 7242: Accounting and Financial Services (fixed rate contract with Hayashi & Wayland) 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 contract 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.	\$ 71,500.00	\$ 58,500.00	\$ 66,000.00
	36,000	36,000	36,000
	25,000	12,000	17,000
	500	500	500
	10,000	10,000	12,500
	\$ -	\$ -	\$ -
<b>7250 Miscellaneous Office Expenses</b> Minor expenses for office operations, Commission meetings and recording fees for LAFCO-initiated activities.	\$ 1,000.00	\$ 600.00	\$ 600.00
<b>7260 Legal Notices</b> 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 2011-12.	\$ 6,000.00	\$ 4,000.00	\$ 5,000.00
<b>7261 Pass-Through Expenses</b> Current LAFCO practice is to discourage pass-through costs that are reimbursed by project applicants.	\$ -	\$ -	\$ -
<b>7270 Recruitment Advertising</b> To fill any vacant and funded position. None are anticipated.	\$ -	\$ -	\$ -

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<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	\$ 4,000.00
<b>7290 Litigation Reserve</b> Commission policy is to build a litigation defense reserve, with a 3-year goal of reaching and maintaining \$120,000. Reserve was depeleted by litigation defense in prior years. Now being rebuilt, the reserve will continue to be underfunded in FY 2011-12.	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
<b>XXXX Records Storage &amp; Security</b> Initiate a system to archive older records in electronick format, and to ensure security of all records. Not funded.	\$ -	\$ -	\$ -
<b>7295 Contingency Reserve</b> Commission policy is to build a strategic operating reserve, with goal of 25 percent of total budget, at 5 percent per year. This reserve was depleted to fund litigation defense in prior years. Now being rebuilt, the reserve will continue to be significantly underfunded in FY 2011-2012.	\$ 30,000.00	\$ 30,000.00	\$ 20,000.00
<b>SUBTOTAL SERVICES AND SUPPLIES (see Note 3)</b>	<b>\$ 228,150.00</b>	<b>\$ 201,880.00</b>	<b>\$ 202,000.00</b>
<b>LESS PASS-THROUGH EXPENSES (Account 7261)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL SERVICES AND SUPPLIES (NET) (see Note 3)</b>	<b>\$ 228,150.00</b>	<b>\$ 201,880.00</b>	<b>\$ 202,000.00</b>
<b>TOTAL SALARIES &amp; BENEFITS (see Note 3)</b>	<b>\$ 467,946.00</b>	<b>\$ 435,295.00</b>	<b>\$ 465,538.00</b>
<b>NET TOTAL FOR BUDGET UNIT (see Note 3)</b>	<b>\$ 696,096.00</b>	<b>\$ 637,175.00</b>	<b>\$ 667,538.00</b>
	Adopted Budget for FY 2010-2011	Estimated Actual Year End Expenses FY 2010- 2011	Proposed Budget for FY 2011-2012

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	Adopted Budget Fiscal Year 2010-11	Estimated Actual Year End Expenditures for Fiscal Year 2010-11	Adopted Proposed Budget for Fiscal Year 2011-12
6000 Employee Salaries	\$ 308,946.00	\$ 305,000.00	\$ 308,946.00
6100 Employee Benefits	\$ 148,700.00	\$ 116,050.00	\$ 142,347.00
2220-Accrued Leave Reserve	\$ 8,000.00	\$ 12,000.00	\$ 12,000.00
2230-Post-Retirement Healthcare Obligation Reserve	\$ 2,300.00	\$ 2,245.00	\$ 2,245.00
2001 Litigation Settlement Agreement Costs	\$ -	\$ -	\$ -
7000 Postage and Shipping	\$ 5,000.00	\$ 4,000.00	\$ 4,500.00
7010 Books and Periodicals	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
7030 Copy Machine Charges	\$ 5,000.00	\$ 4,000.00	\$ 4,500.00
7040 Outside Printers	\$ 1,000.00	\$ 750.00	\$ 1,000.00
7060 Office Supplies	\$ 7,000.00	\$ 5,000.00	\$ 5,000.00
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)	\$ 8,000.00	\$ 5,000.00	\$ 5,000.00
7100 Computer Software	\$ -	\$ -	\$ -
7105 Meeting Broadcast Services	\$ 4,000.00	\$ 3,000.00	\$ 3,000.00
7110 Property and General Liability Insurance	\$ 6,000.00	\$ 5,500.00	\$ 5,500.00
7120 Office Maintenance Services	\$ 400.00	\$ -	\$ 400.00
7130 Other Equipment Maintenance	\$ 250.00	\$ -	\$ -
7140 Travel	\$ 5,000.00	\$ 4,500.00	\$ 4,500.00
7145 CALAFCO Travel Expenses	\$ -	\$ 1,500.00	\$ 1,000.00
7150 Training, Conferences and Workshops	\$ 2,500.00	\$ 2,500.00	\$ 3,000.00
7160 Vehicle Mileage	\$ 1,000.00	\$ 500.00	\$ 1,000.00
7170 Rental of Buildings	\$ 25,500.00	\$ 25,530.00	\$ 24,500.00
7200 Telephone Communications	\$ 6,000.00	\$ 4,000.00	\$ 4,500.00
7230 Temporary Help Services (Clerical)	\$ -	\$ -	\$ -
7240 Outside Professional Services - Total for Line Items 7242 - 7249	\$ 71,500.00	\$ 58,500.00	\$ 66,000.00
7242 Accounting and Financial Services	\$ 36,000.00	\$ 36,000.00	\$ 36,000.00
7245 General Counsel and Special Counsel	\$ 25,000.00	\$ 12,000.00	\$ 17,000.00
7247 Human Resources	\$ 500.00	\$ 500.00	\$ 500.00
7248 Annual Audit	\$ 10,000.00	\$ 10,000.00	\$ 12,500.00
7249 Temporary In-House Professional Services	\$ -	\$ -	\$ -
7250 Miscellaneous Office Expenses	\$ 1,000.00	\$ 600.00	\$ 600.00
7260 Legal Notices	\$ 6,000.00	\$ 4,000.00	\$ 5,000.00
7261 Pass-Through Expenses	\$ -	\$ -	\$ -
7270 Recruitment Advertising	\$ -	\$ -	\$ -
7280 LAFCO Memberships	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
7290 Litigation Reserve	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
XXXX Records Storage and Security	\$ -	\$ -	\$ -
7295 Contingency Reserve	\$ 30,000.00	\$ 30,000.00	\$ 20,000.00
SUB TOTAL EXPENDITURES (see Note 1)	\$ 696,096.00	\$ 637,175.00	\$ 667,538.00
LESS PASS-THROUGH EXPENSES (Acct. 7261)	-	-	-
TOTAL EXPENDITURES (NET) (see Note 1)	\$ 696,096.00	\$ 637,175.00	\$ 667,538.00

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REVENUES:	Adopted Budget Revenues for Fiscal Year 2010-11	Estimated Actual Year End Revenues Fiscal Year 2010-11	Anticipated Budget Revenues for Fiscal Year 2011-12
Fees:			
4000 - Project Fees (see Note 1)	\$ 10,000	\$ 13,000	\$ 10,000
4001 - Pass-through Fees	\$ -	\$ -	\$ -
4205 - County Contribution	\$ 227,699	\$ 227,699	\$ 218,346
4210 - City Contributions	\$ 227,699	\$ 227,699	\$ 218,346
4220 - Independent Special District Contributions	\$ 227,699	\$ 227,699	\$ 218,346
3810 - Contingency Reserve	\$ -	\$ -	\$ -
3850 - Unreserved Fund Balance (see Note 2)	\$ -	\$ -	\$ -
4250 - CALAFCO Reimbursement Income	\$ -	\$ 3,000	\$ 1,000
4300 - Interest	\$ 3,000	\$ 1,700	\$ 1,500
<b>SUB TOTAL REVENUES</b>	<b>\$ 696,096</b>	<b>\$ 700,797</b>	<b>\$ 667,538</b>
LESS PASS-THROUGH INCOME (Acct. 4001)	\$ -	\$ -	\$ -
<b>TOTAL REVENUE (NET) (see Note 3)</b>	<b>\$ 696,096</b>	<b>\$ 700,797</b>	<b>\$ 667,538</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 Unreserved Fund Balance.

**NOTE 3** Pursuant to Government Code 56381 (a), the proposed and final budget for FY 2011-12 shall be equal to the budget adopted for FY 2010-11, 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.