

LAFCO of Monterey County

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

2014 Committee

Chair
Simón Salinas
County Member

Ralph Rubio
City Member

Graig R. Stephens
Special District Member

AGENDA

BUDGET AND FINANCE COMMITTEE MEETING

Friday, May 16, 2014, 2:00 p.m.

LAFCO Office

**132 W. Gabilan Street, Suite 102
Salinas, California 93901**

Roll Call

Staff

Kate McKenna, AICP
Executive Officer

Call to Order

Public Comments

Anyone may address the Committee briefly concerning items not already on the agenda.

New Business

1. Consider Draft Financial Statements for Period Ending March 31, 2014.
Recommended Action: Receive report and recommend Commission approval.
2. Consider Profit/Loss Budget vs. Actuals Worksheet Dated May 9, 2014.
Recommended Action: Accept report.
3. Consider Budget Amendment No. 2 for FY 2013-2014 Budget.
Recommended Action: Adopt Amendment.
4. Consider Salary Ranges and Flexible Classification of Vacant Staff Position, and Related Actions for FY 2014-2015 Budget.
Recommended Action: Provide direction.

Other Business

Adjournment to the Next Meeting

The next Regular Budget and Finance Committee Meeting – Friday, November 7, 2014 at 10:00 a.m. in the LAFCO Conference Room.

This agenda is posted at least 72 hours before the meeting. Please visit the LAFCO website or call our office for more information about any of the agenda items.

Alternative Formats and Facility Accommodations: If requested, the agenda will be made available in alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC 12132) and the federal rules and regulations adopted in implementation thereof. Also, if requested, facility accommodations will be made for persons with disabilities. Please contact (831) 754-5838 for assistance.

132 W. Gabilan Street, #102
Salinas, CA 93901

P. O. Box 1369
Salinas, CA 93902

Voice: 831-754-5838
Fax: 831-754-5831

www.monterey.lafco.ca.gov

**AGENDA
ITEM
NO. 1**

LAFCO of Monterey County

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 Fax (831) 754-5831
www.monterey.lafco.ca.gov

KATE McKENNA, AICP
Executive Officer

DATE: May 16, 2014

TO: Budget and Finance Committee

FROM: Kate McKenna, AICP, Executive Officer

SUBJECT: DRAFT FINANCIAL STATEMENTS FOR PERIOD ENDING MARCH 31, 2014

SUMMARY OF RECOMMENDATION:

Recommend that the full Commission consider and accept this item at the next regular LAFCO meeting on June 23.

EXECUTIVE OFFICER'S REPORT:

Enclosed are draft financial statements for the third quarter of the current fiscal year. Overall revenue and expenditures are as anticipated for this period.

Mr. Mike Briley, Managing Partner, Hayashi Wayland, will join me in presenting this item.

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Enclosure

**Local Agency Formation Commission
of Monterey County
Financial Statements**

March 31, 2014

DRAFT

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

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HAYASHI | WAYLAND

ACCOUNTANTS' COMPILATION REPORT

To the Chair and Commissioners
Local Agency Formation Commission
LAFCO of Monterey County
Salinas, California

We have compiled the accompanying financial statements of the **Local Agency Formation Commission of Monterey County (LAFCO)** as of and for the nine months ended March 31, 2014. We have not audited or reviewed the financial statements included in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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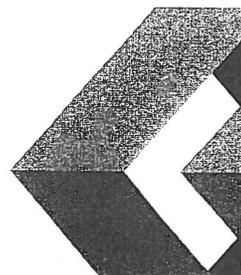
Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by LAFCO and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist LAFCO in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of LAFCO, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.

We are not independent with respect to LAFCO.

April 28, 2014



LAFCO of Monterey County
Balance Sheets
March 31, 2014 and 2013

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ASSETS			
	ACCT #	2014	2013
CURRENT ASSETS:			
Cash Held in Rabobank:			
Rabobank Operating	1000	\$ 51,802.93	\$ 126,137.14
Total Cash Held in Rabobank		<u>51,802.93</u>	<u>126,137.14</u>
Cash Held in County Treasury:			
Cash Held for Operating Expenses	1010	430,527.69	252,833.99
Designated Cash for Reserve for Litigation	1012	300,036.51	299,936.51
Designated Cash for Accrued Leave	1013	35,604.55	60,519.23
Designated Cash for Post Retirement (GASB 45)	1014	9,968.00	13,781.00
Designated Cash for Reserve for Contingency	1015	156,779.00	165,000.00
Total Cash Held in County Treasury		<u>932,915.75</u>	<u>792,070.73</u>
Petty Cash	1100	100.00	100.00
Total Cash		<u>984,818.68</u>	<u>918,307.87</u>
Other Current Assets:			
Prepaid Insurance	1400	3,310.67	2,605.32
Prepaid Expenses	1405	3,391.98	4,113.47
Total Other Current Assets		<u>6,702.65</u>	<u>6,718.79</u>
Total Current Assets		<u>991,521.33</u>	<u>925,026.66</u>
PROPERTY AND EQUIPMENT:			
Equipment	1500	23,906.06	21,915.38
Accumulated Depreciation	1550	(21,497.65)	(19,950.53)
Total Property and Equipment		<u>2,408.41</u>	<u>1,964.85</u>
TOTAL ASSETS		<u>\$ 993,929.74</u>	<u>\$ 926,991.51</u>
LIABILITIES AND EQUITY			
	ACCT #	2014	2013
CURRENT LIABILITIES:			
Accounts Payable	2000	\$ 4,156.11	\$ 5,935.10
Payroll Liabilities	2200	156.64	126.00
Accrued Leave	2220	35,604.55	60,519.23
Post Retirement (GASB 45)	2230	9,968.00	13,781.00
Total Current Liabilities		<u>49,885.30</u>	<u>80,361.33</u>
Total Liabilities		<u>49,885.30</u>	<u>80,361.33</u>
EQUITY:			
Invested in Capital Assets	3700	2,408.41	1,964.85
Encumbered Funds	3710	6,895.00	6,395.00
Reserve for Litigation	3800	300,036.51	299,936.51
Reserve for Contingency	3810	156,779.00	165,000.00
Unreserved Fund*	3850	477,925.52	373,333.82
Total Equity		<u>944,044.44</u>	<u>846,630.18</u>
TOTAL LIABILITIES AND EQUITY		<u>\$ 993,929.74</u>	<u>\$ 926,991.51</u>

* Includes revenue received in the current year to be used for operating expenses through 6/30/14

LAFCO of Monterey County
Income and Expense Budget Performance - Summary
March 31, 2014

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ACCT #	Income:	Mar 14	Mar 13	% of Budget Received/ Spent		July 13 - Mar 14	July 12 - Mar 13	Adopted 13/14 Budget	Remaining Budget Balance	% of Remaining Budget Balance
				Mar 14	July 13 - Mar 14					
4000	Fees: Project	\$ -	\$ -	0.00%	\$ 9,946.47	\$ 21,200.39	\$ 10,000.00	\$ (53.53)	-0.54%	
4205	County Contributions	-	-	0.00%	250,164.00	215,397.00	250,164.00	-	0.00%	
4210	City Contributions	-	-	0.00%	250,164.01	215,397.00	250,164.00	0.01	0.00%	
4220	District Contributions	-	-	0.00%	250,166.00	215,398.00	250,163.00	3.00	0.00%	
4300	Interest	-	-	0.00%	1,958.21	1,880.41	1,500.00	458.21	30.55%	
	Total Income	-	-	0.00%	762,398.69	669,272.80	761,991.00	407.69	0.05%	
	Expense:									
VAR	Employee Salaries	27,272.04	35,403.76	6.67%	271,945.53	237,375.34	408,946.00	137,000.47	33.50%	
VAR	Employee Benefits	12,890.56	14,656.89	6.73%	115,101.76	98,160.74	191,445.00	76,343.24	39.88%	
7000	Postage and Shipping	158.77	140.58	6.35%	1,036.86	612.74	2,500.00	1,463.14	58.53%	
7010	Books and Periodical	49.70	49.70	4.97%	815.98	789.33	1,000.00	184.02	18.40%	
7030	Copy Machine	315.70	316.13	4.86%	4,102.50	2,668.50	6,500.00	2,397.50	36.88%	
7040	Outside Printers	464.06	-	11.60%	2,958.12	759.01	4,000.00	1,041.88	26.05%	
7060	Office Supplies	99.91	711.61	2.22%	3,020.32	2,891.65	4,500.00	1,479.68	32.88%	
7080	Computer Hardware/Peripherals	1,254.99	-	17.93%	2,030.15	97.41	7,000.00	4,969.85	71.00%	
7085	Computer Support Svcs Fixed Costs	2,193.34	739.00	31.33%	6,012.36	2,217.00	7,000.00	987.64	14.11%	
7090	Computer Support Svcs Variable Costs	100.00	-	0.91%	2,852.00	2,227.78	11,000.00	8,148.00	74.07%	
7100	Computer Software	89.98	-	0.00%	89.98	-	2,500.00	2,410.02	96.40%	
7105	Meeting Broadcast Services	-	-	0.00%	-	-	3,300.00	3,300.00	100.00%	
7110	Property and Gen Liability Insurance	341.14	380.03	6.20%	3,070.26	3,420.27	5,500.00	2,429.74	44.18%	
7120	Office Maintenance Services	-	-	0.00%	-	-	400.00	400.00	100.00%	
7140	Travel	-	-	0.00%	6,042.47	504.15	7,000.00	957.53	13.68%	
7150	Training, Conferences & Workshops	-	-	0.00%	4,560.31	4,890.00	8,500.00	3,939.69	46.35%	
7160	Vehicle Mileage	-	-	0.00%	1,036.50	574.99	2,000.00	963.50	48.18%	
7170	Rental of Buildings	1,926.28	2,027.66	8.27%	17,336.52	18,248.94	23,300.00	5,963.48	25.59%	
7200	Telephone Communications	403.47	310.87	8.07%	3,368.59	3,079.02	5,000.00	1,631.41	32.63%	
7230	Temporary Help Services (Clerical)	-	-	0.00%	1,859.19	-	2,000.00	140.81	7.04%	
7242	Outside Prof. Services: Accounting	3,000.00	3,000.00	8.00%	24,900.00	24,000.00	37,500.00	12,600.00	33.60%	
7245	General and Special Legal Services	933.66	1,309.20	18.67%	2,545.08	5,675.16	5,000.00	2,454.92	49.10%	
7248	Outside Prof. Services: Annual Audit	-	-	0.00%	13,000.00	12,000.00	13,000.00	-	0.00%	
7250	Miscellaneous Office Expense	15.92	65.00	2.65%	599.72	516.03	600.00	0.28	0.05%	
7260	Legal Notices	476.44	-	11.91%	1,437.93	661.26	4,000.00	2,562.07	64.05%	
7261	Pass-Through Expense	350.00	-	0.00%	350.00	-	-	(350.00)	0.00%	
7270	Recruitment Advertising	1,948.78	1,783.57	48.72%	1,948.78	1,783.57	4,000.00	2,051.22	51.28%	
7280	LAFCO Memberships	-	-	0.00%	4,116.00	3,976.00	4,400.00	284.00	6.45%	
7285	Records Storage & Security	1,227.19	-	12.27%	6,590.45	-	10,000.00	3,409.55	34.10%	
7290	Litigation Reserve	-	-	0.00%	-	-	100.00	100.00	100.00%	
7300	Depreciation	117.00	140.00	0.00%	1,046.00	1,246.00	-	(1,046.00)	0.00%	
	Total Expense	55,628.93	61,034.00	7.11%	503,773.36	428,374.89	781,991.00	278,217.64	35.58%	
	Net Ordinary Income (Loss)	(55,628.93)	(61,034.00)		258,625.33	240,897.91	(20,000.00)			
	Other Income/(Expense):									
8106	Prior Year Project Fees Returned	-	-		(6,379.25)	-	-			
8107	Use of Contingency Reserve	-	-		(13,221.00)	-	-			
8110	From Unreserved Funds	-	-		-	-	20,000.00			
	Total Other Income/(Expense)	-	-		(19,600.25)	-	20,000.00			
	Net Income (Loss)	\$ (55,628.93)	\$ (61,034.00)		\$ 239,025.08	\$ 240,897.91	\$ -			

LAFCO of Monterey County
Income and Expense Budget Performance - Detail
March 31, 2014

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ACCT #	Income:	% of Budget Received/ Spent					Adopted 13/14 Budget	Remaining Budget Balance	% of Remaining Budget Balance
		Mar 14	Mar 13	Mar 14	July 13 - Mar 14	July 12 - Mar 13			
4000	Fees: Project	\$ -	\$ -	0.00%	\$ 9,946.47	\$ 21,200.39	\$ 10,000.00	\$ (53.53)	-0.54%
4205	County Contributions	-	-	0.00%	250,164.00	215,397.00	250,164.00	-	0.00%
4210	City Contributions	-	-	0.00%	250,164.01	215,397.00	250,164.00	0.01	0.00%
4220	District Contributions	-	-	0.00%	250,166.00	215,398.00	250,163.00	3.00	0.00%
4300	Interest	-	-	0.00%	1,958.21	1,880.41	1,500.00	458.21	30.55%
	Total Income	-	-	0.00%	762,398.69	669,272.80	761,991.00	407.69	0.05%
	Expense:								
6000	Employee Salaries-Other	-	-		4,000.01	34,204.38			
6002	Regular Earnings	27,272.04	35,403.76		267,945.52	203,170.96			
	Employee Salaries	27,272.04	35,403.76	6.67%	271,945.53	237,375.34	408,946.00	137,000.47	33.50%
6006	Flex Plan Cash	270.06	284.71		2,445.19	2,562.39			
6007	Management Expense Allowance	50.00	50.00		450.00	450.00			
6010	Accrued Leave	2,882.01	3,344.30		(31,396.05)	1,229.01			
6011	Car Allowance	400.00	400.00		3,600.00	3,600.00			
6013	Post Retirement Healthcare Reserve	-	-		884.00	2,245.00			
6100	Employee Benefits - Other	-	300.00		-	300.00			
6101	Payroll Expenses	453.92	638.57		6,286.88	4,175.29			
6102	Worker's Compensation Insurance	616.66	306.66		5,827.17	2,760.00			
6103	Employee Memberships	-	-		718.00	1,198.00			
6104	Deferred Comp Plan Contribution	1,623.44	2,195.03		16,545.12	12,404.13			
6105	PERS Retirement	3,202.57	3,650.84		31,591.89	29,373.82			
6110	PERS Health - Other	12.86	6.50		124.39	43.02			
6111	PERS Health - Med ER Non-Elective	476.00	345.00		4,771.00	2,264.00			
6112	PERS Health - Med ER Pre Tax	2,191.97	2,254.12		24,417.82	14,950.08			
6131	LIFE	47.60	40.90		785.40	552.15			
6132	ADD	8.00	8.00		132.00	108.00			
6133	Dental	321.41	388.12		3,411.65	3,026.11			
6134	Vision	36.84	45.67		398.54	337.88			
6135	LTD	223.31	302.80		3,886.91	3,885.47			
6136	EAP	26.80	26.80		241.20	241.20			
6139	STD	47.11	68.87		412.69	455.19			
7294	Accrued Leave Reserve	-	-		39,567.96	12,000.00			
	Employee Benefits	12,890.56	14,656.89	6.73%	115,101.76	98,160.74	191,445.00	76,343.24	39.88%
7000	Postage and Shipping	158.77	140.58	6.35%	1,036.86	612.74	2,500.00	1,463.14	58.53%
7010	Books and Periodical	49.70	49.70	4.97%	815.98	789.33	1,000.00	184.02	18.40%
7030	Copy Machine	315.70	316.13	4.86%	4,102.50	2,668.50	6,500.00	2,397.50	36.88%
7040	Outside Printers	464.06	-	11.60%	2,958.12	759.01	4,000.00	1,041.88	26.05%
7060	Office Supplies	99.91	711.61	2.22%	3,020.32	2,891.65	4,500.00	1,479.68	32.88%
7080	Computer Hardware/Peripherals	1,254.99	-	17.93%	2,030.15	97.41	7,000.00	4,969.85	71.00%
7085	Computer Support Svcs Fixed Costs	2,193.34	739.00	31.33%	6,012.36	2,217.00	7,000.00	987.64	14.11%
7090	Computer Support Svcs Variable Costs	100.00	-	0.91%	2,852.00	2,227.78	11,000.00	8,148.00	74.07%
7100	Computer Software	89.98	-	3.60%	89.98	-	2,500.00	2,410.02	96.40%
7105	Meeting Broadcast Services	-	-	0.00%	-	-	3,300.00	3,300.00	100.00%
7110	Property and Gen Liability Insurance	341.14	380.03	6.20%	3,070.26	3,420.27	5,500.00	2,429.74	44.18%
7120	Office Maintenance Services	-	-	0.00%	-	-	400.00	400.00	100.00%
7140	Travel	-	-	0.00%	6,042.47	504.15	7,000.00	957.53	13.68%
7150	Training, Conferences & Workshops	-	-	0.00%	4,560.31	4,890.00	8,500.00	3,939.69	46.35%
7160	Vehicle Mileage	-	-	0.00%	1,036.50	574.99	2,000.00	963.50	48.18%
7170	Rental of Buildings	1,926.28	2,027.66	8.27%	17,336.52	18,248.94	23,300.00	5,963.48	25.59%
7200	Telephone Communications	403.47	310.87	8.07%	3,368.59	3,079.02	5,000.00	1,631.41	32.63%

LAFCO of Monterey County
Income and Expense by Month
March 31, 2014

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	July 13	Aug 13	Sept 13	Oct 13	Nov 13
Ordinary Income/Expense					
Income:					
4000 · Fees: Project	7,927.27	\$ 2,625.00	\$ -	(1.00)	\$ (1,104.80)
4205 · County Contributions	250,164.00	-	-	-	-
4210 · City Contributions	250,164.01	-	-	-	-
4220 · District Contributions	250,166.00	-	-	-	-
4300 · Interest	-	-	-	-	-
Total Income	758,421.28	2,625.00	-	870.57	(1,104.80)
Expense:					
6000 · Employee Salaries	31,421.22	38,796.02	28,212.70	27,901.74	28,154.40
6100 · Employee Benefits	8,849.52	15,837.26	14,243.65	10,293.22	12,731.70
7000 · Postage and Shipping	97.20	35.80	387.03	140.00	59.29
7010 · Books and Periodical	238.00	-	-	-	468.28
7030 · Copy Machine	286.14	315.70	315.70	315.70	315.70
7040 · Outside Printers	607.52	-	269.49	480.26	615.01
7060 · Office Supplies	531.99	458.88	180.06	109.40	717.51
7080 · Computer Hardware/Peripherals	-	-	-	-	-
7085 · Computer Support Svcs Fixed Costs	-	-	1,298.34	-	602.67
7090 · Computer Support Svcs Variable Costs	-	-	600.00	-	250.00
7100 · Computer Software	-	-	-	-	-
7110 · Property and Gen Liability Insurance	-	-	-	-	-
7140 · Travel	341.14	341.14	341.14	341.14	341.14
7150 · Training, Conferences & Workshops	169.00	1,216.46	4,285.95	15.00	149.96
7160 · Vehicle Mileage	3,545.07	630.00	80.12	-	210.12
7170 · Rental of Buildings	-	-	501.49	335.00	200.01
7200 · Telephone Communications	1,926.28	1,926.28	1,926.28	1,926.28	1,926.28
7230 · Temp Help Services (Clerical)	170.74	381.10	650.40	805.28	150.97
7242 · Outside Prof. Services: Accounting	-	3,000.00	3,000.00	3,000.00	3,900.00
7245 · General and Special Legal Services	-	-	414.96	207.48	103.74
7248 · Outside Prof. Services: Annual Audit	-	-	5,000.00	7,000.00	1,000.00
7250 · Miscellaneous Office Expense	-	227.79	143.73	26.66	96.91
7260 · Legal Notices	381.15	264.54	-	307.80	8.00
7261 · Pass-Through Expense	-	-	-	-	-
7270 · Recruitment Advertising	-	-	-	-	-
7280 · LAFCO Memberships	3,111.00	-	-	-	-
7285 · Records Storage & Security	1,021.02	994.84	785.40	582.51	1,005.00
7300 · Depreciation	118.00	114.00	117.00	116.00	116.00
8106 · Prior Year Project Fees Returned	-	-	-	-	3,100.00
8107 · Use of Contingency Reserve	-	-	-	-	-
Total Expense	52,921.48	64,431.73	62,755.03	67,124.47	57,544.79
Net Income/(Loss)	\$ 705,499.80	\$ (61,806.73)	\$ (62,755.03)	\$ (66,254.90)	\$ (58,649.59)

LAFCO of Monterey County
Income and Expense by Month
March 31, 2014

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Ordinary Income/Expense	Dec 13	Jan 14	Feb 14	Mar 14	Total
Income:					
4000 · Fees: Project	\$ -	\$ 750.00	\$ (250.00)	\$ -	\$ 9,946.47
4205 · County Contributions	-	-	-	-	250,164.00
4210 · City Contributions	-	-	-	-	250,164.01
4220 · District Contributions	-	-	-	-	250,166.00
4300 · Interest	-	1,087.64	-	-	1,958.21
Total Income	-	1,837.64	(250.00)	-	762,398.69
Expense:					
6000 · Employee Salaries	28,096.09	38,081.60	24,009.72	27,272.04	271,945.53
6100 · Employee Benefits	12,436.99	15,423.34	12,395.52	12,890.56	115,101.76
7000 · Postage and Shipping	158.77	-	-	158.77	1,036.86
7010 · Books and Periodical	60.00	-	-	49.70	815.98
7030 · Copy Machine	1,122.01	800.15	315.70	315.70	4,102.50
7040 · Outside Printers	-	-	521.78	464.06	2,958.12
7060 · Office Supplies	904.92	(114.57)	132.22	99.91	3,020.32
7080 · Computer Hardware/Peripherals	-	-	604.00	1,254.99	2,030.15
7085 · Computer Support Svcs Fixed Costs	628.67	171.16	433.67	2,193.34	6,012.36
7090 · Computer Support Svcs Variable Costs	1,352.00	550.00	-	100.00	2,852.00
7100 · Computer Software	-	-	-	89.98	89.98
7110 · Property and Gen Liability Insurance	341.14	341.14	341.14	341.14	3,070.26
7140 · Travel	206.10	-	-	-	6,042.47
7150 · Training, Conferences & Workshops	-	-	95.00	-	4,560.31
7160 · Vehicle Mileage	-	-	-	-	1,036.50
7170 · Rental of Buildings	1,926.28	1,926.28	1,926.28	1,926.28	17,336.52
7200 · Telephone Communications	479.74	321.00	5.89	403.47	3,368.59
7230 · Temp Help Services (Clerical)	720.35	366.52	772.32	-	1,859.19
7242 · Outside Prof. Services: Accounting	3,000.00	3,000.00	3,000.00	3,000.00	24,900.00
7245 · General and Special Legal Services	470.28	414.96	-	933.66	2,545.08
7248 · Outside Prof. Services: Annual Audit	-	-	-	-	13,000.00
7250 · Miscellaneous Office Expense	53.38	11.33	24.00	15.92	599.72
7260 · Legal Notices	-	-	-	476.44	1,437.93
7261 · Pass-Through Expense	-	-	-	350.00	350.00
7270 · Recruitment Advertising	-	-	-	1,948.78	1,948.78
7280 · LAFCO Memberships	-	-	-	-	4,116.00
7285 · Records Storage & Security	294.13	-	363.26	1,227.19	6,590.45
7300 · Depreciation	117.00	115.00	116.00	117.00	1,046.00
8106 · Prior Year Project Fees Returned	-	3,279.25	-	-	6,379.25
8107 · Use of Contingency Reserve	-	-	-	-	13,221.00
Total Expense	52,367.85	65,542.83	45,056.50	55,628.93	523,373.61
Net Income/(Loss)	\$ (52,367.85)	\$ (63,705.19)	\$ (45,306.50)	\$ (55,628.93)	\$ 239,025.08

LAFCO of Monterey County
Accounts Receivable Summary
As of March 31, 2014

DRAFT

Accounts Receivable-For Fiscal Year Ending 6/2014:

<u>Description</u>	<u>Date</u>	<u>Amount</u>
		<u>\$ -</u>
	ACCT # 1225	<u><u>\$ -</u></u>

*All 2013-2014 fees have been collected.

LAFCO of Monterey County
 Equipment Summary
 As of March 31, 2014

DRAFT

Equipment and Accumulated Depreciation:

Description	Date In Service	Cost	Amount Depreciated
Computer Equipment	10/24/2005	\$ 6,749.91	\$ 6,749.91
Dell Computer System	6/1/2006	2,268.22	2,268.22
Credenza	9/1/2006	516.20	516.20
Computer Equipment	9/20/2006	3,120.20	3,120.20
Bill Quick Basic Software	8/17/2007	565.00	565.00
Adobe Systems, Inc. Software	1/18/2008	399.00	399.00
HP Compaq DC 9700 Computer	6/23/2009	975.49	959.00
Microsoft Office Pro 2010 Software	6/30/2010	2,041.24	2,041.24
Acrobat V.9 Computer Software	6/30/2010	445.88	445.88
Ergonomic Chair	6/29/2010	502.51	359.00
ThinkPad W510 Laptop	6/30/2010	2,146.73	1,869.00
SNAP OUT Telephone System	7/28/2010	2,185.00	1,538.00
Apple Mbair 13.3 CTO Laptop	6/14/2013	1,990.68	667.00
		ACCT # 1500 \$ 23,906.06	
			ACCT # 1550 \$ 21,497.65

LAFCO of Monterey County
 Accounts Payable Summary
 As of March 31, 2014

DRAFT

Accounts Payable:

Vendor	Description	Date	Inv#	Amount
Cardmember Service	Computer Equipment; Recruitment Advertising	3/24/2014	P/E 3/24/14 X6757	\$ 437.81
Corporate Express	Credit on Returned Supplies	6/17/2008	88070801	(43.97)
County of Monterey, Information Technology	Computer Support Services through 12/27/13-Never Billed	2/21/2014	Dept 812 P/E 12/27/13	1,037.67
Office of County Counsel- Co of Monterey	Legal Services for January 2014	3/7/2014	14-000032	726.18
Office of County Counsel- Co of Monterey	Legal Services for February 2014	3/20/2014	14-000062	207.48
SlingShot Connections	Temporary Help: Jimenez, Alma for Week Ending 3/23/14	3/26/2014	Apr-08	219.26
Staples Advantage	Office Supplies	3/25/2014	3226433678	362.45
Staples Advantage	Credit on Returned Supplies	1/30/2014	3221196572	(36.55)
The Monterey County Herald	Recruitment Advertising	3/31/2014	748958	826.78
The Salinas Californian	Recruitment Advertising	3/30/2014	2772668	419.00
			ACCT # 2000	\$ 4,156.11

LAFCO of Monterey County
Accrued Leave Summary
As of March 31, 2014

DRAFT

Executive Officer and Analyst Positions:

Employee	Title	Total Hours of Accrued Annual Leave *	Hourly Rate	Annual Leave Book Value
Kate McKenna	Executive Director	406.55	76.31	\$ 31,023.83
Darren McBain	Senior Analyst	46.52	39.15	1,821.26
				\$ 32,845.09

Clerk / Administrative Secretary Position:

Employee	Accrued Sick Leave	Accrued Vacation **	Hourly Rate	Sick Leave Book Value	Vacation Book Value
Gail Lawrence	55.48	43.39	27.91	\$ 1,548.45	\$ 1,211.01

Annual Leave	\$ 32,845.09
Sick Leave	1,548.45
Vacation	1,211.01
ACCT # 2220	\$ 35,604.55

Executive Officer and Senior Analyst Positions:

* Maximum of 250 or 850 hours of Annual Leave may be accrued. This is a general description of benefits only. Actual benefits are defined in individual employment agreements.

Clerk/Admin Secretary Position:

** Maximum of 260 hours of Accrued Vacation may be accrued. This is a general description of benefits only. Actual benefits are defined in employment agreement.

LAFCO of Monterey County
 Detail of Encumbrances
 As of March 31, 2014

DRAFT

Human Resources Encumbered Funds:

Subject	Date Paid/ Inv. No.	Add'l Funds Received/(Paid)	Remaining Balance
Contract Transfer*			\$ 3,460.00
06-07 Budget Carryover		5,000.00	8,460.00
Fenton & Keller	10/04/07 Inv No. 60042	(1,233.00)	7,227.00
Fenton & Keller	4/30/07 Inv. No. 62165	(2,764.50)	4,462.50
07-08 Budget Carryover		400.00	4,862.50
08-09 Budget Carryover		500.00	5,362.50
09-10 Budget Carryover		500.00	5,862.50
Fenton & Keller	10/27/10 Inv No. 69698	(467.50)	5,395.00
10-11 Budget Carryover		500.00	5,895.00
11-12 Budget Carryover		500.00	6,395.00
12-13 Budget Carryover		500.00	6,895.00
		ACCT # 3710	\$ 6,895.00

*RGS was replaced by Fenton & Keller in September 2007.
 The original contract with RGS was for \$10,000. The balance of \$3,460
 was transferred to Fenton & Keller on September 1, 2007.

LAFCO of Monterey County
 Detail of Reserve for Litigation Account
 As of March 31, 2014

DRAFT

Reserve for Litigation:

Date	Vendor/Description	Invoice #	Amount
	Beginning Balance as of 7/1/08		\$ 18,330.28
7/1/2008	08/09 Budget Amount		25,000.00
8/22/2008	Office of County Counsel-Co. of Monterey	08-000147	(564.69)
8/27/2008	Best, Best & Krieger	582486	(2,713.66)
10/14/2008	Best, Best & Krieger	586916	(390.00) *
2/19/2009	Best, Best & Krieger	596717	(2,106.00) *
3/13/2009	Best, Best & Krieger	598793	(19.50)
3/13/2009	Best, Best & Krieger	599174	(6,907.12) *
4/22/2009	Best, Best & Krieger	601472	(156.00)
5/26/2009	Best, Best & Krieger	603629	(175.50)
7/1/2009	09/10 Budget Amount		10,000.00
10/15/2009	Best, Best & Krieger	614071	(312.00)
7/1/2010	10/11 Budget Amount		30,000.00
6/30/2011	Transfer from Unreserved Fund		174,950.70
7/1/2011	11/12 Budget Amount		30,000.00
7/1/2012	12/13 Budget Amount		25,000.00
7/1/2013	13/14 Budget Amount		100.00
		ACCT # 3800	\$ 300,036.51

*The original invoice is greater than the amount stated above. This is the amount allocated to the litigation reserve. The remaining balance is allocated to general and special legal services.

LAFCO of Monterey County
 Detail of Reserve for Contingency Account
 As of March 31, 2014

DRAFT

Reserve for Contingency:

Date	Vendor/Description	Invoice #	Amount
	Beginning Balance as of 7/1/13		\$ 170,000.00
10/8/2013	Soledad Community Health Care District*		<u>(13,221.00)</u>
		ACCT # 3800	<u>\$ 156,779.00</u>

*The Executive Director of Lafco along with the Commission approved a one time contribution from the Contingency Reserve to go toward the 2013-2014 fees due from Soledad Community Health Care District. This was intended to provide short term relief from hardships of a sudden 200-fold increase as compared to previous years. The original amount invoiced was \$13,722.00. Lafco received payment in the amount of \$501.00.

LAFCO of Monterey County
Profit & Loss Budget vs. Actual (DRAFT)
July 1, 2013 through May 9, 2014

DRAFT

	<u>Jul 1, '13 - May 9, 14</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4000 · Fees	\$ 9,946.47	\$ 10,000.00	\$ (53.53)	99.47%
4205 · County Contributions	250,164.00	250,164.00	0.00	100.0%
4210 · City Contributions	250,164.01	250,164.00	0.01	100.0%
4220 · District Contributions	250,166.00	250,163.00	3.00	100.0%
4300 · Interest	1,958.21	1,500.00	458.21	130.55%
Total Income	<u>762,398.69</u>	<u>761,991.00</u>	<u>407.69</u>	<u>100.05%</u>
Expense				
7300 · Depreciation	1,160.76	-	1,160.76	100.0%
6000 · Employee Salaries	307,966.33	408,946.00	(100,979.67)	75.31%
6100 · Employee Benefits	131,756.25	191,445.00	(59,688.75)	68.82%
7000 · Postage and Shipping	1,121.95	2,500.00	(1,378.05)	44.88%
7010 · Books and Periodical	815.98	1,000.00	(184.02)	81.6%
7030 · Copy Machine	5,367.22	6,500.00	(1,132.78)	82.57%
7040 · Outside Printers	3,382.45	4,000.00	(617.55)	84.56%
7060 · Office Supplies	3,104.14	4,500.00	(1,395.86)	68.98%
7080 · Computer Hardware/Peripherals	2,201.31	7,000.00	(4,798.69)	31.45%
7085 · Computer Support Svc Fixed Cost	6,695.03	7,000.00	(304.97)	95.64%
7090 · Computer Support Svc Variable	3,102.00	11,000.00	(7,898.00)	28.2%
7100 · Computer Software	89.98	2,500.00	(2,410.02)	3.6%
7105 · Meeting Broadcast Services	-	3,300.00	(3,300.00)	0.0%
7110 · Property and Gen Liability Ins	3,752.54	5,500.00	(1,747.46)	68.23%
7120 · Office Maintenance Services	-	400.00	(400.00)	0.0%
7140 · Travel	7,114.80	7,000.00	114.80	101.64%
7150 · Training, Conferences & Wrkshps	5,710.31	8,500.00	(2,789.69)	67.18%
7160 · Vehicle Mileage	1,294.10	2,000.00	(705.90)	64.71%
7170 · Rental of Buildings	21,189.08	23,300.00	(2,110.92)	90.94%
7200 · Telephone Communications	3,707.58	5,000.00	(1,292.42)	74.15%
7230 · Temp Help Services (Clerical)	1,859.19	2,000.00	(140.81)	92.96%
7242 · Outside Prof Svc-Accounting	27,900.00	37,500.00	(9,600.00)	74.4%
7248 · Outside Prof Svc-Annual Audit	13,000.00	13,000.00	-	100.0%
7245 · General Legal Services	2,960.04	5,000.00	(2,039.96)	59.2%
7250 · Miscellaneous Office Expense	599.72	600.00	(0.28)	99.95%
7260 · Legal Notices	1,677.65	4,000.00	(2,322.35)	41.94%
7261 · Pass-through expense	350.00	-	350.00	100.0%
7270 · Recruitment Advertising	2,559.16	4,000.00	(1,440.84)	63.98%
7280 · LAFCO Memberships	4,116.00	4,400.00	(284.00)	93.55%
7285 · Records Storage & Security	7,382.41	10,000.00	(2,617.59)	73.82%
7290 · Litigation Reserve	-	100.00	(100.00)	0.0%
Total Expense	<u>571,935.98</u>	<u>781,991.00</u>	<u>(210,055.02)</u>	<u>73.14%</u>
Net Ordinary Income	<u>190,462.71</u>	<u>(20,000.00)</u>	<u>210,462.71</u>	<u>-952.31%</u>
Other Income/Expense				
Other Income				
8110 · From Unreserved Funds	-	20,000.00	(20,000.00)	0.0%
Total Other Income	<u>-</u>	<u>20,000.00</u>	<u>(20,000.00)</u>	<u>0.0%</u>
Other Expense				
8106 · Prior Yr Project Fees Returned	6,379.25	-	6,379.25	100.0%
8107 · Use of Contingency Reserve	13,221.00	-	13,221.00	100.0%
Total Other Expense	<u>19,600.25</u>	<u>0.00</u>	<u>19,600.25</u>	<u>100.0%</u>
Net Other Income/Expense	<u>(19,600.25)</u>	<u>20,000.00</u>	<u>(39,600.25)</u>	<u>-98.0%</u>
Net Income	<u>\$ 170,862.46</u>	<u>\$ -</u>	<u>\$ 170,862.46</u>	<u>100.0%</u>

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY
DRAFT BUDGET WORKSHEET - AMENDMENT NO. 2
FISCAL YEAR 2013-2014
MAY 16, 2014

	Adopted Budget Fiscal Year 2013-14 As Amended 2/24/14	Proposed Budget Amendment No. 2	Proposed Amended Budget FY 2013-14
6000 Employee Salaries	\$ 408,946.00	(\$4,000)	\$ 404,946.00
6100 Employee Benefits	\$ 191,445.00		\$ 191,445.00
2220-Accrued Leave Reserve	\$ -	\$ -	\$ -
2230-Post-Retirement Healthcare Obligation Reserve	\$ -	\$ -	\$ -
2001 Litigation Settlement Agreement Costs	\$ -	\$ -	\$ -
7000 Postage and Shipping	\$ 2,500.00	\$ -	\$ 2,500.00
7010 Books and Periodicals	\$ 1,000.00	\$ -	\$ 1,000.00
7030 Copy Machine Charges	\$ 6,500.00		\$ 6,500.00
7040 Outside Printers	\$ 4,000.00	\$ -	\$ 4,000.00
7060 Office Supplies	\$ 4,500.00	\$ -	\$ 4,500.00
7070 Office Equipment and Furnishings	\$ -	\$ -	\$ -
7080 Computer/Hardware/Peripherals	\$ 7,000.00	\$ -	\$ 7,000.00
7085 Computer Support Services (Fixed Costs)	\$ 7,000.00	\$ -	\$ 7,000.00
7090 Computer Support Services (Variable Costs)	\$ 11,000.00		\$ 11,000.00
7100 Computer Software	\$ 2,500.00	\$ -	\$ 2,500.00
7105 Meeting Broadcast Services	\$ 3,300.00	\$ -	\$ 3,300.00
7110 Property and General Liability Insurance	\$ 5,500.00	\$ -	\$ 5,500.00
7120 Office Maintenance Services	\$ 400.00	\$ -	\$ 400.00
7130 Other Equipment Maintenance	\$ -	\$ -	\$ -
7140 Travel	\$ 7,000.00	\$ -	\$ 7,000.00
7145 CALAFCO Travel Expenses	\$ -	\$ -	\$ -
7150 Training, Conferences and Workshops	\$ 8,500.00	\$ -	\$ 8,500.00
7160 Vehicle Mileage	\$ 2,000.00	\$ -	\$ 2,000.00
7170 Rental of Buildings	\$ 23,300.00	\$ -	\$ 23,300.00
7200 Telephone Communications	\$ 5,000.00	\$ -	\$ 5,000.00
7230 Temporary Help Services (Clerical)	\$ 2,000.00	\$ -	\$ 2,000.00
7240 Outside Professional Services - Total for Line Items 7242 - 7249	\$ 55,500.00	\$ -	\$ 55,500.00
7242 Accounting and Financial Services	37,500	\$ -	\$ 37,500.00
7245 General Counsel and Special Counsel	\$ 5,000.00		\$ 5,000.00
7247 Human Resources	\$ -	\$ -	\$ -
7248 Annual Audit	\$ 13,000.00	\$ -	\$ 13,000.00
7249 Temporary In-House Professional Services	\$ -	\$ -	\$ -
7250 Miscellaneous Office Expenses	\$ 600.00	\$ -	\$ 600.00
7260 Legal Notices	\$ 4,000.00		\$ 4,000.00
7261 Pass-Through Expenses	\$ -	\$ -	\$ -
7270 Recruitment Advertising	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00
7280 LAFCO Memberships	\$ 4,400.00	\$ -	\$ 4,400.00
7290 Litigation Reserve	\$ 100.00	\$ -	\$ 100.00
XXXX Records Storage and Security	\$ 10,000.00		\$ 10,000.00
7295 Contingency Reserve	\$ -	\$ -	\$ -
SUB TOTAL EXPENDITURES (see Note 1)	\$ 781,991.00	\$ -	\$ -
LESS PASS-THROUGH EXPENSES (Acct. 7261)	\$ -	\$ -	\$ -
TOTAL EXPENDITURES (NET) (see Note 1)	\$ 781,991.00	\$ -	\$ 781,991.00

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 Fax (831) 754-5831
www.monterey.lafco.ca.gov

**KATE McKENNA, AICP
Executive Officer**

DATE: May 16, 2014
TO: Budget and Finance Committee
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: CONSIDER SALARY RANGES AND FLEXIBLE CLASSIFICATION OF
VACANT STAFF POSITION, AND RELATED ACTIONS FOR FY 2014-
2015 BUDGET

SUMMARY OF RECOMMENDATION:

Discuss and provide direction for possible action by the Local Agency Formation Commission at the next regular LAFCO meeting on June 23, 2014.

EXECUTIVE OFFICER'S REPORT:

This report presents a summary of an issue, possible solutions and fiscal impacts. Additional information will be provided at the meeting.

Description of the Issue

The Commission has authorized the current vacant position to be flexibly staffed at Associate or Senior Analyst levels. As discussed in Agenda Item No. 3, recruitment efforts since January have been unsuccessful in attracting highly qualified candidates.

Part of the difficulty is the specialized technical and professional nature of the work which requires urban planning or equivalent education and experience in the public sector, plus working knowledge of the Cortese-Knox-Hertzberg Act.

In addition, the current salary ranges are not competitive with planner positions being advertised in Santa Clara County and other parts of the San Francisco Bay Area, and so do not attract professionals from outside our region. Current salary ranges are also not competitive when compared to some of our local agencies that recruit and hire from the same pool of qualified local planners. LAFCO analyst salary ranges been held flat since 2008, and will see their first authorized COLA in July 2014. The COLA will be more than offset by a scheduled reduction in benefits for LAFCO staff. Recruitment advertising to date has shown the salary ranges with anticipated COLAs.

Discussion of Possible Actions

Part of the proposed solution is to drop the current first step of the salary ranges of the Associate and Senior Analyst positions, and to add a new top step to both ranges. This would result in a 5 percent increase in the overall salary ranges. Another possible action is to authorize a one-time 5 percent increase in each step of the salary ranges.

A further solution is to authorize flexible staffing to fill the position at the Principal Analyst level (or Associate or Senior Analyst levels). This would enable LAFCO to test the local market for very highly qualified planning professionals. The salary range of the Principal Analyst position would be set at approximately 15 percent above the salary range of the Senior Analyst position. Filling the position at the Principal Analyst level would reduce the need for staff training by the Executive Officer, and would better distribute the Commission's complex workload that is now borne primarily and directly by the Executive Officer.

Fiscal Impact

The staffing proposals discussed above may slightly increase the salaries and benefits costs in Fiscal Year 2014-2015, depending on the timing, classification and salary step of a future new hire. It is possible that the costs can be absorbed in the current salaries and benefits line items of the adopted budget for Fiscal Year 2014-2015. In the event that additional revenue is needed, this could be accomplished by authorizing a year-end journal entry transfer from the Unreserved Fund Balance on June 30, 2015, if required for salaries and benefits line items. The Unreserved Fund Balance is healthy and able to support such a transaction.

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer