

**2016  
Committee**

**Chair**

Ralph Rubio  
City Member

Simón Salinas  
County Member

Graig R. Stephens  
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**Counsel**

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## AGENDA BUDGET AND FINANCE COMMITTEE MEETING

Wednesday, May 4, 2016  
11:00 a.m. – 12:00 p.m.

LAFCO Office  
132 W. Gabilan Street, Suite 102  
Salinas, California

Roll Call

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, 2016.  
Recommended Action: Recommend Commission approval of the financial statements.
2. Consider Profit/Loss Budget vs. Actual Worksheet dated April 22, 2016.  
Recommended Action: Discuss and accept report as information only.
3. Consider a Year-End Budget Encumbrance for Fiscal Year 2015-2016.  
Recommended Action: Recommend Commission approval of a proposed budget encumbrance of any funds remaining in Human Resources Professional Services on June 30, 2016, for use in special projects in Fiscal Year 2016-2017.

Other Business

Adjournment

The next Regular Budget and Finance Committee Meeting – Friday, November 4, 2016 at 11:00 a.m.

*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 2132) 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.*



**Local Agency Formation Commission  
of Monterey County  
Financial Statements  
March 31, 2016**

Draft

# LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

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### 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, 2016. 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.

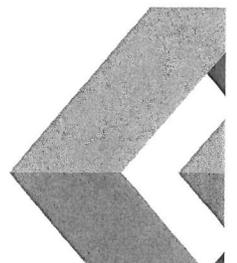
Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by LAFCO and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

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 25, 2016



**LAFCO of Monterey County**  
**Balance Sheets**  
**March 31, 2016 and 2015**

<b>ASSETS</b>			
	<u>ACCT #</u>	<u>2016</u>	<u>2015</u>
<b>CURRENT ASSETS:</b>			
<b>Cash Held in Bank:</b>			
Rabobank Operating	1000	\$ 10,665.84	\$ 115,537.98
Wells Fargo Operating	1007	223,969.52	48,678.31
<b>Total Cash Held in Bank</b>		<u>234,635.36</u>	<u>164,216.29</u>
<b>Cash Held in County Treasury:</b>			
Cash Held for Operating Expenses	1010	347,068.81	280,555.08
Designated Cash for Reserve for Litigation	1012	300,036.51	300,036.51
Designated Cash for Accrued Leave	1013	35,248.33	38,519.73
Designated Cash for Post Retirement (GASB 45)	1014	9,379.00	9,379.00
Designated Cash for Reserve for Contingency	1015	156,779.00	156,779.00
<b>Total Cash Held in County Treasury</b>		<u>848,511.65</u>	<u>785,269.32</u>
Petty Cash	1100	100.00	100.00
<b>Total Cash</b>		<u>1,083,247.01</u>	<u>949,585.61</u>
<b>Other Current Assets:</b>			
Accounts Receivable - For Fiscal Yr Ending 6/16	1228	41.00	-
Wells Fargo Bank Receivable	1310	-	181.85
Prepaid Insurance	1400	2,744.44	2,819.71
Prepaid Expenses	1405	2,343.36	3,163.81
<b>Total Other Current Assets</b>		<u>5,128.80</u>	<u>6,165.37</u>
<b>Total Current Assets</b>		<u>1,088,375.81</u>	<u>955,750.98</u>
<b>NON-CURRENT ASSETS:</b>			
Equipment	1500	13,753.18	29,120.35
Accumulated Depreciation	1550	(10,351.88)	(24,130.14)
<b>Total Non-Current Assets</b>		<u>3,401.30</u>	<u>4,990.21</u>
<b>DEFERRED OUTFLOWS OF RESOURCES (GASB 68):</b>			
Deferred Outflows of Resources - PERS Contributions	1800	146,482.21	-
Deferred Outflows of Resources - Actuarial	1805	18,876.00	-
<b>Total Deferred Outflows of Resources (GASB 68)</b>		<u>165,358.21</u>	<u>-</u>
		<u>\$ 1,257,135.32</u>	<u>\$ 960,741.19</u>
<b>LIABILITIES AND EQUITY</b>			
	<u>ACCT #</u>	<u>2015</u>	<u>2014</u>
<b>CURRENT LIABILITIES:</b>			
Accounts Payable	2000	\$ 4,610.08	\$ 1,627.66
Payroll Liabilities	2200	1,568.00	168.00
CalPers 457 Liability	2205	-	-
Direct Deposit Liabilities	2210	-	-
Accrued Leave	2220	35,248.33	38,519.73
<b>Total Current Liabilities</b>		<u>41,426.41</u>	<u>40,315.39</u>
<b>NON-CURRENT LIABILITIES:</b>			
Post Retirement (GASB 45)	2230	9,379.00	9,379.00
Net Pension Liability (GASB 68)	2400	108,773.00	-
<b>Total Non-Current Liabilities</b>		<u>118,152.00</u>	<u>9,379.00</u>
<b>DEFERRED INFLOWS OF RESOURCES (GASB 68):</b>	2500	48,732.00	-
<b>EQUITY:</b>			
Beginning Net Position (GASB 68)	3400	(108,279.00)	-
Invested in Capital Assets	3700	3,401.30	4,990.21
Encumbered Funds	3710	2,316.90	14,681.90
Reserve for Litigation	3800	300,036.51	300,036.51
Reserve for Contingency	3810	156,779.00	156,779.00
Unreserved Fund*	3850	694,570.20	434,559.18
<b>Total Equity</b>		<u>1,048,824.91</u>	<u>911,046.80</u>
		<u>\$ 1,257,135.32</u>	<u>\$ 960,741.19</u>

\*Includes revenue received in the current year to be used for operating expenses through 6/30/16

**LAFCO of Monterey County**  
**Income and Expense Budget Performance - Summary**  
**March 31, 2016**

ACCT #	Income:	Mar 16	Mar 15	% of Budget		July 15-Mar 16	July 14-Mar 15	Adopted 15/16 Budget	Remaining Budget Balance	% of Remaining Budget Balance
				Received/ Spent Mar 16	Spent					
4000	Fees: Project	\$ -	\$ -	0.00%		\$ 6,590.03	\$ 5,512.97	\$ 10,000.00	\$ (3,409.97)	-34.10%
4205	County Contributions	-	-	0.00%		269,068.00	249,367.00	269,067.00	1.00	0.00%
4210	City Contributions	-	-	0.00%		269,067.00	249,366.99	269,067.00	-	0.00%
4220	District Contributions	-	-	0.00%		269,067.00	249,367.00	269,067.00	-	0.00%
4300	Interest	-	0.04	0.00%		3,570.97	2,193.79	1,500.00	2,070.97	138.06%
	<b>Total Income</b>	-	0.04	0.00%		817,363.00	755,807.75	818,701.00	(1,338.00)	-0.16%
	<b>Expense:</b>									
VAR	Employee Salaries	31,994.01	31,737.27	7.19%		285,833.78	300,859.18	445,000.00	159,166.22	35.77%
VAR	Employee Benefits	11,442.23	12,849.01	6.18%		99,890.59	113,752.94	185,000.00	85,109.41	46.01%
7000	Postage and Shipping	586.03	503.57	19.53%		2,013.33	1,709.14	3,000.00	986.67	32.89%
7010	Books and Periodical	91.97	293.49	9.20%		672.70	944.50	1,000.00	327.30	32.73%
7030	Copy Machine	315.70	315.70	4.86%		5,341.74	4,825.75	6,500.00	1,158.26	17.82%
7040	Outside Printers	356.73	1,162.15	5.95%		2,194.11	3,094.78	6,000.00	3,805.89	63.43%
7060	Office Supplies	67.71	185.21	1.50%		3,249.22	2,444.95	4,500.00	1,250.78	27.80%
7070	Office Equipment & Furnishings	-	-	0.00%		411.53	-	1,000.00	588.47	58.85%
7080	Computer Hardware/Peripherals	172.96	171.16	5.77%		1,556.64	1,524.65	3,000.00	1,443.36	48.11%
7085	Computer Support Svcs Fixed Costs	1,587.72	-	21.17%		5,862.08	667.00	7,500.00	1,637.92	21.84%
7090	Computer Support Svcs Variable Costs	2,091.00	-	17.43%		4,640.92	4,623.00	12,000.00	7,359.08	61.33%
7100	Computer Software	-	79.99	0.00%		529.93	411.90	1,000.00	470.07	47.01%
7105	Meeting Broadcast Services	-	-	0.00%		1,950.00	-	3,300.00	1,350.00	40.91%
7110	Property and Gen Liability Insurance	419.78	422.30	7.92%		3,778.02	3,800.70	5,300.00	1,521.98	28.72%
7120	Office Maintenance Services	-	-	0.00%		-	-	400.00	400.00	100.00%
7140	Travel	7.53	-	0.11%		3,856.81	2,809.73	7,000.00	3,143.19	44.90%
7150	Training, Conferences & Workshops	667.62	-	7.85%		3,973.86	2,422.52	8,500.00	4,526.14	53.25%
7160	Vehicle Mileage	-	147.78	0.00%		135.70	595.05	2,000.00	1,864.30	93.22%
7170	Rental of Buildings	2,027.66	1,926.28	8.31%		18,248.94	17,336.52	24,400.00	6,151.06	25.21%
7200	Telephone Communications	966.02	1,097.46	16.10%		3,655.72	4,615.17	6,000.00	2,344.28	39.07%
7230	Temporary Help Services (Clerical)	3,254.76	-	13.02%		14,806.30	-	25,000.00	10,193.70	40.77%
7242	Outside Prof. Services: Accounting	3,000.00	3,000.00	8.00%		27,012.70	24,000.00	37,500.00	10,487.30	27.97%
7245	General and Special Legal Services	-	3,041.28	0.00%		1,364.18	3,974.94	11,000.00	9,635.82	87.60%
7247	Outside Prof. Services: Human Resources	-	-	0.00%		-	-	10,000.00	10,000.00	100.00%
7248	Outside Prof. Services: Annual Audit	-	-	0.00%		13,000.00	13,000.00	13,500.00	500.00	3.70%
7250	Miscellaneous Office Expense	19.30	17.84	3.22%		289.02	372.08	600.00	310.98	51.83%
7260	Legal Notices	176.55	279.52	4.41%		801.05	1,184.99	4,000.00	3,198.95	79.97%
7280	LAFCO Memberships	-	-	0.00%		4,377.00	4,239.00	4,700.00	323.00	6.87%
7285	Records Storage & Security	-	-	0.00%		-	8,332.00	10,000.00	10,000.00	100.00%
7300	Depreciation	172.00	230.00	0.00%		1,542.00	2,091.00	-	(1,542.00)	0.00%
	<b>Total Expense</b>	59,417.28	57,460.01	7.00%		510,987.87	523,631.49	848,700.00	337,712.13	39.79%
	<b>Net Ordinary Income (Loss)</b>	(59,417.28)	(57,459.97)			306,375.13	232,176.26	(29,999.00)		
	<b>Other Income/(Expense):</b>									
8110	From Unreserved Funds	-	(108,396.00)			-	(108,396.00)	30,000.00		
8111	Encumbered Funds: Computer Support Variable	-	-			(5,470.00)	-	-		
8112	Encumbered Funds: Recruitment Advertising	-	-			-	(862.50)	-		
8113	Encumbered Funds: Human Resources	-	-			(50.84)	-	-		
8114	Encumbered Funds: Temp Help Svcs -Clerical	-	-			(7,000.00)	-	-		
	<b>Total Other Income/(Expense)</b>	-	(108,396.00)			(12,520.84)	(109,258.50)	30,000.00		
	<b>Net Income (Loss)</b>	\$ (59,417.28)	\$ (165,855.97)			\$ 293,854.29	\$ 122,917.76	\$ 1.00		

**LAFCO of Monterey County**  
**Income and Expense Budget Performance - Detail**  
**March 31, 2016**

ACCT #	Income:			% of Budget		Adopted 15-16 Budget	Remaining Budget Balance	% of Remaining Budget Balance	
		Mar 16	Mar 15	Received/ Spent Mar 16	July 15-Mar 16				July 14-Mar 15
4000	Fees: Project	\$ -	\$ -	0.00%	\$ 6,590.03	\$ 5,512.97	\$ 10,000.00	\$ (3,409.97)	-34.10%
4205	County Contributions	-	-	0.00%	269,068.00	249,367.00	269,067.00	1.00	0.00%
4210	City Contributions	-	-	0.00%	269,067.00	249,366.99	269,067.00	-	0.00%
4220	District Contributions	-	-	0.00%	269,067.00	249,367.00	269,067.00	-	0.00%
4300	Interest	-	0.04	0.00%	3,570.97	2,193.79	1,500.00	2,070.97	138.06%
	<b>Total Income</b>	-	0.04	0.00%	817,363.00	755,807.75	818,701.00	(1,338.00)	-0.16%
<b>Expense:</b>									
6002	Regular Earnings	31,994.01	31,737.27		285,833.78	300,859.18			
	<b>Employee Salaries</b>	<b>31,994.01</b>	<b>31,737.27</b>	<b>7.19%</b>	<b>285,833.78</b>	<b>300,859.18</b>	<b>445,000.00</b>	<b>159,166.22</b>	<b>35.77%</b>
6006	Flex Plan Cash	270.06	270.06		2,430.54	2,430.54			
6007	Management Expense Allowance	50.00	50.00		450.00	450.00			
6010	Accrued Leave	1,707.09	1,500.91		(3,108.92)	(1,480.41)			
6011	Car Allowance	400.00	400.00		3,600.00	3,600.00			
6013	Post Retirement Healthcare Reserve	-	-		-	(589.00)			
6101	Payroll Expenses	687.37	486.24		6,932.89	6,549.74			
6102	Worker's Compensation Insurance	135.62	129.33		1,220.58	1,164.00			
6103	Employee Memberships	-	-		728.00	718.00			
6104	Deferred Comp Plan Contribution	1,735.23	1,967.71		16,291.27	17,855.39			
6105	PERS Retirement	2,033.54	3,323.95		20,375.98	29,788.96			
6110	PERS Health - Other	14.06	18.11		109.44	142.16			
6111	PERS Health - Med ER Non-Elective	500.00	610.00		4,428.00	4,924.00			
6112	PERS Health - Med ER Pre Tax	2,884.62	3,442.13		22,165.68	25,804.53			
6131	LIFE	76.80	71.40		691.20	642.60			
6132	ADD	12.00	12.00		108.00	108.00			
6133	Dental	526.40	245.38		4,747.62	3,702.04			
6134	Vision	69.04	19.64		592.80	425.32			
6135	LTD	262.43	227.23		4,221.74	3,978.54			
6136	EAP	26.80	26.80		241.20	241.20			
6139	STD	51.17	48.12		469.77	438.13			
6140	Cobra Fee	-	-		(50.00)	-			
7294	Accrued Leave Reserve	-	-		13,244.80	12,859.20			
	<b>Employee Benefits</b>	<b>11,442.23</b>	<b>12,849.01</b>	<b>6.18%</b>	<b>99,890.59</b>	<b>113,752.94</b>	<b>185,000.00</b>	<b>85,109.41</b>	<b>46.01%</b>
7000	Postage and Shipping	586.03	503.57	19.53%	2,013.33	1,709.14	3,000.00	986.67	32.89%
7010	Books and Periodical	91.97	293.49	9.20%	672.70	944.50	1,000.00	327.30	32.73%
7030	Copy Machine	315.70	315.70	4.86%	5,341.74	4,825.75	6,500.00	1,158.26	17.82%
7040	Outside Printers	356.73	1,162.15	5.95%	2,194.11	3,094.78	6,000.00	3,805.89	63.43%
7060	Office Supplies	67.71	185.21	1.50%	3,249.22	2,444.95	4,500.00	1,250.78	27.80%
7070	Office Equipment & Furnishings	-	-	0.00%	411.53	-	1,000.00	588.47	58.85%
7080	Computer Hardware/Peripherals	172.96	171.16	5.77%	1,556.64	1,524.65	3,000.00	1,443.36	48.11%
7085	Computer Support Svcs Fixed Costs	1,587.72	-	21.17%	5,862.08	667.00	7,500.00	1,637.92	21.84%
7090	Computer Support Svcs Variable Costs	2,091.00	-	17.43%	4,640.92	4,623.00	12,000.00	7,359.08	61.33%
7100	Computer Software	-	79.99	0.00%	529.93	411.90	1,000.00	470.07	47.01%
7105	Meeting Broadcast Services	-	-	0.00%	1,950.00	-	3,300.00	1,350.00	40.91%
7110	Property and Gen Liability Insurance	419.78	422.30	7.92%	3,778.02	3,800.70	5,300.00	1,521.98	28.72%
7120	Office Maintenance Services	-	-	0.00%	-	-	400.00	400.00	100.00%
7140	Travel	7.53	-	0.11%	3,856.81	2,809.73	7,000.00	3,143.19	44.90%
7150	Training, Conferences & Workshops	667.62	-	7.85%	3,973.86	2,422.52	8,500.00	4,526.14	53.25%
7160	Vehicle Mileage	-	147.78	0.00%	135.70	595.05	2,000.00	1,864.30	93.22%
7170	Rental of Buildings	2,027.66	1,926.28	8.31%	18,248.94	17,336.52	24,400.00	6,151.06	25.21%
7200	Telephone Communications	966.02	1,097.46	16.10%	3,655.72	4,615.17	6,000.00	2,344.28	39.07%

LAFCO of Monterey County  
Income and Expense by Month  
March 31, 2016

Ordinary Income/Expense	July 15	Aug 15	Sept 15	Oct 15	Nov 15	Dec 15	Jan 16	Feb 16	Mar 16	Total
Income:										
4000 - Fees: Project	\$ 190.53	\$ -	\$ -	\$ 4,200.00	\$ -	\$ 3,000.00	\$ 1,590.92	\$ (2,391.42)	\$ -	\$ 6,590.03
4205 - County Contributions	269,068.00	-	-	-	-	-	-	-	-	269,068.00
4210 - City Contributions	269,067.00	-	-	-	-	-	-	-	-	269,067.00
4220 - District Contributions	269,067.00	-	-	-	-	-	-	-	-	269,067.00
4300 - Interest	-	-	-	1,650.63	-	-	1,920.34	-	-	3,570.97
Total Income	807,392.53	-	-	5,850.63	-	3,000.00	3,511.26	(2,391.42)	-	817,363.00
Expense:										
6000 - Employee Salaries	40,099.22	26,758.99	28,323.97	29,758.37	30,951.49	41,611.39	26,229.26	30,107.08	31,994.01	285,833.78
6100 - Employee Benefits	12,295.03	7,188.53	12,170.30	7,926.96	10,399.25	12,741.42	13,711.78	12,015.09	11,442.23	99,890.59
7000 - Postage and Shipping	-	-	847.28	164.00	-	160.42	255.60	-	586.03	2,013.33
7010 - Books and Periodical	238.00	161.51	-	49.70	-	-	50.00	81.52	91.97	672.70
7030 - Copy Machine	315.70	796.21	315.70	315.70	1,075.83	315.70	315.70	1,575.50	315.70	5,341.74
7040 - Outside Printers	-	-	81.84	-	-	476.11	1,279.43	-	356.73	2,194.11
7060 - Office Supplies	522.79	381.74	466.70	213.26	475.25	-	307.40	814.37	67.71	3,249.22
7070 - Office Equipment and Furnishings	-	-	-	-	-	-	-	411.53	-	411.53
7080 - Computer Hardware/Peripherals	172.96	172.96	172.96	172.96	172.96	172.96	172.96	172.96	172.96	1,556.64
7085 - Computer Support Svcs Fixed Costs	-	-	756.26	1,390.32	-	-	1,395.02	732.76	1,587.72	5,862.08
7090 - Computer Support Svcs Variable Costs	-	-	334.25	748.92	-	-	1,137.75	325.00	2,091.00	4,640.92
7100 - Computer Software	239.97	-	-	199.97	-	-	-	89.99	-	529.93
7105 - Meeting Broadcast Services	-	-	1,950.00	-	-	-	-	-	-	1,950.00
7110 - Property and Gen Liability Insurance	419.78	419.78	419.78	419.78	419.78	419.78	419.78	419.78	419.78	3,778.02
7140 - Travel	-	-	3,044.16	409.68	395.44	-	-	-	7.53	3,856.81
7150 - Training, Conferences & Workshops	30.00	-	2,751.24	525.00	-	-	-	-	667.62	3,973.86
7160 - Vehicle Mileage	-	-	90.85	44.85	-	-	-	-	-	135.70
7170 - Rental of Buildings	2,027.66	2,027.66	2,027.66	2,027.66	2,027.66	2,027.66	2,027.66	2,027.66	2,027.66	18,248.94
7200 - Telephone Communications	303.62	687.43	311.81	343.20	217.31	329.90	309.75	186.68	966.02	3,655.72
7230 - Temporary Help Services (Clerical)	-	2,433.15	(2,433.15)	297.46	2,350.08	2,756.15	2,638.94	3,508.91	3,254.76	14,806.30
7242 - Outside Prof. Services: Accounting	-	3,000.00	3,000.00	3,000.00	6,012.70	3,000.00	3,000.00	3,000.00	3,000.00	27,012.70
7245 - General and Special Legal Services	-	-	656.74	-	316.66	-	278.51	-	-	1,364.18
7248 - Outside Prof. Services: Annual Audit	-	-	6,000.00	7,000.00	-	-	-	-	-	13,000.00
7250 - Miscellaneous Office Expense	29.32	32.96	33.15	33.24	33.16	33.24	41.47	33.18	19.30	289.02
7260 - Legal Notices	-	247.17	-	-	277.33	-	54.48	45.52	176.55	801.05
7280 - LAFCO Memberships	3,221.00	-	-	-	-	-	1,156.00	-	-	4,377.00
7300 - Depreciation	173.00	170.00	172.00	171.00	170.00	170.00	174.00	170.00	172.00	1,542.00
8111 - Encumbered Funds: Computer Support Variable	-	-	-	388.83	-	5,081.17	-	-	-	5,470.00
8113 - Encumbered Funds: Human Resources	-	-	50.84	-	-	-	-	-	-	50.84
8114 - Encumbered Funds: Temp Help Svcs - Clerical	-	-	4,462.69	2,537.31	-	-	-	-	-	7,000.00
Total Expense	60,088.05	44,478.09	66,011.03	58,138.17	55,294.90	69,408.17	54,955.49	55,717.53	59,417.28	523,508.71
Net Income/(Loss)	\$ 747,304.48	\$ (44,478.09)	\$ (66,011.03)	\$ (52,287.54)	\$ (55,294.90)	\$ (66,408.17)	\$ (51,444.23)	\$ (58,108.95)	\$ (59,417.28)	\$ 293,854.29

LAFCO of Monterey County  
Accounts Receivable Summary  
As of March 31, 2016

Accounts Receivable-For Fiscal Year Ending 6/2016:

<u>Description</u>	<u>Date</u>	<u>Amount</u>
San Ardo Cemetery District	7/1/15	<u>\$ 41.00</u>
	ACCT # 1228	<u><u>\$ 41.00</u></u>

Draft

**LAFCO of Monterey County  
Equipment Summary  
As of March 31, 2016**

**Equipment and Accumulated Depreciation:**

Description	Date In Service	Cost	Amount Depreciated
Credenza	9/1/2006	516.20	516.20
Bill Quick Basic Software	8/17/2007	564.95	564.95
Ergonomic Chair	6/29/2010	502.51	451.00
ThinkPad W510 Laptop	6/30/2010	2,146.73	2,146.73
SNAP OUT Telephone System	7/28/2010	2,185.00	1,931.00
Apple Mbair 13.3 CTO Laptop	6/14/2013	1,990.68	1,514.00
Microsoft Office Plus 2013 Software	6/16/2014	1,412.00	863.00
Adobe Acrobat XI Pro Software	6/16/2014	1,128.00	689.00
Apple Mbair 13.3 CTO Laptop	6/27/2014	1,914.35	1,151.00
Acer Aspire V5 Touchscreen Laptop	6/30/2014	759.94	457.00
Conference Room Table	7/13/2015	632.82	68.00
	<b>ACCT # 1500</b>	<b>\$ 13,753.18</b>	
			<b>ACCT # 1550</b>
			<b>\$ 10,351.88</b>

**LAFCO of Monterey County  
Accounts Payable Summary  
As of March 31, 2016**

**Accounts Payable:**

Vendor	Description	Date	Inv#	Amount
Accountemps	Temp Help: Hutchison, Tiffany for Week Ending 3/18/16	3/21/2016	45340524	\$ 826.81
Accountemps	Temp Help: Hutchison, Tiffany for Week Ending 3/25/16	3/28/2016	45392814	913.41
Cardmember Service	Norton Virus Program Renewal	2/29/2016	x6757 P/E 3/25/16	89.99
Cash	Petty Cash Reimbursement-Postage	3/31/2016		91.12
Corporate Express	Credit on Returned Supplies	6/17/2008	88070801	(43.97)
County of Monterey, Information Technology	Computer Support Services Through 2/29/16	3/31/2016	Dept 812 P/E 2/29/16	2,645.71
Quality Water Enterprises, Inc.	Water Dispenser Rental	3/20/2016	484389	19.30
Wells Fargo Credit Card	Office Supplies	3/18/2016	484389	67.71
			<b>ACCT # 2000</b>	<b><u>\$ 4,610.08</u></b>

Draft

**LAFCO of Monterey County  
Accrued Leave Summary  
As of March 31, 2016**

**Executive Officer and Analyst Positions:**

Employee	Title	Total Hours of Accrued Annual Leave *	Hourly Rate	Annual Leave Book Value
Kate McKenna	Executive Director	366.67	82.78	\$ 30,352.94
Darren McBain	Senior Analyst	58.78	46.78	2,749.73
				\$ 33,102.67

**Clerk / Administrative Secretary Position:**

Employee	Accrued Sick Leave	Accrued Vacation **	Hourly Rate	Sick Leave Book Value	Vacation Book Value
Gail Lawrence	17.14	44.27	34.94	\$ 598.87	\$ 1,546.79

Annual Leave	\$ 33,102.67
Sick Leave	598.87
Vacation	1,546.79
Compensatory Time***	-
<b>ACCT # 2220</b>	<b>\$ 35,248.33</b>

**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.

\*\*\*Compensatory time: Overtime eligible employees can accrue compensatory time-off in lieu of overtime payments. A maximum of 80 hours of compensatory time may be accrued. The compensatory time off balances are considered current year liabilities. These benefits are a general description only.

**LAFCO of Monterey County  
Detail of Encumbrances  
As of March 31, 2016**

**Encumbered Funds:**

Subject	Date Paid/ Inv. No.	Funds Received/(Paid)
<b>Human Resources Encumbered Funds:</b>		
Balance as of 6/30/10		\$ 5,395.00
10-11 Budget Carryover		500.00
11-12 Budget Carryover		500.00
12-13 Budget Carryover		500.00
Regional Government Services	4/30/15 Inv. No. 4957	(90.00)
Marriott Courtyard Lodging for Ms. Humphries (RGS)	Rabobank Visa X6757-5/28/2015	(215.84)
Regional Government Services	5/31/15 Inv. No. 5057	(2,700.00)
Regional Government Services	5/31/15 Inv. No. 5084	(319.13)
Regional Government Services	6/30/15 Inv. No. 5132	(3,330.00)
Marriott Courtyard Lodging for Ms. Humphries (RGS)	Rabobank Visa X6757-6/28/2015	(189.19)
Regional Government Services	9/30/15 Inv. No. 5163	(50.84)
		<u>(0.00)</u>
*RGS replaced Fenton & Keller in April 2015, with a contract for up to \$5,000.		
<b>Computer Support Svc Variable Encumbered Funds:</b>		
13-14 Budget Carryover		5,470.00
County of Monterey, Information Technology	10/23/15 Inv. No. Dept 812 P/E 7/15	(388.83)
Monterey County Resource Mgmt Agency	12/22/15 Inv. No. 001-8222-001493	(5,081.17)
		<u>-</u>
<b>Recruitment Advertising Encumbered Funds:</b>		
13-14 Budget Carryover		3,179.40
ID Concepts, LLC	7/15/14 Inv. No. LAFCO-01	(115.00)
Hardee Investigations	9/11/14 Inv. No. LAFCO-02	(460.00)
Hardee Investigations	10/3/2014 Inv. No.	(180.00)
ID Concepts, LLC	10/10/15 Inv. No. 303013	(107.50)
		<u>2,316.90</u>
<b>Temp Help Services (Clerical) Encumbered Funds:</b>		
14-15 Budget Carryover		7,000.00
Accountemps	8/1/15 Inv. No. 43642465	(500.31)
Accountemps	8/13/15 Inv. No. 43693826	(491.28)
Accountemps	8/20/15 Inv. No. 43744649	(742.66)
Accountemps	8/27/15 Inv. No. 43796532	(698.90)
Accountemps	9/3/15 Inv. No. 43849850	(638.01)
Accountemps	9/10/15 Inv. No. 43898155	(301.10)
Accountemps	9/17/15 Inv. No. 43952569	(600.83)
Accountemps	9/24/15 Inv. No. 44005083	(489.60)
Accountemps	10/1/15 Inv. No. 44060290	(637.70)
Accountemps	10/8/15 Inv. No. 44114167	(239.90)
Accountemps	10/15/15 Inv. No. 44166864	(617.20)
Accountemps	10/22/15 Inv. No. 44220024	(650.86)
Accountemps	10/29/15 Inv. No. 44273822	(391.65)
		<u>-</u>
	<b>ACCT # 3710</b>	
		<u>\$ 2,316.90</u>

**LAFCO of Monterey County**  
**Detail of Reserve for Litigation Account**  
**As of March 31, 2016**

**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
		<b>ACCT # 3800</b>	<b>\$ 300,036.51</b>

\*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, 2016**

**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>
		<b>ACCT # 3800</b>	<b><u>\$ 156,779.00</u></b>

\*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.





## 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 Profit and Loss Actual vs. Budget draft report for the **Local Agency Formation Commission of Monterey County (LAFCO)** as of 2015/2016 fiscal year to date of April 22, 2016. We have not audited or reviewed the financial statement included in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with accounting principles generally accepted in the United States of America.

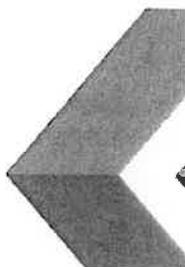
Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by LAFCO and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

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

We are not independent with respect to **LAFCO**.

April 22, 2016



**LAFCO of Monterey County**  
**Profit & Loss Budget vs. Actual (DRAFT)**  
**July 1, 2015 through April 22, 2016**

Ordinary Income/Expense	Jul 1, '15 - Apr 22, 16	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4000 · Fees	\$ 6,590.03	\$ 10,000.00	\$ (3,409.97)	65.9%
4001 · Pass Throughs	-	-	-	0.0%
4205 · County Contributions	269,068.00	269,067.00	1.00	100.0%
4210 · City Contributions	269,067.00	269,067.00	-	100.0%
4220 · District Contributions	269,067.00	269,067.00	-	100.0%
4250 · Calafco Reimbursement Income	-	-	-	0.0%
4300 · Interest	3,570.97	1,500.00	2,070.97	238.07%
<b>Total Income</b>	<b>817,363.00</b>	<b>818,701.00</b>	<b>(1,338.00)</b>	<b>99.84%</b>
<b>Expense</b>				
7300 · Depreciation	1,542.00	-	1,542.00	100.0%
6000 · Employee Salaries	314,362.62	445,000.00	(130,637.38)	70.64%
6100 · Employee Benefits	110,407.94	185,000.00	(74,592.06)	59.68%
7000 · Postage and Shipping	2,334.33	3,000.00	(665.67)	77.81%
7010 · Books and Periodical	672.70	1,000.00	(327.30)	67.27%
7030 · Copy Machine	5,657.44	6,500.00	(842.56)	87.04%
7040 · Outside Printers	2,340.12	6,000.00	(3,659.88)	39.0%
7060 · Office Supplies	3,371.54	4,500.00	(1,128.46)	74.92%
7070 · Office Equipment and Furnishing	411.53	1,000.00	(588.47)	41.15%
7080 · Computer Hardware/Peripherals	1,729.60	3,000.00	(1,270.40)	57.65%
7085 · Computer Support Svc Fixed Cost	5,862.08	7,500.00	(1,637.92)	78.16%
7090 · Computer Support Svc Variable	4,640.92	12,000.00	(7,359.08)	38.67%
7100 · Computer Software	529.93	1,000.00	(470.07)	52.99%
7105 · Meeting Broadcast Services	1,950.00	3,300.00	(1,350.00)	59.09%
7110 · Property and Gen Liability Ins	4,197.80	5,300.00	(1,102.20)	79.2%
7120 · Office Maintenance Services	-	400.00	(400.00)	0.0%
7140 · Travel	4,531.25	7,000.00	(2,468.75)	64.73%
7150 · Training, Conferences & Wrkshps	3,973.86	8,500.00	(4,526.14)	46.75%
7160 · Vehicle Mileage	135.70	2,000.00	(1,864.30)	6.79%
7170 · Rental of Buildings	20,276.60	24,400.00	(4,123.40)	83.1%
7200 · Telephone Communications	3,819.40	6,000.00	(2,180.60)	63.66%
7230 · Temp Help Services (Clerical)	16,521.12	25,000.00	(8,478.88)	66.08%
7242 · Outside Prof Svc-Accounting	30,012.70	37,500.00	(7,487.30)	80.03%
7247 · Outside Prof Svc-Human Resource	-	10,000.00	(10,000.00)	0.0%
7248 · Outside Prof Svc-Annual Audit	13,000.00	13,500.00	(500.00)	96.3%
7245 · General Legal Services	1,642.69	11,000.00	(9,357.31)	14.93%
7250 · Miscellaneous Office Expense	289.02	600.00	(310.98)	48.17%
7260 · Legal Notices	801.05	4,000.00	(3,198.95)	20.03%
7280 · LAFCO Memberships	3,221.00	4,700.00	(1,479.00)	68.53%
7285 · Records Storage & Security	-	10,000.00	(10,000.00)	0.0%
<b>Total Expense</b>	<b>558,234.94</b>	<b>848,700.00</b>	<b>(290,465.06)</b>	<b>65.78%</b>
<b>Net Ordinary Income</b>	<b>259,128.06</b>	<b>(29,999.00)</b>	<b>289,127.06</b>	<b>-863.79%</b>
<b>Other Income/(Expense)</b>				
8110 · From Unreserved Funds	-	30,000.00	(30,000.00)	0.0%
8111 · E/F - Computer Support Variable	(5,470.00)	-	(5,470.00)	100.0%
8113 · E/F - Human Resources	(50.84)	-	(50.84)	100.0%
8114 · E/F - Temp Help Svcs-Clerical	(7,000.00)	-	(7,000.00)	100.0%
<b>Total Other Income/(Expense)</b>	<b>(12,520.84)</b>	<b>30,000.00</b>	<b>(42,520.84)</b>	<b>-41.74%</b>
<b>Net Income</b>	<b>\$ 246,607.22</b>	<b>\$ 1.00</b>	<b>\$ 246,606.22</b>	<b>24,660,722.0%</b>

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP  
Executive Officer

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](http://www.monterey.lafco.ca.gov)

DATE: May 4, 2016  
TO: Budget and Finance Committee  
FROM: Kate McKenna, AICP, Executive Officer  
SUBJECT: BUDGET ENCUMBRANCE FOR FY 2015-2016

**SUMMARY OF RECOMMENDATION:**

Recommend that the Local Agency Formation Commission approve a Resolution to:

1. Authorize the Executive Officer to encumber any funds remaining in Line Item 7247 (Outside Professional Services – Human Resources) on June 30, 2016, for use in special projects in Fiscal Year 2016-2017.

**EXECUTIVE OFFICER’S REPORT:**

The proposed encumbrance action will carry over current year funds for human resources services. These funds (approximately \$10,000) will support preparation of an administrative policies and procedures manual. This project is underway and will be completed by June 2017.

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

**Fiscal Impact**

Unspent funds for professional services will be encumbered for use in the new fiscal year.

Sincerely,



Kate McKenna, AICP,  
Executive Officer