SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION NARRATIVE BUDGET 2017-18

SALARIES & BENEFITS

Object

51000 Regular Pay \$259,700

Executive Officer - The current salary is \$10,941 per month.

Secretary-Clerk - The current salary is \$5,869 per month.

Salary Reserve - The budgeted amount allows for possible adjustments to staff salaries, cash out of administrative leave, and payment of unused leave upon termination of employment. It is budgeted as a lump sum of \$57,981.

The salaries total:

Executive Officer \$131,290 Secretary-Clerk \$70,429 Salary Reserve \$57,981 Total \$259,700

51005 Overtime Pay \$1,000

The Secretary-Clerk works overtime during periods of major projects and night meetings.

51010 Extra Help \$ 1,000

These funds will be used if needed for temporary clerical assistance during the Secretary-Clerk's absence. Five days, \$200 per day.

51015 Sick Leave \$1,000

Sick leave is budgeted as a lump sum.

51035 Holiday Pay \$9,000

Holiday pay is budgeted as a lump sum.

52010 Social Security \$20,000

This figure is calculated at the rate of 7.65% of each salary.

52015 PERS \$64,000

This amount covers the Commission's contributions to the Public Employees Retirement System. Effective July 1, 2017, the employer's share of the normal costs will increase from 8.880% of salaries to 8.921%, and the employer's lump sum payment of unfunded liability will increase from \$22,662 to \$24,727 per year. The Commission is also budgeting to reduce its side fund balance \$20,000 per year.

53010 Employee Insurance \$39,000

This amount provides for health insurance through PERS and for dental, eye care, life insurance, and limited disability insurance through the County's program. The employees pay part of these costs. The employees' contributions are budgeted as revenue, and reduce the net cost of this benefit to the Commission. The total line item is based upon estimates provided by the vendors and is approximately the same as the costs in FY 2016-17. The downward adjustment next year is based upon the employees' decisions to change health plans to lower cost plans. The upward adjustment estimates 5% increased costs for the County insurances on July 1, 2017 and the PERS insurance on January 1, 2018.

53015 Unemployment \$400

This amount is budgeted at the same amount as the estimated FY 20166-17 amount.

54010 Workers' Comp. \$1,100

The Commission obtains this coverage from the Special District Risk Management Authority. The FY 2016-17 amount is an estimate of SDRMA dues and premiums, net of any credits.

SUBTOTAL SALARIES AND BENEFITS

\$396,200

SUPPLIES AND SERVICES

61220 Telecom \$1,200

The telephone cost is calculated at a 5% increase from FY 2016-17 costs.

61725 Maintenance of Office Equipment \$200

LAFCO leases a copier. This amount represents maintenance of other the copier and other office equipment.

- 62020 Memberships \$4,200
 This amount provides for membership in the California Associations of LAFCOs and the California Special Districts Association.
- 62111 Computer Hardware \$800

 The Secretary-Clerk's computer is due for replacement in FY 17
 18. The price is based upon an estimate though the County's Information Services Department purchasing program.
- Duplicating \$1,000

 This amount provides for production photocopying of reports done at the county's duplicating shop or at a local printing shop. It is budgeted at the highest expenditure during the last three years.
- 62219 Software \$500 This is budgeted as a lump sum.
- 62221 Postage \$3,200
 This is the cost of mailing public notices and regular correspondence. It is budgeted at the highest expenditure during the last three years.
- 62222 Subscriptions \$600 It is budgeted at the highest expenditure during the last three years.
- 62223 Supplies \$1,300 It represents office supplies. It is budgeted at \$100 (8%) more than FY 2016-17.
- Accounting and Auditing \$1,200
 This amount is the cost of accounting services from the County Auditor. It includes payroll, vendor payments, and auditing. It is budgeted at \$100 (9%) more than FY 2016-17.
- 62304 Attorney \$150,000
 This amount represents routine legal services from County
 Counsel's office or a private law firm (\$40,000), and a litigation reserve (\$110,000).

62325 Data Processing \$15,800

The County Information Services Department charges LAFCO with its share of the staffing overhead used to support LAFCO's computers, printers, and access to the County's geographic mapping system, accounting, fiscal, and other data bases. The amount is budgeted at the highest expenditure during the last 3 years.

62327 Director Fees \$6,000

This amount is calculated based upon seven commissioners and four alternates being paid a meeting stipend for eleven meetings per year.

62330 Surveyor \$1,000

This amount covers map checking by the County Surveyor and map prints from the County Public Works Department.

62381 Professional Services \$100.000

This amount provides for outside assistance when preparing spheres of influence, municipal service reviews, reorganization studies, and other special studies. The Local Government Reorganization Act requires LAFCO to prepare municipal service reviews and update all spheres periodically. Over a period of years, the Commission has built up its professional services reserve so that an outside consultant could be used to prepare some municipal service reviews, or partially fund a major reorganization study, such as the fire organization study currently being scoped.

62420 Legal Notices \$1,400

This amount is used to pay for public hearing notices and other legal advertising. It is calculated for 5 ads at a rate of \$280 per ad.

62610 Rents \$8,400

The County charges LAFCO rent for its office on the third floor of the Governmental Center. The annual rent is \$7,905 with no additional costs. Additionally, the County charges LAFCO to store LAFCO's old records in the County warehouse and to retrieve them when requested. This amount is calculated at the current year costs.

62856 Miscellaneous Expenses \$5,900

This sub-object is used for paying web-hosting costs, State Board of Equalization filing fees, and California Department of Fish and Wildlife environmental fees. It is calculated at the highest expenditure over the last three years.

62890 Books \$300

This entry is used to purchase books and other written materials. The budgeted amount is estimated at the highest cost over the last three years.

62910 Airfare \$3,000

Airfare is used to attend meetings that are in distant locales in California, usually southern California. The budgeted amount is estimated at ten round trip flights at \$300 per trip.

62912 Auto Rental \$200

This is budgeted as a lump sum.

62914 Education and Training \$900

This represents staff development courses and seminars. It is budgeted at three classes at \$300 each.

62922 Lodging \$5,200

Lodging is budgeted to allow Commissioners and staff members to attend training sessions and meetings. It is budgeted as a lump sum.

62924 Meals \$600

The budgeted amount is estimated at the highest cost over the last three years.

62926 Mileage \$1,700

This includes mileage for staff delivery of agendas, other office errands, and allowance for Commissioners and staff to attend conferences, seminars, CALAFCO Board meetings, and other meetings. It is budgeted at the highest expenditure over the last three years.

62928 Travel Other \$200

These are miscellaneous travel costs such as train fares, bus fares, parking and bridge tolls. It is budgeted at the highest expenditure over the last three years.

62930 Registrations \$5,400

Workshop and conference registrations are budgeted to pay for Commissioners and staff members to attend conferences and workshops. It is budgeted at the highest expenditure over the last three years.

74230 Principal on Lease \$0

This amount is the principal on the copier lease. The lease ended in FY 2015-16.

74420 Interest on Lease \$0

This amount is the interest on the copier lease. The lease ended in FY 2015-16.

SUBTOTRAL SUPPLIES AND SERVICES

\$320,200

RECAP OF PROPOSED BUDGET:

SALARIES AND BENEFITS \$396,200 SUPPLIES AND SERVICES \$320,200 FIXED ASSETS \$0 TOTAL \$716,400