

ATTACHMENT H NARRATIVE OF LINE ITEMS

**SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION
NARRATIVE BUDGET 2015-16**

SALARIES & BENEFITS

3100 Regular Pay \$226,600

Executive Officer - The current salary is \$9,634 per month.

Secretary-Clerk - The current salary is \$5,079 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 \$50,050. This lump sum has been substantially increased from last year's budget in order to cover the full amount of the termination liability if one employee were to leave in any given year.

The salaries total:

| | |
|-----------------------|-----------------|
| Executive Officer | \$115,606 |
| Secretary-Clerk | \$60,944 |
| <u>Salary Reserve</u> | <u>\$50,050</u> |
| Total | \$226,600 |

3105 Overtime Pay \$2,000

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

3110 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.

3115 Sick Leave \$2,000

Sick leave is budgeted as a lump sum.

3135 Holiday Pay \$8,200

Holiday pay is budgeted as a lump sum.

3150 Social Security \$14,500

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

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- 3451 Computer Hardware \$1,200
The Executive Officer's computer is due for replacement in FY 15-16. The price is based upon the estimate through the County's Information Services Department purchasing program.
- 3484 Duplicating \$900
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.
- 3489 Software \$700
This is budgeted at the highest amount over the last three years.
- 3491 Postage \$3,000
This is the cost of mailing public notices and regular correspondence. It is budgeted at the highest expenditure during the last three years.
- 3492 Subscriptions \$600
It is budgeted at the highest expenditure during the last three years.
- 3493 Supplies \$1,600
It represents office supplies. It is budgeted at the highest expenditure of the last three years.
- 3505 Accounting and Auditing \$1,100
This amount is the cost of accounting services from the County Auditor. It includes payroll, vendor payments, and auditing. It is budgeted at the highest expenditure during the last three years.
- 3515 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).
- 3575 Data Processing \$13,100
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 estimated FY 14-15 costs.

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- 3585 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.
- 3590 Surveyor \$1,000
This amount covers map checking by the County Surveyor and map prints from the County Public Works Department.
- 3665 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 several years, the Commission has been building up its professional services reserve so that an outside consultant could be used to prepare some municipal service reviews, or prepare a major reorganization study. The recommended amount would increase the professional service reserve by \$25,000 over its balance on June 30, 2015.
- 3790 Legal Notices \$1,700
This amount is used to pay for public hearing notices and other legal advertising. It is calculated at the highest expenditure during the last three years.
- 3810 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.
- 3975 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.
- 4110 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.

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- 4150 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.

- 4154 Education and Training \$800
This represents staff development courses and seminars. It is budget at two classes of \$400 each.

- 4162 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.

- 4164 Meals \$400
Meals are budgeted as a lump sum.

- 4166 Mileage \$1,200
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.

- 4168 Travel Other \$200
These are miscellaneous travel costs such as train fares, bus fares, parking and bridge tolls.

- 4170 Registrations \$4,000
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.

- 4830 Principal on Lease \$1,100
This amount is the principal on the copier lease.

- 4470 Interest on Lease \$200
This amount is the interest on the copier lease.

SUBTOTAL SUPPLIES AND SERVICES \$317,700

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RECAP OF PROPOSED BUDGET:

| | |
|-----------------------|-------------------|
| SALARIES AND BENEFITS | \$334,900 |
| SUPPLIES AND SERVICES | \$317,700 |
| FIXED ASSETS | <u>\$ 0</u> |
| TOTAL | \$652,600 |