

ATTACHMENT H NARRATIVE OF LINE ITEMS

**SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION
NARRATIVE BUDGET 2016-17**

SALARIES & BENEFITS

51000 Regular Pay \$236,700

Executive Officer - The current salary is \$10,116 per month.

Secretary-Clerk - The current salary is \$5,434 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 \$50,103.

The salaries total:

Executive Officer	\$121,389
Secretary-Clerk	\$65,208
Salary Reserve	<u>\$50,103</u>
Total	\$236,700

51005 Overtime Pay \$2,000

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 \$2,000

Sick leave is budgeted as a lump sum.

51035 Holiday Pay \$8,600

Holiday pay is budgeted as a lump sum.

52010 Social Security \$15,000

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

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52015 PERS \$60,000

This amount covers the Commission's contributions to the Public Employees Retirement System. The Commission matches the benefit levels provided to comparable County employees. Effective July 1, 2016 the employer's share will be 8.880% of salaries plus a \$22,662 payment of unfunded liability. On September 24, 2016, the Commission's pick up of the Secretary-Clerk employee contribution will decrease from 3.5% to 0%. This amount includes a second year of making a \$20,000 payment to reduce the side fund liability.

52010 Employee Insurance \$49,700

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 from the gross amount shown in this line item by approximately \$13,100 in FY 2016-17. The total line item is based upon estimates provided by the vendors and is 10.0% above the estimated FY 2015-16 amount

53015 Unemployment \$400

This is budgeted at the same amount as the estimated FY 2015-16 amount.

54010 Workers' Comp. \$1,000

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

\$376,400

SUPPLIES AND SERVICES

61220 Telecom \$2,200

The telephone cost is calculated at the highest expenditure over the last three years.

61725 Maintenance of Office Equipment \$200

This amount represents the extra copies cost as well as

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maintenance of the copier and other office equipment.

- 62020 Memberships \$4,700
This amount provides for membership in the California Associations of LAFCOs and the California Special Districts Association.

- 62111 Computer Hardware \$0
Neither of the two computers in the office is scheduled for replacement this year.

- 62214 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 \$600
This is budgeted at the highest amount over the last three years.

- 62221 Postage \$3,200
This is the cost of mailing notices and regular correspondence. It is budgeted at the highest expenditure during the last three years.

- 62222 Subscriptions \$400
It is budgeted at the highest expenditure during the last three years.

- 62223 Supplies \$1,000
It represents office supplies. It is budgeted at the highest expenditure of the last three years.

- 62301 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.

- 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 \$21,300
The County Information Services Department charges LAFCO with its share of the staffing overhead used to support LAFCO's

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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 15-16 costs.

- 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.

- 62420 Legal Notices \$1,300
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.

- 62610 Rents \$8,500
The County charges LAFCO rent for its office on the third floor of the Governmental Center. The annual rent is \$7,925 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 \$5,100
This object is used for paying web-hosting costs, State Board of Equalization filing fees, 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 budgeted as a lump sum.

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- 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
The budgeted amount is estimated at 2 trips, 2 days, \$50 per day.
- 62914 Education and Training \$900
This represents staff development courses and seminars. It is budget at three classes of \$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 \$400
Meals are budgeted at the highest expenditure over the last three years.
- 62926 Mileage \$1,600
This includes mileage for staff delivery of agendas, 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.
- 62930 Registrations \$5,300
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
The copier lease was paid off in FY 2015-16.
- 74470 Interest on Lease \$0
The copier lease was paid off in FY 2015-16.

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SUBTOTAL SUPPLIES AND SERVICES \$317,700

RECAP OF PROPOSED BUDGET:

SALARIES AND BENEFITS	\$376,400
SUPPLIES AND SERVICES	\$324,700
FIXED ASSETS	<u>\$ 0</u>
TOTAL	\$701,100