

**ATTACHMENT H      NARRATIVE OF LINE ITEMS**

**SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION  
NARRATIVE BUDGET 2014-15**

**SALARIES & BENEFITS**

3100    Regular Pay    \$194,000

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 \$17,450.

The salaries total:

Executive Officer	\$115,606
Secretary-Clerk	\$60,944
<u>Salary Reserve</u>	<u>\$17,450</u>
Total	\$194,000

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    \$3,000

Sick leave is budgeted as a lump sum.

3135    Holiday Pay    \$8,200

Holiday pay is budgeted as a lump sum.

3150    Social Security    \$13,500

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

**ATTACHMENT H NARRATIVE OF LINE ITEMS**

- 3155 PERS \$33,400  
This amount covers the Commission's contributions to the Public Employees Retirement System. Effective July 1, 2014 the employer's share will increase from 15.607% to 16.493%. The Commission matches the benefit levels provided to comparable County employees. The Commission Pays the 7.00% employee contribution for the Secretary-Clerk, but not for the Executive Officer. The standard pension costs are budgeted at \$33,400.
  
- 3160 Employee Insurance \$37,500  
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 \$2,300. The total line item is calculated at 5% above the estimated FY 2013-14 amount.
  
- 3165 Unemployment \$400  
This amount is budgeted at the same amount as the estimated FY 2013-14 amount.
  
- 3170 Workers' Comp. \$900  
The Commission obtains this coverage from the Special District Risk Management Authority. The FY 2014-15 amount is an estimate of SDRMA dues and premiums, net of any credits.
  
- SUBTOTAL SALARIES AND BENEFITS \$293,900

SUPPLIES AND SERVICES

- 3240 Telecom \$1,800  
The telephone cost is calculated at the highest expenditure over the last three years.
  
- 3355 Maintenance of Office Equipment \$500  
LAFCO leases a copier. This amount represents the extra copies cost as well as maintenance of other office equipment.

## ATTACHMENT H      NARRATIVE OF LINE ITEMS

- 3450    Memberships    \$4,000  
This amount provides for membership in the California Associations of LAFCOs and the California Special Districts Association.
- 3451    Computer Hardware    \$0  
Both office computers have been replaced during the last 3 years.
- 3484    Duplicating    \$2,400  
This amount provides for production photocopying of reports done at the county's duplicating shop or at a local printing shop.
- 3489    Software    \$1,100  
This is budgeted at the highest amount over the last three years.
- 3491    Postage    \$2,100  
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    \$800  
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    \$142,500  
This amount represents routine legal services from County Counsel's office or a private law firm (\$40,000), and a litigation reserve (\$102,500).
- 3575    Data Processing    \$9,300  
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 three years.

## ATTACHMENT H      NARRATIVE OF LINE ITEMS

- 3576 Data Printing    \$0  
This used to account for the electronic printing of agenda packets by the County Information Services Department. Beginning in FY 2011-12, this use of this sub-object was discontinued.
- 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    \$75,000  
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 \$30,000 over its balance on June 30, 2014.
- 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    \$8,000  
The County charges LAFCO rent for its office on the third floor of the Governmental Center. The annual rent is \$7,395 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    \$3,000  
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.

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- 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.
- 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. The budgeted amount is estimated at the highest cost over the last three years.
- 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 \$1,000  
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. It is budgeted at the highest expenditure level over the last three years.
- 4170 Registrations \$4,100  
Workshop and conference registrations are budgeted to pay for Commissioners and staff members to attend conferences and workshops. It is budgeted as a lump sum.
- 4830 Principal on Lease \$1,500  
This amount is the principal on the copier lease.

**ATTACHMENT H      NARRATIVE OF LINE ITEMS**

4470    Interest on Lease    \$400  
          This amount is the interest on the copier lease.

SUBTOTAL SUPPLIES AND SERVICES    \$278,800

**RECAP OF PROPOSED BUDGET:**

SALARIES AND BENEFITS	\$293,900
SUPPLIES AND SERVICES	\$278,800
FIXED ASSETS	<u>\$        0</u>
TOTAL	\$572,700