

ATTACHMENT G NARRATIVE OF LINE ITEMS

**SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION
NARRATIVE BUDGET 2018-19**

SALARIES & BENEFITS

Object
51000 Regular Pay \$269,700

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 \$67,981.

The salaries total:
Executive Officer \$131,290
Secretary-Clerk \$70,429
Salary Reserve \$67,981
Total \$269,700

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 \$9,800
Holiday pay is budgeted as a lump sum.

52010 Social Security \$20,700
This figure is calculated at the rate of 7.65% of each salary.

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52015 PERS \$65,300
 This amount covers the Commission's contributions to the Public Employees Retirement System. Effective July 1, 2018, the employer's share of the normal costs will increase from 8.921% of salaries to 9.409%, and the employer's lump sum payment of unfunded liability will increase from \$24,727 to \$29,911 per year. The Commission is also budgeting to reduce its side fund balance \$20,000 per year.

53010 Employee Insurance \$43,300
 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 includes an estimated 5% PERS health insurance premium increase effective January 1, 2019.

53015 Unemployment \$400
 This amount is budgeted at the same amount as the estimated FY 2017-18 amount.

54010 Workers' Comp. \$1,000
 The Commission obtains this coverage from the Special District Risk Management Authority. The FY 2018-18 amount is an estimate of SDRMA dues and premiums, net of any credits.

SUBTOTAL SALARIES AND BENEFITS \$413,200

SUPPLIES AND SERVICES

61220 Telecom \$1,700
 The telephone cost is estimated at the highest expenditure during the last three years.

61725 Maintenance of Office Equipment \$200
 This amount represents maintenance of other the copier and other office equipment.

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- 62020 Memberships \$4,400
This amount provides for membership in the California Associations of LAFCOs and the California Special Districts Association.

- 62111 Computer Hardware \$0
No office computer is due for replacement in FY 2018-19.

- 62214 Duplicating \$1,200
This amount provides for copying of reports done at the county's duplicating shop or at a local print shop. It is budgeted at the highest expenditure during the last three years.

- 62219 Software \$600
This is budgeted as a lump sum.

- 62221 Postage \$1,400
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 \$800
It is budgeted at the highest expenditure during the last three years.

- 62223 Supplies \$1,700
This amount represents office supplies. It is budgeted at the highest expenditure during the last three years.

- 62310 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 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).

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- 62325 Information Services \$16,700
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 upon seven commissioners and four alternates being paid a \$50 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 \$125,000
This amount provides outside assistance when preparing sphere of influence reviews, 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 \$1,700
This amount is used to pay for public hearing notices and other legal advertising. It is budgeted at the highest expenditure during the last three years.
- 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 Department of Tax and Fee Administration filing fees, and State Department of Fish and Wildlife environmental fees. It is calculated at the highest expenditure over the last three years.

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- 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 \$1,600
This includes mileage for staff 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 \$500
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.

