

SAN MATEO

**LOCAL AGENCY FORMATION COMMISSION**

455 COUNTY CENTER, 2ND FLOOR • REDWOOD CITY, CA 94063-1663 • PHONE (650) 363-4224 • FAX (650) 363-4849

**September 10, 2014****To:** LAFCo Commissioners**From:** Martha Poyatos, Executive Officer

A handwritten signature in black ink, appearing to read 'M. Poyatos', written over the printed name.

**Subject:** Recommended Amendment to the Adopted 2014-15 LAFCo Budget

At the May LAFCo meeting, the Commission adopted a final 2014-15 Appropriations Budget of \$475,554 and a Net Operating Budget of \$342,354<sup>1</sup>, which reflected application of the 2013-14 estimated fund balance of \$103,200. Following the close of the fiscal year, the final actual fund balance for the 2013-14 Fiscal Year was \$122,268, or \$19,068 greater than estimated. The excess fund balance over what was estimated results from lower than anticipated expenditures in legal and secretarial services, and graphics. This change in fund balance necessitates revising the Commission's 2014-15 Adopted Net Operating Budget. Staff recommends applying the difference in fund balance of \$19,068 to the special one-time reserve account, which would require Commission approval for expenditure.

By applying the difference in fund balance as appropriations in reserve, there is no change in the Proposed Net Operating Budget or the one-third shares to the County, cities, and special districts. The one-third shares of the Net Operating Budget to be funded by the County, 20 cities, and 22 independent special districts for 2014-15 remains \$114,118, as adopted in May.

The Recommended Amended 2014-15 Budget spreadsheet and the budget adopted in May are attached for your reference.

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<sup>1</sup> Net Operating Budget is the appropriations budget less fund balance and application fees. Government Code Section 56381(b)(1)(A) sets forth that the County, cities, and independent special districts shall each provide a one-third share of the Commission's operational costs. This section establishes that the cities' and districts' shares shall be apportioned in proportion to each city's and district's total revenues as a percentage of the combined city and district revenues within the County, as reported in the most recent edition of the Annual Report published by the State Controller.

Recommendation

Adopt the Recommended Amended 2014-15 Budget of \$494,662 to reflect application of the actual surplus final fund balance to the special reserve account. The Revised Budget would then be transmitted to the County, cities, and independent special districts. The County Controller will invoice funding agencies for their share of the net operating budget based on the formula set forth in Government Code Section 56381(b)(1)(A).

Attachments: Recommended Amended 2014-15 Budget  
Budget Report of May 2014

cc: County of San Mateo  
Cities  
Special Districts

	Recommended Amended 2014/15		10-Sep-14				
		Final	Adopted	sept.	MidYear		Rec.
		Actual	Sept. Rev.	Revise	Revise	Actual	Revision
		2011-12	2012-13	2013-14	2013-14	2013-14	2014-15
4111	Salary & Benefits Executive Officer	197,883	194,265	196,912	196,912	196,912	205,258
4111	Salary & Benefits Executive Secretary				26,000	24,115	52,000
4141	Admin. Leave Cash Out (E.O.)	4,927	4,900	4,900	4,900	5,074	5,300
4161	Commissioner Compensation	4,500	4,800	4,800	4,800	4,200	4,800
	County Annuity	7,230	7,625	7,853	7,853	5,048	7,853
	<b>SALARIES &amp; BENEFITS</b>	<b>214,540</b>	<b>211,590</b>	<b>214,465</b>	<b>240,465</b>	<b>235,349</b>	<b>275,211</b>
5191	Outside Printing (other special printing)	170	500	1,000	1,000	113	1,000
5193	General Office Supplies	500	500	500	500	583	500
5196	Photocopy - in-house copier	500	500	500	500	0	500
5197	Postage & Mailing Service	1,481	1,110	1,500	1,500	572	1,500
<b>5212</b>	<b>Computer Equipment under \$5,000</b>	<b>1,386</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,002</b>	
5331	Memberships (CALAFCo/CSDA)	5,939	6,069	6,188	6,188	6,281	6,268
5341	Legal Advertising	566	1,500	1,500	1,500	1,624	1,500
5712	Mileage Allowance	0	250	250	250	107	250
5721	Meetings & Conferences	3,953	6,000	6,000	6,000	6,171	8,000
5733	Training	275	250	250	250	0	250
5810	Fiscal Office Specialist	988	988	988	988	988	988
5218	Corovan Records Storage (new 09/10)	140	200	200	200	234	200
5848	Graphics	950	4,500	4,500	4,500	0	4,500
<b>5856</b>	<b>Consulting**</b>			<b>50,000</b>	<b>50,000</b>	<b>-</b>	<b>100,000</b>
5962	Admin Asst. Shared with Parks.	11,030	25,000	25,000	8,000	2,561	0
5861	GIS Mapping	0	2,500	2,500	2,500	0	2,500
5872	Controller Admin**	1,760	2,440	2,440	2,440	1,740	2,440
6712	Telephone	620	670	670	670	502	670
6713	ISD (Automation Services)	4,462	4,650	4,650	4,650	5,480	4,650
6714	Rent	2,703	2,703	2,703	2,703	2,703	2,703
6722	countywide security and hr	0	0	0	0	<b>105</b>	0
6725	Gen'l Liability & bond ins.	4,208	4,229	4,229	4,229	3,423	4,229
6732	County Counsel	4,752	30,000	30,000	21,000	8,366	30,000
6821	A 87 Charges	7,447	-2,636	3,389	3,389	4,135	4,135
	<b>Subtotal Appropriations</b>	<b>268,370</b>	<b>303,513</b>	<b>363,422</b>	<b>363,422</b>	<b>285,039</b>	<b>451,994</b>
<b>8612</b>	<b>Reserve 3%</b>		<b>9,105</b>	<b>10,903</b>	<b>10,903</b>	<b>0</b>	<b>13,560</b>
	<b>one time reserve (excess fund balance)</b>		10,533	38,449	38,449	0	<b>29,068</b>
	<b>Total Appropriations Budget</b>	<b>\$268,370</b>	<b>\$323,151</b>	<b>\$412,774</b>	<b>\$412,774</b>	<b>\$285,039</b>	<b>\$494,622</b>
	<b>Revenues</b>						
	Fund Balance ***	79,097	66,176	91,865	91,865	91,865	122,268
	Application Fees	24,437	25,000	25,000	25,000	19,533	30,000
	<b>Intergov. Revenue (County/City/Dist)</b>	<b>231,012</b>	<b>231,975</b>	<b>295,909</b>	<b>295,909</b>	<b>295,909</b>	<b>342,354</b>
	<b>Total Revenues</b>	<b>\$334,546</b>	<b>\$323,151</b>	<b>\$412,774</b>	<b>\$412,774</b>	<b>\$407,307</b>	<b>\$494,622</b>
	<b>County/City/District 1/3 Apportionment</b>	<b>\$77,004</b>	<b>\$77,325</b>	<b>\$98,636</b>	<b>\$98,636</b>	<b>\$98,636</b>	<b>\$114,118</b>

\*\*RFP for consulting reissued and to be funded in FY 2014/15

\*\*\*Fund balance reflects consulting appropriation of \$50,000 carried over to FY 2014/15

	Proposed Final 2014-15 LAFCo Budget	Final	Adopted	sept.	MidYear	Estimated	Draft
	Prepared 5/14/14	Actual	Sept. Rev.	Revise	Revise	Actual	Proposed
		2011-12	2012-13	2013-14	2013-14	2013-14	2014-15
4111	Salary & Benefits Executive Officer	197,883	194,265	196,912	196,912	196,912	205,258
4111	Salary & Benefits Executive Secretary				26,000	26,000	52,000
4141	Admin. Leave Cash Out (E.O.)	4,927	4,900	4,900	4,900	5,300	5,300
4161	Commissioner Compensation	4,500	4,800	4,800	4,800	4,800	4,800
	County Annuity	7,230	7,625	7,853	7,853	7,853	7,853
	<b>SALARIES &amp; BENEFITS</b>	<b>214,540</b>	<b>211,590</b>	<b>214,465</b>	<b>240,465</b>	<b>240,865</b>	<b>275,211</b>
5191	Outside Printing (other special printing)	170	500	1,000	1,000	500	1,000
5193	General Office Supplies	500	500	500	500	500	500
5196	Photocopy - in-house copier	500	500	500	500	500	500
5197	Postage & Mailing Service	1,481	1,110	1,500	1,500	1,000	1,500
<b>5212</b>	<b>Computer Equipment under \$5,000*</b>	<b>1,386</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,002</b>	
5331	Memberships (CALAFCo/CSDA)	5,939	6,069	6,188	6,188	6,188	6,268
5341	Legal Advertising	566	1,500	1,500	1,500	1,500	1,500
5712	Mileage Allowance	0	250	250	250	250	250
5721	Meetings & Conferences	3,953	6,000	6,000	6,000	6,000	8,000
5733	Training	275	250	250	250	0	250
5810	Fiscal Office Specialist	988	988	988	988	988	988
5218	Corovan Records Storage (new 09/10)	140	200	200	200	200	200
5848	Graphics	950	4,500	4,500	4,500	3,500	4,500
<b>5856</b>	<b>Consulting**</b>			<b>50,000</b>	<b>50,000</b>		<b>100,000</b>
5962	Admin Asst. Shared with Parks.	11,030	25,000	25,000	8,000	8,000	0
5861	GIS Mapping	0	2,500	2,500	2,500	2,500	2,500
5872	Controller Admin**	1,760	2,440	2,440	2,440	2,440	2,440
6712	Telephone	620	670	670	670	670	670
6713	ISD (Automation Services)	4,462	4,650	4,650	4,650	4,650	4,650
6714	Rent	2,703	2,703	2,703	2,703	2,703	2,703
6722	Copy Center Charges	0	0	0	0	0	0
6725	Gen'l Liability & bond ins.	4,208	4,229	4,229	4,229	4,229	4,229
6732	County Counsel	4,752	30,000	30,000	21,000	15,000	30,000
6821	A 87 Charges	7,447	-2,636	3,389	3,389	3,389	4,135
	<b>Subtotal Appropriations</b>	<b>268,370</b>	<b>303,513</b>	<b>363,422</b>	<b>363,422</b>	<b>309,574</b>	<b>451,994</b>
<b>8612</b>	<b>Reserve 3%</b>		<b>9,105</b>	<b>10,903</b>	<b>10,903</b>	<b>0</b>	<b>13,560</b>
	<i>one time reserve (excess fund balance)</i>		10,533	38,449	38,449	0	10,000
	<b>Total Appropriations Budget</b>	<b>\$268,370</b>	<b>\$323,151</b>	<b>\$412,774</b>	<b>\$412,774</b>	<b>\$309,574</b>	<b>\$475,554</b>
	<b>Revenues</b>						
	Fund Balance ***	79,097	66,176	91,865	91,865	91,865	103,200
	Application Fees	24,437	25,000	25,000	25,000	25,000	30,000
	<b>Intergov. Revenue (County/City/Dist)</b>	<b>231,012</b>	<b>231,975</b>	<b>295,909</b>	<b>295,909</b>	<b>295,909</b>	<b>342,354</b>
	<b>Total Revenues</b>	<b>\$334,546</b>	<b>\$323,151</b>	<b>\$412,774</b>	<b>\$412,774</b>	<b>\$412,774</b>	<b>\$475,554</b>
	<b>County/City/District 1/3 Apportionment</b>	<b>\$77,004</b>	<b>\$77,325</b>	<b>\$98,636</b>	<b>\$98,636</b>	<b>\$98,636</b>	<b>\$114,118</b>

\* not included in March 14 Proposed Budget

\*\*RFP for consulting reissued and to be funded in FY 2014/15

\*\*\*Fund balance reflects consulting appropriation of \$50,000 carried over to FY 2014/15