

MEMORANDUM

TO: Local Agency Formation Commission

FROM: Budget Committee

SUBJECT: Agenda Item 3.1 – Review and Consideration of Final Budget for FY 2020/21

DATE: April 27, 2020 for the Meeting of May 7, 2020

On April 2, 2020, the Commission reviewed and approved the Proposed Budget for FY 2020/21, as unanimously recommended by the Budget Committee, and continued the item to May 7, 2020 for final adoption. Pursuant to California Government Code Section 56381, the Proposed Budget has been circulated to all affected agencies. Aside from the initial meeting of the Budget Committee on March 23, 2020, no comments have been received throughout the budget proceedings for Fiscal Year 2020/21.

The Final Budget for FY 2020/21, as presented:

1. Approves a three percent cost of living adjustment (COLA) to the currently adopted Salary Plan, as amended May 2, 2019; and
2. Approves an amendment to the currently adopted Salary Plan, adding Steps (6-8) to the Executive Officer salary range; and
3. Increases member agencies' assessments by eight percent and advises member agencies of the potential necessity to incrementally increase assessment rates in future fiscal years in order for the Commission to achieve its expanding state mandated responsibilities, consistent with Government Code Section 56381.

ACTION REQUESTED:

1. Receive comments from the public and affected agencies and adopt Resolution No. 08 2019/20 approving the Final Budget for FY 2020/21.

Attachments:

1. Proposed Final Budget for FY 2020/21
2. Resolution No. 08 2019/20



Butte Local Agency Formation Commission
Proposed Final Budget for FY 2020/21

	2019/20			2020/21			
	Adopted: May 2, 2019			Proposed Final			
	Base Budget	Special Projects	Total	Base Budget	Special Projects	Total	
FUNDING SOURCES							
441000	Interest	15,000	-	15,000	15,000	-	15,000
441001	Unrealized Gain/Loss	-	-	-	-	-	-
453006	Other Government Agencies (County)	294,050	-	294,050	317,574	-	317,574
453008	Other Government Agencies (Cities)	294,050	-	294,050	317,574	-	317,574
453008	Other-In-Lieu Revenue (Special Districts)	65,346	-	65,346	70,574	-	70,574
454000	Other-In-Lieu Revenue	-	-	-	-	-	-
462005	Charges for Services	18,726	-	18,726	24,081	-	24,081
473000	Miscellaneous Revenue	6,000	-	6,000	6,000	-	6,000
473000	Miscellaneous Revenue (SOI Trust Fund)	20,000	-	20,000	20,000	-	20,000
Total Funding Sources		713,172	-	713,172	770,803	-	770,803
EXPENDITURES							
Wages							
511000	Regular Help Wages	339,123	-	339,123	362,500	-	362,500
511010	Extra Help Wages	10,383	-	10,383	10,700	-	10,700
Total Wages		349,506	-	349,506	373,200	-	373,200
Benefits							
512010	ER PERS	35,336	-	35,336	40,662	-	40,662
512035	PERS EMPC	11,591	-	11,591	13,848	-	13,848
513000	Health Insurance	50,000	-	50,000	71,200	-	71,200
513010	Basic Life	96	-	96	96	-	96
513020	LTD Department Heads	825	-	825	1,002	-	1,002
513030	State Unemployment Insurance	625	-	625	595	-	595
515000	FICA & Medicare	26,094	-	26,094	27,880	-	27,880
516000	Employee Assistance Program	334	-	334	397	-	397
516001	Flex Spending Fees	48	-	48	54	-	54
516002	SDI	3,381	-	3,381	3,584	-	3,584
516004	EE PERS	23,739	-	23,739	25,370	-	25,370
516010	Cash Back Payments	6,067	-	6,067	6,067	-	6,067
Total Benefits		158,136	-	158,136	190,755	-	190,755
Total Wages and Benefits		507,642	-	507,642	563,955	-	563,955
Services & Supplies							
523000	Telephone Charges	3,102	-	3,102	3,102	-	3,102
523010	Fax, Pagers & Cell Phones	840	-	840	840	-	840
525020	Janitorial	1,000	-	1,000	1,000	-	1,000
526010	Insurance: Outside Purchase	5,411	-	5,411	5,952	-	5,952
531000	Associations Memberships	6,075	-	6,075	7,100	-	7,100
533030	Small Office Equipment	5,000	-	5,000	5,000	-	5,000
534000	Consultants						
	County Accounting Services	3,401	-	3,401	3,401	-	3,401
	County Treasury Services	35	-	35	35	-	35
	County Human Resource Services	13,500	-	13,500	13,500	-	13,500
	Annual Audit Fees	7,500	-	7,500	8,055	-	8,055
	Legal Counsel Fees	25,440	-	25,440	25,440	-	25,440
	GIS Consulting Services	18,000	-	18,000	18,000	-	18,000
Total		67,876	-	67,876	68,431	-	68,431
534005	Claims Administration	2,310	-	2,310	2,540	-	2,540
534020	Data Processing	6,680	-	6,680	6,680	-	6,680
535000	Legally Required Publications	3,500	-	3,500	3,500	-	3,500
536000	Equipment: Rent and Lease	300	-	300	360	-	360
537000	Building: Rent and Lease	14,896	-	14,896	15,303	-	15,303
539001	Special Departmental Expense	5,000	-	5,000	5,000	-	5,000
540010	Vehicle Expense Reimbursement	11,040	-	11,040	11,040	-	11,040
540020	Travel/Transportation	11,000	-	11,000	11,000	-	11,000
541000	Electricity/Gas/Water/Sewer/CAM Charges	6,500	-	6,500	5,000	-	5,000
Total Services & Supplies		150,530	-	150,530	151,848	-	151,848
Appropriations							
580010	Appropriation Contingency	30,000	-	30,000	30,000	-	30,000
101001	Appropriation Reserve	25,000	-	25,000	25,000	-	25,000
Total Appropriations		55,000	-	55,000	55,000	-	55,000
Total Services & Supplies and Appropriations		205,530	-	205,530	206,848	-	206,848
Total		713,172	-	713,172	770,803	-	770,803

Proposed Final Budget Narrative for Fiscal Year 2020-21

FUNDING SOURCES:

441000 – Interest Earned	\$15,000
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Interest income is accrued on treasury cash.

453006; 453008 – Member Agency Funding	\$705,722
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Allocation and Proportionate Share of Funding Requirement.

453006: Other Governmental Agencies (County @ 45%)
453008: Other Governmental Agencies (Cities @ 45%)
453008: Other-In-Lieu Revenue (Special Districts @ (10%)

Calculations are prepared by the Butte County Auditor. Individual city shares are based on revenue as reported in the most recent edition of the Cities Annual Report published by the State Controller. Individual special district shares are based on revenues as reported in the most recent report of the "Financial Transactions Concerning Special Districts" published by the State Controller.

462005 – Charges for Services	\$24,081
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Pursuant to the adopted Fee Schedule, application filing fees are charged to applicants for the processing of applications submitted for sphere of influence amendments, formations of special districts and changes of organization and reorganization. Application processing fees vary widely depending on the complexity of the action requested.

473000 – Miscellaneous Revenue	\$6,000
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CALAFCO Stipend.

473000 – Miscellaneous Revenue (SOI Trust Fund)	\$20,000
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Restricted monies held within the Sphere Trust Fund for the explicit purpose of funding Commission directed staff level review and maintenance of municipal service reviews and sphere of influence plans and related actions.

EXPENDITURES:

511000/511010 – Wages **\$373,200**

Salaries reflect base wages pursuant to the adopted Salary Plan.

5120010 thru 516010 – Benefits **\$190,755**

CalPERS Retirement; ICMA Deferred Compensation & Medicare; State Unemployment Insurance, Employment Training & State Disability Insurance; Health, Dental & Vision; Employee Assistance Program; Flexible Spending Fees, Cash Back; and Basic/Long Term Life Insurance.

523000 – Telephone Charges **\$3,102**

Communication County Services (\$162); Communications (\$2,940).

523010 – Fax, Pagers & Cell Phones **\$840**

Cell Phone Allowance.

525020 – Janitorial **\$1,000**

Toiletries, cleaning supplies, floor tile buffing and other household items.

526010 – Insurance: Outside Purchase **\$5,952**

Property and General Liability coverage, provided through Special District Risk Management Authority.

531000 – Associations Memberships **\$7,100**

Memberships to professional organizations, including various publications and subscriptions that support staff development on current issues affecting the agency's responsibilities.

533030 – Small Office Equipment **\$5,000**

General offices supplies, including computer software upgrades.

534000 – Consultants **\$68,431**

County Accounting Services (\$3,401); County Treasury Services (\$35); County Human Resources Services (\$13,500); Annual Audit Fees (\$7,500); Legal Counsel Fees (\$25,440) and GIS Mapping Services (\$18,000).

534005 – Claims Administration **\$2,540**

Workers' Compensation and Employer's Liability coverage, provided through Special District Risk Management Authority.

Expenditures: *Continued*

534020 – Data Processing	\$6,680
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County Data Processing/Information Services.

535000 – Legally Required Publications	\$3,500
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Subscriptions and publishing of legal notices, as required by LAFCO Policies and State Law.

536000 – Equipment: Rent & Lease	\$360
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Office security system.

537000 – Building: Rent & Lease	\$14,896
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Pursuant to H.P. Downer Business Center, LLC lease agreement.

539001 – Special Departmental Expense	\$5,000
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Website maintenance, including security updates; professional development and training.

540010 – Vehicle Expense Reimbursement	\$11,040
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Vehicle allowances.

540020 – Transportation/Travel	\$11,000
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Attendance at conferences, meetings, trainings; and CALAFCO participation.

541000 – Electricity/Gas/Water/Sewer/CAM Charges	\$5,000
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Electricity, natural gas, water, garbage disposal, janitorial and landscaping.

Appropriations:

580 - Contingency	\$30,000
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Unanticipated costs, i.e., budget shortfall coverage, special studies or legal fees.

797 - Reserve	\$25,000
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Isolated funding for accrued leave liabilities and other post employment benefits.

RESOLUTION NO. 08 2019/20

**RESOLUTION ADOPTING THE
BUTTE LOCAL AGENCY FORMATION COMMISSION
FINAL BUDGET FOR FISCAL YEAR 2020/21**

WHEREAS, the Cortese-Knox-Hertzberg Act of 2000 requires that each LAFCO within the State of California adopt a budget pursuant to Government Code Section 56381(a); and

WHEREAS, at a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the commission finds that reduced staffing or program costs will nevertheless allow the commission to fulfill the purposes and programs of this chapter pursuant to Government Code Section 56381(a); and

WHEREAS, the Butte Local Agency Formation Commission has heretofore approved a Proposed Budget for the Commission and held a duly noticed hearing thereon as required by law on April 2, 2020 for the purpose of developing a Final Budget for the Fiscal Year 2020/21; and

WHEREAS, the Proposed Fiscal Year 2020/21 Budget has been circulated to all affected agencies pursuant to Government Code Section 56381(a); and

WHEREAS, the Butte Local Agency Formation Commission hereby advises member agencies of the potential necessity to incrementally increase agency assessment rates in the fiscal years to follow in order for the Commission to achieve its expanding state mandated responsibilities, consistent with Government Code Section 56381; and

NOW, THEREFORE, BE IT RESOLVED by the Butte Local Agency Formation Commission, that the Proposed Budget is hereby adopted as the Final Budget for Fiscal Year 2020/21 for the Butte Local Agency Formation Commission; which:

1. Approves a three percent cost of living adjustment (COLA) to the currently adopted Salary Plan, as amended May 2, 2019; and
2. Approves an amendment to the currently adopted Salary Plan, adding Steps (6-8) to the Executive Officer salary range; and

BE IT FURTHER RESOLVED that aforementioned Final Budget for Fiscal Year 2020/21 is officially adopted and ordered to be circulated to all affected agencies pursuant to Government Code Section 56381(a); and

RESOLUTION NO. 08 2019/20

PASSED AND ADOPTED by the Butte Local Agency Formation Commission
this 7th day of May 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

Carl Leverenz, Chair
Butte Local Agency Formation Commission

ATTEST:

Stephen Lucas, Executive Officer