

DATE: May 7, 2009

TO: LAFCO Members

FROM: Peter Banning, Executive Officer
Candice Bozzard, Commission Clerk

SUBJECT: Fiscal Year 2009-10 Budget and Work Plan

Summary

The Commission opened the public hearing on its fiscal year 2009-10 Budget and Work Plan at its March 12, 2009 meeting. Under the Commission's policies and procedures, the public hearing will remain open until its May 14, 2009 hearing when the Commission will take final action to adopt its budget.

The preliminary budget proposal considered by the Commission on March 12th has been circulated to the County, cities and special districts for comment as well as posted on the LAFCO website. No comments have been received.

Proposed Changes

After further review since the March meeting, staff proposes minor changes to the draft budget. The previous draft budget allowed a 4% cost of living increase for staff however the Executive Officer has declined this supplement for the coming fiscal year. The outcome of the Technology Committee meeting held on April 15 resulted in a \$2,000 increase to Communication Services to allow for fees incurred by linking LAFCO meetings to the G Channel for additional public outreach. The revised draft budget proposal for FY 2009-10 is attached to this report. The specific changes to the previous draft budget are as follows:

Salaries (5110110): Decrease amount from \$176,328 to \$171,669 (- \$4,659)

Retirement (5130510): Decrease amount from \$28,759 to \$27,999 (-\$760)

Fringe Benefits (5140125): Decrease amount from \$23,923 to 23,830 (- \$93)

Communication Services (5210715): Increase amount from \$14,900 to \$16,900
(+ \$2000)

Projected Fund Balance

Expected application fee revenues in the current fiscal year are only at 7% of expected revenue as of the date of this report. Total expenditures for the current fiscal year are projected to be approximately \$46,200 less than appropriated. The net effect will be an increase in the year-end fund balance to \$89,838, with \$10,300 appropriated in order to decrease contributions of the County, cities and special districts 10% from last year. The appropriation from reserves will yield a net projected year-end fund balance of \$79,538.

Recommendation

Staff recommends that the Commission take the following actions:

1. Receive testimony on the revised Preliminary Budget.
2. Close the public hearing on the Commission's Budget for FY 2009-10.
3. Adopt the attached exhibits as the Commission's budget for Fiscal Year 2009-10 and direct staff to forward copies to the County Auditor and as otherwise directed by Government Code §56332, et seq.

Respectfully submitted,

Peter V. Banning
Executive Officer

Candice Bozzard
Clerk to the Commission