

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF MAY 22, 2013

REGULAR MEETING

TO: Don Mette, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: José C. Henríquez, Executive Officer

AGENDA ITEM #8: PUBLIC HEARING TO CONSIDER AND ADOPT THE FINAL
BUDGET FOR FISCAL YEAR 2013-14

RECOMMENDATION

Staff recommends that the Commission:

1. Receive the information related to the adopted Proposed Budget for Fiscal Year 2013-2014;
2. Open the Public Hearing on this matter;
3. Adopt LAFCO Resolution L-2013-07 approving the Final Budget for Fiscal Year 2013-2014, which reflects the Commission's priorities for the coming fiscal year; and
4. Direct staff to transmit the Final Budget to the funding agencies and others as specified in Government Code §56381.

REASON FOR RECOMMENDED ACTION

The recommended LAFCO Budget provides adequate funding for El Dorado LAFCO to meet the responsibilities of the Cortese-Knox-Hertzberg Act. By State Law, this agency adopts its own budget in a two-stage process with notice to all funding agencies.

BACKGROUND

Summary

In April, the Commission discussed and approved the Proposed Budget that covered the agency's projected costs for employee and operating expenses. The budget is expected to increase by 3% overall next year. Unfortunately, a significant decrease in fee revenues, lackluster interest income and a flat carryover means that the agency contributions are expected to go up by 5%.

Budget Summary and Highlights

- *Revenues* – The carryover into next fiscal year is projected to be slightly higher, but it is essentially the same. Interest rate revenues will continue to be depressed because of the deflated Federal savings rate. Fee revenues are expected to be two-thirds lower than current. Lower revenues from all other sources means that the expected cumulative contribution amount for the funding agencies is expected to be higher, about \$16,700 total, over the current year's contributions.
- *Employee Costs* – Employee costs will increase by 2% over current year's funding levels. There are no raises for staff; however, an increase in the salary for the Policy Analyst is built into the budget in case in case of promotion. Staff furloughs are still in effect. No significant increase in expenditures is expected in any category and no savings from a new CalPERS contract is assumed.
- *Operating Costs* – The recommended funding for the operational expenses is essentially flat, with increases in some line items being partially offset by decreases in other categories. The recommended funding for the operational expenses is higher by 6%. The budget also includes a 10% contingency.

Budget at a Glance

Budget Year	FY2012-13	FY2013-14
Employee Expense	\$371,729	\$377,961
Operating Expense	\$98,932	\$104,690
Contingency	\$9,893	\$10,469
Expense Total	\$480,555	\$493,120
Non-Agency Revenues	\$18,450	\$6,686
Agency Contributions	\$318,396	\$335,110
Previous FY Fund Balance	\$143,000	\$151,324
Revenue Total	\$480,555	\$493,120

For further detail on the calculations or methodologies for deriving these line items other than the items discussed in this memo, please refer to the April 24, 2013 Draft Budget Staff Report, appended here as Attachment D.

Attachments

- Attachment A: Approved Work Plan, FY 2013-2014
- Attachment B: Proposed LAFCO Budget FY 2013-2014
- Attachment C: Draft Resolution L-2013-07
- Attachment D: Budget Staff Report for the April 24, 2013 Meeting