

**2024
Committee**

Chair

Mary Ann Leffel
Special District Member

Chris Lopez
County Member, Alternate

Ian Oglesby
City Member

Counsel

Reed Gallogly
General Counsel

Executive Officer

Kate McKenna, AICP

132 W. Gabilan Street, #102
Salinas, CA 93901

P. O. Box 1369
Salinas, CA 93902

Voice: 831-754-5838

www.monterey.lafco.ca.gov

AGENDA
LAFCO Budget & Finance Committee
Meeting

Thursday, February 22, 2024
2:00 p.m. – 4:00 p.m.

LAFCO OFFICE
132 W. Gabilan Street, Suite #102
Salinas, California

Or

District 3 Office
599 El Camino Real
Greenfield, CA 93927

Supervisor Chris Lopez may appear by video conference on this date at: District 3 Office, 599 El Camino Real, Greenfield, CA 93927. Consistent with Government Code Section 54953, an agenda will be posted at this location, and it will be accessible by the public.

IMPORTANT NOTICE REGARDING COVID-19

In order to minimize the spread of the COVID-19 virus, please do the following:

1. If you attend the Committee meeting in person, you will be required to maintain appropriate social distancing between yourself and other individuals.
2. If you choose not to attend the Committee meeting but wish to make general public comments, or comment on a specific agenda item, you may do so in two ways:
 - a. Submit your comment via email by 5:00 p.m. on the Friday before the meeting. Please submit your comment to the Clerk of the Commission at: malukis@monterey.lafco.ca.gov. Please include the following Subject Line: "Public Comment – Agenda Item # ___". All submitted comments will be provided to the Committee for consideration, compiled as part of the record, and may be read into the record.
 - b. You may participate through Zoom. For Zoom participation, please join by computer audio at:

<https://montereycty.zoom.us/j/92505994537>

The meeting ID is: [925 0599 4537](https://montereycty.zoom.us/j/92505994537). There is no password. To make a public comment, please select the "raise hand" option on the Zoom screen, and your microphone will be unmuted so you can speak. To select the "raise hand" option, click on the 'participants' icon at the bottom of your Zoom screen, then click the "raise hand" icon next to your name.

To Participate by Phone: Please call: +1 669 900 6833

Enter the meeting ID: [925 0599 4537](https://montereycty.zoom.us/j/92505994537) when prompted. There is no participant code – just enter the pound sign # after the recording prompts you. To make a public comment by phone, please push *9 on your phone keypad.

Call to Order

Roll Call

Public Comments

Anyone may address the Committee briefly concerning items not already on the agenda.

Special Business

1. [Consider Selection of Budget and Finance Committee Chair. \(pg. 5\)](#)
Recommended Action: Select a Committee Chair for calendar year 2024.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

New Business

2. [Consider Draft Financial Statements for Period Ending December 31, 2023. \(pg. 6\)](#)
Recommended Action: Discuss report and recommend that the quarterly financial statements for the period ending December 31, 2023 be approved by the full Commission at the March 25, 2024 regular LAFCO meeting.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).
3. [Consider the January 31, 2024 Draft Balance Sheet and Income Statement. \(pg. 21\)](#)
Recommended Action: Accept the statements for information only.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).
4. [Consider Profit/Loss Budget vs. Actual Report dated February 14, 2024. \(pg. 26\)](#)
Recommended Action: Accept report for information only.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).
5. [Consider Budget Amendment No. 1 for Fiscal Year 2023-2024. \(pg. 29\)](#)
Recommended Action: Discuss report and recommend that the Commission approve a resolution to adopt Amendment No. 1 to the current (Fiscal Year 2023-24) budget, transferring a total of \$20,200 with no net change to the overall budget, at the next regular LAFCO meeting on March 25, 2024.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).
6. [Consider Preliminary Draft Annual Work Program for Fiscal Year 2024-2025. \(pg. 32\)](#)
Recommended Action: Discuss report and recommend that the Commission approve the proposed Fiscal Year 2024-2025 annual work program, at the March 25, 2024 regular LAFCO meeting.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).
7. [Consider Preliminary Draft Annual Budget for Fiscal Year 2024-2025. \(pg. 37\)](#)
Recommended Action: Discuss report and recommend that the Commission: (1) Conduct a public hearing on March 25 to consider adoption of a proposed budget for Fiscal Year 2024-2025, and (2) Distribute the proposed budget to local agencies for review and comment prior to final adoption at a second hearing on April 22.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378).

8. [Consider Three -Year Financial Forecast \(FY 2024-2025 through FY 2026-2027\).](#) (pg. 44)
Recommended Action: Discuss report for information only.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378)
9. [Consider Accounting Services.](#) (pg. 46)
Recommended Action: Direct the Executive Officer to negotiate and execute a professional services agreement amendment with CliftonLarsonAllen, LLP (CLA) for accounting and related services to reduce costs by \$1,000 per month, approximately 16%.
(CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378)

Executive Officer Announcements

The Executive Officer may provide oral or written announcements about current LAFCO activities, for information only.

Adjournment

The next Budget & Finance Committee Meeting is scheduled for **Monday, May 6, 2024 – 2:00 PM at the LAFCO Office, 132 W. Gabilan Street, Suite #102, Salinas, CA.**

The Political Reform Act requires that a participant in a LAFCO of Monterey County proceeding who has a financial interest in a change of organization or reorganization proposal and who has made a campaign contribution of more than \$250 to any commissioner in the past year must disclose the contribution. If you are affected, please notify the Commission's staff before the hearing.

Pursuant to Government Code Section 54957.5, public records that relate to open session agenda items that are distributed to a majority of the Commission less than seventy-two (72) hours prior to the meeting will be made available to the public on the LAFCO of Monterey County website at www.monterey.lafco.ca.gov.

AMERICANS WITH DISABILITIES ACT (ADA): All regular and special meeting agendas and associated reports are available at www.monterey.lafco.ca.gov. Any person with a disability under the ADA may receive a copy of the agenda or associated reports upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, to participate in a public meeting. Requests for copies of meeting documents and accommodations shall be made with LAFCO of Monterey County staff at (831) 754-5838 at least three business days prior to the respective meeting.

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
Executive Officer

LOCAL AGENCY FORMATION COMMISSION

P.O. Box 1369

Salinas, CA 93902

Telephone (831) 754-5838

132 W. Gabilan Street, Suite 102

Salinas, CA 93901

www.monterey.lafco

DATE: February 22, 2024

TO: Budget and Finance Committee

FROM: Kate McKenna, AICP, Executive Officer

SUBJECT: Selection of Committee Chair

CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378.

SUMMARY OF RECOMMENDATION:

Select the Budget and Finance Committee Chair for calendar year 2024.

EXECUTIVE OFFICER'S REPORT:

The Budget and Finance Committee is a standing committee of the Local Agency Formation Commission. The Committee selects a Chair on an annual basis.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 www.monterey.lafco.ca.gov

KATE McKENNA, AICP
Executive Officer

DATE: February 22, 2024
TO: Budget and Finance Committee
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: Draft Financial Statements for Period Ending December 31, 2023
CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378.

SUMMARY OF RECOMMENDATION:

Recommend that the quarterly financial statements for the period ending December 31, 2023 be approved by the full Commission at the March 25, 2024 regular LAFCO meeting.

EXECUTIVE OFFICER'S REPORT:

Attached are draft financial statements for the second quarter of the fiscal year. Prepared by CliftonLarsonAllen, LLP, the statements show that overall revenue and expenditures are generally as anticipated for this mid-year period.

The Employee Benefits summary expense on Page 3 includes an unfunded accrued liability (UAL) payment of \$152,500 for CalPERS retirement plans, as authorized by the Commission in October 2023. As of December 31, actual employee benefit expenses excluding the UAL were \$138,879 or 53 percent of the budget.

Services and Supplies expenses shown on Page 3 include some over-expensed categories. Please see a proposed budget amendment (Agenda Item No. 5) to move funds between line items.

Mr. Mike Briley, CPA, Managing Principal, CliftonLarsonAllen, LLP, will join me in presenting this item.

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Attachment: Financial Statements for Period Ending December 31, 2023, by CliftonLarsonAllen, LLP

**Local Agency Formation Commission
of Monterey County
Financial Statements
December 31, 2023**

DRAFT

**LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY**

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Accountant's Compilation Report

To the Chair and Commissioners
Local Agency Formation Commission
LAFCO of Monterey County
Salinas, California

Management is responsible for the financial statements of the Local Agency Formation Commission of Monterey County (LAFCO), as of and for the six months ended December 31, 2023, included in the accompanying prescribed form in accordance with the requirements of LAFCO. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion or a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of LAFCO and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of LAFCO and is not intended to be, and should not be, used by anyone other than these specified parties.

We are not independent with respect to LAFCO.

CliftonLarsonAllen LLP

February 6, 2024
Salinas, CA

LAFCO of Monterey County
Balance Sheets
December 31, 2023 and 2022

ASSETS			
	ACCT #	2023	2022
CURRENT ASSETS:			
Cash Held in Bank:			
Wells Fargo Operating	1007	\$ 177,949.04	\$ 86,305.10
Total Cash Held in Bank		<u>177,949.04</u>	<u>86,305.10</u>
Cash Held in County Treasury:			
Cash Held for Operating Expenses	1010	666,560.77	987,597.00
Designated Cash for Reserve for Litigation	1012	288,789.20	202,469.03
Designated Cash for Accrued Leave	1013	94,982.78	84,624.31
Designated Cash for Post Retirement (GASB 75)	1014	75,064.00	85,475.00
Designated Cash for Reserve for Contingency	1015	276,614.00	269,914.00
Restricted Cash for FORA Litigation	1020	350,168.66	345,627.78
Total Cash Held in County Treasury		<u>1,752,179.41</u>	<u>1,975,707.12</u>
Petty Cash	1100	300.00	300.00
Total Cash		<u>1,930,428.45</u>	<u>2,062,312.22</u>
Other Current Assets:			
Accounts Receivable - For Fiscal Yr Ending 6/24	1236	380.00	-
Prepaid Insurance	1400	6,899.28	6,353.95
Prepaid Expenses	1405	5,675.42	5,111.33
Total Other Current Assets		<u>12,954.70</u>	<u>11,465.28</u>
Total Current Assets		<u>1,943,383.15</u>	<u>2,073,777.50</u>
NON-CURRENT ASSETS:			
Equipment	1500	57,801.99	57,801.99
Accumulated Depreciation	1550	(55,266.69)	(51,343.69)
Operating Right-of-Use Assets	1900	139,900.38	-
Total Non-Current Assets		<u>142,435.68</u>	<u>6,458.30</u>
DEFERRED OUTFLOWS OF RESOURCES (GASB 68):			
Deferred Outflows of Resources - PERS Contributions	1800	59,328.29	46,559.54
Deferred Outflows of Resources - Actuarial	1805	243,400.87	262,201.83
Total Deferred Outflows of Resources (GASB 68)		<u>302,729.16</u>	<u>308,761.37</u>
DEFERRED OUTFLOWS OF RESOURCES (GASB 75):			
Deferred Outflows of Resources - OPEB Contributions	1810	1,800.00	1,752.00
Deferred Outflows of Resources - OPEB Actuarial	1815	5,754.00	7,238.00
		<u>7,554.00</u>	<u>8,990.00</u>
		<u>\$ 2,396,101.99</u>	<u>\$ 2,397,987.17</u>
LIABILITIES AND EQUITY			
	ACCT #	2023	2022
CURRENT LIABILITIES:			
Accounts Payable	2000	\$ 30,263.58	\$ 22,560.88
Payroll Liabilities	2200	168.00	168.00
Accrued Leave	2220	94,982.78	84,624.31
Dissolution of FORA Legal Liability	2380	350,168.66	345,074.28
Dissolution of FORA Admin Liability	2381	53,921.00	54,947.00
Current Portion of Operating Lease Obligations	2601	26,357.52	-
Total Current Liabilities		<u>555,861.54</u>	<u>507,374.47</u>
NON-CURRENT LIABILITIES:			
Net Pension Liability/(Asset) (GASB 68)	2400	57,558.59	(262,199.19)
Net OPEB Liability/(Asset) (GASB 75)	2410	75,064.00	85,475.00
Operating Lease Obligations-Net of Current Portion	2600	114,538.92	-
Total Non-Current Liabilities		<u>247,161.51</u>	<u>(176,724.19)</u>
DEFERRED INFLOWS OF RESOURCES (GASB 68):	2500	40,784.66	9,278.43
DEFERRED INFLOWS OF RESOURCES (GASB 75):	2505	56,930.00	52,790.00
EQUITY:			
Invested in Capital Assets	3700	2,535.30	6,458.30
Encumbered Funds	3710	70,749.02	70,749.02
Reserve for Litigation	3800	288,789.20	202,469.03
Reserve for Contingency	3810	276,614.00	269,914.00
Restricted for Pension	3825	-	262,199.19
Unreserved Fund*	3850	856,676.76	1,193,478.92
Total Equity		<u>1,495,364.28</u>	<u>2,005,268.46</u>
		<u>\$ 2,396,101.99</u>	<u>\$ 2,397,987.17</u>

*Includes revenue received in the current year to be used for operating expenses through 6/30/24

LAFCO of Monterey County
Income and Expense Budget Performance - Summary
December 31, 2023

ACCT #	Income:	Dec 23	Dec 22	% of Budget		Dec 23	July 22-Dec 23	July 21-Dec 22	Adopted 23/24 Budget	Remaining Budget Balance	% of Remaining Budget Balance
				Received/ Spent							
4000	Fees: Project	\$ -	\$ 5,000.00	0.00%		\$ 29,874.04	\$ 15,330.00	\$ 10,000.00	\$ 19,874.04	198.74%	
4205	County Contributions	-	-	0.00%		363,784.00	354,931.00	363,784.00	-	0.00%	
4210	City Contributions	-	-	0.00%		363,783.99	354,930.99	363,784.00	(0.01)	0.00%	
4220	District Contributions	-	-	0.00%		363,785.00	354,928.00	363,784.00	1.00	0.00%	
4249	FORA Administrative Revenue	85.50	85.50	0.00%		427.50	1,075.50	-	427.50	0.00%	
4300	Interest	7,870.63	11.09	154.17%		7,915.37	3,826.92	5,105.00	2,810.37	55.05%	
	Total Income	7,956.13	5,096.59	0.72%		1,129,569.90	1,085,022.41	1,106,457.00	23,112.90	2.09%	
	Expense:										
VAR	Employee Salaries	44,438.26	42,331.07	7.58%		285,796.99	271,886.82	586,475.00	300,678.01	51.27%	
VAR	Employee Benefits	23,831.35	20,461.82	9.09%		291,379.28	122,542.33	262,244.00	(29,135.28)	-11.11%	
7000	Postage and Shipping	1,010.75	286.87	25.31%		3,051.85	1,958.18	3,994.00	942.15	23.59%	
7010	Books and Periodical	361.29	799.70	36.13%		599.29	1,087.40	1,000.00	400.71	40.07%	
7030	Copy Machine	418.53	343.75	5.98%		2,912.70	2,357.51	7,000.00	4,087.30	58.39%	
7040	Outside Printers	-	-	0.00%		-	-	500.00	500.00	100.00%	
7060	Office Supplies	510.53	225.18	10.21%		2,613.66	2,105.99	5,000.00	2,386.34	47.73%	
7070	Office Equipment & Furnishings	-	-	0.00%		-	-	1,000.00	1,000.00	100.00%	
7080	Computer Hardware/Peripherals	128.93	-	3.22%		773.58	698.05	4,000.00	3,226.42	80.66%	
7085	Computer Support Svcs Fixed Costs	1,412.50	1,361.34	11.07%		8,475.00	8,168.04	12,763.00	4,288.00	33.60%	
7090	Computer Support Svcs Variable Costs	-	626.00	0.00%		160.00	1,095.50	5,000.00	4,840.00	96.80%	
7100	Computer Software	239.88	239.88	18.78%		559.85	554.85	1,277.00	717.15	56.16%	
7105	Meeting Broadcast Services	450.00	668.75	8.81%		2,250.00	668.75	5,106.00	2,856.00	55.93%	
7110	Property and Gen Liability Insurance	698.27	640.54	7.73%		4,189.62	3,843.24	9,032.00	4,842.38	53.61%	
7120	Office Maintenance Services	-	-	0.00%		-	168.00	486.00	486.00	100.00%	
7140	Travel	200.43	47.07	2.86%		2,651.25	9,447.74	7,000.00	4,348.75	62.13%	
7150	Training, Conferences & Workshops	-	(273.79)	0.00%		10,719.64	7,071.93	13,000.00	2,280.36	17.54%	
7160	Vehicle Mileage	53.71	78.38	5.37%		164.14	190.94	1,000.00	835.86	83.59%	
7170	Rental of Buildings	2,851.01	2,397.69	8.85%		17,106.06	14,386.14	32,220.00	15,113.94	46.91%	
7200	Telephone Communications	358.36	329.54	4.21%		2,229.58	2,098.36	8,509.00	6,279.42	73.80%	
7240	Outside Prof. Services: Other	-	2,625.00	0.00%		-	8,825.00	15,000.00	15,000.00	100.00%	
7242	Outside Prof. Services: Accounting	11,000.01	5,000.00	16.67%		38,000.01	34,800.00	66,000.00	27,999.99	42.42%	
7242A	Outside Prof. Services: General Admin and HR	800.00	400.00	13.33%		2,800.00	2,800.00	6,000.00	3,200.00	53.33%	
7245	General and Special Legal Services	6,758.80	6,494.60	74.14%		15,791.60	11,328.50	9,116.00	(6,675.60)	-73.23%	
7247	Outside Prof. Services: Human Resources	-	-	0.00%		-	-	5,789.00	5,789.00	100.00%	
7248	Outside Prof. Services: Annual Audit	-	6,000.00	0.00%		20,000.00	20,000.00	22,000.00	2,000.00	9.09%	
7250	Miscellaneous Office Expense	45.32	74.08	3.73%		555.90	325.86	1,216.00	660.10	54.28%	
7260	Legal Notices	-	-	0.00%		1,477.75	1,374.75	4,000.00	2,522.25	63.06%	
7270	Recruitment Advertising	-	-	0.00%		-	-	900.00	900.00	100.00%	
7280	LAFCO Memberships	-	-	0.00%		8,124.00	7,503.00	9,830.00	1,706.00	17.36%	
7290	Litigation Reserve	11,210.80	5,224.28	0.00%		39,426.90	62,118.98	-	(39,426.90)	0.00%	
7300	Depreciation	319.00	331.00	0.00%		1,916.00	2,009.95	-	(1,916.00)	0.00%	
	Total Expense	107,097.73	96,712.75	9.68%		763,724.65	601,415.81	1,106,457.00	342,732.35	30.98%	
	Net Ordinary Income (Loss)	(99,141.60)	(91,616.16)			365,845.25	483,606.60	-			
	Other Income/(Expense):										
8106	Prior Year Project Fees Returned	-	-			-	(2,697.50)	-	-		
	Total Other Income/(Expense)	-	-			-	(2,697.50)	-			
	Net Income (Loss)	\$ (99,141.60)	\$ (91,616.16)			\$ 365,845.25	\$ 480,909.10	\$ -			

LAFCO of Monterey County
Income and Expense Budget Performance - Detail
December 31, 2023

ACCT #	Income:	Dec 23	Dec 22	% of Budget Received/Spent		July 22-Dec 23	July 21-Dec 22	Adopted 23/24 Budget	Remaining Budget Balance	% of Remaining Budget Balance
				Dec 23	July 22-Dec 23					
4000	Fees: Project	\$ -	\$ 5,000.00	0.00%	\$	29,874.04	\$ 15,330.00	\$ 10,000.00	\$ 19,874.04	198.74%
4205	County Contributions	-	-	0.00%		363,784.00	354,931.00	363,784.00	-	0.00%
4210	City Contributions	-	-	0.00%		363,783.99	354,930.99	363,784.00	(0.01)	0.00%
4220	District Contributions	-	-	0.00%		363,785.00	354,928.00	363,784.00	1.00	0.00%
4249	FORA Administrative Revenue	85.50	85.50	0.00%		427.50	1,075.50	-	427.50	0.00%
4300	Interest	7,870.63	11.09	154.17%		7,915.37	3,826.92	5,105.00	2,810.37	55.05%
	Total Income	7,956.13	5,096.59	0.72%		1,129,569.90	1,085,022.41	1,106,457.00	23,112.90	2.09%
	Expense:									
6002	Regular Earnings	44,379.68	42,331.07			285,650.55	271,426.52			
6004	FORA Administrative Wages	58.58	-			146.44	460.30			
	Employee Salaries	44,438.26	42,331.07	7.58%		285,796.99	271,886.82	586,475.00	300,678.01	51.27%
6007	Management Expense Allowance	50.00	50.00			300.00	300.00			
6010	Accrued Leave	3,916.07	3,851.48			14,563.46	16,520.18			
6011	Car Allowance	400.00	400.00			2,400.00	2,400.00			
6013	Post Retirement Healthcare Reserve	151.00	149.00			906.00	894.00			
6100	Employee Benefits - Other	-	-			700.00	700.00			
6101	Payroll Expenses	670.88	640.32			4,313.21	4,111.50			
6102	Worker's Compensation Insurance	199.06	179.37			1,349.18	632.28			
6103	Employee Memberships	-	-			374.00	96.75			
6104	Deferred Comp Plan Contribution	2,755.18	2,624.52			17,719.47	16,856.93			
6105	PERS Retirement	5,170.26	4,335.98			185,639.50	30,650.46			
6110	PERS Health - Other	33.95	27.50			204.76	158.33			
6111	PERS Health - Med ER Non-Elective	604.00	596.00			3,624.00	3,576.00			
6112	PERS Health - Med ER Pre Tax	8,365.69	6,173.28			50,194.14	37,039.68			
6131	LIFE	125.20	125.20			751.20	751.20			
6132	ADD	8.21	8.21			49.26	49.26			
6133	Dental	767.90	767.90			4,607.40	4,607.40			
6134	Vision	123.80	108.60			742.80	651.60			
6135	LTD	398.09	332.40			2,388.54	1,994.40			
6139	STD	92.06	92.06			552.36	552.36			
	Employee Benefits	23,831.35	20,461.82	9.09%		291,379.28	122,542.33	262,244.00	(29,135.28)	-11.11%
7000	Postage and Shipping	1,010.75	286.87	25.31%		3,051.85	1,958.18	3,994.00	942.15	23.59%
7010	Books and Periodical	361.29	799.70	36.13%		599.29	1,087.40	1,000.00	400.71	40.07%
7030	Copy Machine	418.53	343.75	5.98%		2,912.70	2,357.51	7,000.00	4,087.30	58.39%
7040	Outside Printers	-	-	0.00%		-	-	500.00	500.00	100.00%
7060	Office Supplies	510.53	225.18	10.21%		2,613.66	2,105.99	5,000.00	2,386.34	47.73%
7070	Office Equipment & Furnishings	-	-	0.00%		-	-	1,000.00	1,000.00	100.00%
7080	Computer Hardware/Peripherals	128.93	-	3.22%		773.58	698.05	4,000.00	3,226.42	80.66%
7085	Computer Support Svcs Fixed Costs	1,412.50	1,361.34	11.07%		8,475.00	8,168.04	12,763.00	4,288.00	33.60%
7090	Computer Support Svcs Variable Costs	-	626.00	0.00%		160.00	1,095.50	5,000.00	4,840.00	96.80%
7100	Computer Software	239.88	239.88	18.78%		559.85	554.85	1,277.00	717.15	56.16%
7105	Meeting Broadcast Services	450.00	668.75	8.81%		2,250.00	668.75	5,106.00	2,856.00	55.93%
7110	Property and Gen Liability Insurance	698.27	640.54	7.73%		4,189.62	3,843.24	9,032.00	4,842.38	53.61%
7120	Office Maintenance Services	-	-	0.00%		-	168.00	486.00	486.00	100.00%
7140	Travel	200.43	47.07	2.86%		2,651.25	9,447.74	7,000.00	4,348.75	62.13%
7150	Training, Conferences & Workshops	-	(273.79)	0.00%		10,719.64	7,071.93	13,000.00	2,280.36	17.54%
7160	Vehicle Mileage	53.71	78.38	5.37%		164.14	190.94	1,000.00	835.86	83.59%
7170	Rental of Buildings	2,851.01	2,397.69	8.85%		17,106.06	14,386.14	32,220.00	15,113.94	46.91%
7200	Telephone Communications	358.36	329.54	4.21%		2,229.58	2,098.36	8,509.00	6,279.42	73.80%
7240	Outside Prof. Services: Other	-	2,625.00	0.00%		-	8,825.00	15,000.00	15,000.00	100.00%
7242	Outside Prof. Services: Accounting	11,000.01	5,000.00	16.67%		38,000.01	34,800.00	66,000.00	27,999.99	42.42%
7242A	Outside Prof. Services: General Admin and HR	800.00	400.00	13.33%		2,800.00	2,800.00	6,000.00	3,200.00	53.33%
7245	General and Special Legal Services	6,758.80	6,494.60	74.14%		15,791.60	11,328.50	9,116.00	(6,675.60)	-73.23%
7247	Outside Prof. Services: Human Resources	-	-	0.00%		-	-	5,789.00	5,789.00	100.00%
7248	Outside Prof. Services: Annual Audit	-	6,000.00	0.00%		20,000.00	20,000.00	22,000.00	2,000.00	9.09%
7250	Miscellaneous Office Expense	45.32	74.08	3.73%		555.90	325.86	1,216.00	660.10	54.28%
7260	Legal Notices	-	-	0.00%		1,477.75	1,374.75	4,000.00	2,522.25	63.06%
7270	Recruitment Advertising	-	-	0.00%		-	-	900.00	900.00	100.00%
7280	LAFCO Memberships	-	-	0.00%		8,124.00	7,503.00	9,830.00	1,706.00	17.36%
7290	Litigation Reserve	11,210.80	5,224.28	0.00%		39,426.90	62,118.98	-	(39,426.90)	0.00%
7300	Depreciation	319.00	331.00	0.00%		1,916.00	2,009.95	-	(1,916.00)	0.00%
	Total Expense	107,097.73	96,712.75	9.68%		763,724.65	601,415.81	1,106,457.00	342,732.35	30.98%
	Net Ordinary Income (Loss)	(99,141.60)	(91,616.16)			365,845.25	483,606.60	-		
	Other Income/(Expense):									
8106	Prior Year Project Fees Returned	-	-			-	(2,697.50)	-		
	Total Other Income/(Expense)	-	-			-	(2,697.50)	-		
	Net Income (Loss)	\$ (99,141.60)	\$ (91,616.16)			\$ 365,845.25	\$ 480,909.10	\$ -		

LAFCO of Monterey County
Income and Expense by Month
December 31, 2023

	July 23	Aug 23	Sept 23	Oct 23	Nov 23	Dec 23	Total
Ordinary Income/Expense							
Income:							
4000 · Fees: Project	\$ -	\$ -	\$ 550.00	\$ 16,987.50	\$ -	\$ -	\$ 17,537.50
4205 · County Contributions	363,784.00	-	-	-	-	-	363,784.00
4210 · City Contributions	363,783.99	-	-	-	-	-	363,783.99
4220 · District Contributions	363,785.00	-	-	-	-	-	363,785.00
4249 · FORA Administrative Revenue	-	171.00	-	85.50	85.50	85.50	427.50
4300 · Interest	10.38	12.15	10.05	10.77	1.99	7,870.63	7,915.37
Total Income	1,091,363.37	12,519.69	560.05	17,083.77	86.89	7,956.13	1,129,569.90
Expense:							
6000 · Employee Salaries	42,896.00	43,465.76	66,292.69	44,732.27	43,952.01	44,488.26	285,796.99
6100 · Employee Benefits	20,533.39	23,064.48	28,866.69	172,732.57	22,350.80	23,831.35	291,379.28
7000 · Postage and Shipping	115.17	423.56	389.64	932.92	479.81	1,010.75	3,051.85
7010 · Books and Periodical	238.00	-	-	-	-	361.29	599.29
7030 · Copy Machine	419.96	337.67	418.53	418.54	699.47	418.53	2,912.70
7060 · Office Supplies	-	76.58	307.39	121.29	1,602.47	510.53	2,613.66
7080 · Computer Hardware/Peripherals	-	-	-	515.72	128.93	128.93	773.58
7085 · Computer Support Svcs Fixed Costs	-	-	-	5,650.00	1,412.50	1,412.50	8,475.00
7090 · Computer Support Svcs Variable Costs	219.98	-	-	160.00	-	-	379.98
7100 · Computer Software	-	-	-	99.99	-	239.88	339.87
7105 · Meeting Broadcast Services	698.27	698.27	698.27	1,350.00	450.00	450.00	2,250.00
7110 · Property and Gen Liability Insurance	-	-	-	698.27	698.27	698.27	4,189.62
7140 · Travel	-	-	-	2,450.82	-	200.43	2,651.25
7150 · Training, Conferences & Workshops	-	575.00	-	10,044.64	-	-	10,719.64
7160 · Vehicle Mileage	-	110.43	-	-	-	53.71	164.14
7170 · Rental of Buildings	2,685.00	2,685.80	3,183.03	2,851.01	2,851.01	2,851.01	17,106.06
7200 · Telephone Communications	471.16	349.94	349.94	350.09	350.09	358.36	2,229.58
7242 · Outside Prof. Services: Accounting	5,000.00	5,500.00	5,500.00	5,500.00	5,500.00	11,000.01	38,000.01
7242A · Outside Prof. Services: Gen Admin & HR Assistance	400.00	400.00	400.00	400.00	400.00	800.00	2,800.00
7245 · General and Special Legal Services	-	1,395.00	1,620.70	2,825.40	3,001.70	6,758.80	15,791.60
7248 · Outside Prof. Services: Annual Audit	1,500.00	-	-	18,500.00	-	-	20,000.00
7250 · Miscellaneous Office Expense	73.94	36.74	289.24	36.74	73.92	45.32	555.90
7260 · Legal Notices	958.00	231.00	-	-	288.75	-	1,477.75
7280 · LAFCO Memberships	8,124.00	-	-	-	-	-	8,124.00
7290 · Litigation Reserve	-	12,278.81	554.00	11,386.98	3,996.21	11,210.80	39,426.90
7300 · Depreciation	321.00	814.00	321.00	322.00	319.00	319.00	1,916.00
Total Expense	84,653.87	91,872.31	109,496.55	282,099.25	88,554.94	107,097.73	763,724.65
Net Income/(Loss)	\$ 1,006,709.50	\$ (79,302.62)	\$ (108,936.50)	\$ (265,015.48)	\$ (88,468.05)	\$ (99,141.60)	\$ 365,845.25

**LAFCO of Monterey County
Accounts Receivable Summary
As of December 31, 2023**

Accounts Receivable-For Fiscal Year Ending 6/2024:

<u>Description</u>	<u>Date</u>	<u>Amount</u>
Gonzales Rural FPD	7/1/23	<u>380.00</u>
	ACCT # 1236	\$ <u><u>380.00</u></u>

DRAFT

**LAFCO of Monterey County
Equipment Summary
As of December 31, 2023**

Equipment and Accumulated Depreciation:

Description	Fiscal Year In Service (6/30)	Cost	Amount Depreciated
Furniture & Fixtures	2010	\$ 502.51	\$ 502.51
Furniture & Fixtures	2017	29,396.72	28,376.00
Furniture & Fixtures	2018	10,618.39	9,507.00
Office Equipment	2011	2,185.00	2,185.00
Office Equipment	2013	1,990.68	1,990.68
Office Equipment	2014	5,214.29	5,214.29
Office Equipment	2016	1,168.89	1,168.89
Office Equipment	2017	2,527.32	2,527.32
Office Equipment	2019	2,143.66	2,050.00
Office Equipment	2020	2,054.53	1,745.00

	ACCT # 1500	\$ 57,801.99
DRAFT	ACCT # 1550	\$ 55,266.69

LAFCO of Monterey County Accounts Payable Summary As of December 31, 2023

Accounts Payable:

Vendor	Description	Date	Inv#/Acct#	Amount
AT&T	Credit	12/10/2021		\$ (42.77)
AT&T	Telephone Services	12/17/2023	317277339	226.34
Best, Best & Krieger	MPWMD Service Activation Services through 12/31/23	12/31/2023	986013	2,333.40
CliftonLarsonAllen LLP	Accounting Services for November/December 2023	12/31/2023	L241006338	11,800.01
Comcast	Telephone Services from 12/27/23-1/26/24	12/22/2023	8155100301512806	132.02
County of Monterey, Information Technology	Computer Support Services through 12/31/23	12/31/2023	Dept 812 P/E 12/31/23	1,991.43
David Kong	2023 Calafco Conference Mileage Reimbursement	12/1/2023		200.43
MBS Business Systems	Copy Machine Rental	12/18/2023	460921	745.56
MBS Business Systems	Copy Machine Rental	12/22/2023	461490	111.48
MBS Business Systems	Copy Machine Rental	12/22/2023	461511	70.00
Office of County Counsel-Co of Monterey	General Legal Services through 11/30/23	12/20/2023	23-003287	4,542.80
Office of County Counsel-Co of Monterey	LAFCO-MPWMD, Latent Power Legal Services through 11/30/23	12/20/2023	23-003295	3,545.60
Office of County Counsel-Co of Monterey	LAFCO-MPWMD, Latent Power Legal Services through 12/31/23	12/31/2023	24-001040	969.50
Office of County Counsel-Co of Monterey	General Legal Services through 12/31/23	12/31/2023	24-001032	2,216.00
Principal Life	Jan 2024 Benefits: LTD, ADD, STD, Life	12/17/2023	1095234-10001	623.56
Safarina Maluki	Mileage Reimbursement 7/1/23-12/31/23	12/31/2023		53.71
Wells Fargo Bank Credit Card	Monterey Herald \$361.29; Culligan Water \$45.32; Amazon \$98.02;	12/31/2023		744.51
	Adobe \$239.88			
			ACCT # 2000	<u>\$ 30,263.58</u>



**LAFCO of Monterey County
Accrued Leave Summary
As of December 31, 2023**

Executive Officer and Analyst Positions:

Employee	Title	Total Hours of Accrued Annual Leave *	Hourly Rate	Annual Leave Book Value
Kate McKenna	Executive Officer	625.29	100.76	\$ 63,004.22
Darren McBain	Principal Analyst	241.70	74.85	18,091.25
Jonathan Brinkmann	Senior Analyst	173.86	58.57	10,182.98
				\$ 91,278.45

Clerk / Administrative Secretary Position:

Employee	Accrued Sick Leave	Accrued Vacation **	Hourly Rate	Sick Leave Book Value	Vacation Book Value
Safarina Maluki	78.68	12.74	40.52	\$ 3,188.11	\$ 516.22
				\$ 3,188.11	\$ 516.22

Annual Leave	\$ 91,278.45
Sick Leave	3,188.11
Vacation	516.22
ACCT # 2220	\$ 94,982.78

Executive Officer and Senior Analyst Positions:

* Maximum of 250 or 850 hours of Annual Leave may be accrued. This is a general description of benefits only. Actual benefits are defined in individual employment agreements.

Clerk/Admin Secretary Position:

** Maximum of 260 hours of Accrued Vacation may be accrued. This is a general description of benefits only. Actual benefits are defined in employment agreement.

***Compensatory time: Overtime eligible employees can accrue compensatory time-off in lieu of overtime payments. A maximum of 80 hours of compensatory time may be accrued. The compensatory time off balances are considered current year liabilities. These benefits are a general description only.

**LAFCO of Monterey County
Detail of Encumbrances
As of December 31, 2023**

Encumbered Funds:

Subject	Invoice Date/ Inv. No.	Funds Received/(Paid)
Recruitment Advertising Encumbered Funds:		
13-14 Budget Carryover		\$ 3,179.40
ID Concepts, LLC	7/15/14 Inv. No. LAFCO-01	(115.00)
Hardee Investigations	9/11/14 Inv. No. LAFCO-01	(460.00)
Hardee Investigations	10/3/2014 LAFCO-02	(180.00)
ID Concepts, LLC	10/10/15 Inv. No. 303013	(107.50)
The Post Box	6/15/2016	(50.00)
Hardee Investigations	6/22/16 Inv. No. LAFCO-03	(180.00)
Hardee Investigations	6/3/17 Inv No. LAFCO 17-01	(360.00)
Hardee Investigations	6/6/19 Inv No. LAFCO 19-01	(225.00)
Montereybayjobs.com	7/20/19 Inv No. mbj	(299.00)
Indeed	7/30/19 Inv. No. 24779848	(25.19)
Indeed	7/31/19 Inv. No. 24993586	(6.47)
Hardee Investigations	8/16/19 Inv No. LAFCO 19-02	(275.00)
		<u>896.24</u>
Human Resources Encumbered Funds:		
	Balance Forward	8,973.00
19-20 Budget Carryover		10,500.00
Hayashi Wayland-HR Services Monthly Fee	8/3/20 Inv. No. 293672	(400.00)
Hayashi Wayland-HR Services Monthly Fee	9/1/20 Inv. No. 294080	(400.00)
Hayashi Wayland-HR Services Monthly Fee	10/1/20 Inv No. 294599	(400.00)
Hayashi Wayland-HR Services Monthly Fee	11/1/20 Inv. No. 295271	(400.00)
Hayashi Wayland-HR Services Monthly Fee	12/7/20 Inv. No. 295739	(400.00)
Liebert Cassidy Whitmore, A Professional Law Corp	12/31/20 Inv. No. 1512526	(38.00)
Hayashi Wayland-HR Services Monthly Fee	1/14/21 Inv. No. 296368	(400.00)
Liebert Cassidy Whitmore, A Professional Law Corp	1/31/21 Inv. No. 1514248	(929.00)
Hayashi Wayland-HR Services Monthly Fee	2/8/21 Inv No. 296802	(400.00)
Liebert Cassidy Whitmore, A Professional Law Corp	2/28/21 Inv. No. 1515993	(3,699.50)
Hayashi Wayland-HR Services Monthly Fee	3/1/21 Inv No. 297416	(400.00)
Liebert Cassidy Whitmore, A Professional Law Corp	3/31/21 Inv. No. 1517887	(152.00)
Hayashi Wayland-HR Services Monthly Fee	4/15/21 Inv No. 298589	(400.00)
Hayashi Wayland-HR Services Monthly Fee	5/20/21 Inv No. 299239	(400.00)
Hayashi Wayland-HR Services Monthly Fee	6/8/21 Inv No. 300212	(400.00)
		<u>10,254.50</u>
Temp Professional Services Encumbered Funds:		
2018-2019 Resolution No. 19-01	Fire and Medical Emergency Study	75,000.00
Michael P. McMurry	9/3/19 Inv No. MON 1	(812.50)
Michael P. McMurry	9/30/19 Inv No. MON 2	(1,062.50)
Michael P. McMurry	11/1/19 Inv No. MON 3	(812.50)
Michael P. McMurry	12/1/19 Inv No. MON 4	(2,031.25)
Michael P. McMurry	1/3/20 Inv No. MON 5	(1,312.50)
Michael P. McMurry	2/1/20 Inv No. MON 6	(1,000.00)
Michael P. McMurry	4/1/20 Inv No. MON 7	(3,350.00)
Michael P. McMurry	5/1/20 Inv No. MON 8	(4,437.50)
Michael P. McMurry	5/29/20 Inv No. MON 9	(1,656.25)
Michael P. McMurry	6/23/20 Inv No. MON 10	(1,187.50)
Michael P. McMurry	11/1/20 Inv No. MON 11	(1,937.50)
Michael P. McMurry	12/1/20 Inv No. MON 12	(781.25)
Michael P. McMurry	3/2/21 Inv No. MON 13	(531.25)
Michael P. McMurry	5/3/21 Inv No. MON 14	(2,975.00)
Michael P. McMurry	6/30/21 Inv No. MON 15	(700.00)
Michael P. McMurry	7/31/21 Inv No. MON 15A	(687.50)
Michael P. McMurry	8/31/21 Inv No. MON 16	(1,312.50)
Michael P. McMurry	10/31/21 Inv No. MON 17	(750.00)
Michael P. McMurry	12/31/21 Inv No. MON 18	(687.50)
		<u>46,975.00</u>
Computer Support Services-Variable Encumbered Funds:		
18-19 Budget Carryover		<u>12,623.28</u>
		<u>12,623.28</u>
	ACCT # 3710	<u>\$ 70,749.02</u>

**LAFCO of Monterey County
Detail of Reserve for Litigation
As of December 31, 2023**

Reserve for Litigation:

Date	Vendor/Description	Invoice #	Amount
	Beginning Balance as of 7/1/22		\$ 264,588.01
8/11/2022	Best, Best & Krieger	942253	(8,905.30)
8/23/2022	Office of County Counsel-Co. of Monterey	22-000686	(516.60)
9/8/2022	Best, Best & Krieger	94461	(15,907.50)
9/12/2022	Office of County Counsel-Co. of Monterey	22-000787	(959.40)
9/30/2022	Best, Best & Krieger	947478	(11,506.10)
9/30/2022	Office of County Counsel-Co. of Monterey	22-000870	(553.50)
11/15/2022	Best, Best & Krieger	950787	(18,435.60)
11/15/2022	Office of County Counsel-Co. of Monterey	22-000892	(110.70)
12/9/2022	Best, Best & Krieger	952842	(4,523.18)
12/14/2022	Office of County Counsel-Co. of Monterey	22-000975	(221.40)
12/31/2022	Office of County Counsel-Co. of Monterey	23-000018	(479.70)
1/20/2023	Best, Best & Krieger	955804	(14,670.99)
2/21/2023	Office of County Counsel-Co. of Monterey	22-002301	(369.00)
2/24/2023	Best, Best & Krieger	958386	(7,088.40)
3/20/2023	Best, Best & Krieger	960589	(1,685.20)
3/31/2023	Best, Best & Krieger	963335	(1,404.45)
3/31/2023	Office of County Counsel-Co. of Monterey	23-002431	(553.50)
5/8/2023	Best, Best & Krieger	964642	(2,425.85)
5/19/2023	Office of County Counsel-Co. of Monterey	23-002465	(36.90)
5/31/2023	Best, Best & Krieger	968326	(37,983.10)
6/23/2023	Office of County Counsel-Co. of Monterey	23-002620	(701.10)
6/30/2023	Best, Best & Krieger	969813	(64.80)
8/22/2023	Best, Best & Krieger	973136	(4,729.46)
8/25/2023	Office of County Counsel-Co. of Monterey	23-003123	(637.10)
8/31/2023	Best, Best & Krieger	975334	(6,912.35)
9/15/2023	Office of County Counsel-Co. of Monterey	23-003213	(554.00)
10/13/2023	Best, Best & Krieger	977680	(9,863.48)
10/18/2023	Office of County Counsel-Co. of Monterey	23-003213	(1,523.50)
11/9/2023	Best, Best & Krieger	979801	(3,248.31)
11/16/2023	Office of County Counsel-Co. of Monterey	23-003268	(747.90)
12/4/2023	Reserve Replenishment		192,730.36 *
12/4/2023	Best, Best & Krieger	982356	(4,362.30)
12/20/2023	Office of County Counsel-Co. of Monterey	23-003295	(3,545.60)
12/31/2023	Best, Best & Krieger	986013	(2,333.40)
12/31/2023	Office of County Counsel-Co. of Monterey	24-001040	(969.50)
	ACCT # 3800		\$ 288,789.20

*Replenish reserve to \$300,000 balance, per commission meeting on 12/4/23.

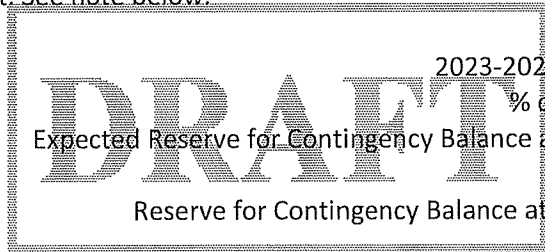
**LAFCO of Monterey County
Detail of Reserve for Contingency
As of December 31, 2023**

Reserve for Contingency:

Date	Vendor/Description	Invoice #	Amount
	Reserve for Contingency Balance at 6/30/23		\$ 269,914.00
7/1/2023	Authorized Transfer (To)/From Unreserved Funds for FY 2023-2024**		<u>6,700.00</u>
		ACCT # 3810	<u><u>\$ 276,614.00</u></u>

**Per Resolution 19-01, the Contingency Reserve is adjusted at the beginning of each year to account for 25% of the current year budget. See note below.

	2023-2024 Budget	\$ 1,106,457
	% of Budget	<u>0.25</u>
	Expected Reserve for Contingency Balance at 7/1/23	276,614
	Reserve for Contingency Balance at 6/30/23	<u>269,914</u>
	Authorized Transfer (To)/From Unreserved Funds for FY 2023-2024**	<u><u>\$ 6,700</u></u>



LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369
Salinas, CA 93902
Telephone (831) 754-5838

132 W. Gabilan Street, Suite 102
Salinas, CA 93901
www.monterey.lafco.ca.gov

KATE McKENNA, AICP
Executive Officer

DATE: February 22, 2024
TO: Budget and Finance Committee
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: **January 31, 2024 Draft Balance Sheet and Income Statement**
CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378.

SUMMARY OF RECOMMENDATION:

Accept the statements for information only.

EXECUTIVE OFFICER'S REPORT:

Attached are the draft balance sheet and income statements for January 31, 2024. Prepared by CliftonLarsonAllen, LLP, the statements are generally as anticipated for the third quarter.

Actual employee benefit expenses excluding the UAL payoff are \$162,532, or approximately 62 percent of the budget. Services and Supplies line item expenses are addressed in a budget amendment proposal in Agenda Item No. 5.

Mr. Mike Briley, CPA, Managing Principal, CliftonLarsonAllen, LLP, will join me in presenting this item.

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Attachments: Draft Balance Sheet and Income Statement for January 31, 2024, by CliftonLarsonAllen, LLP

LAFCO of Monterey County

Balance Sheet

As of January 31, 2024

02/14/24

Accrual Basis

Jan 31, 24

ASSETS

Current Assets

Checking/Savings

1100 · Petty Cash	300.00
1007 · Wells Fargo Checking	75,155.07
1010 · Cash Co. Treasury	
1012 · Designated Cash Litigation Resv	288,789.20
1013 · Designated Cash - Accrued Leave	80,832.95
1014 · Designated Cash-Post Retirement	75,064.00
1015 · Designated Cash-Contingency	276,614.00
1020 · Resticted Cash-FORA Litigation	350,168.66
1010 · Cash Co. Treasury - Other	680,710.60

Total 1010 · Cash Co. Treasury 1,752,179.41

Total Checking/Savings 1,827,634.48

Accounts Receivable

1236 · A/R Fiscal Year Ending 6/2024 380.00

Total Accounts Receivable 380.00

Other Current Assets

1400 · Prepaid Insurance	6,001.95
1405 · Prepaid Expenses	1,877.87

Total Other Current Assets 7,879.82

Total Current Assets 1,835,894.30

Fixed Assets

1500 · Equipment	2,185.00
1525 · Computer Equipment	15,099.37
1530 · Office Furniture	40,517.62
1550 · Accumulated Depreciation	-55,587.69

Total Fixed Assets 2,214.30

Other Assets

1800 · Deferred Outflows-PERS Contrib.	59,328.29
1805 · Deferred Outflows-Actuarial	243,400.87
1810 · Deferred Outflows-OPEB Contrib	1,800.00
1815 · Deferred Outflow-OPEB Actuarial	5,754.00
1900 · Operating Right of Use Asset	137,534.29

Total Other Assets 447,817.45

TOTAL ASSETS 2,285,926.05

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

2000 · Accounts Payable 10,297.02

Total Accounts Payable 10,297.02

Credit Cards

WFB Visa X2064 (Kate) 733.35

Total Credit Cards 733.35



LAFCO of Monterey County

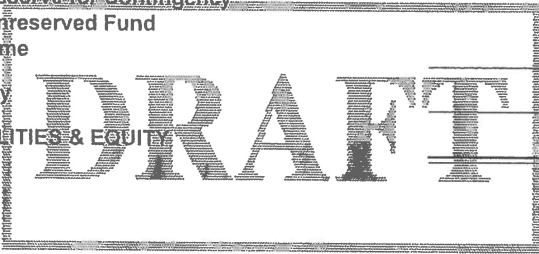
Balance Sheet

As of January 31, 2024

02/14/24

Accrual Basis

	Jan 31, 24
Other Current Liabilities	
2220 · Accrued Leave	80,832.95
2410 · Post Retirement (GASB 75)	75,064.00
2200 · Payroll Liabilities	597.50
2380 · Dissolution of FORA Legal Liab.	350,168.66
2381 · Dissolution of FORA Admin Liab.	53,921.00
2601 · Current Portion Lease Obligat.	26,357.52
Total Other Current Liabilities	586,941.63
Total Current Liabilities	597,972.00
Long Term Liabilities	
2400 · Net Pension Liability/(Asset)	57,558.59
2500 · Deferred Inflow-GAB68 Actuarial	40,784.66
2505 · Deferred Inflows-OPEB Actuarial	56,930.00
2600 · Operating Lease Liability	112,338.84
Total Long Term Liabilities	267,612.09
Total Liabilities	865,584.09
Equity	
3700 · Invested in Capital Assets	2,214.30
3710 · Encumbered Funds	70,749.02
3800 · Reserve for Litigation	288,789.20
3810 · Reserve for Contingency	276,614.00
3850 · Unreserved Fund	491,152.51
Net Income	290,822.93
Total Equity	1,420,341.96
TOTAL LIABILITIES & EQUITY	2,285,926.05



LAFCO of Monterey County
Profit & Loss
July 2023 through January 2024

02/14/24
 Accrual Basis

Jul '23 - Jan 24

Ordinary Income/Expense	
Income	
4000 · Fees	
4005 · Project	29,874.04
Total 4000 · Fees	29,874.04
4205 · County Contributions	363,784.00
4210 · City Contributions	363,783.99
4220 · District Contributions	363,785.00
4249 · FORA Admin Revenue	427.50
4300 · Interest	7,916.46
Total Income	1,129,570.99
Expense	
7300 · Depreciation	2,237.00
6000 · Employee Salaries	
6002 · Regular Earnings	329,278.40
6004 · FORA Admin Earnings	146.44
Total 6000 · Employee Salaries	329,424.84
6100 · Employee Benefits	
6013 · Post Retirement Healthcare	1,063.00
6010 · Accrued Leave	413.63
6007 · Management Expense Allowance	
6011 · Management Car Allowance	2,800.00
6007 · Management Expense Allowance - Other	350.00
Total 6007 · Management Expense Allowance	3,150.00
6102 · Worker's Compensation Insurance	1,548.24
6101 · Payroll Expenses	5,984.60
6103 · Employee Memberships	374.00
6104 · Deferred Comp Plan Contribution	20,424.41
6105 · PERS Retirement	190,784.86
6110 · PERS Health	
6111 · Med ER Non-Ele	4,252.00
6112 · Med ER Pre Tax	59,367.74
6110 · PERS Health - Other	241.56
Total 6110 · PERS Health	63,861.30
6130 · Insurance	
6139 · STD	644.42
6131 · LIFE	876.40
6132 · ADD	57.47
6133 · Dental	5,375.30
6134 · Vision	866.60
6135 · LTD	2,786.63
Total 6130 · Insurance	10,606.82
7294 · Accrued Leave Reserve	16,121.60
6100 · Employee Benefits - Other	700.00
Total 6100 · Employee Benefits	315,032.46

LAFCO of Monterey County
Profit & Loss
July 2023 through January 2024

Jul '23 - Jan 24

7000 · Postage and Shipping	3,131.47
7010 · Books and Periodical	599.29
7030 · Copy Machine	3,331.24
7060 · Office Supplies	2,958.36
7080 · Computer Hardware/Peripherals	773.58
7085 · Computer Support Svc Fixed Cost	8,475.00
7090 · Computer Support Svc Variable	160.00
7100 · Computer Software	559.85
7105 · Meeting Broadcast Services	3,250.00
7110 · Property and Gen Liability Ins	4,887.89
7140 · Travel	2,651.25
7150 · Training, Conferences & Wrkshps	10,719.64
7160 · Vehicle Mileage	164.14
7170 · Rental of Buildings	19,957.07
7200 · Telephone Communications	2,427.46
7242 · Outside Prof Svc-Accounting	38,000.01
7242 A · Gen Admin Svcs & HR Assistance	2,800.00
7248 · Outside Prof Svc-Annual Audit	20,000.00
7245 · General Legal Services	15,791.60
7250 · Miscellaneous Office Expense	672.26
7260 · Legal Notices	1,477.75
7280 · LAFCO Memberships	9,839.00
7290 · Litigation Reserve	39,426.90
Total Expense	838,748.06
Net Ordinary Income	290,822.93
Net Income	290,822.93

DRAFT

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 www.monterey.lafco.ca.gov

KATE McKENNA, AICP
Executive Officer

DATE: February 22, 2024
TO: Budget and Finance Committee
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: Profit/Loss Budget vs. Actual Report, February 14, 2024
CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378.

SUMMARY OF RECOMMENDATION:

Accept report for information only.

EXECUTIVE OFFICER'S REPORT:

Attached is the Profit and Loss Budget vs. Actual report dated February 14, 2024. These bi-weekly reports are prepared by CliftonLarsonAllen, LLP for the purpose of monitoring budget activities. Overall third quarter revenue and expenses to date are generally on target.

Actual employee benefit expenses excluding the UAL payoff are \$183,287.80, or approximately 70 percent of the budget. Agenda Item No. 5 addresses the proposed budget amendment proposal for minor line item expenses.

Mr. Mike Briley, CPA, Managing Principal, CliftonLarsonAllen, LLP, will join me in presenting this item.

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Attachment: Profit and Loss Budget vs. Actual Report, February 14, 2024, by CliftonLarsonAllen, LLP



Accountant's Compilation Report

To the Chair and Commissioners
Local Agency Formation Commission
LAFCO of Monterey County
Salinas, California

Management is responsible for the Profit and Loss Actual vs. Budget of the Local Agency Formation Commission of Monterey County (LAFCO), as of fiscal year to date February 16, 2024, included in the accompanying prescribed form in accordance with the requirements of LAFCO. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion or a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of LAFCO and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of LAFCO and is not intended to be, and should not be, used by anyone other than these specified parties.

We are not independent with respect to LAFCO.

CliftonLarsonAllen LLP

February 14, 2024
Salinas, CA

LAFCO of Monterey County
Profit & Loss Budget vs. Actual (DRAFT)
July 1, 2023 through February 16, 2024

	<u>Jul 1, '23 - Feb 16, 24</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4000 · Fees	29,874.04	10,000.00	19,874.04	298.74%
4205 · County Contributions	363,784.00	363,784.00	-	100.0%
4210 · City Contributions	363,783.99	363,784.00	(0.01)	100.0%
4220 · District Contributions	363,785.00	363,784.00	1.00	100.0%
4249 · FORA Admin Revenue	427.50	-	427.50	100.0%
4300 · Interest	7,916.46	5,105.00	2,811.46	155.07%
Total Income	<u>1,129,570.99</u>	<u>1,106,457.00</u>	<u>23,113.99</u>	<u>102.09%</u>
Expense				
7300 · Depreciation	2,237.00	-	2,237.00	100.0%
6000 · Employee Salaries	373,376.85	586,475.00	(213,098.15)	63.67%
6100 · Employee Benefits	335,787.80	262,244.00	73,543.80	128.04%
7000 · Postage and Shipping	3,479.16	3,994.00	(514.84)	87.11%
7010 · Books and Periodical	599.29	1,000.00	(400.71)	59.93%
7030 · Copy Machine	3,640.25	7,000.00	(3,359.75)	52.0%
7040 · Outside Printers	-	500.00	(500.00)	0.0%
7060 · Office Supplies	2,958.36	5,000.00	(2,041.64)	59.17%
7070 · Office Equipment and Furnishing	-	1,000.00	(1,000.00)	0.0%
7080 · Computer Hardware/Peripherals	773.58	4,000.00	(3,226.42)	19.34%
7085 · Computer Support Svc Fixed Cost	8,475.00	12,763.00	(4,288.00)	66.4%
7090 · Computer Support Svc Variable	160.00	5,000.00	(4,840.00)	3.2%
7100 · Computer Software	559.85	1,277.00	(717.15)	43.84%
7105 · Meeting Broadcast Services	4,250.00	5,106.00	(856.00)	83.24%
7110 · Property and Gen Liability Ins	5,586.16	9,032.00	(3,445.84)	61.85%
7120 · Office Maintenance Services	-	486.00	(486.00)	0.0%
7140 · Travel	2,651.25	7,000.00	(4,348.75)	37.88%
7150 · Training, Conferences & Workshops	10,719.64	13,000.00	(2,280.36)	82.46%
7160 · Vehicle Mileage	164.14	1,000.00	(835.86)	16.41%
7170 · Rental of Buildings	22,808.08	32,220.00	(9,411.92)	70.79%
7200 · Telephone Communications	2,427.46	8,509.00	(6,081.54)	28.53%
7240 · Outside Prof. Services	-	15,000.00	(15,000.00)	0.0%
7242 · Outside Prof Svc-Accounting	43,500.01	66,000.00	(22,499.99)	65.91%
7242 A · Gen Admin Svcs & HR Assistance	3,200.00	6,000.00	(2,800.00)	53.33%
7247 · Outside Prof Svc-Human Resource	-	5,789.00	(5,789.00)	0.0%
7248 · Outside Prof Svc-Annual Audit	20,000.00	22,000.00	(2,000.00)	90.91%
7245 · General Legal Services	15,791.60	9,116.00	6,675.60	173.23%
7250 · Miscellaneous Office Expense	672.26	1,216.00	(543.74)	55.29%
7260 · Legal Notices	1,477.75	4,000.00	(2,522.25)	36.94%
7270 · Recruitment Advertising	-	900.00	(900.00)	0.0%
7280 · LAFCO Memberships	9,839.00	9,830.00	9.00	100.09%
7290 · Litigation Reserve	40,953.30	-	40,953.30	100.0%
Total Expense	<u>916,087.79</u>	<u>1,106,457.00</u>	<u>(190,369.21)</u>	<u>82.8%</u>
Net Ordinary Income	<u>213,483.20</u>	<u>-</u>	<u>213,483.20</u>	<u>100.0%</u>
Net Income	<u>\$ 213,483.20</u>	<u>\$ -</u>	<u>\$ 213,483.20</u>	<u>100.0%</u>

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 www.monterey.lafco.ca.gov

KATE McKENNA, AICP
Executive Officer

DATE: February 22, 2024
TO: Budget and Finance Committee
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: **Budget Amendment No. 1 for FY 2023-2024**
CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378.

SUMMARY OF RECOMMENDATION:

Recommend that the Commission approve a resolution to adopt Amendment No. 1 to the current (Fiscal Year 2023-24) budget, transferring a total of \$20,200 with no net change to the overall budget, at the March 25, 2024 regular LAFCO meeting.

EXECUTIVE OFFICER'S REPORT:

Mid-Year Budget Review

Actual expenses to date for account 7245 (General Legal Services) are higher than budgeted for in the current fiscal year. This is largely because of a need for Counsel to prepare for and participate in regular and special LAFCO meeting agenda items regarding LAFCO's agricultural mitigation policies.

Line item 7105 (Meeting Broadcast Services) actual expenses are also higher than anticipated, due to both an increase in the audiovisual service provider's fees as of January 2024 and a higher than usual number of Commission meetings in this fiscal year, with special meetings having been held in November, January, and February.

The proposed amendment will increase funding for current and anticipated expenditures through June 30, 2024 for 7245 and 7105. Current expenses are shown in the Profit and Loss statements (Agenda Item #4).

Proposed Amendment to FY 2023-2024 Budget

A total of \$20,200 is recommended to be transferred as follows, with no net change to the overall budget:

- **from** line items 7040 (Outside Printers), 7070 (Office Equipment and Furnishings), 7090 (Computer Services Support – Variable Costs), and 7240 (Outside Professional Services)
- **to** 7245 and 7105 (General Legal Services and Meeting Broadcast Services)

Please see the attached worksheet for details. Actual expenditures to date for 7070, 7090, and 7240 are close to zero, with few or no more expenditures anticipated for these account through the remainder of the fiscal year (June 30, 2024).

Fiscal Impact

None. The recommended action will transfer \$20,200 as outlined above, with no overall net change to the adopted budget.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Kate McKenna". The signature is written in a cursive style with a large initial "K" and "M".

Kate McKenna, AICP,
Executive Officer

Attachment: Draft Budget Amendment No. 1, FY 2023-2024

Local Agency Formation Commission of Monterey
Draft Budget Worksheet - Amendment No. 1
Fiscal Year 2023-2024
Draft as of: 02.22.2024

		Adopted Budget FY 2023-2024	Proposed Budget Amendment No. 1	Proposed Amended Budget FY 2023-24
CODE	EXPENSE LINE ITEM			
6000	Employee Salaries	\$ 586,475		\$ 586,475
6100	Employee Benefits	\$ 262,244		\$ 262,244
7000	Postage and Shipping	\$ 3,994		\$ 3,994
7010	Books and Periodicals	\$ 1,000		\$ 1,000
730	Copy Machine Charges	\$ 7,000		\$ 7,000
7040	Outside Printers	\$ 500	\$ (200.00)	\$ 300
7060	Office Supplies	\$ 5,000		\$ 5,000
7070	Office Equipment and Furnishings	\$ 1,000	\$ (1,000.00)	\$ -
7080	Computer/Hardware/Peripherals	\$ 4,000		\$ 4,000
7085	Computer Support Services (Fixed Costs)	\$ 12,763		\$ 12,763
7090	Computer Support Services (Variable Costs)	\$ 5,000	\$ (4,000.00)	\$ 1,000
7100	Computer Software	\$ 1,277		\$ 1,277
7105	Meeting Broadcast Services	\$ 5,106	\$ 5,200.00	\$ 10,306
7110	Property and General Liability Insurance	\$ 9,032		\$ 9,032
7120	Office Maintenance Services	\$ 486		\$ 486
7140	Travel	\$ 7,000		\$ 7,000
7150	Training, Conferences, and Workshops	\$ 13,000		\$ 13,000
7160	Vehicle Mileage	\$ 1,000		\$ 1,000
7170	Rental of Buildings	\$ 32,220		\$ 32,220
7200	Telephone Communications	\$ 8,509		\$ 8,509
7230	Temporary Help Services (Clerical)	\$ -		\$ -
7240	Outside Professional Services	\$ 15,000	\$ (15,000.00)	\$ -
7242	Accounting and Financial Services	\$ 66,000		\$ 66,000
7242A	General Admin Services and HR Assistance	\$ 6,000		\$ 6,000
7245	General Counsel and Special Counsel	\$ 9,116	\$ 15,000.00	\$ 24,116
7247	Human Resources - other	\$ 5,789		\$ 5,789
7248	Annual Audit	\$ 22,000		\$ 22,000
7249	Temporary Professional Services-FORA Admin	\$ -		\$ -
7250	Miscellaneous Office Expenses	\$ 1,216		\$ 1,216
7260	Legal Notices	\$ 4,000		\$ 4,000
7270	Recruitment Expenses	\$ 900		\$ 900
7280	LAFCO Memberships	\$ 9,830		\$ 9,830
Total Expenditure		\$ 1,106,457		\$ 1,106,457

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
Executive Officer

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 www.monterey.lafco.ca.gov

DATE: February 22, 2024
TO: Budget and Finance Committee
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: Preliminary Draft Annual Work Program for FY 2024-2025
CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378.

SUMMARY OF RECOMMENDATION:

Recommend that the Commission approve the proposed Fiscal Year 2024-2025 annual work program, at the March 25, 2024 regular LAFCO meeting.

EXECUTIVE OFFICER'S REPORT:

Attached is a preliminary draft work program for FY 2024-2025. The work program identifies essential services to accomplish the Commission's legislative purposes, mandates and local priorities. It is organized by six functions: (1) application processing; (2) municipal service reviews and sphere of influence studies; (3) government and community relations; (4) Commission and Committee functions; (5) administrative and human resources management, and (6) financial management.

Our emphasis remains on the cost-efficient delivery of core services in a responsive, professional, and legally sound manner. The current volume of annexations and other boundary change applications is relatively low to moderate, and while it changes from month to month, we anticipate a continuation of this trend in the next year. Meanwhile, there is a significant need for staff time to prepare updates to municipal service reviews (MSRs) for our local agencies, another of LAFCO's legal mandates. The proposed work program reflects more time for LAFCO studies and less time for application-processing activities. As always, staff remains prepared to adjust timelines and priorities to help local agencies with specific needs that arise during the fiscal year.

Fiscal Impact

The proposed work program can reasonably be accomplished in-house with the current staffing level (4.0 FTE). A draft budget has been prepared for Fiscal Year 2024-2025 (Agenda Item No. 7). It anticipates a continuity of resources to support the Commission's work program.

Alternative Actions

The Budget and Finance Committee may modify the proposed work program or provide other direction.

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Attachment: Preliminary Draft Annual Work Program, Fiscal Year 2024-2025, as of February 16, 2024

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

DRAFT WORK PROGRAM

FISCAL YEAR 2024-2025

Proposal as of February 16, 2024

1. APPLICATION PROCESSING FUNCTIONS		
TASK	STATUS	COMMENTS
Process applications for boundary changes in a responsive, professional and efficient manner. For a current list, please see the monthly Executive Officer's Reports on Anticipated Agenda Items and Special Studies.	ONGOING	Priority fast-tracking is given to applications for economic development, affordable housing, public health and safety, or other urgent needs.
Provide Commission with legally defensible recommendations and alternatives, and alert to litigation risks, liabilities and alternatives associated with potential actions.	ONGOING	Current litigation is with MPWMD related to Jan. 2022 Commission action.

2. MUNICIPAL SERVICE REVIEWS AND SPHERE OF INFLUENCE STUDIES		
TASK	STATUS	COMMENTS
<p>Prepare Municipal Service Reviews / Sphere of Influence Studies ("MSRs") for local agencies whose MSRs were last updated more than five years ago, as listed below. The order in which MSRs will be prepared has flexibility to prioritize agencies' needs or requests.</p> <ul style="list-style-type: none"> • Cities of Gonzales, Salinas, and King City* (see comments) • Water districts: San Lucas, San Ardo • Wastewater (sanitation) districts: Boronda, Pajaro, Seaside County, and Monterey Regional County (a function of MIW) • Monterey Regional Waste Management District • County Service Areas (all) • Recreation/Park districts: Carmel Valley, North County, Monterey Regional • Cemetery districts: Castroville, Cholame, Gonzales, King City, San Ardo, San Lucas • Community services districts: Pebble Beach, Santa Lucia, Spreckels, Pajaro-Sunny Mesa, Castroville, Ocean View Plaza, East Garrison • Monterey Regional Airport District • Moss Landing Harbor District • Salinas Valley Health (Salinas Valley Memorial Healthcare District) • Spreckels Memorial District • Monterey County Mosquito Abatement District • Resource Conservation District of Monterey County 	<p>Preparation of MSRs for:</p> <ul style="list-style-type: none"> • Soledad-area local agencies • The seven Monterey Peninsula cities <p>is part of the adopted FY 23-24 work program.</p>	<p>State law requires periodic LAFCO review of all local agencies' services and spheres of influence.</p> <p>Priorities and schedule are flexible to accommodate agencies' needs and other work program tasks, such as the processing of City, County, or District applications.</p> <p>*It may be appropriate to postpone one or more of these MSRs until the Cities complete their ongoing planning processes.</p>

As needed, update and publish LAFCO local agency and resource maps on the LAFCO web site. Also, respond to frequent agency requests for custom mapping of boundary/service information.	ONGOING	
As needed, develop and update Commission policies, procedures, applications, and flowcharts for spheres of influence, annexations, reorganizations, and other boundary changes for cities and districts.	ONGOING	

3. GOVERNMENT AND COMMUNITY RELATIONS		
TASK	STATUS	COMMENTS
Continue to coordinate and engage with Santa Cruz and Monterey County stakeholders on issues related to the start-up in 2022 of the new Pajaro Valley Health Care District.	ONGOING	Continued coordination will be needed in coming years to address issues of boundaries, services and operations, particularly as they affect North Monterey County residents and Salinas Valley Health.
Post public information on the LAFCO website. Review website layout, graphics, and content for an improved public experience and ADA compliance. Also review and update brochures and fact sheets.	ONGOING	
Initiate informal meetings to discuss budget and policy issues with Cities, Special Districts and County, as appropriate.	ONGOING	
Attend meetings as requested by the County of Monterey. Provide support for appointment of County members to LAFCO.	ONGOING	
Attend meetings as requested by Cities, the City Managers Group, and Mayors Association. Provide support for the appointment of City members to LAFCO.	ONGOING	
Attend meetings as requested by individual special districts. Attend quarterly Special Districts Association meetings. Attend quarterly Special Districts General Managers' Group meetings. Provide support for the nomination and election of special district LAFCO members.	ONGOING	
Provide support for appointment of public members to LAFCO.	ONGOING	
Provide early notice to County, Cities, and Special Districts of issues that may affect them, and opportunities to participate in the LAFCO process.	ONGOING	
Encourage and provide early LAFCO participation in sphere of influence updates, City general plan updates, City-County-District dialogues, and environmental review activities that affect government boundaries & services.	ONGOING	For example, LAFCO staff is participating in community meetings about the City of Salinas General Plan update process.
Participate in regional activities for which LAFCO has indirect or direct responsibilities, as required by State law.	ONGOING	For example, LAFCO staff engages in AMBAG processes for regional housing, growth forecasts, and transportation planning issues.

Participate in community educational opportunities to promote understanding and dialogue with various sectors of the Monterey County economy.	ONGOING	For example, the Monterey County Civil Grand Jury requests an annual LAFCO presentation.
Facilitate constructive discussions with small cities & districts that request assistance to identify options for governance and the efficient, effective delivery of services. This supports LAFCO's mission to efficiently provide local government services. LAFCO provides facilitation services and is a clearinghouse for technical, financial and legal resources.	ONGOING	This task is evolving in importance. In recent years, LAFCO has assisted local agencies in Greenfield area, Soledad area, Spreckels, and north Monterey County.

4. COMMISSION AND COMMITTEE FUNCTIONS		
TASK	STATUS	COMMENTS
Provide support to ten regularly scheduled Commission meetings, special meetings to conduct the work of the Commission as needed, and Committee meetings, including the provision of public notices, agenda packets, web meeting broadcasts, and minutes.	ONGOING	Commission meetings are held as hybrid meetings, meaning in-person at the Board of Supervisors Chambers, virtually through Zoom, and livestreamed on the LAFCO YouTube Channel.
Hold monthly agenda review sessions with Chair.	ONGOING	
Conduct new Commissioner election, appointment, and orientation processes, as needed.	ONGOING	
Continue to participate in CALAFCO conferences, workshops, and courses. Continue to support Monterey LAFCO's representative on the CALAFCO Board of Directors (successfully appointed in Feb. 2023). Continue to participate in the CALAFCO legislative process to ensure that local interests are coordinated with policies and activities of the statewide organization. Continue to monitor state legislation. Continue to provide feedback to legislators and CALAFCO as needed. Continue to update local policies and procedures for consistency with approved legislation.	ONGOING	The Commission receives a monthly CALAFCO activities report, and participates in policy, legislative and other issues.
Provide Commission with regular updates of laws, policies, and procedures.	ONGOING	
Support all required Commissioner needs for bi-annual ethics/harassment training and annual economic interests reporting.	ONGOING	Primary responsibility is for Public Members.

5. ADMINISTRATIVE AND HUMAN RESOURCES MANAGEMENT

TASK	STATUS	COMMENTS
Maintain the staff timekeeping, cost tracking, and invoicing status for applications.	ONGOING	
Conduct annual review of Policies and Procedures for all LAFCO administrative and human resources functions.	ONGOING	
Identify and support staff training needs and opportunities, including professional certification, technical training, and ethics/harassment compliance.	ONGOING	
Conduct a periodic review of job classifications and salary ranges.	ONGOING	Updated in 2022
Conduct a periodic review and continue implementation of LAFCO's Records Management Policy, including conversion of paper records to searchable electronic format. This multi-year task is carried out by in-house staff.	ONGOING	A policy review/update is underway. All proposal files (60 years) have been converted to digital format.

6. FINANCIAL MANAGEMENT

TASK	STATUS	COMMENTS
Review and update the application-processing fee schedule and hourly staffing rates, as needed.	Updated in 2022, with an additional update to be completed in FY 23-24	
Compile existing financial policies into a chapter of the LAFCO administrative policies and procedures.	A review and update is underway in FY 23-24.	
Continue to coordinate with the County Auditor to obtain annual local agency contributions to LAFCO.	ONGOING	
Complete annual audit for Fiscal Year 2023-2024.	Start Aug. 2024, complete by Dec. 2024	LAFCO has received the highest possible audit rating each year since 2005.
Conduct annual review of Benefits, Services and Supplies with the goal of continuing to control costs.	ONGOING	
Continue use of a three-year financial forecast to project upcoming needs and to provide the resources to meet these needs.	ONGOING	This tool is for informal use by the Budget & Finance Committee.

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
Executive Officer

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DATE: February 22, 2024
TO: Budget and Finance Committee
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: Preliminary Draft Annual Budget FY 2024-2025
CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378.

SUMMARY OF RECOMMENDATION:

Recommend that the Commission:

- (1) Conduct a public hearing on March 25 to consider adoption of a proposed budget for Fiscal Year 2024-2025, and
- (2) Distribute the proposed budget to local agencies for review and comment prior to final adoption at a second hearing on April 22.

EXECUTIVE OFFICER'S REPORT:

Introduction and Accomplishing the Commission's Work Program

LAFCO works responsibly to control its costs. The Budget and Finance Committee provides oversight and recommendations, resulting in lean and timely budgets and prudent financial policies and practices. These practices consistently receive the highest ratings from an independent auditor, while maintaining the essential services provided by LAFCO. The emphasis remains on the cost-efficient delivery of core services in a responsive, professional and legally defensible manner. Core services, and the anticipated tasks and priorities for FY 2024-2025, are described in the proposed work program (Agenda Item No. 6).

State law requires that the LAFCO budget be reasonable to accomplish the work program. By carefully managing service demands and available resources, the proposed budget will accomplish the Commission's work program for the new fiscal year.

Proposed Expenditures

Recommended FY 2024-25 total budget expenditures (\$1,143,054) are an overall 3% increase as compared to the current-year budget. Recommended expenditures for employee salaries and benefits, at \$861,748 combined, are a 2% increase from the current year.

These proposed small increases are mostly accomplished by containing staffing-related costs and by increasing employee contributions to health care costs. The proposed budget includes a 2.5% COLA for all staff and merit step increases, based on performance, for the two eligible staff members (4% total increase for Salaries). Notably, the Benefits line-item is a net 3% reduction from the current year. CalPERS health insurance premiums for this region increased by approximately 10% for calendar 2024. However, for LAFCO's budget, this substantial increase will be more than offset by employee contributions from all staff – hence the 2% overall increase for salaries and benefits.

Funded staffing levels will be maintained at 4.0 FTE positions. No new benefits are proposed, and some benefits will continue to not be offered. Outside professional services are not anticipated to be needed, and are not budgeted.

Total expenditures for services and supplies (\$281,306) are a 9% increase from the current year's adopted budget. This increase is mostly driven by necessary increases for General Counsel services, Travel and Training (mostly to provide for full attendance by commissioners and staff at the CALAFCO annual conference), and Meeting Broadcast Services. These increases are partly offset by not funding the Outside Professional Services line-item as mentioned above.

Proposed Revenues

Proposed total revenues (\$1,143,054, matching expenditures) are a 3% increase from the current year. Primary funding is from the County of Monterey, the 12 cities, and independent special districts. The one-third cost share of the proposed total would be \$375,898 for each of these three groups; again, a 3% increase from the current-year contributions. Minor income is anticipated from fees for boundary changes and related proposals (\$10,000) and interest (\$5,360).

No Supplemental Funding Requested from LAFCO Member Agencies for Pending Litigation (Monterey Peninsula Water Management District Lawsuit)

The staff-recommended FY 24-25 budget does not propose or request any supplemental funding from LAFCO member agencies for litigation. To date, LAFCO has spent approximately \$205,000 in defending the lawsuit brought by the Water Management District, with an additional \$30,000 in court filing costs not yet paid. The District prevailed against LAFCO in the trial court in December 2023. On February 9, LAFCO filed an appeal. LAFCO's litigation counsel anticipates that the appeal will cost LAFCO approximately \$75,000, going forward.

Very importantly, LAFCO will not be liable for Water Management District attorney fees (approximately \$550,000 to date) that could potentially be awarded in the event the appeal is unsuccessful. California-American Water Company, the co-defendant/respondent, has indemnified LAFCO against any potential liability for the Water Management District's current or future attorney fees for this lawsuit.

LAFCO has been paying its legal expenses from the Litigation Reserve account, which currently stands at approximately \$300,000 (the level established by Commission policy) after being replenished from Unreserved Fund Balance in January. LAFCO's reserve accounts consist largely of unexpended operating funds that LAFCO rolls over into its reserves after the end of each fiscal year. LAFCO's reserves, thus, consist of funding contributed over time by LAFCO's constituent agencies – the County, Cities, and special districts – as part of the annual LAFCO budget. LAFCO's litigation costs are, in this very real sense, an indirect cost to local agencies. However, existing reserve levels are adequate to continue to cover LAFCO's anticipated litigation costs (\$75,000) in remaining FY 23-24 and in FY 2024-25. LAFCO will not be liable for the District's legal fees as discussed above.

Process and Schedule

State law requires two public hearings for a LAFCO budget. Commission hearings will be noticed for March 25 (to adopt a draft budget and distribute it to local agencies for review and comment), and April 22 (to adopt a final budget). Cost share estimates for individual cities and special districts will be calculated by formula by the County Auditor-Controller's Office, based on the LAFCO's adopted budget for FY 2024-2025. The Auditor-Controller will prepare and distribute invoices in June.

Alternative Actions

The Budget and Finance Committee may change the preliminary budget or provide other direction.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachment: Preliminary Draft Annual Budget, Fiscal Year 2024-2025

Local Agency Formation Commission of Monterey County			
Proposed Budget for Fiscal Year 2024-2025			
(First Hearing) Adopted on xx-xx-xx			
(Second Hearing) Final Adoption on XX-XX-XX			
	Adopted Budget FY 2023-24	Proposed Budget for FY 2024-25	Change (%)
REVENUE			
4000 - Project Fees - <i>See Note 1</i>	\$ 10,000	\$ 10,000	0%
4001 - Pass-through Fees	\$ -	\$ -	
4205 - County Contribution	\$ 363,784	\$ 375,898	3%
4210 - City Contributions	\$ 363,784	\$ 375,898	3%
4220 - Independent Special District Contributions	\$ 363,784	\$ 375,898	3%
4249 - Fort Ord Reuse Authority (FORA)- <i>See Note 3</i>	\$ -	\$ -	0%
3850 - Unreserved Fund Balance Supplement (as needed) - <i>See Note 2</i>	\$ -	\$ -	0%
4300 - Interest	\$ 5,105	\$ 5,360	5%
TOTAL REVENUES	\$ 1,106,457	\$ 1,143,054	3%
EXPENDITURES			
6000 - Employee Salaries	\$ 586,475	\$ 607,036	4%
6100 - Employee Benefits	\$ 262,244	\$ 254,712	-3%
Total Salaries & Benefits	\$ 848,719	\$ 861,748	2%
7000 - Postage and Shipping	\$ 3,994	\$ 7,000	75%
7010 - Books and Periodicals	\$ 1,000	\$ 1,000	0%
7030 - Copy Machine Charges	\$ 7,000	\$ 7,000	0%
7040 - Outside Printers	\$ 500	\$ 500	0%
7060 - Office Supplies	\$ 5,000	\$ 5,000	0%
7070 - Office Equipment and Furnishings	\$ 1,000	\$ 1,000	0%
7080 - Computer/Hardware/Peripherals	\$ 4,000	\$ 4,000	0%
7085 - Computer Support Services (Fixed Costs)	\$ 12,763	\$ 12,763	0%
7090 - Computer Support Services (Variable Costs)	\$ 5,000	\$ 5,000	0%
7100 - Computer Software	\$ 1,277	\$ 1,277	0%
7105 - Meeting Broadcast Services	\$ 5,106	\$ 12,000	135%
7110 - Property and General Liability Insurance	\$ 9,032	\$ 9,923	10%
7120 - Office Maintenance Services	\$ 486	\$ 486	0%
7140 - Travel	\$ 7,000	\$ 17,000	143%
7150 - Training, Conferences and Workshops	\$ 13,000	\$ 15,000	15%
7160 - Vehicle Mileage	\$ 1,000	\$ 1,000	0%
7170 - Rental of Buildings	\$ 32,220	\$ 34,212	6%
7200 - Telephone Communications	\$ 8,509	\$ 8,509	0%
7230 - Temporary Help Services (Clerical)	\$ -	\$ -	
7240 - Outside Professional Services	\$ 123,905	\$ 122,189	-1%
Total for Line Items 7240-7249			
7240 - Outside Professional Services	\$ 15,000	\$ -	-100%
7242 - Accounting and Financial Services	\$ 66,000	\$ 69,600	5%
7242A - General Admin Services and HR Assistance	\$ 6,000	\$ 4,800	-20%
7245 - General Counsel and Special Counsel	\$ 9,116	\$ 20,000	119%
7247 - Human Resources-Other	\$ 5,789	\$ 5,789	0%
7248 - Annual Audit	\$ 22,000	\$ 22,000	0%
7249 - Temporary Professional Services-FORA Admin- <i>See Note 3</i>	\$ -	\$ -	0%
7250 - Miscellaneous Office Expenses	\$ 1,216	\$ 1,216	0%
7260 - Legal Notices	\$ 4,000	\$ 4,000	0%
7270 - Recruitment Expenses	\$ 900	\$ 900	0%
7280 - LAFCO Memberships	\$ 9,830	\$ 10,331	5%
Sub-total Services & Supplies	\$ 257,738	\$ 281,306	9%
TOTAL EXPENDITURES	\$ 1,106,457	\$ 1,143,054	3%

Please See Attachment 1 for Description of Budget Line Items.

Note 1: Commission policy is to show anticipated project fees as revenue in the year in which the fees are collected.

Note 2: Per adopted local LAFCO policy, the proposed revenue for FY 2024-20245 is projected to be fully funded by the Cities, Districts, and County.

Note 3: These FORA income and expense items are for temporary professional assistance to perform FORA-related administrative tasks on an as-needed basis after FORA ceased operations on June 30, 2020. Due to insignificant activity, Lafco would like to give back the litigation and admin fees collected but not spent. Lafco would like to return these unspent funds to the Cities, Districts and County by June 30, 2024.

DESCRIPTION OF FY2024-2025 BUDGET LINE ITEMS

SALARIES & BENEFITS

Page 1 of 3

6000 EMPLOYEE SALARIES

This line item supports all work program activities of the Commission by 4 FTE positions. The part-time administrative position will remain vacant in 2024-2025. Lafco has budgeted the Clerk to the Commission Salary at Step 4. Assume merit and COLA increases for clerk and senior analyst positions and COLA increase for principal analyst and executive officer positions. Includes overtime allowances for non-exempt employees (per law).

6100 EMPLOYEE BENEFITS

This line item assumes no new benefits and no benefit changes for 4 full time employees. To help reduce increasing insurance premiums, it is proposed that Lafco employees contribute toward their monthly insurance premiums based on how the County of Monterey calculates their employee portion. The County of Monterey 2024 Monthly Employee Health Contributions Schedule has been used to determine the employee's monthly share of health, dental and vision insurance. Employee pays 100% of the employee share of retirement plan contributions. LAFCO is responsible for 100% of the employer share of retirement plan contributions as well as the employer's share of payroll taxes.

SERVICES & SUPPLIES**7000 Postage and Shipping**

Includes postage for general correspondence and agenda packet delivery, express mail, courier service and certified mail. Also includes LAFCO election mailings to independent special districts, and distribution of budget and studies. Includes lease for mailing machine.

7010 Books & Periodicals

Includes newspaper subscriptions, publications and codes on LAFCO law, CEQA, employment law and other publications necessary to keep current on laws and trends.

7030 Copy Machine Charges

Includes copier machine leases, copies and maintenance. Assumes in-house production of studies for LAFCO's Municipal Service Reviews/Sphere of Influence studies, for cost and quality control purposes. Includes support of activities associated with pre-application and application processing functions. Includes production of resource maps, district election mailing materials, educational outreach materials, and other work program needs.

7040 Outside Printers

Includes copying of Commission/Committee agenda packets, some large volume publications, maps and other occasional needs.

7060 Office Supplies

Includes annual consumable goods for office operations and work production.

7070 Office Equipment & Furnishings

Includes office furniture replacement, small tables and other miscellaneous items.

7080 Computer Hardware and Peripherals

Includes annual lease of work station computers and occasional purchase of laptops, audiovisual equipment and accessories.

7085 Computer Support Services (Fixed Costs)

Under contract with the County of Monterey or other vendor, this line item provides device support (e.g. computers and network printers). Services also include website housing, email, internet and network access, and high volume cloud storage. County IT is the primary vendor and fixes costs based on unit counts. Occasional device support service by other vendors is not fixed.

7090 Computer Support Services (Variable Costs)

Under contract with the County of Monterey, this line item provides micro systems (software) support, mapping and GIS support for LAFCO data layers that are stored in the County's centralized GIS system. Includes mapping/data analysis for LAFCO's busy Municipal Service Review/Sphere of Influence Update program. Includes County support for LAFCO website maintenance. Charges are variable.

7100 Computer Software

Includes software updates and licenses to extend the security, compatibility and functions of computers.

7105 Meeting Broadcast Services	This account funds the live cable TV coverage of LAFCO meetings, and weekly TV re-broadcasts, under contract with the County of Monterey and its vendors. Costs are variable depending on number and length of meetings. Increase anticipates rise in rates for meeting broadcasts. Based on information received, the County will be billing Lafco \$1,000 per meeting.
7110 Property and General Liability Insurance	Property and Errors & Omissions Insurance is obtained by contract with the Special Districts Risk Management Authority. Premiums reflect discounts for no claim history. Cost is fixed annually. The 2024-2025 budget reflects the current year gross package cost plus a 5% increase due to anticipated rising insurance costs. (\$9,450 plus a 5% increase of \$473)
7120 Office Maintenance Services	Includes general office cleaning, including blinds, cabinets and underneath furniture. (Basic janitorial service to empty trash and sweep floors is included in office lease.)
7140 Travel	Provides funding for employee, counsel and Commissioner travel for annual CALAFCO conference (October 2024), annual CALAFCO staff workshop (April 2025), and other professional development. Includes transportation, hotel and meal costs. The substantial increase is due to the location of the conference. In 2023, the conference was hosted by Lafco of Monterey in Monterey, CA.
7150 Training, Conferences and Workshops	Provides funding for employee, counsel and Commissioner registrations at annual CALAFCO conference (October 2024), annual staff workshop (April 2025), and other professional development. The substantial increase is due to the location of the conference. In 2023, the conference was hosted by Lafco of Monterey in Monterey, CA.
7160 Vehicle Mileage	Reimbursement for use of personal vehicles, at the government rate.
7170 Rental of Building	Includes minor increase in office rent, and includes utilities. The monthly building rent for 2024-2025 is set at \$2,765.55. Due to accounting standard ASC 842, Lafco recognizes the average monthly rent of the lease agreement as expense. This amount is \$2,851/month.
7200 Telephone Communications	Includes telephone, cell and fax charges, office wi-fi for laptop/visitor use, and system maintenance and repairs.
7230 Temporary Help Services (Clerical)	Not funded. All clerical work is generally done by in-house staff.
7240 Outside Professional Services	This line item includes: 7240: Outside Professional Services. This line item has been budgeted at zero. Lafco is no longer in need of services from Berkson and Associates who specializes in fiscal, financial and economic review. 7242: Accounting and Financial Services. The current fixed-rate contract with CliftonLarsonAllen, LLP (CLA) formerly Hayashi Wayland, LLP was signed in August 2023. The contract goes through fiscal year 2025-2026 (24/25 \$74,400, 25/26 \$79,200). This line item reflects a fixed rate contract for payroll, accounting, financial reporting services, GASB 68 Compliance and assistance to auditor. The agreed monthly fee is \$6,200. Of this amount, \$400/month is allocated to Account 7242A for Human Resources Assistance. 7242A: General Admin Services and HR Assistance. The existing contract with CLA includes a \$400/month retainer (\$4,800/annually) for human resource services provided by CLA. 7245: General Counsel and Special Legal Counsel Services (Not Litigation). General Counsel costs are variable, with an annual cap of \$15,000 (per contract with County Counsel's Office). This line item fund is also intended for variable Special Legal Counsel costs, depending on need (per contract with Reed W. Gallogly). 7247: Human Resources Services-Other. Variable rate services from Liebert Cassidy Whitmore or other firm, on an as needed basis. 7248: Annual Audit. The current fixed-rate contract with Bianchi, Kasavan & Pope, LLP was signed in June 2023. The contract goes through fiscal year 2026-2027 (24/25 \$22,000, 25/26 \$23,000, 26/27 \$24,000).

	7249: Temporary Professional Services-FORA Admin. These FORA income and expense items are for temporary professional assistance to perform FORA-related administrative tasks on an as-needed basis after FORA ceased operations on June 30, 2020. Lafco plans to return unspent funds by June 30, 2024.
7250	Miscellaneous Office Expenses
	Minor expenses for office operations, Commission meetings and recording fees for LAFCO-initiated activities.
7260	Legal Notices
	Expenses for actions requiring public notices, such as annexations, Sphere of Influence updates, municipal service reviews and budgets. Some of these costs are reimbursable.
7270	Recruitment Expenses
	To fill any vacant position.
7280	LAFCO Memberships
	This line item includes the CALAFCO Membership and California Special Districts Association. The CALAFCO membership provides access to legislative and educational activities. CSDA membership is required in order to get the Special District Authority's Workers Compensation Insurance and Property & Liability Insurance (Acct.# 7110).
7290	Litigation Reserve
	Per Commission policy, the target funding for the litigation defense reserve is \$300,000. This target would be sufficient for one-year's estimated expenses. The balance sheet reserve is currently funded to target level for FY 2023-2024. LAFCO is indemnified in current litigation (PSMCSD) and will be indemnified for potential FORA-related litigation. Accordingly, no fund supplement is proposed for FY 2024-2025.
7285	Records Management
	Not funded for outside help. Records management is by in-house clerical staff.
7295	Contingency Reserve
	Per Commission policy, the target funding for the general contingency reserve is 25 percent of the annual budget. This balance sheet reserve is currently funded at \$276,614, which is 100% of the target level for FY 2023-2024. No fund supplement is proposed for FY 2024-2025.

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

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Executive Officer

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DATE: February 22, 2024
TO: Budget and Finance Committee
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: Three-Year Financial Forecast (FY 2024-2025 through FY 2026 -2027)
CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378.

SUMMARY OF RECOMMENDATION:

Discuss report for information only.

EXECUTIVE OFFICER'S REPORT:

Attached is a three-year financial forecast for reference. This is to provide an informal assessment of LAFCO's financial health in the current and next three fiscal years. It was done as part of preparing the annual budget for FY 2024-2025. The forecast and assumptions provide a longer-term projection of available financing sources and anticipated expenditures.

Total budget expenditures for salaries and benefits, and for services and supplies, are assumed to modestly increase for each of the next few years. No change is assumed in current staffing levels of 4.0 FTE. A stable workforce will enable LAFCO to continue to provide valued services to local communities that are critical for enhancing the local economy and meeting other needs.

Mr. Mike Briley, CPA, Managing Principal, CliftonLarsonAllen, LLP, will assist me in presenting this information.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachment: Three-Year Forecast with Assumptions, dated January 15, 2024

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KATE McKENNA, AICP
Executive Officer

DATE: February 22, 2024
TO: Chair and Members of the Budget and Finance Committee
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: Proposed Amendment to the Professional Services Agreement with CliftonLarsonAllen, LLP
CEQA: Not a Project under California Environmental Quality Act Guidelines Section 15378

SUMMARY OF RECOMMENDATION:

Direct the Executive Officer to negotiate and execute a professional services agreement amendment with CliftonLarsonAllen, LLP (CLA) for accounting and related services to reduce costs by \$1,000 per month, approximately 16%, consistent with the proposal described in the Discussion section of this report.

EXECUTIVE OFFICER'S REPORT:

Background

In May 2023, following a request for proposals process, the Commission authorized a new three-year professional services agreement with CliftonLarsonAllen, LLP (CLA) for accounting and related services. At the September 2023 meeting of the Budget and Finance Committee, staff committed to continuing to explore potential cost savings and efficiencies for these services.

Discussion

This report presents a cost-savings proposal for accounting and related services based on good-faith discussions with Mr. Mike Briley, CPA, CLA Managing Principal and CLA staff. We have worked diligently to identify four cost-saving and efficiency measures that would significantly reduce the cost of services provided by CLA. The proposal is:

- 1) Bring all Human Resources administrative services (benefits coordination) back in-house to be performed as a LAFCO staff function;
- 2) Change CLA's accounts payable process & related reporting from a bi-weekly to monthly schedule;
- 3) Reduce Mr. Briley's attendance at LAFCO Committee and Commission meetings from five meetings per year to one Committee meeting and as-needed consultation support;
- 4) Bring administrative tasks related to accounts payable check processing in-house to be performed as a LAFCO staff function.

The Executive Officer plans to execute this amendment to effectuate cost savings, if directed by the Committee. At the Committee meeting, staff will seek to clarify whether the Committee would like the amendment to be presented to the full Commission for approval, since it is not required by the purchasing policies as it involves a cost savings, not expenditure. If approved, the changes will be implemented in coming months and take full effect on July 1, 2024.

Fiscal Impact

The proposal would reduce CLA's costs by \$1,000 per month, a 16% reduction, decreasing the Fiscal Year 2024-2025 annual cost for professional accounting and related services from \$74,400 to \$62,400.

Alternative Actions

In lieu of the recommended action, the Committee may provide other direction to staff.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer