

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
1112 I Street, Suite #100  
Sacramento, California 95814  
(916) 874-6458

June 1, 2005

TO: Sacramento Local Agency Formation Commission  
FROM: Peter Brundage, Executive Officer  
RE: FY 2005-06 Final Budget

**RECOMMENDATION**

1. Approve the Final Budget appropriations and revenue for FY 2005-06 in the amount of \$983,000.
2. Authorize the Chair to sign the attached Resolution LAFC No. 1300.

**DISCUSSION**

On May 4, 2005, your Commission approved the Proposed Budget in the amount of \$833,000. Based on recent developments, I recommend a \$150,000 increase in both appropriations and revenue in the Final Budget. The increase will not change the contribution from affected agencies except for SMUD and the City of Sacramento related to specific projects that are anticipated to be submitted. The source of additional revenue in project fees to be paid by project proponents.

The recommended increase of \$150,000, if needed, will be used for expenditures (staff, legal, environmental, fiscal analyses) associated with the proposed (1) SMUD Annexation of Territory in Yolo County and the (2) City of Sacramento Sphere of Influence application.

The final fund balance will not be available until late July or early August. Depending on the amount of the final fund balance, budget adjustments may be required at that time.

**Proposed General Purpose Reserve Level**

The General Purpose Reserve will amount to \$70,000 if the FY 2005-06 Final Budget is approved. This amount represents approximately seven percent of the total budget.

Many other LAFCo's do not have reserves. Santa Cruz LAFCo is recommending a general reserve in the amount of \$107,000. The Elk Grove Community Services District maintains an Emergency Reserve each year based on ten percent of the District's estimated property tax revenue. It also maintains separate reserves for capital improvement projects.

Based on this limited review, I believe that the proposed increase of the general reserve account, to \$70,000, or approximately seven percent, is a reasonable increase in the reserve account for FY 2005-06. The General Purpose Reserve amount in subsequent years may be adjusted to be a certain percentage of total budget which would be adjusted accordingly. It appears that a General Purpose Reserve of about ten to fifteen percent of the total budget would be a reasonable target to maintain.

PB:Maf  
Attachment

(Final Budget)

## Sacramento Local Agency Formation Commission

### Final Budget FY 2005-06 (June)

Acct	Description	Final Budget	Final Budget	Variance
		05-06	04-05	
1000	Total Salaries & Benefits	350,600	330,600	20,000.00
1005	Secretary Part time	42,000	12,000	30,000.00
1124	Commission Reimbursement	9,000	9,000	0.00
1240	Worker's Comp	245	245	0.00
1250	Unemployment	0	0	0.00
Total 1000's Account		401,845	351,845	50,000.00
2005	Advertising-public notice, meetings stc.	7,500	7,500	0.00
2022	Periodicals, Books, Subs	1,300	1,300	0.00
2029	Business & Conf Expenses	7,500	7,500	0.00
2035	Education/Training	1,200	1,200	0.00
2039	Employee Transportation	200	200	0.00
2051	Liability Insurance for Commission	11,000	11,000	0.00
2061	Membership CaLAFCo Dues	2,070	2,070	0.00
2076	Office Supplies	7,500	7,500	0.00
2081	Postage	3,746	3,746	0.00
2275	Rents/Leases Equipment-Copier	20,000	20,000	0.00
2505	Accounting/Audit Fees	10,000	10,000	0.00
2531	Legal	60,000	60,000	0.00
2591	Other Professional Services	275,000	25,000	250,000.00
2911	System Dev Sve Web & Desktop Suppc	19,000	17,500	1,500.00
2912	System Dev Sup Maintenance	1,630	430	1,200.00
2915	Compass Costs	2,902	2,500	402.00
2917	Security Alarm Monitoring	2,900	3,200	(300.00)
2921	Printing Services/Duplication	3,000	3,000	0.00
2923	GS Messenger Services	2,315	2,200	115.00
2926	GS Stores	800	800	0.00
2934	P/W Charges	8,000	8,000	0.00
2943	Lease Facility Charges	61,000	57,000	4,000.00
2987	Telephone	13,000	16,000	(3,000.00)
2990	GS Other Dept Svc	592	509	83.00
	Cable Broadcast	0		0.00
Total 2000's Account		522,155	268,155	254,000.00
7900	Contingency Base	25,000	25,000	0.00
7901	Contingency Surplus	0	68,178	68,178.00
General Purpose Reserve		34,000	36,000	(2,000.00)
		59,000	129,178	70,178.00
<b>TOTAL APPROPRIATIONS/CONTINGENCY</b>		<b>983,000</b>	<b>749,178</b>	<b>233,822.00</b>
Less: Revenue		270,000	20,000	250,000.00
Interest Earnings		2,500	2,500	0.00
Fund Balance/Carryover		124,000	182,178	(58,178.00)
Contributions from Others		586,500	544,500	42,000.00
				0.00
<b>TOTAL FUNDING</b>		<b>983,000</b>	<b>749,178</b>	<b>233,822.00</b>

**RESOLUTION NO. LAFC 1300**

**RESOLUTION OF THE SACRAMENTO LOCAL AGENCY  
FORMATION COMMISSION ADOPTING THE  
FY 2005-06 FINAL BUDGET**

**WHEREAS**, the Sacramento Local Agency Formation Commission conducted a public hearing on June 1, 2005, during which all additions and deletions to the Final Budget for Fiscal Year 2005-06 were made, and

**WHEREAS, IT IS HEREBY RESOLVED**, in accordance with Government Code Section 56381, that the Final Budget for Fiscal Year 2005-06 is hereby adopted in accordance to the following:

(1)	Salaries and Employees Benefits	\$ 9,500
(2)	Services and Supplies	\$764,500 <sup>1</sup>
(3)	Other Charges	-0-
(4)	Fixed Assets	
	(A) Land	-0-
	(B) Structures and Improvements	-0-
	(C) Equipment	-0-
(5)	Expenditure Transfers	-0-
(6)	Contingencies	\$ 25,000
(7)	Provision for Reserve Increases	<u>\$ 34,000</u>
	<b>TOTAL BUDGET REQUIREMENTS</b>	<b>\$983,000</b>

**BE IT FURTHER RESOLVED** that means of financing the expenditures program will be by monies derived from Revenue to Accrue, Fund Balance Available and Contributions from Affected Agencies.

**BE IT FURTHER RESOLVED** that the Final Budget for FY 2005-06 be and is hereby adopted with the listed attachments which show in detail the approved appropriations subject to limitations attached hereto and by reference made a part hereof.

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<sup>1</sup> Includes reimbursement to County of Sacramento for Reimbursements of Salary and Benefits for Executive Officer and Commission Clerk.

*ON A MOTION* made by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing Resolution No. LAFC 1300 was adopted by the **SACRAMENTO LOCAL AGENCY FORMATION COMMISSION** on the date of June 1, 2005, by the following vote, to wit:

AYES:

NOES:

ABSENTIONS:

ABSENT:

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Robert King Fong, Chair  
**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

ATTEST:

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Marilyn Ann Flemmer  
Commission Clerk

PB:Maf  
Attachments:  
Expenditure Detail Schedule  
Revenue Detail Schedule

**(Reso 1300 Adopts FY 2005-06 Budget)**

12-Apr-05

FISCAL YEAR 2005-06 PRELIMINARY BUDGET

FINANCING REQUIREMENTS SCHEDULE FOR FUND 067A LOCAL AGENCY FORMAT I

APPROPRIATIONS BY OBJECT OF EXPENDITURE

OBJECT 10 - SALARIES AND EMPLOYEE BENEFITS	\$ 9,500
OBJECT 20 - SERVICES AND SUPPLIES	914,500
OBJECT 30 - OTHER FINANCING USES	
LOAN AND LEASE REPAYMENTS	
INTEREST AND PRINCIPLE	
TAXES/LICENSES/ASSESSMENTS	
JUDGEMENTS/DAMAGES	
TOTAL OBJECT 30 - OTHER FINANCING USES	
OBJECT 40 - FIXED ASSETS	
OBJECT 41 - LAND	
OBJECT 42 - STRUCTURES AND IMPROVEMENT	
OBJECT 43 - EQUIPMENT	
TOTAL OBJECT 40 - FIXED ASSETS	
OBJECT 50 - FUND TRANSFERS OUT	
OBJECT 59 - FUND TRANSFER IN	
OBJECT 60 - INTRAFUND TRANSFERS IN OR OUT	
OBJECT 79 - APPROPRIATIONS FOR CONTINGENCIE	25,000
OBJECT 80-OTHER COMMODITIES	
PROVISIONS FOR RESERVE INCREASES	
GENERAL RESERVES	
OTHER RESERVES	34,000
TOTAL BUDGETARY REQUIREMENT	<u>\$983,000</u>
TOTAL DIFFERENCE	

MEANS OF FINANCING THE BUDGET REQUIREMENTS

ESTIMATED REVENUE	\$ 859,000
RESERVES TO BE DECREASED	
GENERAL RESERVE DECREASE	
ENCUMBRANCE DECREASE	
OTHER RESERVE DECREASE	
TOTAL RESERVES TO BE DECREASED	
FUND BALANCE AVAILABLE DECREASE	124,000
ESTIMATED LONG TERM LOAN PROCEEDS	
TOTAL AVAILABLE FINANCING	<u>\$983,000</u>

FUND EQUITY SCHEDULE

RESERVES	EST BALANCE AS OF 03/31/05	INCREASES	DECREASES	ADJUSTED FUND BALANCE
GENERAL				
ENCUMBRANCE				
OTHER				
FUND BALANCE AVAILABLE				
TOTALS				
APPROPRIATIONS LIMIT				
APPROPRIATIONS SUBJECT TO LIMIT				
OVER/UNDER LIMIT				

SECTION 29009 OF ARTICLE 1 OF CHAPTER 1 OF TITLE 3 OF THE GOVERNMENT CODE READS: IN THE FINAL BUDGET THE BUDGETARY REQUIREMENTS MUST EQUAL THE AVAILABLE FINANCING

12-Apr-05

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