



LAFCO FINANCE COMMITTEE MEETING AGENDA

Thursday, March 12, 2015

1:00 PM

Conference Room, 10th Floor
70 West Hedding Street, San Jose, CA 95110

FINANCE COMMITTEE MEMBERS: Sequoia Hall, Mike Wasserman, Susan Vicklund Wilson

NOTICE TO THE PUBLIC

1. Pursuant to Government Code §84308, no LAFCO commissioner shall accept, solicit, or direct a contribution of more than \$250 from any party, or his/her agent; or any participant or his /or her agent, while a LAFCO proceeding is pending, and for three months following the date a final decision is rendered by LAFCO. Prior to rendering a decision on a LAFCO proceeding, any LAFCO commissioner who received a contribution of more than \$250 within the preceding 12 months from a party or participant shall disclose that fact on the record of the proceeding. If a commissioner receives a contribution which would otherwise require disqualification returns the contribution within 30 days of knowing about the contribution and the proceeding, the commissioner shall be permitted to participate in the proceeding. A party to a LAFCO proceeding shall disclose on the record of the proceeding any contribution of more than \$250 within the preceding 12 months by the party, or his or her agent, to a LAFCO commissioner. For forms, visit the LAFCO website at www.santaclaralafco.org. No party, or his or her agent and no participant, or his or her agent, shall make a contribution of more than \$250 to any LAFCO commissioner during the proceeding or for 3 months following the date a final decision is rendered by LAFCO.
2. Pursuant to Government Code Sections 56100.1, 56300, 56700.1, 57009 and 81000 et seq., any person or combination of persons who directly or indirectly contribute(s) a total of \$1,000 or more or expend(s) a total of \$1,000 or more in support of or in opposition to specified LAFCO proposals or proceedings, which generally include proposed reorganizations or changes of organization, may be required to comply with the disclosure requirements of the Political Reform Act (See also, Section 84250 et seq.). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. More information on the scope of the required disclosures is available at the web site of the FPPC: www.fppc.ca.gov. Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275-3772).
3. Pursuant to Government Code §56300(c), LAFCO adopted lobbying disclosure requirements which require that any person or entity lobbying the Commission or Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. In addition to submitting a declaration, any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them. Additionally every applicant shall file a declaration under penalty of perjury listing all lobbyists that they have hired to influence the action taken by LAFCO on their application. For forms, visit the LAFCO website at www.santaclaralafco.org.
4. Any disclosable public records related to an open session item on the agenda and distributed to all or a majority of the Commissioners less than 72 hours prior to that meeting are available for public inspection at the LAFCO Office, 70 W. Hedding Street, 11th Floor, San Jose, California, during normal business hours. (Government Code §54957.5.)
5. In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the LAFCO Clerk 24 hours prior to the meeting at (408)299-6415.

70 West Hedding Street ▪ 11th Floor, East Wing ▪ San Jose, CA 95110 ▪ (408) 299-5127 ▪ www.santaclaralafco.org

COMMISSIONERS: Cindy Chavez, Sequoia Hall, Johnny Khamis, Linda J. LeZotte, Cat Tucker, Mike Wasserman, Susan Vicklund Wilson

ALTERNATE COMMISSIONERS: Ash Kalra, Yoriko Kishimoto, Tara Martin-Milius, Terry Trumbull, Ken Yeager

EXECUTIVE OFFICER: Neelima Palacherla

1. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Committee on any matter not on this agenda. Speakers are limited to THREE minutes. All statements that require a response will be referred to staff for reply in writing.

2. STATUS OF CURRENT YEAR WORK PLAN AND BUDGET

Recommended Action: Accept report and provide direction, as necessary.

3. LAFCO FEE SCHEDULE REVISION

Recommended Action: Direct staff to review LAFCO fees and propose revisions, as necessary, for consideration by the full Commission.

4. COUNTY'S RESPONSE TO LAFCO'S REQUEST FOR REVIEW OF COMPENSATION AND CLASSIFICATION FOR LAFCO EXECUTIVE OFFICER AND LAFCO ANALYST POSITIONS

Recommended Action: Accept report and provide direction, as necessary.

5. PROPOSED WORK PLAN FOR FISCAL YEAR 2016

Recommended Action: Consider the proposed Work Plan for Fiscal Year 2016, provide further direction to staff, as necessary, and forward a recommendation to the full Commission.

6. PROPOSED BUDGET FOR FISCAL YEAR 2016

Recommended Action: Consider the proposed Budget for Fiscal Year 2016, provide further direction to staff, as necessary, and forward a recommendation to the full Commission.

7. ADJOURN

Recommended Action: Set date and time for the next Committee meeting, as necessary.

FY 2015 LAFCO BUDGET STATUS

ITEM #	TITLE	ACTUALS FY 2008	ACTUALS FY 2009	ACTUALS FY 2010	ACTUALS FY 2011	ACTUALS FY 2012	ACTUALS FY 2013	ACTUALS FY 2014	APPROVED 2015	YEAR TO DATE 3/3/2015	YEAR END DATE 3/3/2015	PROJECTIONS 2015
EXPENDITURES												
Object 1:	Salary and Benefits	\$356,009	\$400,259	\$406,650	\$413,966	\$393,194	\$411,929	\$450,751	\$465,700	\$303,173		\$466,643
Object 2:	Services and Supplies											
5255100	Intra-County Professional	\$66,085	\$57,347	\$13,572	\$4,532	\$6,118	\$5,260	\$5,663	\$45,000	\$3,682		\$5,000
5255800	Legal Counsel	\$0	\$9,158	\$67,074	\$52,440	\$48,741	\$56,791	\$53,550	\$58,000	\$33,766		\$57,300
5255500	Consultant Services	\$19,372	\$75,000	\$76,101	\$58,060	\$102,349	\$59,563	\$35,602	\$100,000	\$0		\$85,000
5285700	Meal Claims	\$0	\$368	\$277	\$288	\$379	\$91	\$228	\$750	\$130		\$500
5220100	Insurance	\$491	\$559	\$550	\$4,582	\$4,384	\$4,378	\$4,231	\$5,600	\$4,162		\$5,600
5250100	Office Expenses	\$1,056	\$354	\$716	\$639	\$1,212	\$536	\$850	\$2,000	\$720		\$2,000
5255650	Data Processing Services	\$8,361	\$3,692	\$3,505	\$1,633	\$3,384	\$1,663	\$3,311	\$4,000	\$1,617		\$2,700
5225500	Commissioners' Fee	\$5,700	\$5,400	\$3,500	\$3,400	\$4,000	\$4,900	\$5,800	\$10,000	\$3,000		\$7,000
5260100	Publications and Legal Notices	\$1,151	\$563	\$1,526	\$363	\$916	\$222	\$378	\$2,500	\$2,404		\$3,000
5245100	Membership Dues	\$5,500	\$7,000	\$7,000	\$7,000	\$7,000	\$14,473	\$0	\$7,428	\$7,428		\$7,428
5250750	Printing and Reproduction	\$5	\$0	\$0	\$0	\$0	\$0	\$9	\$1,500	\$85		\$100
5285800	Business Travel	\$7,238	\$8,415	\$4,133	\$8,309	\$3,095	\$4,777	\$5,800	\$15,000	\$1,817		\$8,000
5285300	Private Automobile Mileage	\$1,016	\$704	\$832	\$1,185	\$615	\$424	\$409	\$2,000	\$344		\$1,000
5285200	Transportation&Travel (County Ca	\$894	\$948	\$629	\$0	\$384	\$250	\$371	\$1,000	\$140		\$1,000
5281600	Overhead	\$42,492	\$62,391	\$49,077	\$46,626	\$60,647	\$43,133	\$42,192	\$36,065	\$17,378		\$36,065
5275200	Computer Hardware	\$0	\$451	\$0	\$83	\$2,934	\$1,791	\$2,492	\$3,000	\$2,492		\$2,500
5250800	Computer Software	\$0	\$0	\$626	\$314	\$579	\$3,124	\$933	\$4,000	\$1,832		\$3,500
5250250	Postage	\$1,160	\$416	\$219	\$568	\$309	\$589	\$246	\$2,000	\$557		\$1,000
5252100	Staff Training Programs	\$0	\$665	\$491	\$250	\$300	\$0	\$0	\$2,000	\$1,281		\$1,500
5701000	Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0
TOTAL EXPENDITURES		\$516,530	\$633,691	\$636,478	\$604,238	\$640,540	\$613,895	\$612,816	\$767,543	\$386,008		\$696,836
REVENUES												
4103400	Application Fees	\$46,559	\$41,680	\$35,576	\$48,697	\$37,426	\$45,458	\$63,561	\$30,000	\$18,010		\$30,000
4301100	Interest: Deposits and Investments	\$24,456	\$16,230	\$6,688	\$4,721	\$4,248	\$3,416	\$2,674	\$3,000	\$1,517		\$3,000
Savings/Fund Balance from previous FY		\$271,033	\$368,800	\$334,567	\$275,605	\$209,987	\$208,219	\$160,052	\$171,979	\$226,111		\$226,111
TOTAL REVENUE		\$342,048	\$426,711	\$376,831	\$329,023	\$251,661	\$257,092	\$226,287	\$204,979	\$245,638		\$259,111
NET LAFCO OPERATING EXPENSES		\$174,482	\$206,980	\$259,648	\$275,215	\$388,879	\$356,802	\$386,529	\$562,564	\$140,370		\$437,725
3400800 RESERVES												\$150,000
COSTS TO AGENCIES												\$150,000
5402000	County	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$281,780	\$156,002	\$187,521	\$187,521		\$187,521
4600100	Cities (San Jose 50% +other cities 50	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$282,625	\$156,002	\$187,521	\$187,521		\$187,521
Special Districts												\$296,892
												\$187,521

Status of Current Year (FY 2015) WORK PLAN

	PROJECTS	Status
SERVICE REVIEWS & SPHERE OF INFLUENCE UPDATES	Cities Service Review	In progress
	Follow up on implementation of recommendations for Phase 2 districts: BSD	Complete, including FPPC compliance issues for CSDs
	Follow up on implementation of recommendations for Phase 1 districts: RRRPD, SSCVMD	Complete, continue to address any new issues brought forward
	Follow up on Water Service Review Report recommendations	In progress, potential dissolution of Pacheco Pass Water District
	Saratoga Fire District Special Study	Completed in August 2014
	Follow up on Fire Service Review Report recommendations: Los Altos Hills Fire District reserves	TBD
ISLAND ANNEXATIONS	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, provide assistance with potential annexations and potential USA amendments	Ongoing, as needed
	Review and finalize city-conducted island annexations	Ongoing, as needed
LAFCO APPLICATIONS	Process applicant initiated LAFCO proposals	Ongoing, as needed
	Comment on potential LAFCO applications, City General Plan updates and/ or related environmental documents	Extensive work in progress, as needed
	Respond to public enquiries re. LAFCO policies, procedures and filing requirements for LAFCO applications	Ongoing, as needed
PUBLIC OUTREACH / COMMUNICATION	Maintain boundaries of cities and special districts in GIS	Ongoing, as needed
	Publish updated wall map of cities	In progress
	Participate in CALAFCO conferences / workshops	Ongoing, as needed
	Conduct workshops and/or make presentations re. LAFCO program, policies and procedures to local agencies, organizations, commissioners, community groups, staff	Ongoing, as needed
	Participate in local, regional, statewide organizations: SDA, SCCAPO, CALAFCO, GIS Working Group	Ongoing, as needed
ADMINISTRATION	Track LAFCO related legislation (CALAFCO Legislative Committee)	Ongoing, as needed
	Maintain and enhance LAFCO Website	Completed, launched
	Maintain LAFCO database	Ongoing, as needed
	Maintain LAFCO's electronic document management system (archiving LAFCO records)	Ongoing, as needed
	Prepare Annual Report	October 2014
	Staff training and development	Ongoing, as needed
	Staff performance evaluation	In progress
Prepare budget, work plan, fee schedule revisions	Ongoing, as needed	
OTHER	Review and update policies and procedures	Ongoing, comprehensive effort- TBD
	Mapping Mutual Water Companies	In progress
	Summit on Agriculture	September 2014

PROPOSED WORK PLAN FOR FISCAL YEAR 2016

	PROJECTS	TIME FRAME	RESOURCES
SERVICE REVIEWS & SPHERE OF INFLUENCE UPDATES	Cities Service Review	To be completed in December 2015	Consultant
	Follow up on implementation of recommendations from Cities Service Review	TBD	Staff
	Follow up from Special Districts Service Review	Ongoing	Staff
	Follow up on Water Service Review Report recommendations: PPWD	Ongoing	Staff
	Follow up on Fire Service Review Report recommendations: Los Altos Hills Fire District reserves	TBD	Staff
ISLAND ANNEXATIONS	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, provide assistance with potential annexations and potential USA amendments	Ongoing, as needed	Staff
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff
LAFCO APPLICATIONS	Process applicant initiated LAFCO proposals	Ongoing, as needed; major proposals expected in FY 2016	Staff
	Comment on potential LAFCO applications, City General Plan updates and/ or related environmental documents	Ongoing extensive work, as needed	Staff
	Respond to public enquiries re. LAFCO policies, procedures and filing requirements for LAFCO applications	Ongoing, as needed	Staff
PUBLIC OUTREACH / COMMUNICATION	Maintain boundaries of cities and special districts in GIS	Ongoing, as needed	Staff
	Develop a public information /communications strategy	TBD	Consultant
	Participate in CALAFCO conferences / workshops	Ongoing, as needed	Staff
	Conduct workshops and/or make presentations re. LAFCO program, policies and procedures to local agencies, organizations, commissioners, community groups, staff	Ongoing, as needed	Staff
	Participate in local, regional, statewide organizations: SDA, SCCAPO, CALAFCO, GIS Working Group	Ongoing, as needed	Staff
ADMINISTRATION	Track LAFCO related legislation (CALAFCO Legislative Committee)	Ongoing, as needed	Staff
	Maintain and enhance LAFCO Website / mapping	Ongoing, as needed	Staff
	Maintain LAFCO database	Ongoing, as needed	Staff
	Maintain LAFCO's electronic document management system (archiving LAFCO records)	Ongoing, as needed	Staff
	Prepare Annual Report	August 2015	Staff
	Staff training and development	Ongoing	Staff
	Staff performance evaluation	February 2015	Staff, LAFCO
	Prepare budget, work plan, fee schedule revisions	Ongoing, as needed	Staff
OTHER	Review and update policies and procedures	Ongoing	Staff
	Mapping Mutual Water companies	Ongoing	Staff
	Program to improve community's understanding of the importance of agriculture to future of Santa Clara County	TBD	Consultant

**PROPOSED LAFCO BUDGET
FISCAL YEAR 2015 - 2016**

AGENDA ITEM # 6

ITEM # TITLE	APPROVED	ACTUALS	PROJECTIONS	PROPOSED
	BUDGET FY 2015	Year to Date 3/3/2015	Year End 2015	FY 2016 BUDGET
EXPENDITURES				
Object 1: Salary and Benefits	\$465,700	\$303,173	\$466,643	\$497,023
Object 2: Services and Supplies				
5255100 Intra-County Professional	\$45,000	\$3,682	\$5,000	\$45,000
5255800 Legal Counsel	\$58,000	\$33,766	\$57,300	\$59,000
5255500 Consultant Services	\$100,000	\$0	\$85,000	\$100,000
5285700 Meal Claims	\$750	\$130	\$500	\$750
5220100 Insurance	\$5,600	\$4,162	\$5,600	\$5,600
5250100 Office Expenses	\$2,000	\$720	\$2,000	\$2,000
5255650 Data Processing Services	\$4,000	\$1,617	\$2,700	\$5,000
5225500 Commissioners' Fee	\$10,000	\$3,000	\$7,000	\$10,000
5260100 Publications and Legal Notices	\$2,500	\$2,404	\$3,000	\$2,500
5245100 Membership Dues	\$7,428	\$7,428	\$7,428	\$7,577
5250750 Printing and Reproduction	\$1,500	\$85	\$100	\$1,500
5285800 Business Travel	\$15,000	\$1,817	\$8,000	\$15,000
5285300 Private Automobile Mileage	\$2,000	\$344	\$1,000	\$2,000
5285200 Transportation&Travel (County Car Usage)	\$1,000	\$140	\$1,000	\$1,000
5281600 Overhead	\$36,065	\$17,378	\$36,065	\$47,951
5275200 Computer Hardware	\$3,000	\$2,492	\$2,500	\$3,000
5250800 Computer Software	\$4,000	\$1,832	\$3,500	\$4,000
5250250 Postage	\$2,000	\$557	\$1,000	\$2,000
5252100 Staff/Commissioner Training Programs	\$2,000	\$1,281	\$1,500	\$2,000
5701000 Reserves	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$767,543	\$386,008	\$696,836	\$812,901
REVENUES				
4103400 Application Fees	\$30,000	\$18,010	\$30,000	\$30,000
4301100 Interest: Deposits and Investments	\$3,000	\$1,517	\$3,000	\$3,000
3400150 Savings/Fund Balance from previous FY	\$171,979	\$226,111	\$226,111	\$124,839
TOTAL REVENUE	\$204,979	\$245,638	\$259,111	\$157,839
NET LAFCO OPERATING EXPENSES	\$562,564	\$140,370	\$437,725	\$655,062
3400800 RESERVES	\$150,000	\$150,000	\$150,000	\$150,000
COSTS TO AGENCIES				
5440200 County	\$187,521	\$187,521	\$187,521	\$218,354
4600100 Cities (San Jose 50% + Other Cities 50%)	\$187,521	\$187,521	\$187,521	\$218,354
Special Districts	\$187,521	\$187,521	\$187,521	\$218,354