



**Local Agency
Formation Commission
of Santa Clara County**

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SantaClaraLAFCO.org

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Executive Officer

Neelima Palacherla

ITEM # 7

LAFCO MEETING: April 5, 2023

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

SUBJECT: PROPOSED WORK PLAN AND BUDGET FOR FY 2024

FINANCE COMMITTEE / STAFF RECOMMENDATIONS

1. Adopt the Proposed Work Plan for Fiscal Year 2023-2024.
2. Adopt the Proposed Budget for Fiscal Year 2023-2024.
3. Find that the Proposed Budget for Fiscal Year 2024 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
4. Authorize staff to transmit the Proposed Budget adopted by the Commission including the estimated agency costs as well as the LAFCO public hearing notice for the adoption of the Fiscal Year 2024 Final Budget to the cities, the special districts, the County, the Cities Association of Santa Clara County and the Santa Clara County Special Districts Association.

ANNUAL BUDGET PROCESS REQUIREMENTS

The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) which became effective on January 1, 2001, requires LAFCO, as an independent agency, to annually adopt a proposed budget by May 1 and a final budget by June 15 at noticed public hearings. Both the proposed and the final budgets are required to be transmitted to the cities, the special districts and the County. Government Code §56381(a) establishes that at a minimum, the budget must be equal to that of the previous year unless the Commission finds that reduced staffing or program costs will nevertheless allow it to fulfill its statutory responsibilities. Any unspent funds at the end of the year may be rolled over into the next fiscal year budget. After adoption of the final budget by LAFCO, the County Auditor is required to apportion the net operating expenses of the Commission to the agencies represented on LAFCO.

FISCAL YEAR 2023-2024 WORKPLAN & BUDGET DEVELOPMENT TIMELINE

Dates	Staff Tasks / LAFCO Action
March 13 - April 5	Notice of this public hearing was advertised in a local newspaper, posted on the LAFCO website and distributed to local agencies. The agenda and a link to the posted agenda packet are also distributed to local agencies, interested persons and organizations. The proposed Workplan and Budget are posted on the LAFCO website and available for public review and comment.
April 5	LAFCO public hearing on adoption of Proposed Workplan and Budget
April 6	Proposed Work Plan and Budget, preliminary apportionments and LAFCO public hearing notice for Final Budget Hearing transmitted to agencies
June 7	LAFCO public hearing and adoption of Final Budget
June 7 - July 1	Final Budget transmitted to agencies; Auditor requests payment from agencies

LAFCO FINANCE COMMITTEE

At its February 1, 2023 LAFCO meeting, the Commission appointed Commissioner Melton, Commissioner Beall and Alternate Commissioner Chapman to serve on the Finance Committee.

At its special meeting held on February 27, 2023, the Finance Committee discussed the progress on the current year work plan and the status of the current year budget; and recommended the proposed FY 2024 work plan and budget for consideration and adoption by the full commission.

CURRENT YEAR IN REVIEW

PROGRESS REPORT ON FY 2022-2023 WORK PLAN

LAFCO's current fiscal year workplan was adopted at a noticed public hearing held on April 6, 2022. **Attachment A** depicts the current status (through the third quarter of the year) of the 2022-2023 Work Program.

A major component of the current work program involves the ongoing Countywide Fire Service Review. LAFCO retained a new consultant in June 2022 and relaunched its Countywide Fire Service Review. The new consultant is working with LAFCO staff and the service provider agencies to finalize / validate agency profiles after completing an extensive and challenging data collection process. To date, two Technical Advisory Committee meetings have been held to obtain feedback on key

aspects including evaluation criteria and preliminary findings. It is anticipated that another Technical Advisory Committee meeting will be held in the next few weeks and a Draft Service Review Report will be published for public review and comment by the end of this fiscal year.

LAFCO has received and /or processed major applications such as a special district sphere of influence amendment/annexation and a city urban service area amendment. Staff has held pre-application meetings and has received and responded to many requests for assistance and expertise from local and regional agencies on a variety of matters related to city service extensions, city annexations/island annexations, special district detachments, and housing element updates. Similarly, responding to public inquiries is another significant and growing area of the workplan and staff has seen an increase in the volume and complexity of such inquiries, including requests for information under the Public Records Act, and information requests from local attorneys, appraisers, real estate agents and developers.

In accordance with the Commission's directive, as opportunities arise and time permits, staff continues to conduct targeted outreach to various local entities (special districts, County, cities, civil grand jury, and other community organizations/individuals) through informational presentations on LAFCO and its role in promoting sustainable growth and governance in the county.

The Commission has experienced major changes in its membership; in the last two months, 6 new commissioners have come on board and LAFCO will be selecting a new public member and an alternate public member to fill positions due to term expirations in May 2023. Staff conducts onboarding activities and new commissioner orientations for all new appointees.

Other notable administrative activities and projects that have been completed or are currently underway include among others, the annual financial audit, the annual report, required staff training, LaserFische and LAFCO database server upgrades/migrations, transition back to in-person and hybrid meetings to allow for remote public participation, and preparations for webcasting LAFCO meetings.

Notwithstanding the preceding progress on various work plan items, some important, high priority projects such as the comprehensive review and update of LAFCO policies and scanning of LAFCO records have fallen behind and will not be completed by the end of the fiscal year. The delays are partly due to the application workload, increased demand for LAFCO services and staff's efforts to prioritize and meet the needs of the local agencies and the public; and staffing issues including a vacant position since January 2021. Completion of the County classification study in July 2022 allows LAFCO staff to implement the Study's recommendations and work with the County Employee Services Agency on recruitment efforts for a new LAFCO Clerk. It is anticipated that the vacant LAFCO Clerk position will be filled by the end of this fiscal year.

The projects in the current workplan that will not be completed by the end of the fiscal year have been added to the proposed FY 2024 workplan.

The LAFCO Annual Report for FY 2023 will be published at the end of the current fiscal year and will document all the applications reviewed and processed by LAFCO in Fiscal Year 2023; and will summarize the various accomplishments, activities/projects that LAFCO has engaged in or completed during the period.

STATUS OF FY 2022-2023 ADOPTED BUDGET

Attachment D includes the FY 2023 budget adopted by the Commission at a noticed public hearing on June 1, 2022, the status of LAFCO's expenditures and revenues as of February 21, 2023, and expenditure and revenue projections for end of FY 2023. The adopted LAFCO budget for FY 2023 is \$985,974 and reflects a 11% increase compared to the previous fiscal year's (FY 2022) budgeted operating expenses. It is estimated that the total year-end projected expenditures for FY 2023 would be approximately 13% lower than the adopted budget primarily due to salary savings from the vacant staff position. Staff anticipates that year end revenue for FY 2023 will be slightly lower than the amount budgeted. LAFCO has received the respective FY 2023 funds from the County, the cities and the independent special districts. The actual fund balance rolled over at the end of FY 2022 was significantly higher at \$410,027, compared to the amount estimated (\$201,006) in the FY 2023 budget. The excess fund balance and the unspent FY 2023 expenditure amounts will carry over into FY 2024 and will be used to reduce net operating expenses that would in turn translate to reduced FY 2024 costs for contributing agencies.

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

Attachment C includes the proposed work plan for FY 2024, as recommended by the Finance Committee, for consideration and adoption by the full commission.

The proposed workplan includes ongoing as well as new projects and outlines detailed projects/activities organized under six broad areas: (1.) LAFCO application processing; (2.) island annexations; (3.) outreach, government/community relations and customer service; (4.) service reviews, special studies and sphere of influence updates; (5.) commission support; and (6.) administrative projects. The work plan assigns priority levels (high, moderate, low); and designates whether the work is to be conducted by staff or outside consultants.

The proposed work plan includes a broad spectrum of responsibilities that LAFCO, as an independent local agency and as a regulatory body of the state, is expected to fulfil in its role of promoting sustainable growth and good governance in Santa Clara County. It incorporates the Commission's legislative functions and mandates and also the Commission's proactive local initiatives and priorities such as its directives for ongoing public outreach and education and its proactive service review and implementation program.

The Finance Committee discussed the possible creation of a LAFCO student internship program and recommended that LAFCO staff contact the County to

further explore such a potential initiative. The Committee also discussed a potential strategic planning workshop in the upcoming year and requested opportunities for ongoing commissioner education.

Reduced staffing levels over the last two years have impacted the functioning of the LAFCO office. While the LAFCO Clerk position is expected to be filled in the next several months, actual professional staffing capabilities will be below 4.0 FTE for at least half of the upcoming fiscal year, considering the onboarding and training period for the new staff person.

According to the Comprehensive Organizational Assessment report prepared by LAFCO's consultant, even the 4.0 FTE staffing level is lower than other LAFCOs with comparable operations. However, in August 2020, the Commission voted to maintain the current 4.0 FTE staffing level given uncertain economic conditions related to the COVID-19 pandemic but kept open the option to consider the potential addition of 1.0 FTE in the future.

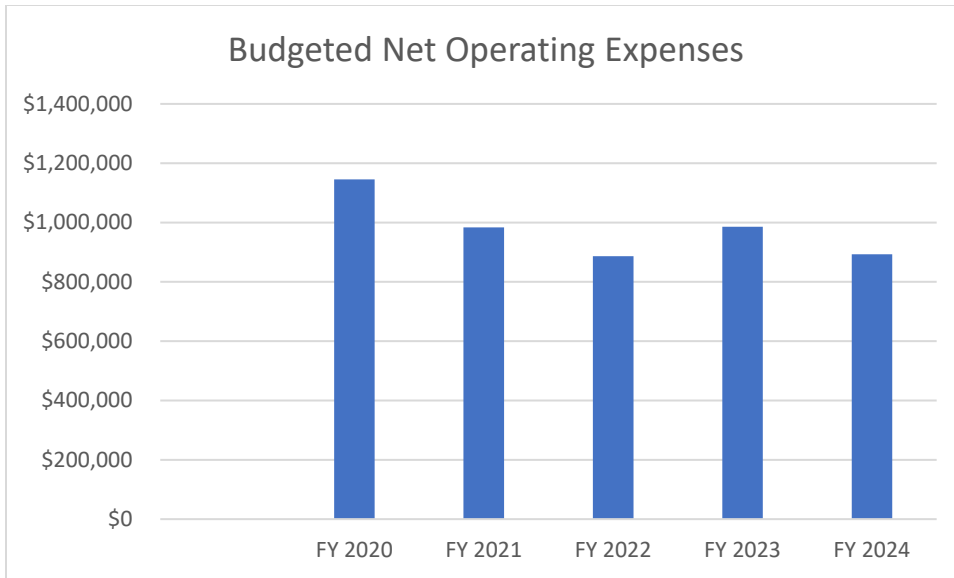
Staff actively manages the workload in order to focus on accomplishing essential activities such as processing applications, completing projects currently underway such as the Countywide Fire Service Review, maintaining core administrative functions, tracking on-going projects and studies, supporting the commission and responding to local agency and public requests for assistance. Non-essential activities and other proactive initiatives will need to be deferred until staffing levels/expertise are restored. This is consistent with past practice where LAFCO's statutorily mandated activities take priority over administrative projects that are not statutorily required, and over proactive commission-initiated projects which are discretionary but support LAFCO's mission and statutory requirements.

PROPOSED BUDGET FOR FISCAL YEAR 2024

Attachment D includes the proposed Budget for FY 2023-2024 as recommended by the Finance Committee, for consideration and adoption by the full commission. The Finance Committee conducted a thorough review of the work plan and budget and recognized the public benefit of LAFCO's work and the high demand for LAFCO's services from local agencies and the public. The Committee maintained its commitment to ensure adequate resources that allow the Commission to fulfill its statutory responsibilities and accomplish its work plan while also limiting costs for LAFCO's funding agencies. The overall expenditure for FY 2024 (\$1,296,000) in the proposed budget is approximately 6% higher than the current year budgeted expenses (\$1,222,980).

Projected current year cost savings (such as from salary savings), and a larger than estimated fund balance from FY 2022 are expected to result in a \$366,814 fund balance at the end of the current year – and will be used to reduce net operating expenses in FY 2024.

LAFCO's proposed net operating expense for FY 2024 is 9% lower than the FY 2023 budgeted net operating expense and is similar to the FY 2022 level.



DESCRIPTION OF FY 2023-2024 BUDGET LINE ITEMS

LAFCO and the County of Santa Clara entered into a Memorandum of Understanding (MOU) (effective since July 2001), under the terms of which, the County provides staffing, facilities, and services to LAFCO. The associated costs are reflected in the proposed LAFCO budget. LAFCO is a stand-alone, separate fund within the County's accounting and budget system and the LAFCO budget information is formatted using the County's account descriptions/codes.

The following is a detailed itemization of the proposed budget.

EXPENDITURES

Expenditures are divided into two main sections: Staff Salary and Benefits (Object 1) which comprise 68% of the total expenditures, and Services and Supplies (Object 2).

OBJECT 1. SALARIES AND BENEFITS \$882,121

This line item supports the salary and benefits for the 4.0 FTE positions including the Executive Officer position, a Senior Analyst position, an Associate Analyst position, and a Clerk position. The Clerk position is currently vacant and is anticipated to be filled by the end of the current fiscal year. LAFCO contracts with the County of Santa Clara for staffing and services and in accordance with the MOU between the County and LAFCO, all four positions are staffed through the County Executive's Office. The proposed amount is based on the best available projections from the County at this time for salary and benefits for the 4 positions. Changes to the projections for the four positions that occur within the next couple of months will be reflected in the Final LAFCO budget.

OBJECT 2. SERVICES AND SUPPLIES

5255100 Intra-County Professional \$10,000

This includes the costs for services from various County agencies such as the County Surveyor's Office, the County Assessors' Office, and the Registrar of Voters. The County Surveyor assists with map review and approval for boundary change proposals. In addition, the Surveyor's Office also assists with research to resolve boundary discrepancies. The County Assessor's Office prepares reports for LAFCO and the Registrar of Voters provides data necessary for processing LAFCO applications. This item also allows LAFCO to seek GIS mapping services including maintenance and technical assistance from the County Planning Office, as necessary. This budgeted amount has been maintained at the same level as the current year.

5255800 Legal Counsel \$82,780

This item covers the cost for general legal services.

In February 2009, the Commission retained the firm of Best Best & Krieger for legal services on a monthly retainer. The contract was amended in 2010 to reduce the number of total hours required to 240 hours per year. The contract sets the hourly rate and allows for an annual automatic adjustment to the rates based on the Consumer Price Index (CPI). In 2017, the contract was once again amended to increase the monthly retainer cost and limit the CEQA work within the retainer to 24 hours annually. Any additional CEQA work above 24 hours would be charged outside the retainer at the same hourly rate.

The monthly retainer for FY 2024 increases to \$6,630, based on a 5.6% increase in the Consumer Price Index for the prior calendar year (2022). This item covers the annual retainer fees and includes additional monies to cover approximately 10 hours of work outside the retainer at the current hourly rate of \$316.

5255500 Consultant Services \$150,000

This item is budgeted for hiring consultants to assist LAFCO with special projects such as for conducting service reviews and special studies, facilitating a strategic planning workshop, scanning LAFCO's hardcopy records into the existing electronic document management system, meeting broadcast services for LAFCO meetings and for conducting the annual financial audit, among others. The Commission must take action to authorize such special projects prior to expending funds. This item also includes costs associated with ongoing existing contracts such as costs for maintenance and hosting of the LAFCO website by an outside provider. The Finance Committee recommended that an amount of \$6,000 be allocated under this item to cover a potential future student internship program cost.

5285700 Meal Claims \$750

This item includes cost of food to support Commission events, workshops, meetings.

5220200 Insurance \$8,335

This item is for the purpose of purchasing general liability insurance and workers' compensation coverage for LAFCO. In 2010, LAFCO switched from the County's

coverage to the Special District Risk Management Authority (SDRMA), for the provision of general liability insurance. Additionally, LAFCO also obtains workers' compensation coverage for its commissioners from SDRMA. Workers' compensation for LAFCO staff is currently covered by the County and is part of the payroll charge. SDRMA has recently provided estimated FY 2024 contribution amounts for use in the budgeting process: Property Liability (\$7,225) and Workers' Compensation (\$1,100). SDRMA is in the process of negotiating rates on behalf of its program membership and expects to confirm rates in mid-May. The Final budget will reflect any major revisions to these estimates.

5270100 Rent & Lease \$54,766

This item includes FY 2024 monthly rent for LAFCO office space located at 777 North First Street, Suite 420, San Jose. The original lease term expired on May 5, 2022. At its February 2, 2022 meeting, the Commission authorized the extension of the lease for a five-year period through April 30, 2027.

5250100 Office Expenses \$5,000

This item includes funds for purchase of books, subscriptions/publications necessary to keep current on laws and trends; small equipment and supplies for office operations, including printer/photocopier lease.

5255650 Data Processing Services \$27,520

This item includes estimated costs associated with County Technology Solutions & Services Department (TSS) providing IT services to the LAFCO program. According to TSS, the projected costs cover Telecom services for 5 phones- VOIP/Landline (\$3,000), Wireless Carrier Service (\$144), MS Adobe special order, Acrobat Pro and MS Visio monthly subscription (\$2,480), and other services (\$21,896) comprising Enterprise Content Management services and solutions, Kronos support, Architecture and Innovation Services, Claranet services, Data Analytics and Visualizations, digital print and sccLearn. Any further revised cost estimates received from the County will be reflected in the Final LAFCO budget.

5225500 Commissioner's Fees \$10,000

This item covers the \$100 per diem amount for LAFCO commissioners and alternate commissioners to attend LAFCO meetings and committee meetings.

5260100 Publications and Legal Notices \$1,000

This item is for costs associated with publication of hearing notices for LAFCO applications and other projects/ studies, as required by state law. This budgeted amount has been maintained at the same level as the current year.

5245100 Membership Dues \$13,870

This item includes CALAFCO – the California Association of LAFCOs membership dues. At its meeting on February 17, 2023, the CALAFCO Board approved an 8.27% rate adjustment to account for inflation in accordance with the CALAFCO Bylaws. The FY 2024 membership dues for Santa Clara LAFCO is \$12,221.

Additionally, this item includes estimated membership dues for CSDA – the California Special Districts Association. In June 2018, CSDA informed that Santa Clara LAFCO as a customer of SDRMA, must be a member of CSDA pursuant to SDRMA bylaws.

5250750 Printing and Reproduction \$1,500

This covers printing expenses for reports such as service reviews or other studies and documents.

5285800 Business Travel \$15,900

This item includes funding for staff and commissioners to attend conferences and workshops. It would cover costs of air travel, accommodation, conference registration and other expenses at the conferences. CALAFCO annually holds a Staff Workshop (location TBD, April 2024) and an Annual Conference (Monterey, October 2023) that is attended by commissioners as well as staff.

5285300 Private Automobile Mileage \$1,000

This item provides for mileage reimbursement when staff travels by private car to conduct site visits and attend meetings / training sessions. This budgeted amount has been maintained at the same level as the current year.

5285200 Transportation and Travel (for use of County car) \$600

This item would cover costs associated with the use of a County vehicle for travel to conferences, workshops, site visits and meetings.

5281600 Overhead \$20,358

This overhead charge is established by the County Controller's Office, for service rendered by various County departments that do not directly bill LAFCO. The overhead includes LAFCO's share of the County's FY 2024 Cost Allocation Plan which is based on actual overhead costs from FY 2022 – the most recent year for which actual costs are available. The overhead amount includes the following charges from:

County Executive's Office:	\$6,653
Controller-Treasurer:	\$11,003
Employee Services Agency:	\$6,072
OBA:	\$357
BHS-MH - Employee:	\$198
TSS Intragovernmental Service:	\$958
Technology Services & Solutions:	\$1,710
Procurement:	\$57
Equal Opp. (County Counsel):	\$809
CoB – Harvey Rose Mgt Audit:	\$22

Further, a “roll forward” is applied which is calculated by comparing FY 2022 Cost Plan estimates with FY 2022 actuals. The FY 2022 cost estimates were higher than the actuals by \$7,480; this amount is deducted from the FY 2024 Cost Plan. This is a state requirement.

5275200 Computer Hardware \$3,000

This item is designated for any required hardware upgrades / purchases.

5250800 Computer Software \$5,000

This amount is designated for computer software purchases, and annual licenses for GIS software and records management (LaserFische) hardware/software annual maintenance agreement.

5250250 Postage \$500

This amount covers postage costs for mailing notices, agendas, agenda packets and general correspondence.

5252100 Training Programs \$2,000

This item covers the costs associated with attendance at staff development courses and seminars. CALAFCO conducts University Courses throughout the year on topics of relevance to LAFCO.

REVENUES

4103400 Application Fees \$30,000

It is anticipated that LAFCO will receive approximately \$30,000 in fees from processing applications. The actual amount earned from fees corresponds to the level of application activity.

4301100 Interest \$6,000

It is estimated that LAFCO will receive an amount of approximately \$6,000 from interest earned on LAFCO funds.

3400150 Fund Balance from Previous Fiscal Year (i.e, FY 2023) \$366,814

It is projected that there will be a savings or fund balance of approximately \$366,814 at the end of the current year, which will be carried over to reduce the proposed Fiscal Year 2024 costs for LAFCO’s funding agencies (cities, independent special districts and the County).

Projected Year-End [FY 2023] Fund Balance = (Projected Year-End [FY 23] Revenue + Actual Fund Balance from Previous Fiscal Year [FY 22] + Funds Received from Local Agencies in FY 23) - (Projected Year-End [FY 23] Expenses)

= (\$31,000+ \$410,027 + \$985,974) - \$1,060,187

= \$366,814

The fund balance excludes the reserves.

RESERVES

3400800 Reserves Available \$200,000

This item includes reserves for two purposes: litigation reserve – for use if LAFCO is involved with any litigation; and contingency reserve – to be used for unexpected expenses. If used during the year, this account will be replenished in the following year. Since 2012, the reserves have been retained in a separate Reserves account, thus eliminating the need for LAFCO to budget each year for this purpose.

The Reserves amount was held at \$250,000 since FY 2020 to timely implement potential recommendations from the Comprehensive Organizational Assessment, and as a tentative measure in recognition that LAFCO operates in an increasingly complex and controversial environment.

In FY 2022, LAFCO reduced the Reserves from \$250,000 to \$200,000, in order to further reduce costs to local agencies given the COVID -19 related economic hardships; and maintained the reserve level at \$200,000 in FY 2023. The Finance Committee recommends maintaining the current level of reserves for FY 2024. This places the proposed Reserve amount at approximately 15% of the total FY 2024 expenditures. LAFCO has not adopted a Reserves policy, however as an independent agency, LAFCO should maintain sufficient reserves for flexibility and stability in the event of unanticipated needs.

FY 2024 NET OPERATING EXPENSES

FY 2024 Net Operating Expenses = (Proposed FY 2024 Expenditures) - (Proposed FY 2024 Fee & Interest Revenues + Projected Fund Balance from FY 2023)

= (\$1,296,000) – (\$36,000 + \$366,814)

= \$893,186

The projected operating expense for FY 2024 is based on projected expenditures and revenues as well as on estimated fund balance for the current year. Further revisions may be needed as we get a better indication of current year expenses/revenues towards the end of this fiscal year. Additionally, a more accurate projection of costs/revenues for the upcoming fiscal year could become available, particularly for employee salary and benefits. This could result in changes to the proposed net operating expenses for FY 2024 which could in turn impact the costs for each of LAFCO's funding agencies.

COST APPORTIONMENT TO CITIES, INDEPENDENT SPECIAL DISTRICTS AND COUNTY

In January 2013, independent special districts were seated on LAFCO. Government Code §56381(b)(1)(A) provides that when independent special districts are represented on LAFCO, the county, cities and independent special districts must each provide a one-third share of LAFCO's operational budget.

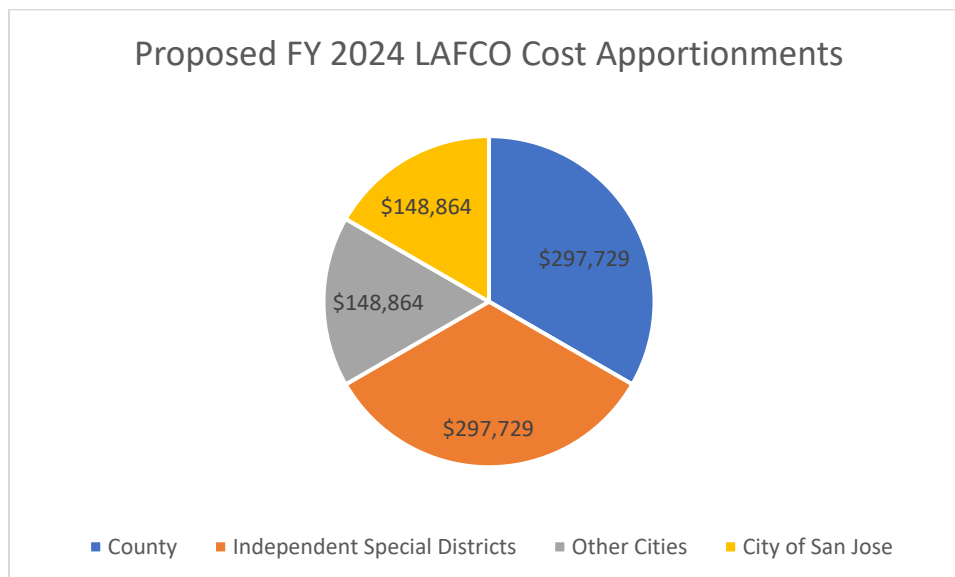
The City of San Jose has permanent membership on LAFCO pursuant to Government Code Section 56327. As required by Government Code §56381.6(b), the City of San

Jose's share of LAFCO costs must be in the same proportion as its member bears to the total membership on the commission, excluding the public member. The remaining cities' share must be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county.

Government Code Section §56381 provides that the independent special districts' share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. The Santa Clara County Special Districts Association (SDA), at its August 13, 2012 meeting, adopted an alternative formula for distributing the independent special districts' share to individual districts. The SDA's agreement requires each district's cost to be based on a fixed percentage of the total independent special districts' share.

Therefore, in Santa Clara County, the County pays a third of LAFCO's operational costs, the independent special districts pay a third, the City of San Jose pays one sixth and the remaining cities pay one sixth. Government Code §56381(c) requires the County Auditor to request payment from the cities, independent special districts and the County no later than July 1 of each year for the amount each agency owes based on the net operating expenses of the Commission and the actual administrative costs incurred by the Auditor in apportioning costs and requesting payment.

The following is a draft apportionment to the agencies based on the proposed net operating expenses for FY 2024.



Apportionment of the costs among the 14 cities and among the 17 independent special districts will be calculated by the County Controller's Office after LAFCO adopts the final budget in June. In order to provide each of the cities and districts

with a general indication of their costs in advance, **Attachment E** includes draft estimated apportionments, based on the proposed FY 2024 net operating expenses and the FY 2020-2021 Cities Annual Report. The final apportionments will be prepared by the County Controller's Office based on the latest available Cities Annual Report.

ATTACHMENTS

Attachment A:	Status of FY 2023 Work Plan
Attachment B:	LAFCO Financials 2008-2022
Attachment C:	Proposed Work Plan for Fiscal Year 2024
Attachment D:	Proposed LAFCO Budget for Fiscal Year 2024
Attachment E:	Estimated FY 2024 Costs to Agencies

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

PRIORITY* H - High Priority (essential activities: state mandate, Commission directive, requirements)
M - Medium Priority (important, provided resources allow or time permits)
L - Low Priority (desirable provided resources allow or time permits, not urgent)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
LAFCO APPLICATIONS	Process applicant-initiated LAFCO proposals	Encourage pre-application meetings prior to application submittal Conduct pre-agenda meetings with County Depts to obtain Assessor & Surveyor reports, as needed Process applications per CKH Act requirements: issue Notice of Application, Certificate of Filing / Sufficiency, Public Hearing Notice, staff report, conduct protest proceedings, as needed	Staff	H	Several pre-application meetings held (Monte Sereno, Sunnyvale/Cupertino Sanitary District, WVSD, San Jose) 3 city conducted and a SOI amendment/annexation application completed, one USA amendment in progress
	Comment on potential LAFCO applications, relevant projects & development proposals, city General Plan updates and/ or related environmental documents	Ongoing, as needed	Staff	H	Ongoing County Housing Element
	Review and update LAFCO policies for context, clarity and consistency with State law	In progress	Staff / Consultant	H	In progress
	Prepare flowcharts for LAFCO processes and update application packets for current requirements and ease of public use	Upon completion of policies update	Staff	L	Internal application processing checklists updated

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
ISLAND ANNEXATIONS	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, provide assistance with annexations or necessary USA amendments	Prepare and distribute island maps to cities	Staff	L	As needed
	Facilitate interagency discussions to support remaining island annexations	Monte Sereno	Staff	H	As needed, pending city initiation
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff	H	As needed
OUTREACH, GOVERNMENT / COMMUNITY RELATIONS & CUSTOMER SERVICE	Conduct outreach to increase awareness of LAFCO's role	<p>Presentations to cities, other agencies on LAFCO, as relevant</p> <p>Distribute LAFCO communications material to elected officials and staff of cities, special districts and the County</p> <p>Seek exhibit opportunities at public spaces / events</p> <p>Maintain website as the primary information resource on LAFCO</p> <p>Increase social media presence (Twitter)</p>	Staff	<p>L</p> <p>M</p> <p>L</p> <p>H</p> <p>L</p>	<p>Presentations provided upon request (Grand Jury, Leadership Sunnyvale, San Jose Planning)</p> <p>Website updated</p>
	Engage and establish relationships with local (cities, districts, county), regional (ABAG/MTC), state (SGC, OPR, DoC, SWRCB) agencies, organizations such as SDA, SCCAPO, CALAFCO, other stakeholder groups	<p>Attend regular meetings of SDA (quarterly), SCCAPO (monthly), County Planning Dept.(quarterly)</p> <p>Small water systems issues / legislation</p> <p>Collaborate with agencies and entities with goals common to LAFCO</p>	Staff	<p>M</p> <p>M</p> <p>M</p>	Ongoing

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
	Track LAFCO related legislation	EO attends CALAFCO Legislative Committee Commission takes positions and submit letters on proposed legislation	Staff	L M	EO served on the Legislative Committee until October 2021
	Respond to public enquiries re. LAFCO policies, procedures and application filing requirements	Timely response to public inquiries Update the PRA form for the website Document research on complex inquiries Report to Commission on complex inquiries	Staff	H L L H	Ongoing High volume of enquiries
SERVICE REVIEWS, SPECIAL STUDIES & SPHERE OF INFLUENCE UPDATES	Countywide Fire Service Review	Manage new consultant's work and contract Coordinate TAC meetings Attend stakeholder interviews with consultant Work with consultant on any data collection issues Review and comment on administrative draft reports Distribute Public hearing notices and coordinate community workshops and public hearings Prepare and distribute stakeholder/public outreach material Coordinate stakeholder / public engagement process Prepare staff reports with implementation recommendations	Staff / Consultant	H	Working with new consultant on data collection and profiles preparation, review and comment Conducted 2 TAC meetings

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
		Follow up with agencies and report back to the commission			
	Continue to monitor implementation of recommendations from previous service reviews and conduct special studies, as necessary	RRRPD study – city took action to delay decision on consolidation	Staff	L	Pending city action
	Map Mutual Water companies	Initial maps complete, further work through service review	Staff	L	As needed
	Engage in or support grant / partnership opportunities on issues related to enhancing viability of agriculture, and climate smart growth	As needed, and as opportunities arise	Staff	L	As needed
	Compile and post JPA filings on the LAFCO website	Notice provided, gather JPA information through service review process	Staff	L	Ongoing
COMMISSION SUPPORT	Provide ongoing support to the 12 commissioners for regularly-scheduled Commission meetings, special meetings and Committee meetings (Finance Committee, Ad Hoc Committee on Organizational Assessment and the Fire Service Review TAC)	Prepare and distribute public hearing notices and agenda packets, provide staff support during the meetings, record minutes, broadcast meetings Hold pre-agenda review meeting with Chair Hold pre-meeting calls with individual commissioners to address agenda item questions Process commissioner per diems for attendance at LAFCO meetings	Staff	H	Ongoing
	Keep the Commission informed	EO report off-agenda emails, as needed	Staff	H	Ongoing

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
	Onboarding new Commissioners	Facilitate filing / completion of Form 700, commissioner pledge, ethics training. Update LAFCO letterhead, directory, and website Set up vendor accounts, provide parking permits Conduct new Commissioner orientation Recognize outgoing commissioners for service on LAFCO	Staff	H	Five new commissioners; one position remains vacant at this time Onboarding, orientations completed for 4; one in progress LAFCO past, present, future: guest presentation at 2/1 LAFCO meeting
	Commissioners Selection Process	Inform appointing bodies of any upcoming vacancies and provide information on appointment criteria Convene ISDSC committee meeting, as necessary Coordinate public member selection process, as necessary	Staff	H	Initiated process for selection of new public member and alternate public member
	Conduct a Strategic Planning Workshop	2018 Workshop re. LAFCO Communications and Outreach Plan	Staff / Consultant	L	On hold
	Commissioner participation in CALAFCO	Support commissioner participation in CALAFCO activities / or election to the CALAFCO Board	Staff	L	2 commissioners attended CALAFCO Annual Conference

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
ADMINISTRATIVE PROJECTS	Prepare LAFCO annual work plan	March –June	Staff	H	In progress
	Prepare LAFCO annual budget	March –June	Staff	H	In progress
	Prepare LAFCO Annual Report	August 2022	Staff	H	Completed
	Prepare LAFCO Annual Financial Audit	October 2022 (Contract with Chavan Associates extended for FY 2023 and FY 2024)	Consultant / Staff	H	Completed
	Office / facility management	Coordinate with Building Manager on facilities issues Coordinate with County re. computers/network, phone, printers, office security, procurement , installation & maintenance Order and manage office supplies Make travel arrangements and process expense reimbursements. Process mileage reimbursements Office space lease extended (lease extended through April 30, 2027)	Staff	H	Ongoing Transitioning to in-person / hybrid meetings Coordinating with County for webcasting LAFCO meetings
	Records management	Organize scan of LAFCO records to Electronic Document Management System (LaserFische) Maintain LAFCO's hard copy records Maintain and enhance the LAFCO Website Maintain LAFCO database	Staff/ Consultant Staff	H H H H	On hold Completed LaserFische and LAFCO database server migrations Website content updates completed

STATUS OF CURRENT YEAR WORK PLAN (FISCAL YEAR 2023)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*	STATUS
ADMINISTRATIVE PROJECTS	Contracts and payments & receivables	Track consultant contracts and approve invoices Approve vendor invoices / process annual payments for various services/ memberships Coordinate with County Controller's Office and track annual collection of payments from member agencies	Staff	H	Ongoing
	Review and update LAFCO bylaws / administrative policies and procedures	Ongoing, as needed	Staff	H	Ongoing
	Staff training and development	CALAFCO workshops, conferences, relevant courses	Staff	M	Staff registered for CALAFCO Workshop
	Coordinate with County on administrative issues	Attend monthly meetings with the Deputy County Executive	Staff	H	Ongoing
	Staff performance evaluation	April – October 2022	Staff/ Commission	H	Completed in February 2023
	Comprehensive Organizational Assessment Study – implementation	As needed	Staff/ Commission	H	LAFCO/County MOU to be revised
	Recruitment and training of LAFCO staff	One LAFCO Analyst position currently vacant – recruitment pending County Classification study results	Staff	H	Begin LAFCO Clerk recruitment
	Other administrative functions mandated of a public agency (Form 700 annual filing & AB 1234 training compliance, Form 806, maintaining liability/workers comp insurance, etc.)	Ongoing	Staff	H	Ongoing

FY 2008 - FY 2022 LAFCO FINANCIALS
February 2023

ITEM # 7
Attachment B

ITEM NO.	TITLE	ACTUALS FY 2008	ACTUALS FY 2009	ACTUALS FY 2010	ACTUALS FY 2011	ACTUALS FY 2012	ACTUALS FY 2013	ACTUALS FY 2014	ACTUALS FY 2015	ACTUALS FY 2016	ACTUALS FY 2017	ACTUALS FY 2018	ACTUALS FY 2019	ACTUALS FY 2020	ACTUALS FY 2021	ACTUALS FY 2022
EXPENDITURES																
	Salary and Benefits	\$356,009	\$400,259	\$406,650	\$413,966	\$393,194	\$411,929	\$450,751	\$466,755	\$484,216	\$514,381	\$628,534	\$713,900	\$744,439	\$730,716	\$639,099
Object 2:	Services and Supplies															
	5255100 Intra-County Professional	\$66,085	\$57,347	\$13,572	\$4,532	\$6,118	\$5,260	\$5,663	\$4,379	\$18,523	\$1,292	\$703	\$3,593	\$346	\$201	\$354
	5255800 Legal Counsel	\$0	\$9,158	\$67,074	\$52,440	\$48,741	\$56,791	\$53,550	\$52,854	\$57,498	\$71,131	\$59,400	\$72,276	\$69,975	\$65,791	\$78,977
	5255500 Consultant Services	\$19,372	\$75,000	\$76,101	\$58,060	\$102,349	\$59,563	\$35,602	\$37,250	\$39,625	\$0	\$45,000	\$52,650	\$106,709	\$41,966	\$25,389
	5285700 Meal Claims	\$0	\$368	\$277	\$288	\$379	\$91	\$228	\$209	\$367	\$50	\$901	\$257	\$166	\$0	\$56
	5220100 Insurance	\$491	\$559	\$550	\$4,582	\$4,384	\$4,378	\$4,231	\$4,338	\$4,135	\$4,679	\$4,893	\$5,296	\$5,893	\$10,452	\$8,591
	1151 Office Expenses	\$1,056	\$354	\$716	\$639	\$1,212	\$536	\$850	\$783	\$6,266	\$48,632	\$15,412	\$4,702	\$2,544	\$1,151	\$1,462
	5270100 Rent and Lease											\$41,120	\$39,360	\$44,478	\$46,254	\$47,903
	5255650 Data Processing Services	\$8,361	\$3,692	\$3,505	\$1,633	\$3,384	\$1,663	\$3,311	\$9,024	\$1,519	\$6,869	\$877	\$11,894	\$15,500	\$21,223	\$18,125
	5225500 Commissioners' Fee	\$5,700	\$5,400	\$3,500	\$3,400	\$4,000	\$4,900	\$5,800	\$4,900	\$6,700	\$5,300	\$5,400	\$5,000	\$4,600	\$6,100	\$4,200
	5260100 Publications and Legal Notices	\$1,151	\$563	\$1,526	\$363	\$916	\$222	\$378	\$2,484	\$487	\$191	\$145	\$192	\$44	\$90	\$704
	5245100 Membership Dues	\$5,500	\$7,000	\$7,000	\$7,000	\$7,000	\$14,473	\$0	\$7,428	\$7,577	\$8,107	\$8,674	\$9,615	\$11,822	\$12,144	\$12,316
	5250750 Printing and Reproduction	\$5	\$0	\$0	\$0	\$0	\$0	\$9	\$177	\$703	\$0	\$0	\$0	\$799	\$0	\$0
	5285800 Business Travel	\$7,238	\$8,415	\$4,133	\$8,309	\$3,095	\$4,777	\$5,800	\$4,042	\$5,811	\$3,877	\$13,091	\$4,260	\$6,908	\$0	\$0
	5285300 Private Automobile Mileage	\$1,016	\$704	\$832	\$1,185	\$615	\$424	\$409	\$396	\$1,009	\$1,264	\$590	\$689	\$696	\$61	\$0
	5285200 Transportation&Travel (County Car Usage	\$894	\$948	\$629	\$0	\$384	\$250	\$371	\$293	\$559	\$605	\$0	\$328	\$256	\$0	\$0
	5281600 Overhead	\$42,492	\$62,391	\$49,077	\$46,626	\$60,647	\$43,133	\$42,192	\$34,756	\$49,452	\$0	\$28,437	\$69,944	\$4,505	\$30,917	\$49,173
	5275200 Computer Hardware	\$0	\$451	\$0	\$83	\$2,934	\$1,791	\$2,492	\$0	\$106	\$0	\$0	\$773	\$0	\$0	\$0
	5250800 Computer Software	\$0	\$0	\$626	\$314	\$579	\$3,124	\$933	\$1,833	\$2,079	\$754	\$4,505	\$3,012	\$1,200	\$4,708	\$1,753
	5250250 Postage	\$1,160	\$416	\$219	\$568	\$309	\$589	\$246	\$597	\$411	\$209	\$183	\$117	\$73	\$184	\$159
	5252100 Staff Training Programs	\$0	\$665	\$491	\$250	\$300	\$0	\$0	\$1,431	\$0	\$0	\$0	\$350	\$525	\$70	\$70
	5701000 Reserves	\$0	\$0	\$0	\$0	\$0	\$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	\$633,929	\$687,043	\$667,342	\$857,865	\$998,208	\$1,021,478	\$972,028	\$888,331
REVENUES																
	4103400 Application Fees	\$46,559	\$41,680	\$35,576	\$48,697	\$37,426	\$45,458	\$63,561	\$27,386	\$146,168	\$20,436	\$29,864	\$33,049	\$7,587	\$34,622	\$41,847
	4301100 Interest: Deposits and Investments	\$24,456	\$16,230	\$6,688	\$4,721	\$4,248	\$3,416	\$2,674	\$2,844	\$6,073	\$10,830	\$12,620	\$12,141	\$18,176	\$10,488	\$7,831
	TOTAL REVENUES	\$71,015	\$57,911	\$42,264	\$53,418	\$41,674	\$48,873	\$66,235	\$30,230	\$152,241	\$31,266	\$42,484	\$45,190	\$25,763	\$45,110	\$49,678
	AVAILABLE FUND BALANCE															
	3400150 END OF YEAR	\$271,033	\$368,800	\$334,567	\$275,605	\$209,987	\$208,219	\$160,052	\$226,111	\$187,310	\$293,489	\$331,177	\$314,693	\$352,123	\$312,351	\$410,027
	3400800 RESERVES AVAILABLE				\$100,000	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$250,000	\$250,000	\$200,000
BUDGETED COSTS TO AGENCIES																
	5440200 County	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$281,780	\$156,002	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928	\$295,443
	4600100 Cities (San Jose 50% +other cities 50%)	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$282,625	\$156,002	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928	\$295,443
	4600100 Special Distrcits							\$296,892	\$187,521	\$220,668	\$225,778	\$266,298	\$277,942	\$381,904	\$327,928	\$295,443

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

PRIORITY* H - High Priority (essential activities: state mandate, Commission directive, requirements)
M - Medium Priority (important, provided resources allow or time permits)
L - Low Priority (desirable provided resources allow or time permits, not urgent)

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
LAFCO APPLICATIONS	Process applicant-initiated LAFCO proposals	Encourage pre-application meetings prior to application submittal Conduct pre-agenda meetings with County Depts to obtain Assessor & Surveyor reports, as needed Process applications per CKH Act requirements: issue Notice of Application, Certificate of Filing / Sufficiency, Public Hearing Notice, staff report, conduct protest proceedings, as needed	Staff	H
	Comment on potential LAFCO applications, relevant projects & development proposals, city General Plan updates and/ or related environmental documents	Ongoing, as needed	Staff	H
	Review and update LAFCO policies for context, clarity and consistency with State law	In progress	Staff / Consultant	H
	Prepare flowcharts for LAFCO processes and update application packets and application fee schedules for current requirements and ease of public use	Upon completion of policies update	Staff	L
ISLAND ANNEXATIONS	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, provide assistance with annexations or necessary USA amendments	Prepare and distribute island maps to cities	Staff	L
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff	H

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
OUTREACH, GOVERNMENT / COMMUNITY RELATIONS & CUSTOMER SERVICE	Conduct outreach to increase awareness of LAFCO's role	Presentations to cities, other agencies on LAFCO, as relevant	Staff	L
		Distribute LAFCO communications material to elected officials and staff of cities, special districts and the County		M
		Seek exhibit opportunities at public spaces / events		L
		Maintain website as the primary information resource on LAFCO		H
		Increase social media presence (Twitter)		L
	Engage and establish relationships with local (cities, districts, county), regional (ABAG/MTC), state (SGC, OPR, DoC, SWRCB) agencies, organizations such as SDA, SCCAPO, CALAFCO, other stakeholder groups	Attend regular meetings of SDA (quarterly), SCCAPO (monthly), County Planning Dept.(quarterly)	Staff	M
		Small water systems issues / legislation		M
		Collaborate with agencies and entities with goals common to LAFCO		M
	Track LAFCO related legislation	EO attends CALAFCO Legislative Committee meetings	Staff	L
		Commission takes positions and submits letters on proposed legislation		M
	Respond to public enquiries re. LAFCO policies, procedures and application filing requirements	Timely response to public inquiries	Staff	H
		Update the PRA form for the website		L
		Document research on complex inquiries		L
		Report to Commission on complex inquiries		H

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
SERVICE REVIEWS, SPECIAL STUDIES & SPHERE OF INFLUENCE UPDATES	Countywide Fire Service Review	Manage new consultant's work and contract Coordinate TAC meetings Review and comment on administrative draft report Distribute Public hearing notices and coordinate community workshops and LAFCO public hearings Prepare and distribute stakeholder/public outreach material Coordinate stakeholder / public engagement process along with public comment and response process Prepare staff reports with implementation recommendations Follow up with agencies on implementation and report back to the commission	Staff / Consultant	H
	Countywide Water and Wastewater Service Review	Develop water/wastewater service review workplan and identify method for consultant selection	Staff	M
	Continue to monitor implementation of recommendations from previous service reviews and conduct special studies, as necessary	RRRPD study – city took action to delay decision on consolidation	Staff	L
	Map Mutual Water companies	Initial maps complete, further through service review	Staff	L
	Engage in or support grant / partnership opportunities on issues related to enhancing viability of agriculture, and climate smart growth	As needed, and as opportunities arise	Staff	L
	Compile and post JPA filings on the LAFCO website	Notice provided, gather JPA information through service review process	Staff	L

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
COMMISSION SUPPORT	Provide ongoing support to the 12 commissioners for regularly-scheduled Commission meetings, special meetings and Committee meetings (Finance Committee, and the Fire Service Review TAC)	Prepare and distribute public hearing notices and agenda packets, provide staff support during the meetings, record minutes, broadcast meetings Hold pre-agenda review meeting with Chair Hold pre-meeting calls with individual commissioners to address agenda item questions and prepare meeting script for Chair Process commissioner per diems for attendance at LAFCO meetings	Staff	H
	Keep the Commission informed	EO report Off-agenda emails, as needed Provide ongoing educational opportunities/events	Staff	H
	Onboarding new Commissioners	Facilitate filing / completion of Form 700, commissioner pledge, ethics training Update LAFCO letterhead, directory, and website Set up vendor accounts, provide parking permits Conduct new Commissioner orientation Recognize outgoing commissioners for LAFCO service	Staff	H
	Commissioners Selection Process	Inform appointing bodies of any upcoming vacancies and provide information on appointment criteria Convene ISDSC committee meeting, as necessary Coordinate public member selection process, as necessary	Staff	H
	Conduct a Strategic Planning Workshop	Most recent workshop in 2018 re. LAFCO Communications and Outreach Plan	Staff / Consultant	L
	Commissioner participation in CALAFCO	Support commissioner participation in CALAFCO activities / or election to the CALAFCO Board	Staff	L

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
ADMINISTRATIVE PROJECTS	Prepare LAFCO annual work plan	March –June	Staff	H
	Prepare LAFCO annual budget	March –June	Staff	H
	Prepare LAFCO Annual Report	August 2023	Staff	H
	Prepare LAFCO Annual Financial Audit	October 2023 (Contract with Chavan Associates extended for FY 2023 and FY 2024)	Consultant / Staff	H
	Office / facility management	Coordinate with Building Manager on facilities issues Coordinate with County re. computers/network, phone, printers, office security, procurement, installation & maintenance Order and manage office supplies Make travel arrangements and process expense reimbursements. Process mileage reimbursements Office space lease extended (lease extended through April 30, 2027)	Staff	H
	Records management	Organize scan of LAFCO records to Electronic Document Management System (LaserFische)	Staff/ Consultant	H
		Maintain LAFCO's hard copy records	Staff	H
		Maintain and enhance the LAFCO Website		H
		Maintain LAFCO database		H
	Contracts and payments & receivables	Track consultant contracts and approve invoices Approve vendor invoices / process annual payments for various services/ memberships Coordinate with County Controller's Office and track annual collection of payments from member agencies	Staff	H
	Review and update LAFCO bylaws / administrative policies and procedures	Ongoing, as needed	Staff	H

PROPOSED WORK PLAN FOR FISCAL YEAR 2024

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
ADMINISTRATIVE PROJECTS				
	Staff training and development	CALAFCO workshops, conferences, relevant courses	Staff	M
	Coordinate with County on administrative issues	Attend monthly meetings with the Deputy County Executive	Staff	H
	Staff performance evaluation	April - October 2023	Staff/Commission	H
	Recruitment, hiring, and training of LAFCO staff	Training of new LAFCO Clerk - recruitment and hiring expected by end of FY 2023	Staff	H
	Student internship program	Contact the County to explore creation of a paid student internship program	Staff	L
	Other administrative functions mandated of a public agency (Form 806, maintaining liability/workers comp insurance, etc.)	Ongoing	Staff	H

**PROPOSED LAFCO BUDGET
FISCAL YEAR 2023- 2024**

ITEM #	TITLE	APPROVED BUDGET FY 2023	ACTUALS Year to Date 2/21/2023	PROJECTIONS Year End FY 2023	PROPOSED BUDGET FY 2024
EXPENDITURES					
Object 1:	Salary and Benefits	\$810,419	\$403,351	\$719,768	\$882,121
Object 2:	Services and Supplies				
5255100	Intra-County Professional	\$10,000	\$0	\$10,000	\$10,000
5255800	Legal Counsel	\$78,326	\$42,043	\$75,500	\$82,780
5255500	Consultant Services	\$150,000	\$22,552	\$100,000	\$150,000
5285700	Meal Claims	\$750	\$56	\$300	\$750
5220100	Insurance	\$9,237	\$7,042	\$9,237	\$8,335
5250100	Office Expenses	\$5,000	\$344	\$2,000	\$5,000
5270100	Rent & Lease	\$53,182	\$35,272	\$53,182	\$54,766
5255650	Data Processing Services	\$28,038	\$16,375	\$28,038	\$27,520
5225500	Commissioners' Fee	\$10,000	\$1,900	\$7,000	\$10,000
5260100	Publications and Legal Notices	\$1,000	\$308	\$1,000	\$1,000
5245100	Membership Dues	\$12,887	\$12,921	\$12,921	\$13,870
5250750	Printing and Reproduction	\$1,500	\$0	\$500	\$1,500
5285800	Business Travel	\$10,000	\$3,125	\$6,000	\$15,900
5285300	Private Automobile Mileage	\$1,000	\$7	\$200	\$1,000
5285200	Transportation&Travel (County Car Usage)	\$600	\$0	\$200	\$600
5281600	Overhead	\$30,041	\$15,021	\$30,041	\$20,358
5275200	Computer Hardware	\$3,000	\$0	\$1,000	\$4,000
5250800	Computer Software	\$5,000	\$853	\$2,000	\$4,000
5250250	Postage	\$1,000	\$10	\$300	\$500
5252100	Staff/Commissioner Training Programs	\$2,000	\$0	\$1,000	\$2,000
5701000	Reserves	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES		\$1,222,980	\$561,180	\$1,060,187	\$1,296,000
REVENUES					
4103400	Application Fees	\$30,000	\$19,603	\$25,000	\$30,000
4301100	Interest: Deposits and Investments	\$6,000	\$4,657	\$6,000	\$6,000
TOTAL REVENUE		\$36,000	\$24,260	\$31,000	\$36,000
3400150	FUND BALANCE FROM PREVIOUS FY	\$201,006	\$410,027	\$410,027	\$366,814
NET LAFCO OPERATING EXPENSES		\$985,974	\$126,893	\$619,160	\$893,186
3400800	RESERVES Available	\$200,000	\$200,000	\$200,000	\$200,000
COSTS TO AGENCIES					
5440200	County	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Cities (San Jose 50% + Other Cities 50%)	\$328,658	\$328,658	\$328,658	\$297,729
4600100	Special Districts	\$328,658	\$328,658	\$328,658	\$297,729

LAFCO COST APPORTIONMENT: COUNTY, CITIES, SPECIAL DISTRICTS
Estimated Costs to Agencies Based on the Preliminary FY 2024 LAFCO Budget

Preliminary Net Operating Expenses for FY 2024				\$893,186
JURISDICTION	REVENUE PER 2020/2021 REPORT	PERCENTAGE OF TOTAL REVENUE	ALLOCATION PERCENTAGES	ALLOCATED COSTS
County	N/A	N/A	33.3333333%	\$297,728.67
Cities Total Share			33.3333333%	\$297,728.67
San Jose	N/A	N/A	50.0000000%	\$148,864.34
Other cities share			50.0000000%	\$148,864.33
Campbell	\$67,824,629	1.9995536%		\$2,976.62
Cupertino	\$125,426,339	3.6977230%		\$5,504.59
Gilroy	\$131,638,480	3.8808646%		\$5,777.22
Los Altos	\$61,718,303	1.8195316%		\$2,708.63
Los Altos Hills	\$19,614,107	0.5782480%		\$860.81
Los Gatos	\$51,370,842	1.5144757%		\$2,254.51
Milpitas	\$186,509,610	5.4985331%		\$8,185.35
Monte Sereno	\$4,845,074	0.1428388%		\$212.64
Morgan Hill	\$113,620,439	3.3496705%		\$4,986.46
Mountain View	\$373,855,966	11.0217345%		\$16,407.43
Palo Alto	\$664,162,959	19.5803423%		\$29,148.15
Santa Clara	\$1,000,850,828	29.5063155%		\$43,924.39
Saratoga	\$35,690,808	1.0522090%		\$1,566.36
Sunnyvale	\$554,860,115	16.3579598%		\$24,351.17
Total Cities (excluding San Jose)	\$3,391,988,499	100.0000000%		\$148,864.33
Total Cities (including San Jose)				\$297,728.67
Special Districts Total Share		(Fixed %)	33.3333333%	\$297,728.66
Aldercroft Heights County Water District		0.06233%		\$185.57
Burbank Sanitary District		0.15593%		\$464.25
Cupertino Sanitary District		2.64110%		\$7,863.31
El Camino Healthcare District		4.90738%		\$14,610.68
Guadalupe Coyote Resource Conservation District		0.04860%		\$144.70
Lake Canyon Community Services District		0.02206%		\$65.68
Lion's Gate Community Services District		0.22053%		\$656.58
Loma Prieta Resource Conservation District		0.02020%		\$60.14
Midpeninsula Regional Open Space District		5.76378%		\$17,160.42
Purissima Hills Water District		1.35427%		\$4,032.05
Rancho Rinconada Recreation and Park District		0.15988%		\$476.01
San Martin County Water District		0.04431%		\$131.92
Santa Clara Valley Open Space Authority		1.27051%		\$3,782.67
Santa Clara Valley Water District		81.44126%		\$242,473.98
Saratoga Cemetery District		0.32078%		\$955.05
Saratoga Fire Protection District		1.52956%		\$4,553.94
South Santa Clara Valley Memorial District		0.03752%		\$111.71
Total Special Districts		100.00000%		\$297,728.66
Total Allocated Costs				\$893,186.00

