



**Solano Local Agency Formation Commission**

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**Staff Report**

DATE: April 10, 2017

TO: Local Agency Formation Commission

FROM: Michelle McIntyre

SUBJECT: **WORK PLAN & PROPOSED BUDGET FISCAL YEAR 2017-2018**

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RECOMMENDATION:

Staff recommends the Commission:

1. Review the work plan and Proposed Budget for fiscal year 2017-2018, consider public comments, and adopt or adopt with modifications the work plan and the Proposed Budget.
2. Direct staff to distribute the Proposed Budget to the cities and county pursuant to Government Code section (GC§) 56381.
3. Schedule a public hearing for June 12 to consider and adopt the Final Budget.

BACKGROUND:

The Commission is required pursuant to GC§56381(a) to adopt a proposed budget by May 1 and a final budget by June 15. At minimum the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the commission finds that reduced staffing or programs will nevertheless allow the commission to fulfill their purpose.

In fiscal year (FY) 2016-17 the Commission's operating budget was \$415,310 while the total billing for cities and county was \$358,464. The lower billing amount can mostly be attributed to the Commission using fund balance to offset some of the costs to the cities and county for FY 2016-17.

In November of 2016 the Commission voted to hire a full time executive officer employee, and the Commission is currently in the process of hiring an executive officer. Much of the salary and benefit costs for the executive officer cannot be known. The budget for the remaining fiscal year and the proposed budget for next fiscal year assume costs associated with hiring an executive officer at the top of the Commission's adopted pay scale. While the budget allows

for hiring at the top level, those costs may be lower. By mid-year of the next budget cycle when the uncertainty has been resolved, the Commission can consider appropriating any fund balance to its new reserve fund for litigation defense, paying down its CalPERS unfunded liability or other priorities for fulfilling the LAFCO's purposes and programs.

DISCUSSION:

The proposed total operating budget for FY 2017-18 is \$459,319 which is an 11% increase from the prior year's total of \$415,309. (Note the Commission later adjusted the operating budget to \$418,391 at mid-year) As previously noted, the billing to the cities and county was significantly lower at \$358,464 as a result of the Commission's direction to use fund balance to offset the costs to our funding agencies. The Proposed Budget recommends total apportionment to the cities and county of \$447,319, a 25% increase to the prior year's total.

The Proposed Budget plans for hiring an executive officer prior to the end of the current fiscal year and at the top of the current pay scale. By mid-year 2017-18 the uncertainties with respect to the vacant executive officer position will be resolved, and the Commission will have a more precise calculation of its fund balance than would be possible now. The Commission may then choose to appropriate those funds at its discretion.

The Proposed Budget (attachment A) for FY 2017-18 was developed based on a number of key policy considerations and based on a proposed work plan for next fiscal year.

Policy Considerations

Some of the key policy considerations and past commission directives taken into consideration while developing the Proposed Budget include:

- The Commission voted to hire a full time executive officer employee. A part time consultant has fulfilled the role of executive officer for a few years. Costs that were associated with the part time consultant will offset some of the costs associated with a full time employee.
- The Commission voted to increase the pay scale in an effort to find the most qualified candidate.
- The Commission gave direction to pay off its CalPERS unfunded liability of approximately \$24,077 within 5 years beginning FY 2016-2017. The Commission's first payment was \$5,500 last fiscal year, leaving a balance of approximately \$18,577.
- The Commission's unassigned General Reserve policy calls for funding levels to be at 20% of the Commission's Operating Budget.
- The Commission's new Reserve Fund which is assigned for litigation defense is not currently funded.

Proposed Work Plan

The proposed work plan (attachment B) identifies two categories: internal administration and external activities. The internal administration work is attributed to strategic planning and while staff has provided a few examples in the attached work plan, the plan can be greatly expanded (especially once a permanent executive officer is hired) with specific goals and an identification of actions to attain those goals. The external activities are those identified by staff, some of which the Commission has already received applications and are now active projects. Below is an abbreviated list of projects that may occur in the 2017-2018 fiscal year.

Table 1: Abbreviated List of Projects for Balance of Current Fiscal Year and FY 2017-2018

<b>Project No.</b>	<b>Project Name</b>	<b>Affected Agency(ies)*</b> *Preliminary	<b>Status</b>
2017-01	Brighton Landing Phase 2 Detachment	SID	April 10 meeting
2017-02	Vacaville MSR Update	Vacaville	Draft April 10 meeting, Final May 8 meeting
2017-03	Roberts Ranch Annexation	Vacaville, VFPD, VCD, SID, County	June 12 meeting
2017-04	Vacaville SOI Update	Vacaville	May 8 meeting
	MSR - Rio Vista Region	Rio Vista, Rio Vista Cemetery, N Rio Vista Levee Maintenance District	
	MSR – Countywide Districts	Mosquito Abatement District, and County Service Area 1	
	SOI update	City of Benicia	
	SOI update	City of Dixon	
	SOI update	City of Suisun City	
	SOI update	Fairfield Suisun Sewer District	
	SOI update	Vallejo Sanitation and Flood Control District	
	SOI update	Solano Resource Conservation District	
	SOI update	Dixon Fire Protection District	
	SOI update	East Vallejo FPD	
	SOI update	Montezuma FPD	
	SOI update	Suisun FPD	
	SOI update	Vacaville FPD	
	Eldridge Island Annexation	Vacaville, VFPD, SID, County	
	Pittman Road	Fairfield, CFPD, Fairfield Suisun	

	Annexation	Sewer District, County	
	Mt. Calvary Baptist Church Annexation	Suisun, SID, Suisun FPD, County, Fairfield Suisun Sewer	
	Campus Estates detachment	SID	
	North Village #6 Annexation	SID	
	Brighton Landing Phase 3 Detachment	SID	
	AM/PM Gas Station Detachment	SID	

Expenses

Expenses for funding the LAFCO operation are identified by budget category for the Proposed Budget are summarized in Table 2 below.

Table 2 - Summary of Expenses

Budget Categories	2016-17 Adopted Budget	2017-18 Proposed Budget
Salaries and Benefits (1000s)	\$129,745	\$316,539
Services and Supplies (2000s)	\$285,564	\$142,780
Total Expenses	\$415,309	\$459,319

Sources of Funding

In counties in which there is no independent special district representation on the commission (such as Solano LAFCO), the county and its cities each provide a one-half share of the commission's operational costs. The cities' share is apportioned in proportion to each city's general revenues, as reported in the most recent edition of the State Controller's Cities Annual Report.

Other sources of funding staff has identified include \$10,000 in anticipated revenues from fees for proceedings undertaken by the LAFCO. (The estimate is based on the Commission's work plan above.) In addition, staff anticipates earning \$2,000 from interest income. Table two below summaries the sources of funding for the LAFCO.

Table 2 – Summary of Funding Sources

Budget Category	2016-17 Adopted Budget	2017-18 Proposed
Other Governmental Agencies (0009511)	\$358,464	\$447,319
Licenses & Permits (0009229)	\$10,000	\$10,000
Interest Income (0009401)	\$1,000	\$2,000
Fund Balance (0000740)	\$45,845	\$0
<b>Total</b>	<b>\$415,309</b>	<b>\$459,319</b>

Table three below summarizes the estimated billing to the county and cities. It is important to note the calculations are unofficial and are included only to provide the cities an estimate. A more current version of the State Controller’s Cities Annual Report will be released after adoption of the LAFCO’s Proposed Budget. More importantly, the auditor is statutory directed to apportion the net operating expenses of the commission and official calculations are provided by the auditor.

Table 3 – Summary of County and Cities Apportion/Billing

City	General Revenues	% of LAFCO Budget	Billing FY 16/17	Estimated Billing FY 17/18*	Difference
Benicia	\$28,508,688	5.78%	\$20,715	\$25,854	\$5,136
Dixon	\$10,538,357	2.14%	\$7,659	\$9,557	\$1,898
Fairfield	\$75,704,963	15.35%	\$55,018	\$68,656	\$13,638
Rio Vista	\$3,709,297	0.75%	\$2,696	\$3,364	\$668
Suisun City	\$6,859,883	1.39%	\$4,985	\$6,221	\$1,236
Vacaville	\$51,534,409	10.45%	\$37,452	\$46,736	\$9,284
Vallejo	\$69,768,788	14.14%	\$50,704	\$63,272	\$12,568
<b>Cities Apportion</b>		<b>50%</b>	<b>\$179,232</b>	<b>\$223,660</b>	<b>\$44,428</b>
<b>County Apportion</b>		<b>50%</b>	<b>\$179,232</b>	<b>\$233,660</b>	<b>\$44,428</b>
<b>Total</b>		<b>100%</b>	<b>\$358,464</b>	<b>\$447,320</b>	<b>\$88,856</b>

\* The auditor is statutory directed to apportion the net operating expenses of the commission and official calculations are provided by the auditor.

Statutory Deadlines

GC§56381 specifies certain statutory deadlines for adopting the LAFCO’s Proposed and Final Budget. Table 4 below lists the deadlines and how Solano LAFCO plans to comply with the statute.

Table 4: Deadlines and Actions

Deadlines	Statutory Requirement and Planned Actions
May 1	The LAFCO must adopt a Proposed Budget
	The Commission is scheduled to adopt a Proposed budget on April 10.
June 15	The LAFCO must adopt a Final Budget
	The Commission is scheduled to adopt a Final Budget on June 12
July 1	The auditor requests payment from cities and county
August 30	Payments must be received by the auditor

Staff Recommendations:

Staff recommends the Commission:

1. Adopt the Proposed Work Plan for Fiscal Year 2017-18.
2. Adopt the Proposed Budget for Fiscal Year 2017-18.
3. Direct staff to distribute the Proposed Budget to cities and the county pursuant to GC§ 56381.
4. Schedule a public hearing for June 12 to consider and adopt the Final Budget.

Attachments:

- A –2017-18 Proposed Budget
- B - 2017-18 Proposed Work Plan
- C – Staff drafts dated March 27, 2017 provided to the LAFCO Finance Committee

LAFCO PROPOSED BUDGET: FY 17/18 FUND: 345					Agenda Item 6 Attachment A
CATEGORY SUBJECT	Description	16/17 WB	16/17 Adjusted Budget	17/18 Proposed Budget	Percent Difference 16/17 WB & 17/18 PB
<b>1000</b>	<b>SALARIES AND EMPLOYEE BENEFITS</b>				
0001110	SALARY/WAGES REGULAR	\$ 91,434.44	\$ 137,046.44	\$ 241,940.00	
0001210	RETIREMENT-EMPLOYER	\$ 14,121.35	\$ 18,664.35	\$ 23,947.00	
0001212	DEFERRED COMP-COUNTY MATCH	\$ 130.00	\$ 175.00	\$ 260.00	
0001220	FICA-EMPLOYER	\$ 1,325.79	\$ 1,430.79	\$ 3,328.00	
0001230	HEALTH INS-EMPLOYER	\$ 15,969.00	\$ 19,884.00	\$ 31,320.00	
0001231	VISION CARE INSURANCE	\$ 239.88	\$ 340.88	\$ 312.00	
0001240	COMPENSATION INSURANCE	\$ 702.00	\$ 702.00	\$ 1,404.00	
0001241	LT DISABILITY INSURANCE ER	\$ 200.00	\$ 200.00	\$ 480.00	
0001250	UNEMPLOYMENT INSURANCE	\$ 434.00	\$ 434.00	\$ 868.00	
0001260	DENTAL INS-EMPLOYER	\$ 1,282.80	\$ 1,294.80	\$ 2,424.00	
0001270	ACCRUED LEAVE CTO PAYOFF	\$ 3,430.94	\$ 5,244.94	\$ 8,816.00	
0001290	LIFE INSURANCE-EMPLOYER	\$ 474.82	\$ 474.82	\$ 1,440.00	
<b>TOTAL</b>	<b>SALARIES AND EMPLOYEE BENEFITS</b>	<b>\$ 129,745.02</b>	<b>\$ 185,892.02</b>	<b>\$ 316,539.00</b>	<b>144%</b>
<b>2000</b>	<b>SERVICES AND SUPPLIES</b>				
0002021	COMMUNICATION-TELEPHONE SYSTEM	\$ 300.00	\$ 550.00	\$ 600.00	
0002028	TELEPHONE SERVICES	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	
0002035	HOUSEHOLD EXPENSE	\$ 500.00	\$ -	\$ -	
0002051	LIABILITY INSURANCE	\$ 3,562.92	\$ 3,562.92	\$ 3,562.92	
0002140	MAINTENANCE-BLDGS & IMPROVE	\$ 150.00	\$ 150.00	\$ -	
0002170	MEMBERSHIPS	\$ 4,657.00	\$ 4,657.00	\$ 4,800.00	
0002171	PROFESSIONAL LICENSES & CERT	\$ 800.00	\$ -	\$ 800.00	
0002180	BOOKS & SUBSCRIPTIONS	\$ 400.00	\$ 400.00	\$ 400.00	
0002200	OFFICE EXPENSE	\$ 1,500.00	\$ 1,500.00	\$ 3,500.00	133%
0002203	COMPUTER COMPONENTS <\$1,500	\$ 500.00	\$ 500.00	\$ 2,500.00	400%
0002205	POSTAGE	\$ 1,000.00	\$ 200.00	\$ 500.00	
0002235	ACCOUNTING & FINANCIAL SERVICE	\$ 24,000.00	\$ 24,000.00	\$ 7,428.00	-31%
0002245	CONTRACTED SERVICES	\$ 40,000.00	\$ 23,000.00	\$ 30,000.00	-25%
0002250	OTHER PROFESSIONAL SERVICES	\$ 154,300.00	\$ 129,585.00	\$ 36,000.00	-77%
0002266	CENTRAL DATA PROCESSING SVCE	\$ 8,450.00	\$ 8,450.00	\$ 9,000.00	
0002270	SOFTWARE	\$ 600.00	\$ 600.00	\$ 600.00	
0002280	PUBLICATIONS AND LEGAL NOTICES	\$ 2,800.00	\$ 800.00	\$ 2,000.00	
0002285	RENTS & LEASES - EQUIPMENT	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	
0002295	RENTS & LEASES-BUILDINGS/IMPR	\$ 18,145.00	\$ 18,145.00	\$ 18,689.35	
0002310	EDUCATION & TRAINING	\$ 2,000.00	\$ 500.00	\$ 2,000.00	
0002311	TUITION REIMBURSEMENT	\$ 1,100.00	\$ 1,100.00	\$ -	
0002335	TRAVEL EXPENSE	\$ 10,400.00	\$ 5,400.00	\$ 10,000.00	
0002339	MANAGEMENT BUSINESS EXPENSE	\$ 300.00	\$ 300.00	\$ 300.00	
0002355	PERSONAL MILEAGE	\$ 2,000.00	\$ 1,000.00	\$ 2,000.00	
<b>TOTAL</b>	<b>SERVICES AND SUPPLIES</b>	<b>\$ 285,564.92</b>	<b>\$ 232,499.92</b>	<b>\$ 142,780.27</b>	<b>-50%</b>
<b>9200</b>	<b>LICENSES, PERMITS &amp; FRANCHISE</b>				
0009229	LICENSES & PERMITS-OTHER	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	
<b>TOTAL</b>	<b>LICENSES, PERMITS &amp; FRANCHISE</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>0%</b>
<b>9400</b>	<b>REVENUE FROM USE OF MONEY/PROP</b>				
0009401	INTEREST INCOME	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00	
<b>TOTAL</b>	<b>REVENUE FROM USE OF MONEY/PROP</b>	<b>\$ 1,000.00</b>	<b>\$ 1,000.00</b>	<b>\$ 2,000.00</b>	<b>100%</b>
<b>9500</b>	<b>INTERGOVERNMENTAL REVENUES</b>				
0009511	OTHER GOVERNMENTAL AGENCIES	\$ 358,464.00	\$ 358,464.00	\$ 447,319.27	
<b>TOTAL</b>	<b>INTERGOVERNMENTAL REVENUES</b>	<b>\$ 358,464.00</b>	<b>\$ 358,464.00</b>	<b>\$ 447,319.27</b>	<b>25%</b>
0000740	Fund Balance - From Prior Year	\$ 45,845.94	\$ 48,927.94	\$ -	
	<b>TOTAL EXPENDITURES</b>	\$ 415,309.94	\$ 418,391.94	\$ 459,319.27	
	<b>TOTAL REVENUES</b>	\$ 415,309.94	\$ 418,391.94	\$ 459,319.27	<b>11%</b>
740	Fund Balance	\$ 11,976.00	\$ 8,894.00	\$ -	
730	General Reserve Account	\$ 83,102.00	\$ 83,102.00	\$ 91,996.00	<b>11%</b>
	(Gen Res as percent of expenditures)			20.03%	

**Proposed**  
**LAFCO Work Plan for Fiscal Year 2017-2018**

The staff recommended work plan for fiscal year 2017-2018 falls into two categories: internal administration and external activities. The work plan also includes an abbreviated project status report of current projects. The work on these projects may occur in the 2017-18 Fiscal year.

Internal Work and Administration

1) Internal Strategic Planning

Efforts to improve internal operations have goals of updating and streamlining internal processes to reduce the cost of operating LAFCO and cost to applicants. Activities would include, but are not limited to: updating and streamlining internal routine and recurring operations; updating and streamlining records retention protocols; updating job descriptions and performance evaluations with standards and goal oriented performance objectives; and reformatting existing policies including Standards, SOI policies, application materials, and developing practical instructions for applicants. In addition, adopting an agency mission statement along with goals/objectives could lead to long range planning in future years.

Spheres of Influence and MSRs -- External Activities

1) Adopt SOI for agencies that have existing valid MSRs within statutory time limits:

*Cities:* Benicia, Dixon, and Suisun City

*Special Districts:* Fairfield Suisun Sewer District, Vallejo Sanitation and Flood Control District, Solano Resource Conservation District, Fire Districts – Dixon FPD, East Vallejo FPD, Montezuma FPD, Suisun FPD, and Vacaville FPD (Cordelia FPD complete)

2) MSR for the Rio Vista Region

Agencies include: City of Rio Vista, Rio Vista Cemetery District, and North Rio Vista Levee Maintenance District

3) MSR study for countywide districts, to include the Mosquito Abatement District and County Service Area 1 - Lighting

4) Respond to applications within statutory time frames



- 5) Process changes of organizations/reorganizations proposals  
See project status report below - some may be completed before the end of the current fiscal year.

**Abbreviated Project Status Report**

<b>Project No.</b>	<b>Project Name</b>	<b>Status</b>
2017-01	Brighton Landing Phase 2 Detachment from SID	April 10 <sup>th</sup> meeting
2017-02	Vacaville MSR	Draft April 10 <sup>th</sup> , Final May 8 <sup>th</sup> meeting
2017-03	Roberts Ranch annexation to Vacaville	June 12 <sup>th</sup> meeting
2017-04	Vacaville SOI update	May 8 <sup>th</sup> meeting
Pre-App	Eldridge Island annexation to Vacaville	
Pre-App	Pittman Road area annexation to Fairfield	
Pre-App	Mt. Calvary Baptist Church annexation to Suisun City	Suisun to submit SOI App
Pre-App	Campus Estates detachment from SID	SID to submit application
Pre-App	North Village No. 6 annexation to SID	SID to submit application
Pre-App	Brighton Landing Phase 3 Detachment from SID	SID to submit application
Pre-App	AM/PM Gas Station detachment from SID	SID to submit application

**Other**

Agency Outreach: Establish and improve working relationship with the cities, county, and special districts at the staff and board/council level.

Background Info from FY 2016-2017

- The Operating Budget for FY 16/17 was **\$415,310**.
- The total billing for cities and county for FY 16/17 was **\$358,464**.
- The Commission used **Fund Balance \$45,846** (later adjusted to \$48,928) to reduce billing to cities and county for FY 16/17.

Policy Considerations

- The Commission gave direction to payoff CalPERS unfunded liability (approx. \$24,077) within 5 years beginning FY 16/17. LAFCO's first payment was \$5,500 FY16/17. Balance **\$18,577**.
- General Reserve (unassigned) 20% of Operating Budget. FY 16/17 **\$83,102**.
- Reserve – (assigned for litigation defense) Not currently funded.

Staff Notes for Proposed Operating Budget FY 2017/2018

- The salary/benefits projection is based on the top step, \$140,000 salary plus 20 years longevity for full time EO; this is partially offset by a reduction in professional services.
- One-time costs of \$2,000 for ergonomic furniture for new EO.
- New computer for EO \$2,000 (current available equipment is 5 and 7 years old)
- No audit for FY 17/18 (audits are biennial)
- \$30,000 for studies and support of studies based on work plan. Budget item is \$10,000 less than PY with more studies being conducted in-house.
- Reduce Professional services by \$118,000 to eliminate part time EO consultant contract
- Maintain General Reserve of 20% of the operating budget by appropriating fund balance of \$8,494 to General Reserve. Increases total from \$83,102 to **\$91,996**.
- New Reserve for litigation defense remains unfunded until uncertainties are resolved.
- CalPERS unfunded liability – no immediate payment for FY 2017/18, until uncertainties are resolved.

Summary of Proposed Budget & Staff Recommendations

- Proposed FY 2017/18 is an 11% increase to prior year's operating budget.
- Proposed Budget is a 25% increase of billing to cities and county.
- At mid-year the Commission can consider appropriating fund balance from FY2016-2017 (current year).
  - Commission may appropriate fund balance to Reserve assigned for litigation defense.
  - Commission may appropriate fund balance to pay down CalPERs unfunded liability.

LAFCO							
PROPOSED BUDGET: FY 17/18							
FUND: 345							
CATEGORY SUBJECT	Description	16/17 WB	16/17 Adjusted Budget	17/18 Proposed Budget	Percent Difference 16/17 WB & 17/18 PB	Notes	
<b>1000</b>	<b>SALARIES AND EMPLOYEE BENEFITS</b>						
0001110	SALARY/WAGES REGULAR	\$ 91,434.44	\$ 137,046.44	\$ 241,940.00			
0001210	RETIREMENT-EMPLOYER	\$ 14,121.35	\$ 18,664.35	\$ 23,947.00			
0001212	DEFERRED COMP-COUNTY MATCH	\$ 130.00	\$ 175.00	\$ 260.00			
0001220	FICA-EMPLOYER	\$ 1,325.79	\$ 1,430.79	\$ 3,328.00			
0001230	HEALTH INS-EMPLOYER	\$ 15,969.00	\$ 19,884.00	\$ 31,320.00			
0001231	VISION CARE INSURANCE	\$ 239.88	\$ 340.88	\$ 312.00			
0001240	COMPENSATION INSURANCE	\$ 702.00	\$ 702.00	\$ 1,404.00			
0001241	LT DISABILITY INSURANCE ER	\$ 200.00	\$ 200.00	\$ 480.00			
0001250	UNEMPLOYMENT INSURANCE	\$ 434.00	\$ 434.00	\$ 868.00			
0001260	DENTAL INS-EMPLOYER	\$ 1,282.80	\$ 1,294.80	\$ 2,424.00			
0001270	ACCRUED LEAVE CTO PAYOFF	\$ 3,430.94	\$ 5,244.94	\$ 8,816.00			
0001290	LIFE INSURANCE-EMPLOYER	\$ 474.82	\$ 474.82	\$ 1,440.00			
<b>TOTAL</b>	<b>SALARIES AND EMPLOYEE BENEFITS</b>	<b>\$ 129,745.02</b>	<b>\$ 185,892.02</b>	<b>\$ 316,539.00</b>	<b>144%</b>	2FTEs	
<b>2000</b>	<b>SERVICES AND SUPPLIES</b>						
0002021	COMMUNICATION-TELEPHONE SYSTEM	\$ 300.00	\$ 550.00	\$ 600.00			
0002028	TELEPHONE SERVICES	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00			
0002035	HOUSEHOLD EXPENSE	\$ 500.00	\$ -	\$ -			
0002051	LIABILITY INSURANCE	\$ 3,562.92	\$ 3,562.92	\$ 3,562.92			
0002140	MAINTENANCE-BLDGS & IMPROVE	\$ 150.00	\$ 150.00	\$ -			
0002170	MEMBERSHIPS	\$ 4,657.00	\$ 4,657.00	\$ 4,800.00			
0002171	PROFESSIONAL LICENSES & CERT	\$ 800.00	\$ -	\$ 800.00			
0002180	BOOKS & SUBSCRIPTIONS	\$ 400.00	\$ 400.00	\$ 400.00			
0002200	OFFICE EXPENSE	\$ 1,500.00	\$ 1,500.00	\$ 3,500.00	133%	(Ergo furn EO)	
0002203	COMPUTER COMPONENTS <\$1,500	\$ 500.00	\$ 500.00	\$ 2,500.00	400%	(Computer EO)	
0002205	POSTAGE	\$ 1,000.00	\$ 200.00	\$ 500.00			
0002235	ACCOUNTING & FINANCIAL SERVICE	\$ 24,000.00	\$ 24,000.00	\$ 7,428.00	-31%	(No audit)	
0002245	CONTRACTED SERVICES	\$ 40,000.00	\$ 23,000.00	\$ 30,000.00	-25%	(1 study)	
0002250	OTHER PROFESSIONAL SERVICES	\$ 154,300.00	\$ 129,585.00	\$ 36,000.00	-77%	(No PT consult)	
0002266	CENTRAL DATA PROCESSING SVCE	\$ 8,450.00	\$ 8,450.00	\$ 9,000.00			
0002270	SOFTWARE	\$ 600.00	\$ 600.00	\$ 600.00			
0002280	PUBLICATIONS AND LEGAL NOTICES	\$ 2,800.00	\$ 800.00	\$ 2,000.00			
0002285	RENTS & LEASES - EQUIPMENT	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00			
0002295	RENTS & LEASES-BUILDINGS/IMPR	\$ 18,145.00	\$ 18,145.00	\$ 18,689.35			
0002310	EDUCATION & TRAINING	\$ 2,000.00	\$ 500.00	\$ 2,000.00			
0002311	TUITION REIMBURSEMENT	\$ 1,100.00	\$ 1,100.00	\$ -			
0002335	TRAVEL EXPENSE	\$ 10,400.00	\$ 5,400.00	\$ 10,000.00			
0002339	MANAGEMENT BUSINESS EXPENSE	\$ 300.00	\$ 300.00	\$ 300.00			
0002355	PERSONAL MILEAGE	\$ 2,000.00	\$ 1,000.00	\$ 2,000.00			
<b>TOTAL</b>	<b>SERVICES AND SUPPLIES</b>	<b>\$ 285,564.92</b>	<b>\$ 232,499.92</b>	<b>\$ 142,780.27</b>	<b>-50%</b>		
<b>9200</b>	<b>LICENSES, PERMITS &amp; FRANCHISE</b>						
0009229	LICENSES & PERMITS-OTHER	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00			
<b>TOTAL</b>	<b>LICENSES, PERMITS &amp; FRANCHISE</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>\$ 10,000.00</b>	<b>0%</b>		
<b>9400</b>	<b>REVENUE FROM USE OF MONEY/PROP</b>						
0009401	INTEREST INCOME	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00			
<b>TOTAL</b>	<b>REVENUE FROM USE OF MONEY/PROP</b>	<b>\$ 1,000.00</b>	<b>\$ 1,000.00</b>	<b>\$ 2,000.00</b>	<b>100%</b>		
<b>9500</b>	<b>INTERGOVERNMENTAL REVENUES</b>						
0009511	OTHER GOVERNMENTAL AGENCIES	\$ 358,464.00	\$ 358,464.00	\$ 447,319.27			
<b>TOTAL</b>	<b>INTERGOVERNMENTAL REVENUES</b>	<b>\$ 358,464.00</b>	<b>\$ 358,464.00</b>	<b>\$ 447,319.27</b>	<b>25%</b>		
0000740	Fund Balance - From Prior Year	\$ 45,845.94	\$ 48,927.94	\$ -			
	<b>TOTAL EXPENDITURES</b>	\$ 415,309.94	\$ 418,391.94	\$ 459,319.27			
	<b>TOTAL REVENUES</b>	\$ 415,309.94	\$ 418,391.94	\$ 459,319.27	<b>11%</b>		
740	Fund Balance	\$ 11,976.00	\$ 8,894.00	\$ -			
730	General Reserve Account	\$ 83,102.00	\$ 83,102.00	\$ 91,996.00	<b>11%</b>	FB to Reserve	
	(Gen Res as percent of expenditures)			20.03%			

**LAFCO Work Plan for Fiscal Year 2017-2018**  
**(Staff Draft – March 27, 2017)**

The staff recommended work plan for fiscal year 2017-2018 falls into two categories: internal administration and external activities. The work plan also includes an abbreviated project status report of current projects. The work on these projects may occur in the 2017-18 Fiscal year.

Internal Work and Administration

1) Internal Strategic Planning

Efforts to improve internal operations have a goal updating and streamlining internal processes, to reduce the cost of operating LAFCO and cost to applicants. Activities would include, but are not limited to: updating and streamlining internal routine and recurring operations; updating and streamlining records retention protocols, updating job descriptions performance evaluation with standards and goal oriented performance objectives; reformatting existing policies, Standards, SOI policies, and application materials and developing practical instructions for applicants . In addition, adopting an agency mission statement along with goals/objectives could lead to long range planning in future years.

Spheres of Influence and MSRs -- External Activities

1) Adopt SOI for agencies that have existing valid MSRs within statutory time limits:

*Cities:* Benicia, Dixon, and Suisun City

*Special Districts:* Fairfield Suisun Sewer District, Vallejo Sanitation and Flood Control District, Solano Resource Conservation District, Fire Districts – Dixon FPD, East Vallejo FPD, Montezuma FPD, Suisun FPD, and Vacaville FPD (Cordelia FPD complete)

2) MSR for the Rio Vista Region

Agencies include: City of Rio Vista, Rio Vista Cemetery District, and North Rio Vista Levee Maintenance District

3) MSR study for countywide districts, to include the Mosquito Abatement District and County Service Area 1 - Lighting

4) Respond to applications within statutory time frames

## 5) Process changes of organizations/reorganizations proposals

See project status report below - some may be completed before the end of the current fiscal year.

**Abbreviated Project Status Report**

<b>Project No.</b>	<b>Project Name</b>	<b>Status</b>
2017-01	Brighton Landing Phase 2 Detachment from SID	April 10 <sup>th</sup> meeting
2017-02	Vacaville MSR	Draft April 10 <sup>th</sup> , Final May 8 <sup>th</sup> meeting
2017-03	Roberts Ranch annexation to Vacaville	June 12 <sup>th</sup> meeting
2017-04	Vacaville SOI update	May 8 <sup>th</sup> meeting
Pre-App	Eldridge Island annexation to Vacaville	
Pre-App	Pittman Road area annexation to Fairfield	
Pre-App	Mt. Calvary Baptist Church annexation to Suisun City	Suisun to submit SOI App
Pre-App	Campus Estates detachment from SID	SID to submit application
Pre-App	North Village No. 6 annexation to SID	SID to submit application
Pre-App	Brighton Landing Phase 3 Detachment from SID	SID to submit application
Pre-App	AM/PM Gas Station detachment from SID	SID to submit application

**Other**

Agency Outreach: Establish and improve working relationship with the cities, county, and special districts at the staff and board/council level.



**LAFCO'S BILLING TO COUNTY AND CITIES FOR FY 2017-2018  
PROPOSED BUDGET**

<u>City</u>	<u>General Revenues</u>	<u>Distribution %</u>	<u>50% Comm Costs 16-17</u>	<u>50% Comm Costs 17-18</u>	<u>Difference Last FY/Proposed</u>
			<u>\$ 179,232</u>	<u>\$ 223,660.00</u>	<u>\$ 44,428.00</u>
Benicia	28,508,688	11.56%	\$ 20,718	\$ 25,854	\$ 5,135.68
Dixon	10,538,357	4.27%	\$ 7,659	\$ 9,557	\$ 1,898.43
Fairfield	75,704,963	30.70%	\$ 55,018	\$ 68,656	\$ 13,637.82
Rio Vista	3,709,297	1.50%	\$ 2,696	\$ 3,364	\$ 668.21
Suisun	6,859,883	2.78%	\$ 4,985	\$ 6,221	\$ 1,235.77
Vacaville	51,534,409	20.90%	\$ 37,452	\$ 46,736	\$ 9,283.63
Vallejo	69,768,788	28.29%	<u>\$ 50,704</u>	<u>\$ 63,272</u>	<u>\$ 12,568.46</u>
Total	246,624,385	100.00%	<u>\$ 179,232</u>	<u>\$ 223,660</u>	<u>\$ 44,428</u>
County			<u>\$ 179,232</u>	<u>\$ 223,660.00</u>	<u>\$ 44,428.00</u>
<b>Total billings FY 2017-2018 - PROPOSED TOTAL</b>			<u><b>\$ 358,464</b></u>	<u><b>\$ 447,320.00</b></u>	<u><b>\$ 88,856.00</b></u>