

# LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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**DATE:** JUNE 6, 2011  
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** Agenda Item #8B – Review and Adoption of Final Budget for Fiscal Year 2011-12

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## **RECOMMENDATION:**

Staff recommends that the Commission take the following actions:

1. Adopt the Fiscal Year 2011-12 Final Budget as presented with the apportionment of net LAFCO costs based upon the Auditor's information attached to this report .
2. Approve the following:
  - a) Contract with Riverside LAFCO for Clerical support and authorize the Executive Officer to sign;
  - b) Contract Amendment #2 with the Executive Officer extending contract to June 30, 2013 with hourly rate increases each Fiscal Year and authorize the Commission Chairman to sign; and,
  - c) Contract Amendment #1 with Anna Raef extending contract to June 30, 2012 for a per hour rate of \$33 and authorize the Executive Officer to sign.
3. Authorize the conversion of the LAFCO Office work schedule to a 9 day, 80 hour per pay period schedule with closure of the LAFCO office every other Friday beginning July 18, 2011.
4. Direct the Executive Officer to submit to the County Auditor-Controller the adopted Final Budget and request the apportionment of the Commission's net costs to the County, Cities/Towns and Independent Special Districts pursuant to the provisions of Government Code Section 56381 as provided on the attachment to the Budget.

**BACKGROUND:**

The Commission's annual budget process began at the April 21 hearing through adoption of the Proposed Budget for Fiscal Year 2011-12. The Proposed Budget included an outline of the anticipated appropriations, revenues, and policy items for Commission consideration.

On April 27, the Proposed Budget was forwarded for review and comment, as required by Government Code Section 56381, to the County, each of the 24 Cities/Towns and Special Districts (dependent and independent) with the request to submit comments by May 23<sup>rd</sup> for inclusion in the final report. As of the date of this report, no comments or concerns have been provided by any of the Cities, Towns, Special Districts, or the County regarding the Proposed Budget as adopted at the April hearing. If concerns are received following the publication of this report, staff will provide those to the Commission at the hearing along with an oral response.

Copies of the Final Budget Spreadsheet and narrative updated per Commission action at the April hearing is included as Attachment #1 to this report. The updated apportionment for the County, Cities/Towns and Special Districts are also included as a part of Attachment #1. Attachment #2 provides the contract with Riverside LAFCO to share staff support for Fiscal Year 2011-12, amendment #2 for the Executive Officer extending the contract period to June 30, 2013 with yearly hourly rate increases, and contract amendment #1 with Ms. Anna Raef to provide for the preparation of the Commission's minutes through June 30, 2012.

Of note, it has been reported in *The Sun* and *Press Enterprise* that two of the County of San Bernardino employee bargaining units have not accepted the benefit reductions proposed by the County Executive Officer. As outlined at the April hearing, the reductions in Benefit Plan were to only be effective if all the bargaining units accepted the changes. As of the preparation of this report, no official word has been received regarding the restitution of the benefits, but it is assumed that this will be the course of action. The action of the Commission at the April hearing placed the \$30,000 benefit reduction in a salary reserve account for this possibility. Staff will return, after the final budget adoption by the County, presumably at the September hearing, with a reallocation of the revenues to the appropriate line item accounts.

An additional item for consideration by the Commission is a request by staff to convert the standard work period from a 10-day, 80 hour work period to a 9-day, 80 hour work period. Many of the cities and towns in the County have converted to either an every Friday or every other Friday closure schedule in an effort to save money. The work hours for the Executive Officer are reduced for the upcoming year as a contract employee; however, the remaining four employees have requested this change. Due to the small size of the Commission's staff, it is being proposed that the staff office be closed every other Friday. Staff believes that approval of such a change will have no effect on the overall operation of the office and impose no burden on our constituents. If approved, staff is proposing that this change become effective July 18, 2011 at the beginning of Pay Period 16 of 2011. The resolution proposed for adoption as a part of Agenda Item #8D includes language implementing this change.

The staff will be happy to answer any questions from the Commission prior to or at the hearing regarding any of the items within the budget documents or this report.

/krm

Attachments:

1. [Final Budget Spreadsheet, Narrative and Apportionment Schedules](#)
2. [Contract with Riverside LAFCO, Contract Amendment #2 for the Executive Officer and Contract Amendment #1 with Ms. Anna Raef](#)