

# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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**DATE:** APRIL 10, 2013

**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
MICHAEL TUERPE, Project Manager

**TO:** LOCAL AGENCY FORMATION COMMISSION



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**SUBJECT:** AGENDA ITEM #8 –Review of Proposed Budget for Fiscal  
Year 2013-14

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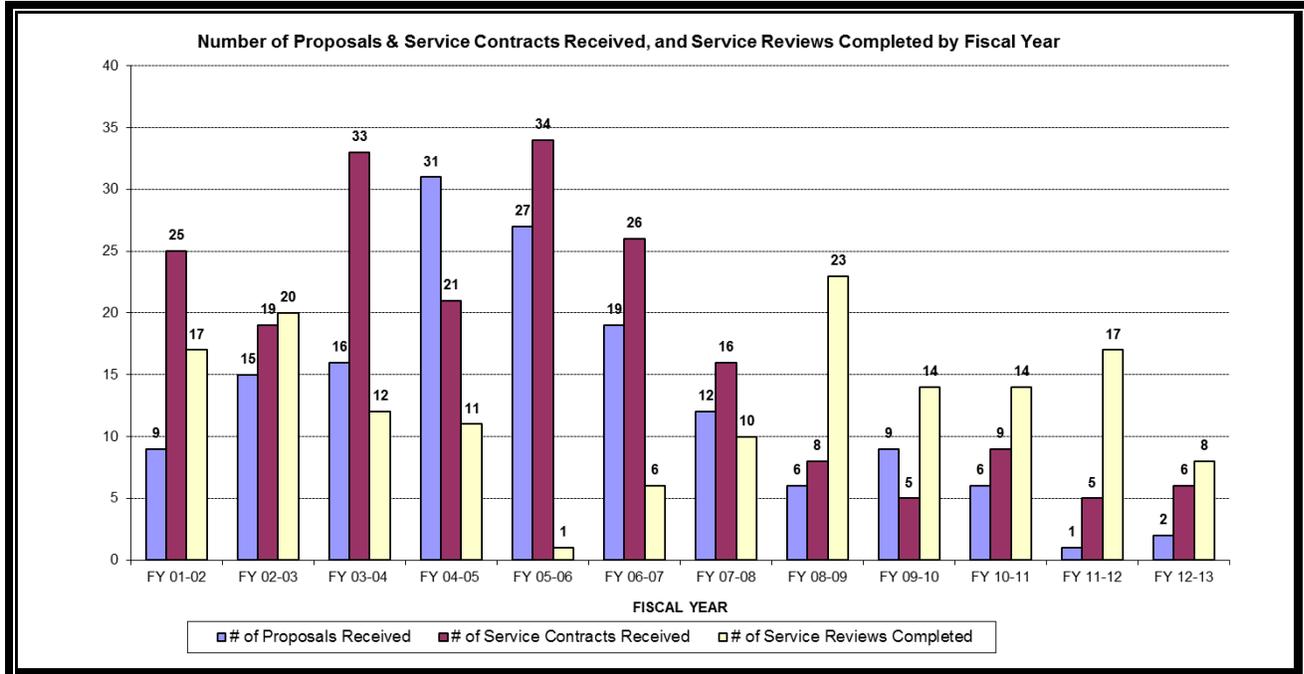
## **BACKGROUND:**

March madness is behind us, spring has sprung and LAFCOs throughout the State are sending out their proposed budgets. Nationally income taxes are due, locally property tax payments are due for Californians, and at this hearing the Commission will begin its annual budget review identifying the costs to be charged to our constituent agencies for the coming Fiscal Year. The past year has seen a number of contradictory issues – the City of San Bernardino has declared a fiscal emergency and entered bankruptcy; RDAs have disappeared but the unwinding of their affairs hamstrings and constrains the Cities and the County; and Special Districts are looking to the State to see what shoe will drop next but Prop 30 passed propping up schools and economic indicators are showing some signs of life.

While there are some positive notes this year, it is difficult to gauge whether the Inland Empire is holding steady or still a couple of years away from recovery. However, no real change has occurred in the ability of our smaller agencies to fund a larger share of the Commission's costs. So with those scenarios we begin the State mandated process outlined in Government Code Section 56381 to establish our budget for the upcoming fiscal year.

Staff began the required budget review by considering potential changes to the Schedule of Fees, Deposits and Charges and determined that no changes for Fiscal Year 2013-14 would be proposed; therefore no action would be required from the Commission. Next, staff opened the budget discussions with the members of the Administrative Committee, Commissioners Curatalo, Cox and Bagley, in February of this year. That review looked at addressing the ability to fund increasing retirement costs, the lack of paying proposal activity, and the impacts of legislation imposing new unfunded mandates. Each of the last five years has brought staff to this hearing

providing information on the ever declining proposal activity, the current fiscal year hit a new low. The chart which follows shows that the decline may have ended, but no real increase has taken place:



With this continuing low level of jurisdictional change activity, the impacts of unfunded mandates will be the primary burden on the Commission and its constituent agencies. These issues were reviewed with Administrative Committee members and the path forward defined. The largest expenditure category for the Commission is its personnel costs and those will continue to increase due to increases in retirement payments required by the San Bernardino County Employees Retirement Association (SBCERA). The LAFCO retirement contribution rate will increase this year by 3.2% to a total of 27.69% of earnable compensation, but has increased 213% over the last ten years.

During Fiscal Year 2012-13 staff deferred the recruitment of the LAFCO Secretary position authorized by the commission due to uncertainty related to receipt of the City of San Bernardino's apportionment. The \$38,266 due September 1<sup>st</sup> from the City was received in late February 2013. Staff addressed this funding issue by hiring staff through a temporary staffing agency cutting the cost by roughly \$48,000. Staff is proposing that in FY 2013-14 that the LAFCO Secretary be filled as a full-time staff position.

In addition, it is again being recommended that the recruitment for a permanent Executive Officer be deferred until May 2015, requiring an extension of the existing contract Executive Officer to September 30, 2015. The materials presented defer the cost for recruitment (estimated at \$10,500) to Fiscal Year 2014-15. The salary and benefit savings are roughly \$111,550 during that forecast year. However, should the Commission choose to move

forward with recruitment during 2013-14, the \$10,500 will need to be added to the Services and Supplies projections for that year.

The Commission has adopted the same benefit plan as provided by the County's Exempt Compensation Plan. At the time of this report, no changes to the Exempt Compensation Plan have been identified by the County Administrative Office but the Commission will need to update its Benefit Plan division of the Policy and Procedure Manual to address the Public Employees' Pension Reform Act of 2013 addressed later in this report.

It is currently anticipated that the bulk of the Commission's activities will be addressing the second round of Service Reviews and Sphere Updates, as required by statute. The information shows an estimate of only three proposals for jurisdictional change, but new State mandates to address disadvantaged unincorporated communities, additional requirements to address infrastructure deficiencies and potential consolidations may affect the review process. State law does not allow for charging fees for these types of reviews so only direct costs will be recovered for their processing.

Only one significant action is proposed within the Services and Supplies budget categories. That is the need to update the mapping page available on the Commission's website. In the mid-1990s the Commission placed digital maps of the boundaries and sphere of influence for the Cities and Independent Special Districts on its website, state-of-the-art at the time. Since then, there have been tweaks to the data and system, but no major update. The time has come to undertake this activity as new technology has left the mapping portions of our website in the dust. Staff is estimating an initial cost of \$14,000 for this change included in three separate accounts.

Attachment #1 provides the Budget Spreadsheet for Fiscal Year 2012-13 with a forecast for FY 2013-14 and the narrative description of the budget.

Staff has requested that the County Auditor-Controller apportion the net costs for LAFCO operations to the County, Cities/Towns and Independent Special Districts based upon the proposed budget target of \$864,821, or \$288,274 per category. Any changes to the budget information presented at this hearing may impact this determination. Once the proposed budget is adopted, the apportionment information will be provided as a part of the materials forwarded to the County, Cities/Towns and Independent Special Districts for their review and comment as required by Government Code Section 56381 and is included as Attachment #2 for Commission information.

The proposed budget is more fully outlined below and on the Budget Spreadsheet and Budget Narrative included as attachments to this report. Staff believes that the actions outlined for the upcoming Fiscal Year will provide for the efficient operations of the Commission's office, will maintain reserve accounts established to cover potential and/or future costs, and will maintain the reduced apportionments to entities required to fund Commission operations.

## **SALARIES AND BENEFITS** **WORKLOAD CONSIDERATIONS**

### **FISCAL YEAR 2012-13**

Staffing levels for Fiscal Year 2012-13 include four full-time positions, contract for the Executive Officer position and a LAFCO secretary provided by contract with a temp agency (funding provided in the Services and Supplies Accounts). The Commission continued to outsource much of its geographic technology needs with the County's Geographic Information Management System (GIMS), its environmental processing through its contract with Tom Dodson and Associates, and the maintenance of computer systems to the County's ISD.

Accomplishments by the Commission for the year include:

- By June 30, 2013 all of the first round service reviews and sphere of influence updates will be completed. An interesting outgrowth from these reviews include incremental steps toward consolidation of fire services for the City of Big Bear Lake and the Big Bear City communities, including sharing a fire chief position, looking toward a joint power authority or agreement for functional consolidation and the future potential for reorganization of the fire services through LAFCO.
- The scanning project for all the backlogged files has been completed with an ongoing process put in place to digitally archive proposals as they are processed.
- By June 30, 2013 the new San Bernardino LAFCO website will have been launched and the update and general maintenance of the LAFCO website will be handled in-house, eliminating a major portion of the Commission's COWCAP costs for the future.

The estimated year-end expenditures for salaries and benefits are \$573,317, \$48,528 below budgeted amount. Included in this amount are overtime costs of approximately \$5,700 to complete the preparation of files for the scanning project.

### **FISCAL YEAR 2013-14**

The Salaries and Benefits categories for Fiscal Year 2013-14 include the funding for five positions, payment of step increases, increase in retirement cost issues and the retention of the contract Executive Officer position.

Additional workload responsibilities include the Executive Officer's participation as a member of the CALAFCO Legislative Committee, as the designated SCAG representative for the CCL on the Programs and Planning Technical Advisory Committee and on conference and workshop planning committees. In addition, the Assistant Executive Officer is currently the Deputy Executive Officer for the Southern Region on CALAFCO, the Program Chair for the 2013 Annual Conference in Squaw Creek for the CALAFCO 50<sup>th</sup> Anniversary, and the Program Chair for the 2014 Annual Conference to be held in Ontario in September 2014. The upcoming year will also include the labor intensive discussion with the stakeholder groups regarding the service reviews for the Valley region.

**Fiscal Year 2014-15**

As is the Commission's practice, a forecast for Fiscal Year 2014-15 has been provided. As a part of the discussion, the Commission will need to be determine whether it wishes to continue with the contract Executive Officer or pursue recruitment for that position as originally anticipated in the budget process for Fiscal Year 2012-13. The difference in salary and benefits between the two options is outlined below:

<b>TOTAL SALARY AND BENEFIT COSTS FISCAL YEAR 2014-15</b>		
	<b>CONTRACT EO</b>	<b>NEW EO</b>
<b>SALARY</b>	\$443,450	\$509,920
<b>BENEFITS</b>	\$225,557	\$307,762
<b>TOTAL</b>	\$669,007	\$817,682
<b>DIFFERENCE</b>		\$148,855

The difference is \$148,855 for the year. The question and information outlined above has been reviewed with the members of the Administrative Committee who support the extension of the contract for an additional period, identified to be September 30, 2015. Beyond this determination, the forecast for this Fiscal Year carries forward proposed staffing levels, existing practices, and anticipated workloads.

**SERVICES AND SUPPLIES**

**FISCAL YEAR 2012-13**

For the current year, the Commission is completing the first round of the mandated Municipal Service Reviews and Sphere of Influence updates. In addition, the staff is completing the contract for scanning to digitally archive the Commission's application and service review/sphere update files. The Services and Supplies categories expenditures of \$316,251 are estimated at year-end. This is \$51,643 below the

budgeted amount. This amount includes payments for the temporary agency contract for the LAFCO secretary, website and logo development, and the payments for the scanning project. No budget amendments are proposed at this time.

### **FISCAL YEAR 2013-14**

Staff is recommending a total Services and Supplies budget of \$319,684, a reduction of \$48,210 from the Fiscal Year 2012-13 budgeted amount. In reference to the expense categories within the overall Services and Supplies section, staff is proposing the update of the Commission's website mapping page (\$14,000), the recruitment for the LAFCO Secretary position in-house, and a return to the use of the County's Google Earth program since it has been updated (\$3,500). On balance the budget appropriations provide for maintenance of current levels of support for on-going activities.

Economic and workload indicators show a continuing low level in jurisdictional change for the upcoming fiscal year. However, the second round of service reviews and sphere of influence updates will be processed for the Valley region during this fiscal year. Staff will be utilizing a stakeholders group for the municipal service types: water (retail, wholesale, and reclamation), wastewater treatment, fire protection, law enforcement and quality of life (parks, resource conservation and habitat preservation, streetlighting, and roads [maintenance, street sweeping, detention basin]), and others which may be determined by the Commission. The stakeholders group will assist staff in addressing the service review factors and assist staff in the gathering and review of information. It is anticipated that this type of approach will allow for discussions about the potential for shared services by agencies and will be staff time intensive at the outset with limited service and supply needs. Staff anticipates that there will be limited service and supply costs until preparation of the final reports for presentation to the Commission.

At the time this proposed budget is being presented to the Commission, continuation of the Video Production Contract with the City of San Bernardino is anticipated. However, the future of this contract is unclear as the Inland Empire Media Group out of the City's Economic Development Department is affected by the demise of the City's RDA. We are currently on a month-by-month service while the transfer of this function to the California State University San Bernardino Foundation is in the works. The transfer has been in discussion/negotiation with IEMG staff indicating eminent completion since last summer but no firm change date provided to LAFCO. Should there be a termination of this support service, we will need to look at other places to conduct our meetings and do so quickly. The only venues which can support (1) the number of Commissioners for LAFCO at the dais, (2) video recording available to the public and (3) convenient for Commissioners traveling to hearings are the Cities of Fontana and Rancho Cucamonga. At this time the budget includes the continuation of the \$300 per meeting charge through the City of San Bernardino staff, but LAFCO staff will be prepared to change direction quickly should the service be terminated.

**FISCAL YEAR 2014-15**

Based upon the approval of the staff recommendations for FY 2013-14, it is anticipated that a 3% consumer price index increase will be applied to those categories sensitive to such changes for purchases and the maintenance of the other existing levels of service. It is anticipated that during the spring of 2014, the recruitment for the Executive Officer will commence, at a cost estimate of \$10,500, with the position filled by the beginning of the new Fiscal Year.

**REVENUES**

**FISCAL YEAR 2012-13**

As identified earlier in this report, while staff has historically lamented the trend of lower submission of proposals for change of jurisdiction, for FY 2012-13 staff has seen no further plummet in proposal activity. The chart below identifies the proposal activity for the current fiscal year:

Activity	Budget	MARCH ACTUAL		Year-End Projected	
		No.	% of Budget	No.	% of Budget
Proposals	2	1	17%	2	100%
Service Contracts – Development	1	1	100%	2	200%
Service Contracts - Admin approval	3	5	150%	6	200%
Service Review Deposits	20	0	0%	0	0%
Protest Hearing Deposits	2	1	50%	1	50%

Staff estimates that year-end totals for all revenues will be at 105% of budgeted appropriation. The total revenue (fees and deposits) received from the two applications submitted during the year is \$21,200 and for the six service contracts is \$15,575.

**FISCAL YEAR 2013-14**

Information gleaned from economic forecast reports and local economists as reported in media publications indicates that the Inland Empire has seen some jobs recovery in the manufacturing sector and modest gains are anticipated for construction. In all this, staff anticipates that proposal filings for the upcoming Fiscal Year will increase slightly over FY 2012-13. In order to remain conservative in revenue projections, staff anticipates the submission of three proposals next year at the basic fee level, for fee revenue of \$25,800. The chart below identifies staff’s projections for the upcoming year:

Activity	Proposed Budget	FY 2012-13 BUDGET
Proposals (not island)	3	2
Service Contracts – Development	1	1
Service Contracts - Admin approval	3	3
Service Review Deposits	0	20
Protest Hearing Deposits	3	2

Interest income remains low as earnings rate remain depressed. All reserve accounts will be carried forward from the prior year and an estimated \$142,779 in the other fund balance is anticipated to be carried forward. This provides for an apportionment of \$864,821, \$288,274 for each category required to pay a portion of the Commission’s net costs.

The apportionment process will take place pursuant to the provisions of Government Code Section 56381 and is administered by the County Auditor. Staff has requested that the Auditor provide for the distribution, pursuant to statute and the alternative funding formula for Special Districts, included as Attachment #2. Per adopted Commission policy, the amount identified at this hearing will be the apportionment required as of July 1, 2013. At the time the Year-End report is presented to the Commission, staff will determine the actual carryover and make recommendation for any further actions necessary.

The apportionment presented in the budget materials is \$864,821, \$38,179 less than Fiscal Year 2012-13. In accordance with the provisions of Government Code Section 56381(a) staff is recommending that the Commission determine that the reduced staffing costs which have reduced the apportionment amount allows for the fulfillment of the purposes and programs required by the Cortese-Knox-Hertzberg Local Government Reorganization Act.

Revenues consisting of interest, mandatory contributions, and fee revenues are estimated to be \$902,546. Refunds from Prior Years, Miscellaneous Charge, and Carryover including all reserve accounts increases brings total anticipated revenues to \$1,414,741.

**FISCAL YEAR 2014-15**

Revenues forecasts for FY 2014-15 anticipates a slight increase in proposal activity for an increase in Fees and Deposits of slightly less than \$13,000 over Fiscal Year 2013 - 14. The chart below compares the proposal activity forecast for FY 2014-15 to that proposed for FY 2013-14:

ACTIVITY	FISCAL YEAR 2013-14	FISCAL YEAR 2014-15
Proposals	3	4
Service Contracts – Development	1	2
Service Contracts – Admin Approval	3	4
Service Review Deposits	0	0
Protest Hearing Deposits	3	4

The anticipated apportionment increases by \$11,027 to a total of \$875,848, but still \$27,152 less than the apportionment in Fiscal Year 2012-13.

### **RESERVES AND CONTINGENCIES**

The staff is proposing the maintenance of reserves and a contingency amount as outlined by Commission policy. The amounts presented for Fiscal Year 2013-14 are:

Account 6025 – General Reserve/Litigation	\$250,000
Account 6030 – Compensated Absences Reserve	\$ 66,620
Account 6010 – COWCAP Reserve	\$ 46,780

In addition, staff is recommending a contingency of \$63,813 (Account 6000) which represents about 6.4% of expenditures, well within the suggested range of between 5-10% of expenditures. Should the use of these dollars be required, it will take an action by the Commission to transfer monies into the appropriate expenditures series.

### **AMENDMENTS TO SBLAFCO BENEFIT PLAN RELATED TO STATUTORY RETIREMENT CHANGES**

San Bernardino LAFCO is a participating agency in the San Bernardino County Employees' Retirement Association ("SBCERA"), which is governed by the County Employees Retirement Law of 1937. As of January 1, 2013, SBCERA is also governed by the California Public Employees' Pension Reform Act of 2013 ("PEPRA") Assembly Bill 340. PEPRA primarily impacts the hiring process for new employees on or after January 1, 2013. An individual who is a member of a reciprocal retirement system but ineligible for reciprocity prior to January 1, 2013 would also be considered a new member. These new employees will receive reduced retirement benefit formulas, limited pensionable compensation, three-year final average salary, and will be required to pay at least 50% of the normal cost of the plan. Although most PEPRA provisions affect new members, a few sections do apply to current members - elimination of Additional Retirement Credit and new Replacement Benefit Plans, new rules for retirees returning to temporary work within the same retirement system, and pension forfeiture for felons.

**SBCERA Implementation**

SBCERA has drafted preliminary interpretations which may be revised as the law is implemented. Tier 1 (existing members) are all members with SBCERA membership dates prior to January 1, 2013. All current LAFCO employees are Tier 1 members with the exception of the Executive Officer who is a contract employee. Tier 2 (new members) would be members who are new to SBCERA on or after January 1, 2013 or had more than a six month break in service from a prior public retirement system and were ineligible for or did not establish reciprocity. The SBCERA summary is included in its entirety as Attachment #3 and is abbreviated below.

<b>Issue</b>	<b>Tier 1 Existing Members</b>	<b>Tier 2 New Members</b>
<b>Contribution Rates</b>	No change to existing rates. Employer pick-up remains the same.	Must pay at least 50% of total normal cost. Contributions cease when CAP of \$136,440 is hit for 2013.
<b>Benefit Formulas</b>	No change: General 2% @ 55	New formula: General 2.5% @67
<b>Final Average Salary</b>	No change: highest 1-yr avg.	New formula: highest 3-yr avg.
<b>Compensation Earnable vs. Pensionable Compensation</b>	<u>Compensation Earnable:</u> Generally no changes.	<u>Pensionable Compensation:</u> Normal monthly rate of pay or base pay of the member paid in cash. Pay items excluded include leave cashouts and allowances. Capped at \$136,440 for 2013 (adjusted annually for CPI)
<b>Replacement Benefit Plan</b>	No change if employer has a plan in place by Dec 31, 2012.	Not allowed for new members.
<b>Working after Retirement</b>	Must take 180-day break prior to returning to service. Exceptions must be approved by governing body & prove critical need. Hours limited to 960 per year. Pay must not be less than min or more than max paid to other employees.	Same as Tier 1.
<b>Additional Retirement Credit</b>	No longer available.	No longer available.

**Establishing a Two-Tier System for LAFCO**

LAFCO mirrors the County Exempt Compensation Plan, and the County has not yet adopted any changes to its Exempt Compensation Plan, other than establishing separate contribution rates for Tier 1 and Tier 2 members on December 18, 2012.

Staff recommends establishment of the two-tier system for retirement contribution pursuant to PEPRA and SBCERA and County implementation. The language to be added to Section 8 (Retirement) of the Benefit Plan, is shown below:

**A. SB LAFCO CONTRIBUTIONS** (Amended August 17, 2005; May 16, 2007; June 16, 2011; April 17, 2013)

...

*Pursuant to the California Public Employees' Pension Reform Act of 2013 (AB 340), SB LAFCO establishes a two-tier system for retirement contribution as follows:*

*Tier 1 employees are employees with an SBCERA membership date prior to January 1, 2013.*

*Tier 2 employees are employees with an SBCERA membership date on or after January 1, 2013.*

*SBCERA membership date is determined based on the following:*

- *Date of hire as a regular or eligible contract (when applicable) employee, or*
- *Date of transfer from a non-qualifying position (for example: extra-help, temporary, or part-time) to a regular position that requires membership in SBCERA, or*
- *Date of entry into membership with another public retirement system with which the employee established reciprocity. Therefore, if the employee enters SBCERA membership under Tier 2, but establishes reciprocity with another public retirement system where the employee was a member prior to January 1, 2013, the employee will be reclassified as a Tier 1 employee.*

In order to implement this change, staff is recommending that the Commission adopt the appropriate resolution and direct the Executive Officer to forward to SBCERA and the County Auditor.

### **Establishing Reciprocity for New Employees**

Reciprocity allows employees to link retirement systems to preserve and enhance their total retirement benefits. One must elect to establish reciprocity with an eligible public retirement system - it is not automatic. The SBCERA procedure for reciprocity places the onus upon the employee, not the employer, to request reciprocity from SBCERA under certain SBCERA guidelines. Only SBCERA can link previous service to current service. Upon the employee submitting the request to SBCERA, SBCERA will work with the other public retirement system to complete all necessary processes. SBCERA will inform the employee if, and when, reciprocity has been established. This process can take up to 8 to 10 months to complete. Should reciprocity be established, SBCERA will determine what, if any, retirement contributions are required and make necessary adjustments and bill the Commission for any increased contribution required.

This has the potential to severely affect the Commission's recruitment process as there is a significant financial burden to LAFCO for Tier 1 future employees compared to Tier 2. A further caveat in this system is whether or not there is a legal mechanism to

question a potential applicant regarding this situation during the process since responsibility, as noted above, is upon the employee with SBCERA. However, a new hire that would come from another SBCERA member agency (such as the County) would not require reciprocity because that employee is already in the SBCERA system; therefore, would be considered a Tier 1 employee.

**Future Actions**

As was to be expected, there are varying interpretations of the PEPR legislation resulting in differing implementation or inaction by various agencies throughout the state. To address the ambiguities or questions on implementation, additional legislation has been introduced, such as SB220 (Beall), SB13 (Beall) and SB 24 (Walters) to name a few. The annual review of the Commission's Policy and Procedure Manual is scheduled for August 21<sup>st</sup> and at that time staff will present the Commission with any updates needed due to passage of any additional legislation or changes based upon actions related to the County's Exempt Compensation Plan.

**CONCLUSION:**

The information contained in this report outlines and discusses the budget considerations before the Commission which provides for the following determinations required by Government Code Section 56381 to be made:

<b>ACCOUNT TYPE</b>	<b>FY 2012-13 ADOPTED BUDGET</b>	<b>FY 2013-14 PROPOSED BUDGET</b>
SALARIES AND BENEFITS	\$ 621,845	\$ 667,844
SERVICES AND SUPPLIES	\$ 367,894	\$ 319,684
RESERVES AND CONTINGENCIES	\$ 398,130	\$ 427,213
<b>SUBTOTAL</b>	<b>\$1,387,869</b>	<b>\$1,414,741</b>
FEE REVENUE AND GENERAL REVENUE (Reserve Carryover and Fund Balance)	\$ 467,669	\$ 549,920
<b>NET COST</b>	<b>\$ 903,000</b>	<b>\$ 864,821</b>

Staff believes that the policy items outlined in this report related to the update of the website mapping page, retention of the contract Executive Officer, recruitment for a LAFCO Secretary, and changes to the Benefit Plan related to preliminary implementation of PEPR are appropriate; therefore, staff is requesting Commission support of all items.

In addition, it is the staff position that the balance of expenditures and revenue items will provide for fulfillment of the Commission's ongoing core obligations for processing of proposals and fulfilling State mandates. If the Commission supports the staff's position, it is recommended that, pursuant to the provisions of Government Code Section 56381, the Commission adopt the Proposed Budget as outlined, determine that the reduction in total apportionment is sufficient to allow it to fulfill the requirements of CKH, and direct

staff to forward this document to the County, the Cities and Towns, and the Independent Special Districts for their review and comment. Staff is also recommending that the final hearing for adoption of the budget be scheduled for May 15, 2013 at which time the comments of the public and agencies the Commission serves will be considered.

**RECOMMENDATION:**

The staff recommends that the Commission take the following actions:

- 1) Determine that there are no changes to the Schedule of Fees, Charges and Deposits;
- 2) Adopt the Proposed Budget for Fiscal Year 2013-14, presented by staff, by taking the following actions:
  - a) Approve the recruitment for the LAFCO Secretary;
  - b) Approve the upgrade to the Commission's website mapping page through contract with Esri and the GIMS division of the County's Information Services Department for an estimated cost of \$14,000;
  - c) Approve the extension of the current Executive Officer's contract until September 30, 2015;
  - d) Approve the amendment to Section 8 of the Benefit Plan portion of the Policy and Procedure Manual addressing statutory changes in retirement contribution rates and tiers and adopt LAFCO Resolution No. 3173 reflecting that change; and,
  - e) Determine that the reduction in apportionment amount will allow the Commission to fulfill the programs and purposes required by the Cortese-Knox-Hertzberg Local Government Reorganization Act.
- 3) Schedule a public hearing for May 15, 2013 for the formal adoption of the Final Budget for Fiscal Year 2013-14, contract extension for Executive Officer and related items, and direct staff to forward the adopted Proposed Budget, as modified at this hearing, to all the independent special districts, cities, and the County for their comment pursuant to Government Code Section 56381.

/krm

Attachments:

1. [Proposed Budget -- Spreadsheet and Narrative Related to Individual Accounts and Activity Chart](#)
2. [Estimated Apportionment Distribution for City/Town and Special District Costs](#)

3. [SBCERA Summary of AB340—California Public Employee’s Pension Reform Act of 2013 and Draft LAFCO Resolution No. 3173](#)