



Local Agency Formation Commission
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Date: May 27, 2010
To: LAFCO Commissioners
From: ^{BN} Bill Nicholson, Executive Officer
Re: Proposed Budget Amendment FY 2009/10
(Agenda Item VII.B)

Due to the extensive work required to complete the Municipal Service Reviews (MSRs) for the Cities of Atwater and Dos Palos, the actual cost of consultant services is going to go over the budgeted amount for the current 2009/10 Fiscal Year. The amount of \$20,000 was budgeted this year, but the invoices paid so far total \$18,576.55. We currently have \$13,880.19 in invoices from Economic & Planning Systems (EPS), which includes \$4,603.25 in prior year bills from EPS to complete the last independent special district MSR last spring.

Commission approval is requested to authorize the transfer of \$14,092.00 from Account No. 21827 "Indirect Cost" to Account No. 21810 "Professional & Special Services – Contracts." As noted earlier in today's public hearing on the Final Budget, the Indirect Cost account was originally established to pay the County for use of office space and related County services and supplies. However, this amount is actually collected from the Planning and Community Development Department, and is charged to LAFCO through the overhead built into the staff billable rates. Therefore, this account is being removed from the Fiscal Year 2010/11 budget, and no funds will be billed to this account in the current fiscal year. Therefore, this full account balance can be transferred into our consultant account to cover the EPS invoices.

In the upcoming fiscal year, no MSR work will be requested of EPS unless we receive corresponding revenue from a city or special district who applies for an update to their MSR.

REQUESTED ACTION

Approve the budget transfer from the Indirect Cost Account No. 22500 in the amount of \$14,092.00 to the Professional and Special Services – Contracts Account No. 21810.