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Executive Officer

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August 14, 2019 (Agenda)

Contra Costa Local Agency Formation Commission
651 Pine Street, Sixth Floor
Martinez, CA 94553

FY 2019-20 Budget Adjustment

August 14, 2019
Agenda Item 11

Dear Commissioners:

On June 12, 2019, the Commission adopted the FY 2019-20 final budget (attached). Currently, the budget includes a fixed asset expense of \$20,000 for a new server, as the existing server is at the end of its useful life.

LAFCO's information technology (IT) services are currently provided by Contra Costa County IT. The County's IT department manages the central corporate computing complex, a County Wide Area Network (WAN), and numerous Local Area Networks (LANs); and provides business and technical consulting services to departments and agencies at a reasonable cost.

The IT department recently informed LAFCO staff of an alternate to purchasing a new physical server. The County is moving department information to a virtual (cloud) server and has offered this option to LAFCO.

The virtual server offers the following features/advantages:

- ✚ Efficient hardware utilization – reduces the need for physical hardware systems
- ✚ faster data recovery time, uptime and data recovery time
- ✚ space saving
- ✚ easier to maintain/upgrade - minimal downtime
- ✚ more storage capacity than a physical server
- ✚ on-demand scalability
- ✚ saves energy
- ✚ optimum capacity management
- ✚ more fault tolerant (disaster)
- ✚ portable
- ✚ nearly zero downtime (system recovery)
- ✚ more economical than a physical server
- ✚ security management more easily configurable

Several County departments including Agriculture Weight & Measures, Auditor Controller, Animal Services, Clerk of the Board, County Administrator's Office, County Counsel, Human Resources, Information Technology, Public Defender, and Public Works have, or are migrating to, a virtual server.

As noted above there is a cost saving to the user. The virtual server cost for LAFCO would be approximately \$560 per month (\$6,720/year) plus set up costs. The FY 2019-20 budget currently includes a fixed asset cost of \$20,000 (Acct #4951) for the new physical server plus additional funding in Data Processing Services (Acct 2315) for set up.

Utilization of a virtual server versus purchasing a physical server would eliminate the \$20,000 fixed asset account in the FY 2019-20 budget, and would increase the data Processing Services account by approximately \$7,000, resulting in an overall cost savings of approximately \$13,000.

Recommendation: In accordance with LAFCO's budget and financial policies and procedures, the Commission can make adjustments to its budget at any time during the fiscal year, as it deems appropriate.

It is recommended that the Commission adjust the FY 2019-20 budget as described above.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment – Final FY 2019-20 LAFCO Budget

FINAL FY 2019-20 LAFCO BUDGET
APPROVED JUNE 12, 2019

	FY 2018-19		FY 2019-20	
	<u>FY 2018-19</u>	<u>Year-end</u>	<u>FY 2019-20</u>	<u>% Change</u>
	<u>Approved</u>	<u>(Estimated)</u>	<u>Proposed</u>	
Salaries and Employee Benefits				
Permanent Salaries- 1011	\$ 244,970	\$ 228,634	\$ 286,575	
Deferred Comp Cty Contribution - 1015	\$ 1,700	\$ 2,040	\$ 1,105	
FICA- 1042	\$ 18,740	\$ 17,491	\$ 21,923	
Retirement expense- 1044	\$ 109,514	\$ 97,068	\$ 117,971	
Employee Group Insurance- 1060	\$ 59,575	\$ 53,841	\$ 73,039	
Retiree Health Insurance- 1061	\$ 19,100	\$ 18,609	\$ 28,406	
Unemployment Insurance- 1063	\$ 122	\$ 114	\$ 143	
Workers Comp Insurance- 1070	\$ 1,065	\$ 1,161	\$ 1,273	
Total Salaries and Benefits	\$ 454,786	\$ 418,958	\$ 530,435	14%
Services and Supplies				
Office Expense- 2100	\$ 6,000	\$ 3,500	\$ 5,000	
Publications -2102	\$ 30	\$ 21	\$ 25	
Postage -2103	\$ 1,800	\$ 1,041	\$ 1,800	
Communications - 2110	\$ 2,524	\$ 850	\$ 1,334	
Tele Exchange Services 2111	\$ 1,599	\$ 1,584	\$ 3,120	
Minor Furniture/Equipment - 2131		\$ 16,589	\$ 2,000	
Minor Comp Equipment - 2132	\$ 1,000		\$ 1,800	
Pubs & Legal Notices 2190	\$ 4,000	\$ 3,821	\$ 3,800	
Memberships - 2200	\$ 10,503	\$ 10,303	\$ 12,036	
Rents & Leases - 2250 (copier)	\$ 5,500	\$ 4,554	\$ 5,500	
Computer Software - 2251	\$ 500		\$ 612	
Bldg Occupancy Costs - 2262	\$ 18,622	\$ 7,108	\$ 24,569	
Bldg Life Cycle Costs - 2265	\$ 1,455	\$ 1,500	\$ 1,463	
Bldg Maintennace - 2284	\$ 150	\$ -	\$ 500	
Auto Mileage Emp. - 2301	\$ 500	\$ 336	\$ 500	
Other Travel Employees - 2303	\$ 12,000	\$ 11,736	\$ 17,370	
Prof & Spec Services - 2310	\$ 271,075	\$ 200,338	\$ 235,653	
Assessor	\$ 12,011	\$ 3,600	\$ 8,500	
Financial Audit	\$ 8,650	\$ 8,650	\$ 8,700	
GIS/Mapping	\$ 26,000	\$ 8,000	\$ 12,000	
Legal	\$ 75,000	\$ 71,100	\$ 60,000	
MSRs	\$ 135,000	\$ 95,000	\$ 130,000	
Planning	\$ 11,000	\$ 8,480	\$ 11,000	
Special Projects (document imaging)	\$ 3,414	\$ 3,413	\$ 5,213	
LAFCO Sponsored Training	-		\$ -	
Misc Investment Services/CCCERA Fees		\$ 220	\$ 240	
Special Studies	\$ -	\$ 1,875	\$ -	
Moving Service			\$ 1,500	
Contracted Temp Help - 2314 (Web)	\$ 2,880	\$ 3,360	\$ 3,060	
Data Processing Services - 2315	\$ 7,500	\$ 14,609	\$ 19,582	
Data Processing Security - 2326	\$ 231	\$ 196	\$ 210	
Courier - 2331	\$ 392	\$ 384	\$ 1,678	
Telcomm Rents, Leases, Labor - 2335		\$ 710		
Other Inter-Dept Costs - 2340	\$ 232	\$ 444	\$ 564	
Liability/E&O Insurance - 2360	\$ 5,436	\$ 5,029	\$ 5,682	
Commission Training/Registration/Stipends - 2467	\$ 37,000	\$ 30,000	\$ 30,000	
Application Refund - 2479		\$ -	\$ -	
NOD/NOE Filings - 2490	\$ 700	\$ 850	\$ 700	
Total Services & Supplies	\$ 391,629	\$ 318,863	\$ 380,058	-3%
Fixed Assets				
Office Equipment & Furniture - 4951			\$ 20,000	
Total Fixed Assets			\$ 20,000	
Total Expenditures	\$ 846,415	\$ 737,821	\$ 930,493	9%
Contingency Reserve	\$ 80,000		\$ 80,000	
OPEB Trust	\$ 40,000	\$ 40,000	\$ 40,000	
CCCERA Pre-Fund	\$ 30,000	\$ 30,000	\$ 30,000	
TOTAL APPROPRIATIONS	\$ 996,415	\$ 807,821	\$ 1,080,493	8%
TOTAL REVENUES	\$ 996,415	\$ 795,469	\$ 1,080,493	
Agency contributions - 9500 & 9800	\$ 796,415	\$ 755,210	\$ 885,493	10%
Application & other revenues	\$ 25,000	\$ 40,259	\$ 25,000	
Fund Balance	\$ 175,000		\$ 170,000	