

# Santa Barbara LAFCO

Recommended Final 2018-2019 LAFCO Budget

May 3, 2018

**BUSINESS ITEM NO. 1**

**SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION**  
**Operating Fund # 5320, Santa Barbara LAFCO, Department # 815**

RECOMMENDED FINAL 2018-19 BUDGET - May 3, 2018

Account Name and Number	2017-18 Final Budget	As of 4/19/2018	Projected Year-End	2018-19 Rec Final Budget	Inc/Dec	% Inc/Dec
<b>Revenues</b>						
Interest Income - 3380	750	2,018	1,750	1,750	1,000	133%
Unrealized Gain/Loss - 3381	310	-908	-750	310	0	0%
Other Gov't Agencies - 4840	424,498	421,864	424,498	475,403	50,905	12%
Planning Studies Service - 5738	25,000	53,468	68,620	25,000	0	0%
Misc. Revenue - 5909	3,000	150	3,000	3,000	0	0%
<b>Total Revenues</b>	<b>453,558</b>	<b>476,592</b>	<b>497,118</b>	<b>505,463</b>	<b>51,905</b>	<b>11.0%</b>
<b>Expenditures</b>						
<b>Salaries and Benefits</b>						
Commissioner Stipends - 6210	15,000	6,452	12,000	15,000	0	0%
FICA Contribution - 6500	1,250	372	1,250	1,250	0	0%
FICA/Medicare - 6550	350	87	300	350	0	0%
Unemployment Insurance - 6700	625	150	500	625	0	0%
<b>Total Salaries and Benefits</b>	<b>17,225</b>	<b>7,061</b>	<b>14,050</b>	<b>17,225</b>	<b>0</b>	<b>0.0%</b>
<b>Staff Support</b>						
Contractual Staff Services - 7510	235,000	166,292	235,000	235,000	0	0%
<b>Total Staff Support</b>	<b>235,000</b>	<b>166,292</b>	<b>235,000</b>	<b>235,000</b>	<b>0</b>	<b>0%</b>
<b>Services and Supplies</b>						
Audit Fees - 7324	6,000	6,000	6,000	6,000	0	0%
Memberships - 7430	6,000	5,161	6,161	6,000	0	0%
Office Expense - 7450	2,500	872	1,200	1,500	-1,000	-40%
Prof & Special Services - 7460	45,000	94,911	94,911	45,000	0	0%
ADP Payroll Fees - 7507	1,750	627	1,750	1,750	0	0%
Legal Services -7508	35,000	16,901	35,000	35,000	0	0%
Pubs & Legal Notices 7530	2,500	126	1,250	2,500	0	0%
Gen Fund Cost Allocation -7669	55,151	41,479	55,151	47,847	-7,304	-13%
Training and Travel- 7732	26,000	17,850	22,000	26,000	0	0%
<b>Total Services and Supplies</b>	<b>179,901</b>	<b>183,927</b>	<b>223,423</b>	<b>171,597</b>	<b>-8,304</b>	<b>-4.6%</b>
<b>Other Charges</b>						
Electricity - 7801	584	393	584	700	116	20%
Natural Gas - 7802	100	76	100	100	0	0%
Water - 7803	177	74	177	200	23	13%
Refuse - 7804	0	81	100	0	0	0%
Utility Services - 7806	65	40	65	100	35	54%
Liability Insurance - 7895	158	0	158	181	23	15%
Telephone Services - 7897	348	290	348	360	12	3%
<b>Total Other Charges</b>	<b>1,432</b>	<b>954</b>	<b>1,532</b>	<b>1,641</b>	<b>209</b>	<b>14.6%</b>
<b>Contingency Reserve - 9600</b>	<b>20,000</b>	<b>0</b>	<b>20,000</b>	<b>80,000</b>	<b>60,000</b>	<b>300%</b>
<b>Total Contingency Reserve</b>	<b>20,000</b>	<b>0</b>	<b>20,000</b>	<b>80,000</b>	<b>60,000</b>	<b>300%</b>
<b>Total Exp/Appropriations</b>	<b>453,558</b>	<b>358,233</b>	<b>494,005</b>	<b>505,463</b>	<b>51,905</b>	<b>11%</b>

\*Adding \$80,000 to contingencies will increase reserves to \$130,000 at 6/30/19

# Background

- LAFCO is an independent commission established by the legislature to carry out specific duties and objectives. It is responsible for adopting its budget to fulfill the purposes described in the Cortese-Knox-Hertzberg Act.
- Government Code Section 56381 requires LAFCO, after conducting public hearings, to:
- Adopt a proposed budget for the next fiscal year not later than May 1. This is transmitted to the County, each city and each independent special district for their review and comment. The proposed budget was approved by the Commission on April 5, 2018
- Adopt the final budget for the next fiscal year by June 15.

# Summary of Recommended Final Budget

- The recommended Final Budget is \$505,463, an increase of \$51,905 over the current year budget. This represents an 11 percent increase.
- The primary reason for the increase, is to replenish contingency/reserves due mainly to 2017-18 variances between the direct billings and the cost coded to LAFCO from the Clerk of the Board and County Counsel, resulting in increases of \$53K and \$28K respectively. This resulted in a transfer of \$81,000 from the contingency/reserves to the operating budget during the year-end report.

# Recommended Final 2018-19 LAFCO Budget

<u>Proposed Budget Summary</u>	<u>Adjusted Budget 2017-18</u>	<u>Rec Final 2018-19</u>	<u>Change</u>
Salaries and Benefits	\$ 17 225	\$ 17 225	\$ 0
Contracted Staff Support	235 000	235 000	0
Services & Supplies	179 901	171 595	- 8 303
Other Charges	<u>1 432</u>	<u>1 641</u>	<u>209</u>
Total	433 558	425 463	8 095
Contingencies	20 000	80 000	60 000
Total Appropriations	433 558	505 463	51 905
Revenues	433 558	505 463	50 905

# Recommendation

It is recommended that the Commission:

- a) Review, accept all public testimony, and approve the Final Budget for 2016-17.
- b) Direct staff to distribute the approved Final Budget to the County, Cities, and Special Districts as required by Government Code Section 56381.
- c) Notify the County Auditor to proceed pursuant to Government Code section 56381.6 with apportionment of LAFCO costs among the County, Cities, and Special Districts.