

LAFCO

Santa Barbara Local Agency Formation Commission

105 East Anapamu Street ♦ Santa Barbara CA 93101

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August 3, 2017 (Agenda)

Local Agency Formation Commission
105 East Anapamu Street
Santa Barbara CA 93101

2016-17 Year-End Report – July 1, 2016 through June 30, 2017

Dear Members of the Commission

RECOMMENDATION

It is recommended that the Commission: 1). Take an "after" action that increases appropriations for the object levels that are overdrawn budgetarily - salaries and benefits, and services and supplies, and 2). Reduce Contingency/Retained Earnings (account 9600) by \$81,100

DISCUSSION

The 2016-17 Year-End Report is attached for the Commission's information and review. Before the end of the fiscal year, staff identify several areas that were over or under budget:

- 1). Expenditures for Salaries and Benefits were over by \$2,775, Legal Fees and Clerk to the Board Services were over budget by \$56,177 mainly attributed to staff time spent on the 2016 CALAF CO Annual Conference, processing complex proposals such as the West Santa Ynez and Museum of Natural History Annexations, and Formations of the Cuyama Basin Water District, and the Los Olivos Community Services District. Also for the first time, the Commission was billed \$11,515 by the County Assessor and County Elections for signature verifications, and
- 2). Revenues from processing fees for LAFCO Applications were \$28,000 less than projected at year-end. This includes an \$8,000 refund to the abandoned Santa Rita Hills Bridge and Highway District Reorganization.

Balancing the 2016-17 LAFCO Budget: In order to balance the shortfall in the 2016-17 LAFCO budget, staff worked with the County Auditor-Controller's Office to transfer up to \$100,000 from contingencies to the operating budget. However, at year-end the total authorized transfer of \$100,000. At year-end overall expenditures exceeded revenues by \$81,100. Therefore, in order to balance the FY 2016-17 LAFCO budget, it is recommended have the Commission take an "after" action that increases appropriations a total of \$81,100 for the object levels that are overdrawn budgetarily - salaries and benefits, and services and supplies. The source for these overdrafts is Contingency/Retained Earnings (account 9600). This action should be completed in order to not end FY 2016-17 over budget.

Commissioners: Roger Aceves, Chair ♦ Craig Geyer ♦ Steve Lavagnino ♦ Jeff Moorhouse ♦ Jim Richardson ♦ Roger Welt
♦ Janet Wolf ♦ Joan Hartmann ♦ Judith Ishkanian ♦ Shane Stark ♦ Etta Waterfield ♦ **Executive Officer:** Paul Hood

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In summary, for the 2016-17 budget, it is recommended that the Commission reduce contingencies (account 9600) to offset the shortfall. The amount of contingency reduction for 2016-17 will be \$81,100. The net amount ($\$100,000 - \$81,100 = \$18,900$) will be added back to contingencies bringing the total contingency balance to \$28,900, with an additional budgeted \$20,000 being added at the end of FY 2017-18 which would bring the contingencies total to \$58,900 at the end of the fiscal year.

Please contact the LAFCO office if you have any questions.

Sincerely,



PAUL HOOD
Executive Officer

Financial Status

As of: 6/30/2017 (100% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 5320

Layout Options: Summarized By = Fund, LineltemAccount; Page Break At = Fund

Fund 5320 -- SB LAFCO

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	6/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
Revenues				
Use of Money and Property				
3380 -- Interest Income	650.00	1,206.47	556.47	185.61 %
3381 -- Unrealized Gain/Loss Invstmnts	0.00	-167.84	-167.84	--
Use of Money and Property	650.00	1,038.63	388.63	159.79 %
Intergovernmental Revenue-Other				
4840 -- Other Governmental Agencies	337,441.00	335,003.00	-2,438.00	99.28 %
Intergovernmental Revenue-Other	337,441.00	335,003.00	-2,438.00	99.28 %
Charges for Services				
5738 -- Planning Studies Services	40,000.00	11,967.27	-28,032.73	29.92 %
Charges for Services	40,000.00	11,967.27	-28,032.73	29.92 %
Miscellaneous Revenue				
5909 -- Other Miscellaneous Revenue	500.00	2,792.09	2,292.09	558.42 %
Miscellaneous Revenue	500.00	2,792.09	2,292.09	558.42 %
Revenues	378,591.00	350,800.99	-27,790.01	92.66 %
Expenditures				
Salaries and Employee Benefits				
6210 -- Commissioner/Director/Trustee	20,000.00	18,120.38	1,879.62	90.60 %
6500 -- FICA Contribution	1,250.00	1,125.30	124.70	90.02 %
6550 -- FICA/Medicare	350.00	263.21	86.79	75.20 %
6700 -- Unemployment Ins Contribution	625.00	491.25	133.75	78.60 %
Salaries and Employee Benefits	22,225.00	20,000.14	2,224.86	89.99 %
Services and Supplies				
7324 -- Audit and Accounting Fees	6,000.00	5,800.00	200.00	96.67 %
7430 -- Memberships	5,000.00	4,630.00	370.00	92.60 %

Financial Status

As of: 6/30/2017 (100% Elapsed)
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Selection Criteria: Fund = 5320

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Fund 5320 -- SB LAFCO

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	6/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
7450 -- Office Expense	1,200.00	1,971.91	-771.91	164.33 %
7453 -- Copier Expense	1,000.00	0.00	1,000.00	0.00 %
7460 -- Professional & Special Service	36,000.00	21,479.35	14,520.65	59.66 %
7507 -- ADP Payroll Fees	1,750.00	1,838.30	-88.30	105.05 %
7508 -- Legal Fees	67,000.00	66,336.87	663.13	99.01 %
7510 -- Contractual Services	283,000.00	254,639.79	28,360.21	89.98 %
7530 -- Publications & Legal Notices	2,500.00	2,230.19	269.81	89.21 %
7669 -- Cost Allocations	-24,459.00	-24,289.00	-170.00	99.30 %
7732 -- Training	26,000.00	23,224.97	2,775.03	89.33 %
Services and Supplies	404,991.00	357,862.38	47,128.62	88.36 %
Other Charges				
7801 -- Electricity	612.00	478.31	133.69	78.16 %
7802 -- Natural Gas	115.00	94.87	20.13	82.50 %
7803 -- Water	100.00	107.24	-7.24	107.24 %
7804 -- Refuse	0.00	102.57	-102.57	--
7806 -- Utilities Services	0.00	53.22	-53.22	--
7895 -- Liability Insurance	200.00	0.00	200.00	0.00 %
7897 -- Telephone Services	348.00	348.00	0.00	100.00 %
Other Charges	1,375.00	1,184.21	190.79	86.12 %
Expenditures	428,591.00	379,046.73	49,544.27	88.44 %
Changes to Retained Earnings				
Decrease to Retained Earnings				
9600 -- Retained Earnings-Inc/Dec	100,000.00	100,000.00	0.00	100.00 %
Decrease to Retained Earnings	100,000.00	100,000.00	0.00	100.00 %
Increase to Retained Earnings				
9600 -- Retained Earnings-Inc/Dec	50,000.00	50,000.00	0.00	100.00 %

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Fund 5320 -- SB LAFCO

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	6/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
Increase to Retained Earnings	50,000.00	50,000.00	0.00	100.00 %
Changes to Retained Earnings	50,000.00	50,000.00	0.00	100.00 %
SB LAFCO	0.00	21,754.26	21,754.26	--
Net Financial Impact	0.00	21,754.26	21,754.26	--