

# LAFCO

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**Santa Barbara Local Agency Formation Commission**  
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October 10, 2002 (Agenda)

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

## **Commission Policies Regarding Reimbursement of Expenses**

Dear Members of the Commission

### RECOMMENDATION

It is recommended the Commission consider the enclosed report, direct the staff to prepare any changes deemed appropriate and place this matter on the next Commission agenda for approval.

### DISCUSSION

This item began as the need to adopt expense reimbursement policies. Upon further research the staff has expanded the scope of the report to include general LAFCO financial procedures.

The Commissioner Handbook has become outdated due to the enactment of AB 2838. Enclosed are suggested modifications. Additions are underlined and deletions are ~~crossed through~~.

Following discussion of the proposed policies this matter should be placed on the agenda of the next Commission meeting for approval.

Please contact the LAFCO office if you have any questions.

Sincerely,

BOB BRAITMAN  
Executive Officer

cc: Bob Geis, County Auditor Controller

## LAFCO BUDGET AND FINANCIAL PROCEDURES

### A. Authority to Develop and Adopt the Budget

The Cortese/Knox/Hertzberg Act creates the funding relationship between the County, cities, special districts and LAFCO. Pertinent sections of the Government Code are appended as Exhibit A to this section of the Commissioner Handbook:

~~The board of supervisors shall, in conformance with Section 56381, furnish the commission with necessary quarters, equipment, and supplies, and the usual and necessary operating expenses incurred by the commission shall be a county charge. (§56380)~~

~~On or before the 10th day of June the commission shall prepare and transmit to the board of supervisors an estimate of the amount of money needed for the purposes prescribed by Section 56380 during the following fiscal year. The board of supervisors shall provide for the use of the commission during such fiscal year not less than the amount of money equal to any of the following:~~

- ~~———— (a) ——— The amount fixed by the commission.~~
- ~~(b) — The amount provided in the prior fiscal year increased by the appropriations limit of the county for such fiscal year will be increased from the prior fiscal year.~~
- ~~(c) — The amount determined in (b) plus any additional amount the board deems necessary.~~

~~The county auditor shall audit and allow or reject all claims for expenditures for county charges incurred pursuant to the provisions of this chapter in lieu of, and with the same effect as, allowance or rejection of claims by the board of supervisors. (§56381)~~

### B. Processing Fee Schedule

The Act permits LAFCO to levy processing fees to cover the cost of verifying petitions, processing boundary change requests, amending spheres of influence and so forth.

The fee schedule is reviewed in conjunction with adoption of the annual budget.

C. LAFCO as a Separate Fund

For administrative purposes the LAFCO budget is a separate fund within the County's financial accounting system. Unspent appropriations are retained in the fund as available financing for the following year.

D. Financial Status Reports

The budget adopted by LAFCO is an estimate of expenditures and revenues. The staff keeps the Commission informed of aspects of the financial program that might review and adjustment through periodic financial status reports.

E. Per Diem Stipends for Commission members

Regular and alternate members of the Commissioner are entitled to a stipend of \$100 per Commission meeting,

This payment is in accordance with Section 56334 that states, "The commission may authorize payment of a per diem to commission members and alternates for each day while they are in attendance at meetings of the commission."

F. Commissioner Expenses

1. Commission members and alternates shall be reimbursed for their reasonable and necessary expenses incurred in attending LAFCO sponsored or related events and in performing the duties of their office.
2. Commissioners attending LAFCO-related conferences, meetings and events shall be reimbursed for expenses in the same manner as the staff, however, they shall be paid a stipend only for attending actual Commission meetings.
3. The Executive Officer is responsible for reviewing and approving each request for Commission reimbursement.

G. Staff and Legal Counsel Expenses

4. The Executive Officer and Legal Counsel shall be reimbursed for all reasonable and necessary expenses in connection with the conduct of LAFCO business including but not limited to office expenses, training, travel, lodging, meals, gratuities and other related costs.
5. The Executive Officer is responsible for reviewing and approving requests for Legal Counsel reimbursement.
6. The Chair, Vice Chair, or other Commissioners authorized to sign claim forms with the County Auditor Controller are responsible for reviewing and approving requests for Executive Officer reimbursement.

H. Reimbursement Policies

7. Expense reimbursement requests should be submitted monthly, although flexibility is permitted if the claimable amount is not deemed to be significant.
8. Claims for reimbursement of costs related to LAFCO meetings, conferences and seminars should be submitted not later than 60 days following completion of the event for which reimbursement is being claimed.
9. Expense claims for costs incurred in one fiscal year should be, whenever practical, submitted for reimbursement during the same fiscal year.
10. Reimbursement for Private Automobiles
  - a. Use of private automobiles to conduct LAFCO business shall be reimbursed at the IRS allowable rate or at 36.5 cents per mile, whichever is greater.
  - b. This rate shall be considered full and complete payment for actual expenses for use of private automobiles, including insurance, maintenance and all other automobile-related costs.

- c. LAFCO does not provide insurance for private automobiles used for LAFCO business. The owner is responsible for personal liability and property damage insurance when vehicles are used on LAFCO business.
- 11. Receipts or vouchers which verify the claimed expenses are required for reimbursement of all items of expense except private automobile mileage and taxis or streetcars, buses, bridge and road tolls and parking fees
- 12. Reimbursement of expenses is not allowed for personal items such as, but not limited to, entertainment, clothing, laundering, etc.
- 13. The general rule for selecting a mode of transportation for reimbursement is that method which represents the lowest reasonable expense to LAFCO.
- I Commission Recognition
- 14. Nominal amounts may be expended for the purchase of plaques or certificates of appreciation for those to whom such expressions are deemed to be appropriate by the Commission.
- J. LAFCO Credit Card
- 15. The Executive Officer is authorized to secure a credit card in the name of the Commission for the purchase of travel and expenses for Commissioners and staff. All unauthorized charges placed on the card must be reimbursed within 15 calendar days of the date the credit card statement is received.

*Revised October 10, 2002*

*Adopted July 7, 1994*