

August 5, 2015 (Agenda)

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

2015-16 Year-End Report – July 1, 2015 through June 30, 2016

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 the adopted 2016-17 increase to contingencies with a corresponding decrease to estimated revenues by \$14,500.

DISCUSSION

The 2015-16 Year-End Report is attached for the Commission's information and review. Year-end expenditures were \$39,063 over budget for the year. In the area of Services and Supplies, Contractual Services exceeded the budget by \$38,001. This is mainly attributable to Legal Services that exceeded the budget by \$37,837. Much of the cost for Legal Fees exceeding the budget is because of the proposal to form the Isla Vista Community Services District. Contractual Services from the Clerk to the Board's Office also exceeded the budgeted amount by \$7,822.

In the area of revenues, funds collected exceeded the budgeted amount by \$24,684. This is due to an increase in LAFCO processing fee revenues for applications.

Balancing the 2015-16 LAFCO Budget: In order to balance the \$14,378 shortfall in the 2015-16 LAFCO budget, staff worked with the County Auditor-Controller's Office. As a result of these discussions, the following is recommended:

Overall expenditures exceeded revenues by \$14,378. In order to balance the FY 2015-16 LAFCO budget, it is recommended have the Commission take an "after" action that increases appropriations for the object levels that are overdrawn budgetarily - salaries and benefits, and services and supplies. The source for these overdrafts is the Planning Studies (processing fees) revenue and Contingency/Retained Earnings (account 9600). This should be completed in order to not end FY 2015-16 over budget.

Local Agency Formation Commission
August 5, 2016 (Agenda)
Page two

For the 2016-17 budget, it is recommended that the Commission reduce the adopted increase to contingencies or take a separate action to reduce contingencies (account 9600). The offset to either option is a decrease to estimated revenues (to keep appropriations unchanged). The amount would be the same amount as the required use of contingency for 2015-16 (\$14,500).

Please contact the LAFCO office if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Paul Hood". The signature is written in a cursive style with a blue ink pen.

PAUL HOOD
Executive Officer

Expenditure Status

As of: 6/30/2016 (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 | 6/30/2016 Fiscal Year Adjusted Budget | 6/30/2016 Year-To-Date Actual | 6/30/2016 Fiscal Year Variance | 6/30/2016 Fiscal Year Pct of Budget |
|--|---|-------------------------------------|--------------------------------------|---|
| Expenditures | | | | |
| Salaries and Employee Benefits | | | | |
| 6210 -- Commissioner/Director/Trustee | 14,000.00 | 15,983.02 | -1,983.02 | 114.16 % |
| 6500 -- FICA Contribution | 1,200.00 | 976.50 | 223.50 | 81.38 % |
| 6550 -- FICA/Medicare | 300.00 | 228.40 | 71.60 | 76.13 % |
| 6700 -- Unemployment Ins Contribution | 600.00 | 516.60 | 83.40 | 86.10 % |
| Total Salaries and Employee Benefits | 16,100.00 | 17,704.52 | -1,604.52 | 109.97 % |
| Services and Supplies | | | | |
| 7324 -- Audit and Accounting Fees | 6,000.00 | 5,600.00 | 400.00 | 93.33 % |
| 7430 -- Memberships | 4,334.00 | 4,692.97 | -358.97 | 108.28 % |
| 7450 -- Office Expense | 1,500.00 | 1,104.30 | 395.70 | 73.62 % |
| 7453 -- Copier Expense | 1,000.00 | 30.17 | 969.83 | 3.02 % |
| 7460 -- Professional & Special Service | 36,000.00 | 35,400.00 | 600.00 | 98.33 % |
| 7507 -- ADP Payroll Fees | 2,000.00 | 1,631.35 | 368.65 | 81.57 % |
| 7508 -- Legal Fees | 35,000.00 | 72,836.89 | -37,836.89 | 208.11 % |
| 7510 -- Contractual Services | 210,508.00 | 218,330.82 | -7,822.82 | 103.72 % |
| 7530 -- Publications & Legal Notices | 1,000.00 | 2,740.36 | -1,740.36 | 274.04 % |
| 7669 -- Cost Allocations | -6,697.00 | -6,540.00 | -157.00 | 97.66 % |
| 7732 -- Training | 26,000.00 | 18,819.22 | 7,180.78 | 72.38 % |
| Total Services and Supplies | 316,645.00 | 354,646.08 | -38,001.08 | 112.00 % |
| Other Charges | | | | |
| 7801 -- Electricity | 795.00 | 545.99 | 249.01 | 68.68 % |
| 7802 -- Natural Gas | 135.00 | 88.52 | 46.48 | 65.57 % |
| 7803 -- Water | 135.00 | 126.68 | 8.32 | 93.84 % |
| 7804 -- Refuse | 135.00 | 102.84 | 32.16 | 76.18 % |
| 7806 -- Utilities Services | 65.00 | 61.84 | 3.16 | 95.14 % |
| 7895 -- Liability Insurance | 196.00 | 0.00 | 196.00 | 0.00 % |



Expenditure Status

As of: 6/30/2016 (100% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 5320

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

Fund 5320 -- SB LAFCO

| Line Item Account | 6/30/2016 Fiscal Year Adjusted Budget | 6/30/2016 Year-To-Date Actual | 6/30/2016 Fiscal Year Variance | 6/30/2016 Fiscal Year Pct of Budget |
|-------------------------------------|---|-------------------------------------|--------------------------------------|---|
| 7897 -- Telephone Services | 355.00 | 347.16 | 7.84 | 97.79 % |
| Total Other Charges | 1,816.00 | 1,273.03 | 542.97 | 70.10 % |
| Total Expenditures | 334,561.00 | 373,623.63 | -39,062.63 | 111.68 % |
| Changes to Retained Earnings | | | | |
| Changes to Retained Earnings | | | | |
| 9600 -- Retained Earnings-Inc/Dec | 20,000.00 | 20,000.00 | 0.00 | 100.00 % |
| Total Changes to Retained Earnings | 20,000.00 | 20,000.00 | 0.00 | 100.00 % |
| Total Changes to Retained Earnings | 20,000.00 | 20,000.00 | 0.00 | 100.00 % |
| Total SB LAFCO | 354,561.00 | 393,623.63 | -39,062.63 | 111.02 % |
| Total Report | 354,561.00 | 393,623.63 | -39,062.63 | 111.02 % |

Revenue Status

As of: 6/30/2016 (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 | 6/30/2016 Fiscal Year Adjusted Budget | 6/30/2016 Year-To-Date Actual | 6/30/2016 Fiscal Year Variance | 6/30/2016 Fiscal Year Pct of Budget |
|--|---|-------------------------------------|--------------------------------------|---|
| Revenues | | | | |
| Use of Money and Property | | | | |
| 3380 -- Interest Income | 650.00 | 811.92 | 161.92 | 124.91 % |
| 3381 -- Unrealized Gain/Loss Invstmnts | 0.00 | 123.25 | 123.25 | -- |
| Total Use of Money and Property | 650.00 | 935.17 | 285.17 | 143.87 % |
| Intergovernmental Revenue-Other | | | | |
| 4840 -- Other Governmental Agencies | 328,411.00 | 327,856.00 | -555.00 | 99.83 % |
| Total Intergovernmental Revenue-Other | 328,411.00 | 327,856.00 | -555.00 | 99.83 % |
| Charges for Services | | | | |
| 5738 -- Planning Studies Services | 25,000.00 | 50,449.00 | 25,449.00 | 201.80 % |
| Total Charges for Services | 25,000.00 | 50,449.00 | 25,449.00 | 201.80 % |
| Miscellaneous Revenue | | | | |
| 5909 -- Other Miscellaneous Revenue | 500.00 | 4.97 | -495.03 | 0.99 % |
| Total Miscellaneous Revenue | 500.00 | 4.97 | -495.03 | 0.99 % |
| Total Revenues | 354,561.00 | 379,245.14 | 24,684.14 | 106.96 % |
| Total SB LAFCO | 354,561.00 | 379,245.14 | 24,684.14 | 106.96 % |
| Total Report | 354,561.00 | 379,245.14 | 24,684.14 | 106.96 % |