



LAFCO - San Luis Obispo - Local Agency Formation Commission  
SLO LAFCO - Serving the Area of San Luis Obispo County

COMMISSIONERS

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LYNN COMPTON  
County Member

Vice-Chair  
TOM MURRAY  
Public Member

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County Member

ROBERT ENNS  
Special District Member

ROBERTA FONZI  
City Member

MARSHALL OCHYLSKI  
Special District Member

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City Member

ALTERNATES

Ed Eby  
Special District Member

STEVE GREGORY  
City Member

HEATHER JENSEN  
Public Member

JOHN PESCHONG  
County Member

STAFF

DAVID CHURCH  
Executive Officer

BRIAN A. PIERIK  
Legal Counsel

MIKE PRATER  
Deputy Executive Officer

DONNA J. BLOYD  
Commission Clerk

**TO: MEMBERS, FORMATION COMMISSION**

**FROM: DAVID CHURCH, EXECUTIVE OFFICER**

**DATE: MAY 16, 2019**

**SUBJECT: FINAL FISCAL YEAR 2019-20 SAN LUIS OBISPO  
LAFCO BUDGET**

**Recommendation:** It is respectfully recommended that the Commission adopt the attached resolution and direct the Executive Officer to submit to the County Auditor the Final Fiscal Year 2019-20 LAFCO Budget, as found in Attachment A in this Staff Report.

**Summary.** The Proposed Fiscal Year 2018-19 Budget was approved by the Commission on April 18, 2019. The Cortese-Knox-Hertzberg Act calls for the final budget to be adopted by June 15, 2019. Today's action is approval of the Final Budget prior to that date.

**Attachments**  
**A: Budget Resolution and  
FY 2019-20 LAFCO Budget**

The funding formula for LAFCO's budget is established in the Cortese-Knox-Hertzberg Act. LAFCO's budget is funded primarily by the County, Cities and Independent Special Districts, with each group paying one-third of the LAFCO adopted budget. The Final Budget has been distributed to the County, Cities, and Special Districts. The attached final budget reflects the three percent (3%) consumer price index increase approved by the Commission for the Executive Officer's salary. This results in a point-five percent (.5%) increase in the overall budget.

The final budget and signed resolution will be submitted to the County Auditor's Office. The City and District shares are pro-rated based on general revenues reported to the State Controller's Office by the jurisdictions. The County Auditor will calculate the cost to each jurisdiction and distribute invoices for payment to the Cities and Special Districts within the County in the first quarter of the 2019-2020 fiscal year.

**ATTACHMENT A**

**BUDGET RESOLUTION AND FY 2019-20 LAFCO BUDGET**

**IN THE LOCAL AGENCY FORMATION COMMISSION  
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA**

Date:

**PRESENT:**

**ABSENT:**

**RESOLUTION NO. 2019-\_\_**

**RESOLUTION ADOPTING THE FISCAL YEAR 2019-20  
LAFCO BUDGET**

The following resolution is now offered and read:

**WHEREAS**, the Executive Officer has given the notices required by law and forwarded the LAFCO budget to officers, persons and public agencies as prescribed by law; and

**WHEREAS**, the matter was set for public hearing at 9:00 a.m. on Thursday, April 18, 2019, a staff report prepared, and the public hearing was duly conducted and the proposed LAFCO Budget for Fiscal Year 2019-2020 was adopted; and

**WHEREAS**, at said hearing, this Commission heard and received all oral and written protests, objections and evidence which were made, presented, or filed, and all persons present were given the opportunity to hear and be heard in respect to any matter relating to said proposed budget; and

**WHEREAS**, the Commission considered the Proposed Budget at the April 18, 2019 meeting and approved the Adopted Budget for Fiscal Year 2019-2020 on May 16, 2019;

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** by the Local Agency Formation Commission of the County of San Luis Obispo, State of California, as follows:

1. That the recitals set forth hereinabove are true, correct, and valid.
2. That pursuant to Government Code Section 56381(a), the Commission hereby

adopts a Final Budget for Fiscal Year 2018-19 in the amount of \$671,625 as set forth in Exhibit A. The amount charged to the Cities, Special Districts and County, after deducting fees from applications and the use of reserves/fund balance is \$618,625. This amount will be charged to the Funding Agencies based on the formula and procedure contained in the Cortese-Knox-Hertzberg Act and as implemented by the County Auditor-Controller's office.

3. That the San Luis Obispo LAFCO finds that it can accomplish its legislative purpose and adopted work plan with the adopted budget as required by Cortese-Knox-Hertzberg Act.
4. That the Executive Officer of this Commission is authorized to mail copies of the Final Budget in the manner provided by law.

Upon a motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and on the following roll call vote:

AYES:

NAYS:

ABSTAIN:

\_\_\_\_\_  
Lynn Compton, Chairperson Date  
Local Agency Formation Commission

**ATTEST:**

\_\_\_\_\_  
David Church Date  
LAFCO Executive Officer

**APPROVED AS TO FORM AND LEGAL EFFECT:**

\_\_\_\_\_  
Brian Pierik Date  
LAFCO Legal Counsel

**Exhibit A**  
**San Luis Obispo Local Agency Formation Commission**  
 Adopted Budget - Fiscal Year 2019-2020

Adopted 5/16/2019

<b>EXPENDITURES SUMMARY</b>	<b>Current Year</b>	<b>Expense YTD</b>	<b>Proj. Yr End</b>	<b>Adopted 19-20</b>	<b>Inc/Dec</b>	<b>% Inc/Dec</b>
Salaries	309,291	237,245	308,900	306,297	-2,994	-1%
Benefits and Taxes	228,782	171,498	223,319	238,231	9,449	4%
Services and Supplies	130,017	102,832	125,524	127,097	-2,920	-2%
<b>Total Expenses</b>	<b>668,090</b>	<b>511,575</b>	<b>657,743</b>	<b>671,625</b>	<b>3,535</b>	<b>0.5%</b>

<b>EXPENDITURES DETAIL</b>	<b>Current Year</b>	<b>Expense YTD</b>	<b>Proj. Yr End</b>	<b>Adopted 19-20</b>	<b>Inc/Dec</b>	<b>% Inc/Dec</b>
<b>Salaries and Benefits</b>						
Salaries	309,291	237,245	308,900	306,297	-2,994	-1%
Benefits and Taxes	228,782	171,498	223,319	238,231	9,449	4%
<b>Subtotal Salaries &amp; Benefits</b>	<b>538,073</b>	<b>408,743</b>	<b>532,219</b>	<b>544,528</b>	<b>6,455</b>	<b>1.2%</b>
<b>Variable Costs (%):</b>						
FICA -Employer Match	19,176	13,571	19,176	18,990	-186	-1%
Medicare - Employer Match	4,485	3,678	4,500	4,441	-44	-1%
Retirement-Employer Contribution *	103,532	77,440	100,953	103,595	63	0%
Retirement-Employer for Employee	31,951	24,989	31,951	31,647	-304	-1%
Retirement - Employee Contribution *	21,220	14,339	18,640	22,313	1,093	5%
Pension Obligation Bond Payment	20,739	15,111	20,739	20,439	-300	-1%
SUI-Employer Contribution	2,500	378	500	2,500	0	0%
Fed Unemploy Tax-Employer Cont	300	0	0	300	0	0%
<b>Fixed Costs (\$):</b>						
Health Plan/Café Cash	35,100	28,331	35,100	45,000	9,900	28%
Life Insurance	0	0	0	0	0	0%
Def Comp - EO Employer Match	11,000	8,000	10,400	11,000	0	0%
<b>Total Benefits</b>	<b>228,784</b>	<b>171,498</b>	<b>223,319</b>	<b>238,231</b>	<b>9,130</b>	<b>4%</b>

\* Split Employer/Employee 2.6% pension rate increase

<b>Services and Supplies</b>	<b>Current Year</b>	<b>Expense YTD</b>	<b>Proj. Yr End</b>	<b>Adopted 19-20</b>	<b>Inc/Dec</b>	<b>% Inc/Dec</b>
Food	800	357	500	800	0	0%
Maintenance - Equipment	300	43	0	300	0	0%
Maintenance - Software	500	0	200	500	0	0%
CALAFCO/Other Memberships	4,400	4,665	4,708	4,400	0	0%
Office Supplies	2,500	1,238	1,800	2,500	0	0%
Commissioner/Consultant Expenses	19,000	16,120	18,000	10,000	-9,000	-47%
Publication/Legal Notices	800	1,034	2,500	800	0	0%
Rent	38,000	30,565	36,700	38,000	0	0%
Small Equipment	400	0	0	400	0	0%
Large Equipment	1,000	70	600	1,000	0	0%
Computer Software	500	240	400	500	0	0%
Employee Mileage	200	0	0	200	0	0%
Commissioner Mileage	1,800	915	1,200	1,800	0	0%
Airfare/Public Transportation	500	0	0	500	0	0%
Accommodations/Travel	5,000	1,819	2,600	4,000	-1,000	-20%
Auto Allowance	5,400	4,154	5,400	5,400	0	0%
Training/Conf Registration	4,500	4,477	5,000	4,500	0	0%
Utilities	4,000	2,852	3,900	4,000	0	0%
Car/Vehicle Rentals	1,000	459	700	1,000	0	0%
Postage	1,000	110	400	1,000	0	0%
Custodian	1,000	720	1,000	1,000	0	0%
Copying	800	0	400	800	0	0%
ITD-SAP/Board Chambers	850	465	700	850	0	0%
Phones	1,200	831	1,200	2,600	1,400	117%
County Auditor	7,991	7,991	7,991	8,247	256	3%
Insurance/Worker Comp/Liability	8,000	6,285	7,200	8,000	0	0%
Legal Counsel/Other Co Billings	18,576	17,425	22,425	24,000	5,424	29%
<b>Subtotal Services &amp; Supplies</b>	<b>130,017</b>	<b>102,832</b>	<b>125,524</b>	<b>127,097</b>	<b>-2,920</b>	<b>-2%</b>

<b>Total Expenses</b>	<b>668,090</b>	<b>511,575</b>	<b>657,743</b>	<b>671,625</b>	<b>3,535</b>	<b>0.5%</b>
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**Exhibit A**  
**San Luis Obispo Local Agency Formation Commission**  
 Adopted Budget - Fiscal Year 2019-2020  
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REVENUE DETAIL	Current Year	Realized YTD	Proj. Yr End	Adopted 19-20	Inc/Dec	% Inc./Dec.
Interest	2,500	4,753	5,000	3,000	500	20%
Environmental Fees	1,000	1,000	1,500	1,000	0	0%
Sphere of Influence Fee	1,000	0	0	1,000	0	0%
LAFCO Processing Fees	16,000	15,591	16,091	16,000	0	0%
Other Revenue/Grants/Insurance reimb.	0	0	0	0	0	
<b>Sub-Total w/out Agency Charges</b>	<b>20,500</b>	<b>21,344</b>	<b>22,591</b>	<b>21,000</b>	<b>500</b>	<b>2%</b>
LAFCO Charge to Agencies	617,590	617,590	617,590	618,625	1,035	0%
<b>Total Revenue</b>	<b>668,090</b>	<b>638,934</b>	<b>640,181</b>	<b>671,625</b>	<b>3,535</b>	<b>1%</b>
Use of Reserves/Fund Bal. (If needed)	30,000	0	17,562	32,000	2,000	7%

RESERVES and FUND BALANCE	Beginning Res./FB FY 18/19	% of Budget	Proj. Year End Fund Balance	Projected Year End Reserves	Estimated Res./FB FY 18/19	% of Budget
Reserves/Fund Balance	187,523	28.1%	187,523	169,961	137,961.46	21%
Use of fund balance - If needed			-17,562	-32,000		
<b>Total</b>	<b>187,523</b>	<b>28.1%</b>	<b>169,961</b>	<b>137,961</b>		

**CHARGES TO AGENCIES**

Agency Share	FY 2018-19	FY 2019-20	Inc/Dec	% Inc/Dec
Cities	205,863	206,208	345	0.17%
County	205,863	206,208	345	0.17%
Special Districts	205,863	206,208	345	0.17%
<b>Total</b>	<b>617,590</b>	<b>618,625</b>	<b>1,035</b>	<b>0.17%</b>