



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

COMMISSIONERS

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Special District Member

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County Member

STAFF

DAVID CHURCH
Interim Executive Officer

BRIAN A. PIERIK
Legal Counsel

IMELDA MARQUEZ
Analyst

TO: MEMBERS, FORMATION COMMISSION

FROM: DAVID CHURCH, INTERIM EXECUTIVE OFFICER

DATE: APRIL 15, 2021

**SUBJECT: THIRD QUARTER FISCAL YEAR 2020-2021 LAFCO
BUDGET STATUS REPORT**

Recommendation. It is respectfully recommended that the Commission: 1) review this third quarter financial report for fiscal year 20-21; and 2) direct the Interim Executive Officer (EO) to file it with the County Auditor.

Summary. The Local Agency Formation Commission (LAFCO) operating budget is comprised of four components: 1) salaries, payroll taxes and benefits, 2) services and supplies, 3) revenues, and 4) fund balance and reserves. The Budget is considered and adopted by LAFCO each year as required by the Cortese-Knox-Hertzberg Act. Day-to-Day management of the Budget is based on "bottom-line" principles that allow for variation within individual line-item accounts as long as the overall expenditures remain within the approved budgeted levels. Attached is the Third Quarter Budget Status Report for the 2020-21 fiscal year.

Attachments

A: 3rd Quarter Status for
Fiscal Year 2020-2021

B: Credit Card Statements
for Jan, Feb, and Mar. 2021

LAFCO's budget is funded primarily by the County, Cities and Independent Special Districts, with each group paying one-third of the LAFCO Budget. The City and District shares are pro-rated based on general revenues reported to the State Controller's Office on an annual basis. These revenues are found in the latest annual report released by the State Controller's office. LAFCO also receives revenue through application fees and interest earnings.

LAFCO and the County Auditor's Office have a signed agreement for services. In the first quarter, the County Auditor's Office calculates and sends out the invoices for payments to the Cities and Special Districts in the County. The County Auditor's Office also provides LAFCO with claims processing and financial tracking services. The County's Enterprise Financial System (EFS) is used by LAFCO staff in monitoring the budget and compiling budget report data. Each LAFCO transaction is processed through the County's financial system.

Expenditures. Overall, third quarter expenditures are at 66% with 75% of the fiscal year complete. Below is a brief summary of line item expenditures:

- Salaries and Benefits are 65% expended with 20 pay periods completed through the third quarter. This line item includes the authorized use of reserves for vacation/sick payout for the retirement of Executive Officer, David Church. It also includes the unanticipated vacation/sick payoff for Mike Prater the former Executive Officer. Neither of these expenses were included in the salaries line item when the budget was adopted in May, 2020. Therefore, these expenses were not charged to local agencies. Fund Balance Available would be used to fund these expenditures as needed.

The salary savings accrued during the months of July through September was due to Analyst vacancy. Salary savings were accrued as LAFCO did not hire an Analyst for three months. Imelda Marquez has since been promoted to Analyst. The Clerk position has yet to be filled and salary savings are being accrued. The Interim Executive Officer does not received benefits which results in savings as well.

- Services and Supplies are at 67% expended with 75% of the year complete. This is a normal expenditure pattern as the first and second quarter includes one-time annual expenditures for: County Auditor's Office Services (\$8,511), California Association of Local Agency Formation Commission (CALAFCO) Membership Dues (\$4,922), Workers Compensation-SDRMA (\$1,164), and payment of Property /Liability Insurance-SDRMA (\$10,575). These one-time costs occur normally in the first quarter. Legal costs for the first three quarters are \$18,800. Savings in several line items are due to the Covid-19 pandemic.
- The building lease is \$3,056/month and has been paid for 10 months; through April. The lease is currently month to month and the amount has remained unchanged since 2010.
- LAFCO uses a credit card from Umpqua Bank through a program implemented by the Special District Risk Management Association (SDRMA) for public agencies. LAFCO has a credit card policy with regard to use and pays the bill in full each month. The statements for January, February, and March 2021 are found in Attachment B.
 - **January:** Purchases in the amount of \$191.92 were made, including; ZOOM subscription of \$57.63, Trophy Hunters \$22.63-Name Plate, Postage \$5.15, GoDaddy old.slolafco.com renewal \$143.88 and a credit of -\$37.37 towards the January invoice.
 - **February:** Included total charges of \$501.95: ZOOM subscription of \$57.63, Go Daddy slolafco.com website renewal \$305.93, CSDA Career Center (EO job posting) \$105.00, and Vista Print LAFCO Approval stamp \$33.39.

- **March:** Included total charges of \$279.55: ZOOM subscription of \$57.83, Costco webcam purchase of \$107.73, Norton antivirus subscription renewal \$104.99 and USPS Postage for BOE filing \$9.20.

Revenues. Overall revenues are 98% realized through the third quarter. The jurisdictions (Cities, Special Districts and County) have paid 100% of the LAFCO charges billed in the first quarter by the County Auditor. Application processing fees have been submitted in the amount of \$36,765 for Annexations, Sphere of Influence Amendments and a latent power activation. The adopted budget for fees from applications is \$21,000. Revenues from fees is exceeding the budget by \$15,765.

Fund Balance and Designated Fund Balance (Reserves). The Fund Balance Available is the difference between the total expenses and revenues in the fiscal year. The Fund Balance Available is a more flexible asset than Designated Fund Balance and is carried forward from year to year. The Designated Fund Balance requires Commission approval for expenditure. Please note that the current Fund Balance Available and Designated Fund Balance total are \$213,215. It is projected that revenues will exceed expenses by \$50,000 creating additional Fund Balance. Available to cover unexpected expenses. Designated Fund Balance and Fund Balance Available are at 45% of the current budget.

Attachment A

3rd Quarter Status for Fiscal Year 2020-2021

Attachment B

Credit Card Statements for Jan, Feb, and Mar. 2021



UMPQUA BANK

BL ACCT

LAFCO

Account Number: ####-####-####

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Account Summary

Billing Cycle		01/31/2021
Days In Billing Cycle		31
Previous Balance		\$57.63
Purchases	+	\$229.29
Cash	+	\$0.00
Balance Transfers	+	\$0.00
Special	+	\$0.00
Credits	-	\$37.37-
Payments	-	\$57.63-
Other Charges	+	\$0.00
Finance Charges	+	\$0.00

NEW BALANCE \$191.92

Total Credit Line	\$10,000.00
Available Credit Line	\$9,808.08
Available Cash	\$0.00
Amount Over Credit Line	\$0.00
Amount Past Due	\$0.00
Disputed Amount	\$0.00



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99210-1952

NEW BALANCE \$191.92

MINIMUM PAYMENT \$191.92

PAYMENT DUE DATE 02/25/2021

NOTE: Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.

Corporate Activity

				TOTAL CORPORATE ACTIVITY	\$95.00-
Trans Date	Post Date	Reference Number	Transaction Description	Amount	
01/15	01/15	00000000000000000115554	PAYMENT - THANK YOU	\$57.63-	
01/28	01/28	70005601028777028640039	2020 CCC REBATE	\$37.37-	

					Total Activity
IMELDA MARQUEZ		Payments & Other Credits	Purchases & Other Charges	Cash Advances	
#### #### ####		\$0.00	\$229.29	\$0.00	\$229.29

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
01/01	01/03	PPLN01	24492151002637440817800	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	\$57.63
01/07	01/10	PPLN01	24767891008067500231382	TROPHY HUNTERS SN LUIS OBISP CA	\$22.63
01/15	01/17	PPLN01	24137461016001364215590	USPS PO 0568770075 SAN LUIS OBIS CA	\$5.15

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

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BL ACCT

LAFCO

Account Number: #### #### ###

Cardholder Account Detail Continued

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
01/19	01/20	PPLN01	24430991020400900089853	DNH*GODADDY.COM https://www.g AZ	\$143.88

Finance Charge Summary / Plan Level Information

Plan Name	Plan Description	FCM ¹	Average Daily Balance	Periodic Rate *	Corresponding APR	Finance Charges	Effective APR Fees **	Effective APR	Ending Balance
Purchases									
	PURCHASE	E	\$0.00	0.06024%(D)	21.9900%	\$0.00	\$0.00	0.0000%	\$191.92
Cash									
	CASH	A	\$0.00	0.06572%(D)	23.9900%	\$0.00	\$0.00	0.0000%	\$0.00

* Periodic Rate (M)=Monthly (D)=Daily

** includes cash advance and foreign currency fees

Days In Billing Cycle: 31

APR = Annual Percentage Rate

¹ FCM = Finance Charge Method

(V) = Variable Rate. If you have a variable rate account the periodic rate and Annual Percentage Rate (APR) may vary.



UMPQUA BANK

BL ACCT

LAFCO

Account Number: ####-####-####-

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Account Summary

Billing Cycle		02/28/2021
Days In Billing Cycle		28
Previous Balance		\$191.92
Purchases	+	\$501.95
Cash	+	\$0.00
Balance Transfers	+	\$0.00
Special	+	\$0.00
Credits	-	\$0.00
Payments	-	\$191.92-
Other Charges	+	\$0.00
Finance Charges	+	\$0.00

NEW BALANCE \$501.95

Total Credit Line	\$10,000.00
Available Credit Line	\$9,498.05
Available Cash	\$0.00
Amount Over Credit Line	\$0.00
Amount Past Due	\$0.00
Disputed Amount	\$0.00

Service Information

-  Call us at: (866) 777-9013
Lost or Stolen Card: (866) 839-3485
-  Go to www.umpquabank.com
-  Write us at PO BOX 1952, SPOKANE, WA 99210-1952

Payment Summary

NEW BALANCE	\$501.95
MINIMUM PAYMENT	\$501.95
PAYMENT DUE DATE	03/25/2021

NOTE: Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.

TOTAL CORPORATE ACTIVITY					\$191.92-
Trans Date	Post Date	Reference Number	Transaction Description	Amount	
02/16	02/16	00000000000000000115860	PAYMENT - THANK YOU	\$191.92-	

Cardholder Activity Summary				
NAME	Payments & Other Credits	Purchases & Other Charges	Cash Advances	Total Activity
IMELDA MARQUEZ ####-####-####	\$0.00	\$501.95	\$0.00	\$501.95

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
02/01	02/02	PPLN01	24906411032113143609813	DNH*GODADDY.COM 480-5058855 AZ	\$287.76
02/01	02/02	PPLN01	24492151032637486308528	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	\$57.63
02/02	02/03	PPLN01	24906411033113276204167	DNH*GODADDY.COM 480-5058855 AZ	\$18.17

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

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BL ACCT

LAFCO

Account Number: #### #### ###

Cardholder Account Detail Continued

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
02/02	02/03	PPLN01	24492151033637526966318	CSDA CAREER CENTER HTTPSNAYLOR.C MD	\$105.00
02/25	02/26	PPLN01	24906411056114947010878	VISTAPR*vistaprint.com 866-6148002 MA	\$33.39

Finance Charge Summary / Plan Level Information

Plan Name	Plan Description	FCM ¹	Average Daily Balance	Periodic Rate *	Corresponding APR	Finance Charges	Effective APR Fees **	Effective APR	Ending Balance
Purchases									
	PURCHASE	E	\$0.00	0.06024%(D)	21.9900%	\$0.00	\$0.00	0.0000%	\$501.95
Cash									
	CASH	A	\$0.00	0.06572%(D)	23.9900%	\$0.00	\$0.00	0.0000%	\$0.00

* Periodic Rate (M)=Monthly (D)=Daily
** includes cash advance and foreign currency fees
Days In Billing Cycle: 28
APR = Annual Percentage Rate
¹ FCM = Finance Charge Method
(V) = Variable Rate If you have a variable rate account the periodic rate and Annual Percentage Rate (APR) may vary.



UMPQUA BANK

BL ACCT

LAFCO

Account Number: #####

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CREDIT SUMMARY

Billing Cycle		03/31/2021
Days In Billing Cycle		31
Previous Balance		\$501.95
Purchases	+	\$279.55
Cash	+	\$0.00
Balance Transfers	+	\$0.00
Special	+	\$0.00
Credits	-	\$0.00
Payments	-	\$501.95-
Other Charges	+	\$0.00
Finance Charges	+	\$0.00

NEW BALANCE \$279.55

ACCOUNT SUMMARY

Total Credit Line	\$10,000.00
Available Credit Line	\$9,720.45
Available Cash	\$0.00
Amount Over Credit Line	\$0.00
Amount Past Due	\$0.00
Disputed Amount	\$0.00

CONTACT INFORMATION

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- Go to www.umpquabank.com
- Write us at PO BOX 1952, SPOKANE, WA 99210-1952

NEW BALANCE

NEW BALANCE \$279.55

MINIMUM PAYMENT \$279.55

PAYMENT DUE DATE 04/25/2021

NOTE: Grace period to avoid a finance charge on purchases, pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.

CORPORATE ACTIVITY

TOTAL CORPORATE ACTIVITY					\$501.95-
Trans Date	Post Date	Reference Number	Transaction Description	Amount	
03/12	03/12	00000000000000000116115	PAYMENT - THANK YOU	\$501.95-	

ACTIVITY SUMMARY

IMELDA MARQUEZ #####	Payments & Other Credits	Purchases & Other Charges	Cash Advances	Total Activity
	\$0.00	\$279.55	\$0.00	\$279.55

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
03/01	03/02	PPLN01	24492151060637860383662	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	\$57.63
03/03	03/05	PPLN01	24692161063100769018503	WWW.COSTCO.COM 800-955-2292 WA	\$107.73
03/19	03/21	PPLN01	24692161078100130277757	NORTON *AP1338949742 877-294-5265 AZ	\$104.99

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BL ACCT

LAFCO

Account Number: #### #### ###

Cardholder Account Detail Continued

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
03/26	03/28	PPLN01	24137461086001424360399	USPS PO 0568770075 SAN LUIS OBIS CA	\$9.20

Finance Charge Summary / Plan Level Information

Plan Name	Plan Description	FCM ¹	Average Daily Balance	Periodic Rate *	Corresponding APR	Finance Charges	Effective APR Fees **	Effective APR	Ending Balance
Purchases									
	PURCHASE	E	\$0.00	0.06024%(D)	21.9900%	\$0.00	\$0.00	0.0000%	\$279.55
Cash									
	CASH	A	\$0.00	0.06572%(D)	23.9900%	\$0.00	\$0.00	0.0000%	\$0.00

* Periodic Rate (M)=Monthly (D)=Daily
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Days In Billing Cycle: 31
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