



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

**TO: MEMBERS, FORMATION COMMISSION**  
**FROM: DAVID CHURCH, INTERIM EXECUTIVE OFFICER**  
**DATE: MAY 20, 2021**  
**SUBJECT: FINAL FISCAL YEAR 2021-22 SAN LUIS OBISPO LAFCO BUDGET**

**Recommendation:** It is respectfully recommended that the Commission;

- 1) Adopt by resolution the final San Luis Obispo Local Agency Formation Commission budget for the Fiscal Year 2021/22 found in Attachment A; and
- 2) That the Executive Officer distribute the Budget and Resolution to the local agencies per the Cortese-Knox-Hertzberg Act.

**Summary.** The Proposed Fiscal Year 2021-22 Budget was approved by the Commission on April 15, 2021, with no changes and is being brought back to your Commission with one minor change described in the following paragraph. The Cortese-Knox-Hertzberg Act (CKH) calls for the final budget to be adopted by June 15, 2021. Today's action adopts the Final Budget prior to that date.

**Attachments**

**A:** Resolution and FY 2021-22 LAFCO Budget

The funding formula for Local Agency Formation Commission's (LAFCO) 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. A \$1,500 reduction in the Retirement Line Item is noted in the final budget. This minor change is due to a recalculation of LAFCO's contribution to the retirement plan.

The Proposed and Final Budgets have been distributed to the County, Cities, and Special Districts pursuant to the CKH Act. The final budget and 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 2021-2022 fiscal year.

**COMMISSIONERS**

Chairperson  
ROBERT ENNS  
Special District Member

Vice-Chair  
ED WAAGE  
City Member

DEBBIE ARNOLD  
County Member

LYNN COMPTON  
County Member

MARSHALL OCHYLSKI  
Special District Member

STEVE GREGORY  
City Member

TOM MURRAY  
Public Member

**ALTERNATES**

ED EBY  
Special District Member

CHARLES BOURBEAU  
City Member

HEATHER JENSEN  
Public Member

JOHN PESCHONG  
County Member

**STAFF**

DAVID CHURCH  
Interim Executive Officer

BRIAN A. PIERIK  
Legal Counsel

IMELDA MARQUEZ  
Analyst

# **Attachment A**

Resolution and Final Fiscal Year 21-22

LAFCO Budget

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

Date:

**PRESENT:**

**ABSENT:**

**RESOLUTION NO. 2021-\_\_\_**

**RESOLUTION ADOPTING THE FINAL FISCAL YEAR 2021-22  
LAFCO BUDGET**

The following resolution is now offered:

**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 15, 2021 and May 20, 2021, staff reports were prepared, and the hearing was conducted under the Covid-19 modified meetings laws and the LAFCO Budget for Fiscal Year 2021-22 was considered; and

**WHEREAS**, at said hearing, this Commission heard and received all 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 and approved the Proposed Budget at the April 15, 2021, LAFCO meeting and approved the Final Budget for Fiscal Year 2021-2022 on May 20, 2021;

**WHEREAS**, the San Luis Obispo LAFCO finds that it can accomplish its legislative purpose and adopted work plan with the final budget as required by Cortese-Knox-Hertzberg Act; and

**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 2021-22 in the amount set forth in Exhibit A. The amount charged to the Cities, Special Districts and County, after deducting fees from applications and using of fund balance available is also found in Exhibit A. 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 Commission 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 hereby authorized to mail and email 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:

\_\_\_\_\_  
Robert Enns, Chairperson                      Date  
Local Agency Formation Commission

**ATTEST:**

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

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

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

**Exhibit A**  
**San Luis Obispo Local Agency Formation Commission**  
**Final Budget - Fiscal Year 2021-2022**

Adopted 5/20/2021

<b>EXPENDITURES SUMMARY</b>	<b>Current Year</b>	<b>Expense YTD</b>	<b>Proj. Yr End</b>	<b>Final 21-22</b>	<b>Inc/Dec</b>	<b>% Inc/Dec</b>
Salaries	279,293	218,300	268,860	289,892	10,599	4%
Benefits and Taxes	177,380	79,022	105,362	186,239	8,859	5%
Services and Supplies	131,984	89,041	108,958	136,547	4,563	3%
<b>Total Expenses</b>	<b>588,658</b>	<b>386,364</b>	<b>483,180</b>	<b>612,679</b>	<b>24,021</b>	<b>4%</b>

<b>EXPENDITURES DETAIL</b>	<b>Current Year</b>	<b>Expense YTD</b>	<b>Proj. Yr End</b>	<b>Final 21-22</b>	<b>Inc/Dec</b>	<b>% Inc/Dec</b>
<b>Salaries and Benefits</b>						
Salaries	279,293	218,300	268,860	289,892	10,599	4%
Benefits and Taxes	177,380	79,022	105,362	186,239	8,859	5%
<b>Subtotal Salaries &amp; Benefits</b>	<b>456,673</b>	<b>297,322</b>	<b>374,222</b>	<b>476,131</b>	<b>19,458</b>	<b>4%</b>
<b>Variable Costs (%) :</b>						
FICA -Employer Match	14,486	11,906	16,138	17,971	3,485	24%
Medicare - Employer Match	3,435	3,326	4,000	4,261	826	24%
Retirement-Employer Contribution	82,518	33,393	45,000	87,657	5,139	6%
Retirement-Employer for Employee	12,921	6,407	6,407	-	(12,921)	-100%
Retirement - Employee Contribution	20,615		10,000	38,703	18,088	88%
Pension Obligation Bond Payment	14,521	7,016	9,662	18,850	4,329	30%
SUI-Employer Contribution	1,500	0	500	1,500	-	0%
Fed Unemploy Tax-Employer Cont	300	0	-	-	(300)	-100%
<b>Fixed Costs (\$) :</b>						
Health Plan/Café Cash	41,700	16,574	22,455	45,000	3,300	8%
Life Insurance	500	0	-	1,000	500	0%
Def Comp - EO Employer Match	5,500	400	1,200	10,000	4,500	82%
<b>Total Benefits</b>	<b>177,380</b>	<b>79,022</b>	<b>105,362</b>	<b>186,239</b>	<b>8,858</b>	<b>5%</b>

<b>Services and Supplies</b>	<b>Current Year</b>	<b>Expense YTD</b>	<b>Proj. Yr End</b>	<b>Final 21-22</b>	<b>Inc/Dec</b>	<b>% Inc/Dec</b>
Food	800	105	300	600	(200)	-25%
Maintenance - Equipment	300	-	100	30	(270)	-90%
Maintenance - Software	500	412	500	50	(450)	-90%
CALAFCO/Other Memberships	7,000	6,404	6,404	8,000	1,000	14%
Office Supplies	2,500	347	1,000	2,500	-	0%
Commissioner/Consultant	10,000	4,367	6,000	10,000	-	0%
Publication/Legal Notices	1,000	1,370	1,400	1,000	-	0%
Rent	37,000	30,565	37,000	37,000	-	0%
Small Equipment	400	199	200	400	-	0%
Large Equipment	1,000	(514)	1,200	1,000	-	0%
Computer Software	500	446	500	500	-	0%
Employee Mileage	200	-	-	200	-	0%
Commissioner Mileage	1,800	-	-	1,200	(600)	-33%
Airfare/Public Transportation	500	-	500	-	(500)	-100%
Accommodations/Travel	3,000	-	-	2,500	(500)	-17%
Auto Allowance	3,323	208	208	5,400	2,077	63%
Training/Conf Registration	3,500	-	-	3,500	-	0%
Utilities	4,000	2,850	3,600	4,200	200	5%
Car/Vehicle Rentals	1,000	-	-	500	(500)	-50%
Postage	1,000	368	500	1,000	-	0%
Custodian	1,000	755	1,000	1,100	100	10%
Copying	800	-	200	300	(500)	-63%
ITD-SAP/Board Chambers	850	-	-	850	-	0%
Phones	2,800	2,213	3,000	3,000	200	7%
County Auditor	8,511	8,511	8,511	8,817	306	4%
Insurance/Worker Comp/Property/Liability	13,500	11,635	11,635	16,500	3,000	22%
Legal Counsel/Other Co Billings	25,200	18,800	25,200	26,400	1,200	5%
<b>Subtotal Services &amp; Supplies</b>	<b>131,984</b>	<b>89,041</b>	<b>108,958</b>	<b>136,547</b>	<b>4,563</b>	<b>3%</b>

<b>Total Expenses</b>	<b>588,658</b>	<b>386,364</b>	<b>483,180</b>	<b>612,679</b>	<b>24,021</b>	<b>4%</b>
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**Exhibit A**  
**San Luis Obispo Local Agency Formation Commission**  
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<b>REVENUE DETAIL</b>	<b>Current Year</b>	<b>Realized YTD</b>	<b>Proj. Yr End</b>	<b>Final 21-22</b>	<b>Inc/Dec</b>	<b>% Inc./Dec.</b>
Interest	4,000	2,586	3,000	4,000	-	0%
Environmental Fees	1,000	5,000	5,000	1,000	-	0%
Sphere of Influence Fee	2,000	6,000	6,000	2,000	-	0%
LAFCO Processing Fees	14,000	23,179	23,179	14,000	-	0%
				-		
<b>Sub-Total w/out Agency Charges</b>	<b>21,000</b>	<b>36,765</b>	<b>37,179</b>	<b>21,000</b>	<b>-</b>	<b>0%</b>
LAFCO Charge to Agencies	497,016	497,016	497,016	556,679	59,663	12%
<b>Total Revenue (Includes use of Fund Balance)</b>	<b>543,016</b>	<b>533,781</b>	<b>534,195</b>	<b>612,679</b>	<b>69,663</b>	<b>13%</b>
Other Revenue/Fund Balance Available -if Need	25,000	Not Needed	Not Needed	<b>35,000</b>	10,000	0%

<b>RESERVES and FUND BALANCE</b>	<b>Janaury 2021 Fund Balance</b>	<b>% of Budget</b>	<b>Proj. Year End Fund Balance</b>	<b>Projected Year End Fund Bal.</b>	<b>Projected FB FY 21-22</b>	<b>% of Budget</b>
Fund Balance Available	155,365		213,215	264,230	229,230	
Designated Fund Balance	57,850					
Projected Year End Fund Balance			51,015			
Use of Fud Balance in 21/22 Budget				(35,000)		
<b>Total</b>	<b>213,215</b>	<b>36%</b>	<b>264,230</b>	<b>229,230</b>	<b>229,230</b>	<b>37%</b>

**CHARGES TO AGENCIES**

<b>Agency Share</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>	<b>Inc/Dec</b>	<b>% Inc/Dec</b>
Cities	165,672	185,560	19,888	12%
County	165,672	185,560	19,888	12%
Special Districts	165,672	185,560	19,888	12%
<b>Total</b>	<b>497,016</b>	<b>556,679</b>	<b>59,663</b>	<b>12%</b>