



San Luis Obispo Local Agency Formation Commission

TO: MEMBERS OF THE COMMISSION

FROM: ROB FITZROY, EXECUTIVE OFFICER

DATE: AUGUST 18, 2022

SUBJECT: YEAR END BUDGET REPORT

RECOMMENDATION

It is respectfully recommended that the Commission consider taking the following actions:

Action 1: Receive and file the Fiscal Year (FY) 21-22 Year End Budget Report and direct the Executive Officer to submit it to the County Auditor/Controller.

BUDGET OVERVIEW

This is the FY 21-22 Year-End Report for the San Luis Obispo Local Agency Formation Commission (LAFCO). The 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. 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.

LAFCO’s budget is funded by the County, Cities and Independent Special Districts. Each agency grouping pays one-third of the LAFCO budget. City and District shares are pro-rated based on general revenues reported to the State Controller’s Office on an annual basis. LAFCO also receives revenue from application fees and interest earnings.

LAFCO is contracted with the County Auditor for various financial services. Every financial transaction is processed through the County Auditor’s financial system. This approach ensures accuracy, transparency and accountability. The County Auditor’s Office also provides LAFCO with claims processing, invoicing and financial review services. The Auditor’s financial tracking system assists LAFCO in monitoring the budget and compiling budget report data, as well as provide independent review of the budget.

COMMISSIONERS

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Ed WAAGE
City Member

Vice-Chair
DEBBIE ARNOLD
County Member

LYNN COMPTON
County Member

MARSHALL OCHYLSKI
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Special District Member

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City Member

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DAWN ORTIZ-LEGG
County Member

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Special District Member

CHARLES BOURBEAU
City Member

David Watson
Public Member

STAFF

ROB FITZROY
Executive Officer

IMELDA MARQUEZ
Analyst

MORGAN BING
Clerk Analyst

BRIAN A. PIERIK
Legal Counsel

EXECUTIVE OFFICER COMMENTS

LAFCO is in a healthy budgetary and operational state. FY 21-22 resulted in budgetary savings primarily due to the vacant Clerk position. Budgeted expenditures were expected to be \$612,679 however actual year-end expenditures were \$543,079, resulting in a year end budgetary savings of \$69,600. Now that LAFCO is fully staffed with an Executive Officer, Analyst and Clerk Analyst, the organization is operating at full capacity and staff will continue to bring positive, effective and efficient changes into FY 22-23. The recently adopted FY 22-23 budget is expected to meet the needs of the organization for the remainder of the fiscal year.

YEAR END BUDGET REPORT

Table 1 shows a summary of the year-end budget status for LAFCO. Salaries were 12% under budget due to the vacant Clerk position. Additionally, services and supplies were under budget by 9% in various line-items due decreased expenses in certain areas, for example, conferences/travel/training budgets were not fully used due to cancellations of events due to ongoing impacts related to covid.

Table 1. FY 21-22 Year End Expenditures			
	Budgeted Expenditures	Actual Expenditures	Percent Expended
Salaries	\$476,132	\$418,231	88%
Services / Supplies	\$136,547	\$124,848	91%
Totals	\$612,679	\$543,079	89%

Table 2 shows a summary of revenue for FY 21-22. Due to an increase in application activity, processing fees exceeded projected revenues. All agencies contributed their respective portion of the budget in a timely manner. LAFCO did not need to use \$35,000 from reserves as anticipated because revenue generated exceeded actual expenditures, that is, without the use of the \$35,000 revenue was \$581,521, while expenditures were \$543,079 which resulted in a scenario where it was not necessary to pull from reserves.

Table 2. FY 21-22 Year End Revenue		
	Budgeted Revenue	Actual Revenue
Revenue	\$21,000	\$24,842
Agency Contributions	\$556,679	\$556,679
Use of Reserve Funds	\$35,000	Not Used
Totals	\$612,679	\$581,521

Table 3 shows fund balance reserves. As noted above, it was not necessary to pull \$35,000 from reserves to achieve budget targets. In addition to not being required to use reserves, we also added \$38,442 to the existing reserve fund balance (\$581,521 revenue - \$543,079 expenditures). The new reserve fund balance is \$301,021.

Table 3. FY 21-22 Year End Reserve Fund Balance		
	Beginning FY 21-22	Year End FY 21-22
Existing Reserve Fund	\$262,579	\$262,579
Year End Surplus	-	\$38,442
Year End Reserve Fund	-	\$301,021

CREDIT CARD STATEMENTS

As per Commission practice with each quarterly budget report, we have included credit card statements for the April, May, and June 2022 as Attachment B. The LAFCO credit card is used to purchase routine office items such as postage, ink, paper, general office supplies, as well as other office equipment when necessary. An overview of credit card usage is as follows.

- April – Zoom subscription, Canva (business cards), USPS postage
- May – Zoom subscription, Job Postings for Clerk Analyst, FedEx mailings, Microsoft 365 subscription, County Clerk Recorder filing fees, Costco (office computer), Poor Richards Press (business cards)
- June – Zoom subscription, Staples (two replacement office chairs), Trophy Hunters (name plates), Costco (food for commission meetings, computer monitor)

Attachment A: Year End Budget Detail

Attachment B: Credit Card Statements for April, May, June 2022

Attachment A

Year End Budget Detail

Fiscal Year 2021-22 LAFCO Budget Year End Status Report

Period Ending: June 30, 2022

EXPENDITURES SUMMARY	Adopted 21-22	Year End Expenditure	Year End Balance	% Expended
Salaries	289,892	270,953	18,939	93%
Benefits & Payroll Taxes	186,239	147,279	38,960	79%
Services and Supplies	136,547	124,848	11,699	91%
Total Expenses Summary	612,678	543,079	69,599	89%

EXPENDITURES DETAIL	Adopted 21-22	Expenditure YTD	Balance YTD	% Expended
Salaries and Benefits				
Salaries	289,892	270,953	18,939	93%
Benefits & Payroll Taxes	186,239	147,279	38,960	79%
Subtotal Salaries & Benefits	476,131	418,231	57,900	88%

Services and Supplies	Adopted 21-22	Expenditure YTD	Balance YTD	% Expended
Food	600	347	253	58%
Maintenance - Equipment	30	0	30	0%
Maintenance - Software	50	119	-69	238%
CALAFCO/Other Memberships	8,000	6,406	1,594	80%
Office Supplies	2,500	2,702	-202	108%
Commissioner/Professional Serv.	10,000	10,319	-319	103%
Publication/Legal Notices	1,000	441	559	44%
Rent	37,000	36,677	323	99%
Small Equipment	400	454	-54	114%
Large Equipment	1,000	4,350	-3,350	435%
Computer Software	500	505	-5	101%
Employee Mileage	200		200	0%
Commissioner Mileage	1,200	138	1,062	12%
Airfare/Public Transportation	0	0	0	0%
Accommodations/Travel	2,500	321	2,179	13%
Auto Allowance	5,400	5,400	0	100%
Training/Conf Registration	3,500	688	2,812	20%
Utilities	4,200	3,652	548	87%
Car/Vehicle Rentals	500	325	175	65%
Postage	1,000	481	519	48%
Custodian	1,100	1,310	-210	119%
Copying	300	22	278	7%
ITD-SAP/Board Chambers	850	0	850	0%
Phones/Internet	3,000	3,120	-120	104%
County Auditor	8,817	8,596	221	97%
Insurance	16,500	14,376	2,124	87%
Legal Counsel	26,400	24,100	2,300	91%
Subtotal Services & Supplies	136,547	124,848	11,699	91%

Total Expenses	612,678	543,079	69,599	89%
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REVENUE DETAIL	Adopted 21-22	Realized YTD	Balance YTD	% Realized
Interest	4,000	2,822	2,822	71%
Environmental Fees	1,000	4,000	4,000	400%
Sphere of Influence Fee	2,000	4,500	4,500	225%
LAFCO Processing Fees	14,000	13,520	13,520	97%
Use of Fund Balance If needed	35,000	Not Needed	N/A	N/A
Sub-Total w/o Agency Charges	56,000	24,842	24,842	44%
LAFCO Charges to Agencies	556,679	556,679	556,679	100%
Total Revenue	612,679	581,521	581,521	95%

Fund Balance-Reserves	Beginning FY 21-22	Year End Reserves
Existing Fund Balance and Reserves	262,579	262,579
Year End Surplus	0	38,442
Year End Reserves/Fund Balance	262,579	301,021

Attachment B

Credit Card Statements for April, May, June 2022



UMPQUA BANK

BL ACCT

LAFCO

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

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Account Summary

Billing Cycle		04/29/2022
Days In Billing Cycle		29
Previous Balance		\$679.99
Purchases	+	\$183.50
Cash	+	\$0.00
Balance Transfers	+	\$0.00
Special	+	\$0.00
Credits	-	\$45.00-
Payments	-	\$679.99-
Other Charges	+	\$0.00
Finance Charges	+	\$0.00

NEW BALANCE \$138.50

Credit Summary

Total Credit Line	\$10,000.00
Available Credit Line	\$9,861.50
Available Cash	\$0.00
Amount Over Credit Line	\$0.00
Amount Past Due	\$0.00
Disputed Amount	\$0.00

Account Inquiries

Call us at: (866) 777-9013
Lost or Stolen Card: (866) 839-3485

Go to www.umpquabank.com

Write us at PO BOX 35142 - LB1181, SEATTLE, WA 98124-5142

Payment Summary

NEW BALANCE	\$138.50
MINIMUM PAYMENT	\$138.50
PAYMENT DUE DATE	05/25/2022

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	\$679.99-
Trans Date	Post Date	Reference Number	Transaction Description	Amount	
04/18	04/18	70005602108555108450110	PAYMENT - THANK YOU SPOKANE WA	\$679.99-	

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

Cardholder Account Summary

IMELDA MARQUEZ #### #### ####	Payments & Other Credits \$45.00-	Purchases & Other Charges \$183.50	Cash Advances \$0.00	Total Activity \$138.50
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Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
04/02	04/03	PPLN01	24011342092000011813393	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	\$98.50
04/11	04/12	PPLN01	24011342102000003419884	CANVA* I03387-39348835 HTTPSCANVA.CO	\$22.50
04/11	04/12	PPLN01	24011342102000003963469	DE CANVA* I03387-39725692 HTTPSCANVA.CO	\$22.50
04/19	04/20		24011342110000006085724	DE CREDIT VOUCHER CANVA* I03387-39348835 HTTPSCANVA.CO	\$22.50-
04/19	04/21		24011342110000019391945	DE CREDIT VOUCHER CANVA* I03387-39725692 HTTPSCANVA.CO	\$22.50-
04/28	04/29	PPLN01	24137462119001530338163	DE USPS PO 0568770075 SAN LUIS OBIS CA	\$40.00

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									
PPLN01 001	PURCHASE	E	\$0.00	0.06024%(D)	21.9900%	\$0.00	\$0.00	0.0000%	\$138.50
Cash									
CPLN01 001	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
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.
 Days In Billing Cycle: 29
 APR = Annual Percentage Rate

Cardholder Account Detail Continued						
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount	
05/03	05/04	PPLN01	24164072123069084689155	FEDEX OFFIC51500051508 SAN LUIS OBIS CA	\$10.86	
05/03	05/04	PPLN01	24164072123069085314829	FEDEX OFFIC51500051508 SAN LUIS OBIS CA	\$10.86	
05/18	05/19	PPLN01	24204292138000092843624	Microsoft*Microsoft 365 F 425-6816830 WA	\$99.99	
05/20	05/22	PPLN01	24343112140900018173394	SLO CLERK RECORDER 805-7815080 CA	\$50.00	
05/27	05/27	PPLN01	24692162147100254823423	WWW COSTCO COM 800-955-2292 WA	\$1,973.35	

Cardholder Account Summary					
ROBERT FITZROY #### #### ##.		Payments & Other Credits \$0.00	Purchases & Other Charges \$87.96	Cash Advances \$0.00	Total Activity \$87.96

Cardholder Account Detail						
Trans Date	Post Date	Plan Name	Reference Number	Description	Amount	
05/12	05/13	PPLN01	24801972132206917000023	POOR RICHARD'S PRESS 8055436844 CA	\$87.96	

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									
PPLN01 001	PURCHASE	E	\$0.00	0.06024%(D)	21.9900%	\$0.00	\$0.00	0.0000%	\$2,635.52
Cash									
CPLN01 001	CASH	A	\$0.00	0.06572%(D)	23.9900%	\$0.00	\$0.00	0.0000%	\$0.00
* Periodic Rate (M)=Monthly (D)=Daily							Days In Billing Cycle: 32		
** includes cash advance and foreign currency fees							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		06/30/2022
Days In Billing Cycle		30
Previous Balance		\$2,635.52
Purchases	+	\$1,733.11
Cash	+	\$0.00
Balance Transfers	+	\$0.00
Special	+	\$0.00
Credits	-	\$380.61-
Payments	-	\$2,635.52-
Other Charges	+	\$0.00
Finance Charges	+	\$0.00

NEW BALANCE \$1,352.50

Credit Summary

Total Credit Line	\$10,000.00
Available Credit Line	\$8,647.50
Available Cash	\$0.00
Amount Over Credit Line	\$0.00
Amount Past Due	\$0.00
Disputed Amount	\$0.00

Account Inquiries



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Lost or Stolen Card: (866) 839-3485



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Write us at PO BOX 35142 - LB1181, SEATTLE, WA 98124-5142

Payment Summary

NEW BALANCE	\$1,352.50
MINIMUM PAYMENT	\$1,352.50
PAYMENT DUE DATE	07/25/2022

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	\$2,635.52-
Trans Date	Post Date	Reference Number	Transaction Description	Amount	
06/16	06/16	70005602167555167990012	PAYMENT - THANK YOU SPOKANE WA	\$2,635.52-	

Cardholder Account Summary

IMELDA MARQUEZ ####-####-####	Payments & Other Credits	Purchases & Other Charges	Cash Advances	Total Activity
	\$380.61-	\$1,243.13	\$0.00	\$862.52

Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
06/01	06/02	PPLN01	24011342152000043780591	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	\$98.50
06/16	06/17	PPLN01	24164072167105806559891	STAPLES DIRECT 800-3333330 MA	\$295.49
06/15	06/17	PPLN01	24164072167105002126446	STAPLES 00103614 SAN LUIS OBIS CA	\$380.61
06/17	06/19	PPLN01	24164072169105002128234	STAPLES 00103614 SAN LUIS OBIS CA	\$282.74

CALL US TO 3 DAYS FOR RECEIPT

BL ACCT
 LAFCO
 Account Number: #### #### ####
 Page 3 of 3

Cardholder Account Detail Continued

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
06/17	06/19		74164072169105000350405	CREDIT VOUCHER STAPLES 00103614 SAN LUIS OBIS CA	\$380.61-
06/22	06/23	PPLN01	24453882174000010100090	TROPHY HUNTERS SN LUIS OBISP CA	\$25.01
06/27	06/28	PPLN01	24943002179898000080703	COSTCO WHSE #0741 SAN LUIS OBIS CA	\$72.95
06/29	06/30	PPLN01	24943002181898002045478	COSTCO WHSE #0741 SAN LUIS OBIS CA	\$87.83

Cardholder Account Summary

ROBERT FITZROY #### #### ####	Payments & Other Credits \$0.00	Purchases & Other Charges \$489.98	Cash Advances \$0.00	Total Activity \$489.98
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Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
06/07	06/08	PPLN01	24692162158100192813060	WWW COSTCO COM 800-955-2292 WA	\$444.98
06/07	06/08	PPLN01	24011342159000001409954	CANVA* I03444-31160050 HTTPSCANVA.CO DE	\$45.00

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									
PPLN01 001	PURCHASE	E	\$0.00	0.06024%(D)	21.9900%	\$0.00	\$0.00	0.0000%	\$1,352.50
Cash									
CPLN01 001	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: 30
 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.