



Solano Local Agency Formation Commission

675 Texas St. Ste. 6700 • Fairfield, California 94533
(707) 439-3897 • FAX: (707) 438-1788

Staff Report

DATE: February 27, 2017

TO: Local Agency Formation Commission

FROM: Michelle McIntyre and LAFCO Finance Committee (Commissioners Sanchez and Vasquez)

SUBJECT: Mid-Year Budget Status, and Budget Re-appropriation and Appropriation

RECOMMENDATION:

Receive the mid-year budget status report. Re-appropriate funds to Salaries and Employee Benefits from Services Supplies, and appropriate funds from Fund Balance.

BACKGROUND:

For fiscal year 2016-2017, the Commission budgeted for a consultant to provide executive officer services; however, on November 21, 2016 the Commission voted to begin recruitment for an employee to serve as the LAFCO executive officer. It is now the intent of the Commission to hire an executive officer.

On February 10th, the LAFCO Finance Committee reviewed the status of the budget and determined re-appropriating funds and appropriating some of the fund balance from the prior year is financially prudent.

Mid-Year Status:

The mid-year budget status provides an overview of LAFCO's expenses and revenues through December 31, 2016. The Commission's adopted operating budget for the current year is \$415,310. This included \$129,745 for salaries and employee benefits, and \$285,565 for services and supplies. At mid-year, expenditure (actuals plus encumbrance) totaled \$238,239 which represents approximately 57% of the adopted operating budget.

Commissioners

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Alternate Commissioners

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For the purposes of this report, the term “revenue” is broadly used to encompass all sources of funds used to finance LAFCO’s total expenditure. This includes funding from the county and cities, fees collected from changes of organization applications, and interest income. At mid-year, total revenue recognized was \$362,600, representing 98% of the anticipated budget amount.

The table below includes a summary of the mid-year budget status along with the proposed adjustments.

Table - Summary of Mid Year Status and Proposed Adjustments

	2016-17 Adopted	Mid-Year – (Actual Plus Encumbrance)	Percent of Budget at Mid-Year	Proposed Adjustment	Adjusted Budget
EXPENDITURES					
Salaries and Benefits	\$129,745	\$64,092	49%	\$56,147	185,892
Services and Supplies	\$285,565	\$174,146	61%	(\$53,065)	232,500
Total Expenditures	\$415,310	\$238,239	57%		\$418,392
REVENUES					
Intergovernmental Revenue	\$358,464	\$358,464	100%		
Applications	\$10,000	\$3,400	34%		
Interest Income	\$1,000	\$736	74%		
Total Revenues	\$369,464	\$362,600	98%		
Reserve	\$83,102	\$83,102			
Fund Balance	\$11,976	\$11,976		(\$3,082)	\$8,894

Proposed Adjustments:

Salaries and Employee Benefits-

Employees are paid with funds appropriated to the Salaries and Employee Benefits budget category. Since the executive officer position was previously filled by a consultant, the Commission did not appropriate funds in this budget category for two full time employees. The Committee recommends the Commission appropriate an additional \$56,147 to plan for a full time executive officer for the remaining fiscal year.

Services and Supplies-

Consultants are paid with funds appropriated to the Services and Supplies budget category. The Commission had previously extended a contract for executive officer services, which was not renewed. As a result, the

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Services and Supplies category will have an excess appropriation; therefore, the Committee recommends the Commission re-appropriate \$53,065 from Services and Supplies to Salaries and Employee Benefits.

Fund Balance-

The fund balance account represents the carry-over funds from the prior fiscal year's budget. Presently, the Commission's unappropriated fund balance is \$11,976.50. Of that sum, the Committee recommends the Commission appropriate \$3,082 to the Salaries and Employee Benefits category.

RECOMMENDATION:

The Finance Committee recommends the Commission approve the attached resolution to:

- 1) Re-appropriate \$53,065 from Services and Supplies to Salaries and Employee Benefits.
- 2) Appropriate \$3,082 from Fund Balance to Salaries and Employee Benefits.

Attachments:

Draft Resolution

Finance Committee Agenda Packet

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RESOLUTION NO. 17-04

**LOCAL AGENCY FORMATION COMMISSION
OF SOLANO COUNTY**

WHEREAS, the Local Agency Formation Commission (LAFCO) of Solano County appropriated funds within the Services and Supplies category for a consultant providing executive officer services to the LAFCO for fiscal year 2016-17; and,

WHEREAS, it is the intent of the LAFCO that beginning March 2017, the LAFCO will appoint an employee to fill the vacant executive officer position; and,

WHEREAS, employees are paid with funds appropriated to the Salaries and Employee Benefits budget category; and,

WHEREAS, as a result, the Salaries and Employee Benefits category will have a deficit while the Services and Supplies category will have an excess appropriation; and,

WHEREAS, re-appropriating funds from the Services and Supplies category and appropriating some of the Fund Balance is necessary to avoid a deficit in appropriation for the Salaries and Services category; and,

WHEREAS, the Salaries and Employee Benefits budget category shall be increased by \$56,147; and,

WHEREAS, the Services and Supplies budget category shall be decreased by \$53,065.

WHEREAS, the Fund Balance account shall be decreased by \$3,082.

NOW, THEREFORE, BE IT RESOLVED that the Local Agency Formation Commission of Solano County re-appropriates and appropriate funds as outlined above.

UPON MOTION of Commissioner _____, seconded by Commissioner _____, the foregoing resolution is adopted this 27th day of February, 2017 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Nancy Shopay, Chair
Local Agency Formation Commission
County of Solano, State of California

ATTEST:

Roseanne Chamberlain, Executive Officer



Solano Local Agency Formation Commission

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Finance Committee

Members: Commissioners Sanchez and Vasquez

Location

Solano County Government Center

675 Texas Street Ste. 6700

Fairfield, CA 94533

February 10, 2017

10:00 AM

Public parking is available on the second floor of the parking garage adjacent to the Solano County Government Center. Vehicular entrance to the parking garage is on Delaware St.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the LAFCO staff, at (707) 439-3898, by e-mail to mmcintyre@solanolafco.com. Requests must be made as early as possible, and at least two business days before the start of the meeting.

If you or your agent has made a contribution of \$250 or more to any Commissioner or Alternate during the 12 months preceding the decision, you and the Commissioner are obligated to disclose the contribution and that Commissioner or Alternate must disqualify himself or herself from the decision. However, disqualification is not required if the Commissioner or Alternate returns the campaign contribution within thirty (30) days of learning both about the contribution and the fact that you are a participant in the proceedings.

If you wish to speak on an agenda item, green speaker cards are provided. The cards must be completed and returned to the Commission's Clerk. The Commission limits speaker comments to three (3) minutes. The Commission may extend the time as necessary.

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A G E N D A

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENTS

Opportunity for the public to speak to the Commission on any subject matter within the Commission's jurisdiction but not appearing on today's agenda.

4. Mid-Year Budget

Receive an update of the budget as of December 31, 2016, mid-year.

5. End of Year Projection

Receive an end of year projection for fiscal year 2016-2017. The committee may recommend appropriation transfers.

6. Budget FY 2017-2018

Discuss the budget and work plan for the upcoming fiscal year.

7. Adjournment

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LAFCO							
MID YEAR (MY) BUDGET: FY 16/17							
FUND: 345							
CATEGORY			12/31/2017	01/31/2017			
SUBJECT	Description	16/17 WB	Mid Year Actuals Plus Encumbrance	Actuals Plus Encumbrance	Proposed Adjustment	Adjusted Budget	Year End Projection
1000	SALARIES AND EMPLOYEE BENEFITS						
0001110	SALARY/WAGES REGULAR	91,434	42,552	49,586	45,612	137,046	137,046
0001210	RETIREMENT-EMPLOYER	14,121	11,527	12,227	4,543	18,664	18,664
0001212	DEFERRED COMP-COUNTY MATCH	130	61	71	45	175	175
0001220	FICA-EMPLOYER	1,326	630	734	105	1,431	1,431
0001230	HEALTH INS-EMPLOYER	15,969	7,522	8,884	3,915	19,884	19,884
0001231	VISION CARE INSURANCE	240	70	83	101	341	341
0001240	COMPENSATION INSURANCE	702	781	781		702	702
0001241	LT DISABILITY INSURANCE ER	200	122	144		200	200
0001250	UNEMPLOYMENT INSURANCE	434	-	434		434	434
0001260	DENTAL INS-EMPLOYER	1,283	562	666	12	1,295	1,295
0001270	ACCRUED LEAVE CTO PAYOFF	3,431	-	-	1,814	5,245	5,245
0001290	LIFE INSURANCE-EMPLOYER	475	266	313		475	475
TOTAL	SALARIES AND EMPLOYEE BENEFITS	129,745	64,092	73,923	56,147	185,892	185,892
2000	SERVICES AND SUPPLIES						
0002021	COMMUNICATION-TELEPHONE SYSTEM	300	249	249	250		550
0002028	TELEPHONE SERVICES	2,100	922	1,306			2,100
0002035	HOUSEHOLD EXPENSE	500	-	-	(500)		-
0002051	LIABILITY INSURANCE	3,563	3,363	3,363			3,563
0002140	MAINTENANCE-BLDGS & IMPROVE	150	-	-		150	150
0002170	MEMBERSHIPS	4,657	4,650	4,650			4,657
0002171	PROFESSIONAL LICENSES & CERT	800	-	-	(800)	-	-
0002180	BOOKS & SUBSCRIPTIONS	400	-	-			400
0002200	OFFICE EXPENSE	1,500	656	656			1,500
0002203	COMPUTER COMPONENTS <\$1,500	500	-	-			500
0002205	POSTAGE	1,000	7	43	(800)	200	200
0002235	ACCOUNTING & FINANCIAL SERVICE	24,000	9,585	15,891		24,000	24,000
0002245	CONTRACTED SERVICES	40,000	14,295	22,285	(17,000)	23,000	23,000
0002250	OTHER PROFESSIONAL SERVICES	154,300	113,447	129,335	(24,715)	129,585	129,585
0002266	CENTRAL DATA PROCESSING SVCE	8,450	4,249	4,958			8,450
0002270	SOFTWARE	600	-	-			600
0002280	PUBLICATIONS AND LEGAL NOTICES	2,800	336	336	(2,000)	800	800
0002285	RENTS & LEASES - EQUIPMENT	6,000	1,913	2,702			6,000
0002295	RENTS & LEASES-BUILDINGS/IMPR	18,145	15,824	15,824		18,145	18,145
0002310	EDUCATION & TRAINING	2,000	-	-	(1,500)	500	500
0002311	TUITION REIMBURSEMENT	1,100	1,100	1,100		1,100	1,100
0002335	TRAVEL EXPENSE	10,400	3,059	3,059	(5,000)	5,400	5,400
0002339	MANAGEMENT BUSINESS EXPENSE	300	-	-		300	300
0002355	PERSONAL MILEAGE	2,000	491	491	(1,000)	1,000	1,000
0002360	UTILITIES	-	-	-		-	-
TOTAL	SERVICES AND SUPPLIES	285,565	174,146	206,247	(53,065)	232,500	232,500
9200	LICENSES, PERMITS & FRANCHISE						
0009229	LICENSES & PERMITS-OTHER	10,000	3,400	3,400	-	10,000	17000
TOTAL	LICENSES, PERMITS & FRANCHISE	10,000	3,400	3,400	-	10,000	17000
9400	REVENUE FROM USE OF MONEY/PROP						
0009401	INTEREST INCOME	1,000	736	1,592	-	1,000	2000
TOTAL	REVENUE FROM USE OF MONEY/PROP	1,000	736	1,592	-	1,000	2000
9500	INTERGOVERNMENTAL REVENUES						
0009511	OTHER GOVERNMENTAL AGENCIES	358,464	358,464	358,464	-	358,464	
TOTAL	INTERGOVERNMENTAL REVENUES	358,464	358,464	358,464	-	358,464	
	TOTAL EXPENDITURES	415,310	238,239				
	TOTAL REVENUES	369,464	362,600	-			
	NET COUNTY COST	45,846	(124,361)				
740	Fund Balance from FY 2015-2016	\$ 11,976.50					
730	General Reserve Account	\$ 83,102.00					

2250 Vendor	Date	Amount	Total by Vendor		
Mulberg	8/4/2016	\$ 9,700.00			
	9/12/2016	\$ 10,950.00			
	10/6/2016	\$ 7,000.00			
	11/1/2016	\$ 10,100.00			
	12/6/2016	\$ 9,450.00			
	1/18/2017	\$ 11,000.00			
			\$ 58,200.00		
Browne	8/2/2017	\$ 1,750.00			
	8/25/2017	\$ 1,762.40			
	12/6/2017	\$ 5,250.00			
	1/18/2017	\$ 1,750.00			
			\$ 10,512.40		
Others	8/16/2017	\$ 1,035.00			
	10/26/2017	\$ 350.00			
	1/24/2017	\$ 437.50			
			\$ 1,822.50		
Per Diem	Jul-Jan	\$ 3,800.00	\$ 3,800.00		
Actuals as of Jan 24			\$ 74,334.90		
Chamberlain	Jan-April	\$ 35,000.00			
Browne	Jan-Jun	\$ 12,350.00			
Website	Jan-Jun	\$ 400.00			
Per Diem	Jan-Jun	\$ 5,000.00			
Office Help	Jan-Jun	\$ 2,500.00			
Projection sum			\$ 55,250.00		
Actuals plus projection			\$ 129,584.90		
Working Budget	Actuals+projection	Balance			
\$ 154,300.00	\$ 129,584.90	\$ 24,715.10			