



AGENDA ITEM 6B

MEETING: January 18, 2017
TO: Humboldt LAFCo Commissioners
FROM: George Williamson, Executive Officer
SUBJECT: **Fiscal Year 2016-17 Mid-Year Budget Report and Amendment**
The Commission will receive a mid-year budget report for fiscal year 2016-2017 and will consider a budget amendment in the amount of \$3,260, which would be covered by the Commission's available fund balance.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 mandates LAFCo operating costs shall be annually funded by affected counties, cities, and independent special districts on a one-third apportionment process. Apportionments for cities and special districts are further divided and proportional to each agency's total revenues as a percentage of the overall revenue amount collected in the county. LAFCOs are also authorized to establish and collect fees to offset agency contributions.

DISCUSSION

Humboldt LAFCo's adopted FY 2016-17 budget for staffing and services/supplies totaled \$159,250. Budgeted revenues from intergovernmental contributions, service charges, and investments totaled \$140,300, with an additional \$18,950 allocated using the unexpended fund balance so as not to increase member contributions.

Mid-year actuals are provided in Attachment A. With regard to revenues, the county, cities and independent special districts allocations are collected by the Auditor. Staff anticipates the County's contribution to be transferred in the coming month. In addition, additional application fees are expected before the close of year-end.

With regard to actual expenses, costs associated with conference registration and travel expenses are more than budgeted. A total of four commissioners and two staff attended the CALAFCO Annual Conference in Santa Barbara. A budget amendment is proposed to make discretionary adjustments to several Services and Supplies Accounts to account for increased costs. The total budget amendment is \$3,260, which would be covered by the Commissions available fund balance.

RECOMMENDATION

Staff recommends the Commission adopt Resolution No. 17-01, approving a budget amendment for fiscal year 2016-17, as provided in Attachment A.

Attachments

Attachment A: Proposed Budget Amendment for FY 2016-17
Attachment B: Resolution No. 17-02

Humboldt LAFCo Operating Budget

ATTACHMENT A

Revenues:

		FY 2016-17		
<u>Acct #</u>	<u>Title</u>	ADOPTED	MID YEAR ACTUAL	PROPOSED AMENDMENT
Intergovernmental				
671181	Cities	36,567.00	36,567.00	36,567.00
671182	Special Districts	36,567.00	36,566.73	36,567.00
671183	County	36,566.00		36,566.00
Intergovernmental Total		\$ 109,700.00	\$ 73,133.73	\$ 109,700.00
Service Charges				
631100	Professional Services (Application Fees)	30,000.00	8,703.00	30,000.00
682238	Charges for Services	-	-	-
707010	Miscellaneous	-	-	-
Service Charges Total		\$ 30,000.00	\$ 8,703.00	\$ 30,000.00
Investments				
401000	Interest	600.00	522.94	600.00
Interest Total		\$ 600.00	\$ 522.94	\$ 600.00
Revenue Total		\$ 140,300.00	\$ 82,359.67	\$ 140,300.00

Expenses:

		FY 2016-17		
<u>Acct #</u>	<u>Title</u>	ADOPTED	MID YEAR ACTUAL	PROPOSED AMENDMENT
Staffing				
2255	Legal Fees	5,000.00	2,295.00	5,000.00
2118	Professional & Special Services (Task Order 1)	49,000.00	29,345.00	49,000.00
2118	Professional & Special Services (Task Order 2)	55,000.00	29,048.00	55,000.00
2118	Professional & Special Services (App Review)	30,000.00	18,977.22	30,000.00
2323	Special Dept Expense		732.00	
2325	Contract Services	-	-	-
Staffing Total		\$ 139,000.00	\$ 80,397.22	\$ 139,000.00
Services and Supplies				
2106	Communications	200.00	77.70	160.00
2107	Duplicating	200.00	157.50	300.00
2110	Insurance	2,000.00	1,917.90	2,000.00
2115	Memberships	3,800.00	2,548.00	3,800.00
2116	Postage	100.00	-	50.00
2117	Office Supplies	100.00	-	-
2119	Publications & Legal Notices	750.00	696.61	1,000.00
2121	Rents & Leases - Structures	5,400.00	2,700.00	5,400.00
2123	Special Departmental Expense (Honorariums)	700.00	200.00	600.00
2125	Transportation & Travel	600.00	240.84	600.00
2147	Media	400.00	171.20	400.00
2225	Transportation Out of County	4,000.00	5,090.01	6,000.00
2614	Staff Development & Training (Conference Registration)	2,000.00	2,890.00	3,200.00
Services and Supplies Total		\$ 20,250.00	\$ 16,689.76	\$ 23,510.00
Contingency/ Carryover				
2020	Contingency	-	-	-
Contingency Total		-	-	-
Expense Total		\$ 159,250.00	\$ 97,086.98	\$ 162,510.00

Operating Difference

\$ (18,950.00) \$ (14,727.31) \$ (22,210.00)

(Negative Balance Indicates Use of Reserves)

Unreserved/Unrestricted Fund Balance

Beginning \$ 96,659.27
Ending



RESOLUTION NO. 17-01

**BUDGET AMENDMENT
FOR FISCAL YEAR 2016-17**

WHEREAS, the Humboldt Local Agency Formation Commission, hereinafter referred to as the "Commission", annually adopts a final budget to fulfill its purposes and functions that are set by State law; and

WHEREAS, the Commission adopted a fiscal year 2016-17 budget for \$159,250.00 at its May 25, 2016 meeting; and

WHEREAS, the Commission considered a proposed fiscal year 2016-17 budget amendment for \$162,510.00, a difference of \$3,260.00, which would be covered by the Commission's available fund balance; and

WHEREAS the Commission heard and fully considered all the evidence presented at a public meeting held on the proposed fiscal year 2016-17 budget amendment on January 18, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. A budget amendment for fiscal year 2016-17, as outlined in Exhibit A, is hereby approved.

PASSED AND ADOPTED at a meeting of the Humboldt Local Agency Formation Commission on the 18th day of January, 2017, by the following roll call vote:

AYES: Commissioners:
NOES: Commissioners:
ABSENT: Commissioners:
ABSTAIN: Commissioners:

Virginia Bass, Chair
Humboldt LAFCo

Attest:

George Williamson, Executive Officer
Humboldt LAFCo