

Santa Barbara LAFCO

Proposed 2020-2021 Santa Barbara LAFCO
Budget

May 14, 2020

Background

- LAFCO is an independent commission established by the legislature to carry out specific duties and objectives. It is responsible for adopting its budget to fulfill the purposes described in the Cortese-Knox-Hertzberg Act.
- Government Code Section 56381 requires LAFCO, after conducting public hearings, to:
 - Adopt a proposed budget for the next fiscal year not later than May 1. This is transmitted to the County, each city and each independent special district for their review and comment.
 - Adopt the final budget for the next fiscal year by June 15.

Summary of Proposed Budget

The recommended Proposed Budget is \$362,300 - a decrease of \$23,450 below the current year budget. The main reasons for the reduction are, as follows:

- The General Fund Cost Allocation (CAP) decreased by \$28,200 compared to the current year's budget.
- There is no recommended contribution to contingency reserve because the reserve is now adequate to fund unanticipated expenses such as litigation and other legal services, professional services, and other unexpected and other unbudgeted expenses. Any year-end fund balance will also be added to reserves.

Contingency Reserve

- During 2018-2019, \$80,000 was transferred to the contingency/reserve account. This was based on billings from the County Assessor and Elections Office and time spent on complex proposals.
- On June 30, 2020, the Commission's reserves will equal approximately \$202,200.
- Appropriations not expended during one fiscal year become part of the available fund balance to finance the Commission in the following fiscal year.

Proposed 2020-2021 LAFCO Budget

Proposed Budget Summary	Adjusted Budget 2019-2020	Proposed 2020-2021	Change
Salaries and Benefits	\$16,800	\$16,800	\$0
Contracted Staff Support	\$235,000	\$240,000	\$5,000
Services & Supplies	\$132,350	\$104,200	(\$28,150)
Other Charges	\$1,600	\$1,300	(\$300)
Total	\$385,750	\$362,300	(\$23,450)
Contingencies	\$0	\$0	\$0
Total Appropriations	\$385,750	\$362,300	(\$23,450)
Revenues	\$385,750	\$362,300	(\$23,450)

Recommendation

It is recommended that the Commission:

- a) Review the Proposed Budget for FY 2020-2021, accept all public testimony and approve the Proposed Budget as presented;
- b) Direct staff to distribute the approved Proposed Budget to Cities, Special Districts and the County as required by Government Code Section 56381; and
- c) Schedule a public hearing for June 2020 to consider and adopt the Final Budget.