



Inyo Local Agency Formation Commission
168 North Edwards Street
Post Office Drawer L
Independence, California 93526

Phone: (760) 878-0263

FAX: (760) 872-2712

E-Mail: inyolafco@inyocounty.us

LAFCO STAFF REPORT

AGENDA ITEM No. 8 (Action Item - Public Hearing scheduled for 10:00am)
DATE OF MEETING: May 8, 2017
SUBJECT: Consideration of Budget Amendment #1 to Fiscal Year (FY) FY 2016-2017 Budget

EXECUTIVE SUMMARY:

This report presents the Executive Officer's budget message and recommendations for amendment #1 to the FY 2016-2017 budget. The Inyo County Auditor has requested a Commission Order to reflect the budget amendment. [4/5 vote required]

Recommended

Action: *Request the Commission amend the FY 2016-2017 LAFCO Budget, Budget Unit 451001 by increasing appropriations in LAFCO Other Agency (Revenue Object Code #4599) by \$60,000; by increasing appropriations in Professional Services (Expenditure Object Code #5265) by \$62,500; by increasing appropriations in Travel Expense (Expenditure Object Code #5331) by \$853; by decreasing Motor Pool (Expenditure Object Code #5333) by \$520 and authorize the chair to sign an order to reflect the budget amendment.*

Alternatives: *Continue the public hearing and provide direction to staff regarding changes to the proposed budget amendment for FY 2016-2017*

BACKGROUND INFORMATION:

The Commission approved the FY 2016-2017 budget on June 13, 2016. This budget includes funding for contracts with the Inyo County Planning Department for the services of LAFCO Executive Officer and support staff. The Commission contracts with the Inyo County Office of County Counsel for legal services. A single contract between Inyo LAFCO and the County of Inyo covers both staff and counsel services.

The Commission has initiated litigation in the matter of Southern Mono Health Care District has opening a new clinic within the City of Bishop within the boundaries of the Northern Inyo Hospital District (NIH) without proper authorization. On June 1, 2015, Inyo LAFCO authorized the Executive Director and Counsel to seek outside counsel to represent Inyo LAFCO in matter. The Commission also authorized the Executive Director to sign any contracts related to litigation on behalf of the Inyo LAFCO. The Law Firm of Myers Nave was retained to represent and advise Inyo LAFCO on the NIH/SMHD matter.

A contract was entered into with Myers Nave in June 2015. It and has been amended four times; the last of these amendments occurred this past March. This recent amendment will provide the funds needed to continue to retain the services of Myers Nave. This amendment requires a LAFCO budget amendment for the amount of \$60,000. A separate contract with NIH provides funds to offset these costs and was amended on April 4, 2017, in an amount not to exceed \$275,000. This additional funding increases revenue for FY 2016-2017 by \$60,000.

An increase in travel costs to the budget has also been adjusted in the amount of \$853 for costs related to the staff workshop and a decrease in motor pool of \$520 to actual cost. Finally, an increase in audit fees to make up for fees that were not charged in the 2015-2016 by the County Auditor is included in amount of \$2,500.

The Inyo County Auditor has requested a Commission Order to reflect the budget amendment.
Respectfully Submitted,



Cathreen Richards, Executive Officer

Attachments: Exhibit A – Actual Expenditures for the 5 previous years
Exhibit B – Budget Worksheets

COUNTY OF INYO
ACT001A - 6 YEAR ACTUALS COMPARISON

Drilldown is based on ENTIRE fiscal year availability

Report Date:04/26/2017

451001 LOCAL AGENCY FORMATION COMMISS

	<u>ACTUAL</u> 6/30/2012	<u>ACTUAL</u> 6/30/2013	<u>ACTUAL</u> 6/30/2014	<u>ACTUAL</u> 6/30/2015	<u>ACTUAL</u> 6/30/2016	<u>ACTUAL</u> 6/30/2017
REVENUES						
4301 INTEREST FROM TREASURY	152.57	87.00	80.71	85.54	258.59	165.12
REV USE OF MONEY & PROPERTY	152.57	87.00	80.71	85.54	258.59	165.12
4562 COUNTY CONTRIBUTION	0.00	10,000.00	11,000.00	5,000.00	5,000.00	0.00
4599 OTHER AGENCIES	0.00	10,000.00	11,000.00	14,332.44	151,126.27	68,488.35
AID FROM OTHER GOVT AGENCIES	0.00	20,000.00	22,000.00	19,332.44	156,126.27	68,488.35
4817 LAFCO FEES	0.00	0.00	0.00	0.00	1,600.00	0.00
CHARGES FOR CURRENT SERVICES	0.00	0.00	0.00	0.00	1,600.00	0.00
4998 OPERATING TRANSFERS IN	0.00	0.00	0.00	0.00	0.00	6,876.51
OTHER FINANCING SOURCES	0.00	0.00	0.00	0.00	0.00	6,876.51
TOTAL REVENUES	152.57	20,087.00	22,080.71	19,417.98	157,984.86	75,529.98
EXPENSES						
5001 SALARIED EMPLOYEES	100.00	250.00	150.00	290.00	250.00	100.00
5021 RETIREMENT & SOCIAL SECURITY	7.65	19.67	12.42	22.09	18.77	7.52
5022 PERS RETIREMENT	0.00	6.79	12.93	23.72	24.59	8.86
5031 MEDICAL INSURANCE	1.05	4.42	0.00	0.00	2.12	0.00
5043 OTHER BENEFITS	0.00	7.05	12.33	0.00	0.00	0.00
SALARIES & BENEFITS	108.70	287.93	187.68	335.81	295.48	116.38
5263 ADVERTISING	56.10	130.40	163.00	64.65	168.40	0.00
5265 PROFESSIONAL & SPECIAL SERVICE	8,798.34	12,764.36	9,072.45	24,326.43	139,951.41	79,658.77
5311 GENERAL OPERATING EXPENSE	754.95	770.95	858.00	799.02	895.23	840.00
5331 TRAVEL EXPENSE	3,778.20	4,003.43	1,039.27	3,506.73	1,099.77	3,139.05
SERVICES & SUPPLIES	13,387.59	17,669.14	11,132.72	28,696.83	142,114.81	83,637.82
5125 FINANCIAL SYSTEM CHARGES	248.00	0.00	0.00	0.00	0.00	0.00
5315 COUNTY COST PLAN	484.00	585.00	30.96	167.00	108.96	442.49
5333 MOTOR POOL	90.46	1,095.52	416.77	957.56	355.46	450.92
INTERNAL CHARGES	822.46	1,680.52	447.73	1,124.56	464.42	893.41

User: DFORTNEY

Report: ACT001A - ACTUAL COMPARISON

Current Date: 04/26/2017

Current Time: 14:44:13

COUNTY OF INYO
ACT001A - 6 YEAR ACTUALS COMPARISON

Drilldown is based on ENTIRE fiscal year availability

Report Date:04/26/2017

	<u>ACTUAL</u> 6/30/2012	<u>ACTUAL</u> 6/30/2013	<u>ACTUAL</u> 6/30/2014	<u>ACTUAL</u> 6/30/2015	<u>ACTUAL</u> 6/30/2016	<u>ACTUAL</u> 6/30/2017
5801 OPERATING TRANSFERS OUT	0.00	0.00	0.00	0.00	0.00	20,667.57
OTHER FINANCING USES	0.00	0.00	0.00	0.00	0.00	20,667.57
TOTAL EXPENSES	14,318.75	19,637.59	11,768.13	30,157.20	142,874.71	105,315.18
451001 NETLOCAL AGENCY FORMATION COMMISS	-14,166.18	449.41	10,312.58	-10,739.22	15,110.15	-29,785.20

FY 2016-2017 AMENDED Budget

Object Code			
Revenues			
4301 - Interest from Treasury	\$	100	\$ 100
4562 - County Contributions	\$	5,000	\$ 5,000
4599 - Other Agencies	\$	65,000	\$ 125,000
4817 - LAFCO Fees	\$	17,065	\$ 17,065
Total	\$	87,165	\$ 147,165
Expenses			
5001 - Salaried Employees	\$	500 *	\$ 500
5021 - Retirement & Social Security	\$	38	\$ 38
5022 - PERS Retirement	\$	41	\$ 41
5031 - Medical Insurance	\$	11	\$ 11
5043 - Other Benefits	\$	100	\$ 100
5263 - Advertising	\$	225	\$ 225
5265 - Professional & Special Services	\$	93,294 *	\$ 155,794
5311 - General Operating Expense	\$	1,065 *	\$ 1,065
5331 - Travel Expense	\$	3,675 *	\$ 4,528
5315 - County Cost Plan	\$	590	\$ 590
5333 - Motor Pool	\$	1,152 *	\$ 632
Total	\$	100,690	\$ 163,523
FY 2016-2017 Balance	\$	(13,524)	\$ (16,358)
FY 2015-2016 Balance	\$	29,217	\$ 29,217
Projected Balance 6/30/2017	\$	15,693	\$ 12,859

* See attached Worksheets for details

FY 2016-2017 AMENDED Budget

Description-Salary #5001		\$
5 meetings w/ 2 Commissioners *	= \$	500
	\$	500

* Board Of Supervisor Members are paid through regular payroll

Exhibit "B"

FY 2016-2017 AMENDED Budget

Description-Prof Svcs #5265				
5 meetings w/ 4 Commissioners	= \$	1,000	\$	1,000
Staff Time for meetings	= \$	2,904	* \$	2,904
County Counsel for meetings	= \$	1,470	\$	1,470
Staff Conference	= \$	1,728	* \$	1,728
Annual Conference	= \$	2,918	* \$	2,918
Special District Update	= \$	432	* \$	432
Prep of prelim annual budget	= \$	432	* \$	432
Prep of annual budget	= \$	432	* \$	432
Staff time for the Audit	= \$	324	* \$	324
Staff time for Sm Project	= \$	3,385	* \$	3,385
Staff time for Lrg Proect (NIH)	= \$	13,680	* \$	13,680
Audit cost (Gallina)	= \$	2,500	* \$	5,000
Misc. acct	= \$	648	* \$	648
Various public inquiries	= \$	1,440	* \$	1,440
Meyers Nave Contract	= \$	60,000	\$	120,000
		\$ 93,294	\$	155,794

* Includes 20% Overhead charge

FY 2016-2017 AMENDED Budget

Description-Gen Op #5311		\$
CALAFCO Membership	= \$	840
Misc. materials	= \$	225
	\$	1,065

Exhibit "B"

FY 2016-2017 AMENDED Budget

Description-Travel #5331				
3 meetings w/ 6 Commissioners	=	\$	315	\$ 315
Staff Conference registration	=	\$	350	\$ 380
Staff Conference per diem	=	\$	236	\$ 236
Staff Conference hotel	=	\$	450	\$ 490
Staff Conference Mileage	=	\$		\$ 348
Annual Conference registration	=	\$	850	\$ 996
Annual Conference per diem	=	\$	296	\$ 415
Annual Conference hotel	=	\$	800	\$ 1,000
Annual Conference mileage	=	\$	378	\$ 348
		\$	3,675	\$ 4,528

Exhibit "B"

FY 2016-2017 AMENDED Budget

Description-Salary #5001		\$		\$
5 meetings in Bishop	=	\$	284	\$ 284
Annual Conference	=	\$	434	\$ 348
Staff Conference	=	\$	434	\$ -
		\$	1,152	\$ 632

Exhibit "B"

FY 2016-2017 AMENDED Budget

LAFCO Meetings

5 meetings w/6 Commissioners	\$ 1,689	Object 5265 plus Salary object codes
Staff Time for meetings	\$ 2,904	
County Counsel for meetings	\$ 1,470	
Commissioner Travel	\$ 315	
Staff Travel	\$ 284	
	<hr/>	
	\$ 6,662	

Exhibit "B"

FY 2016-2017 AMENDED Budget

LAFCO Conference

Description-Salary #5001	\$ 2,918	\$ 2,918
Travel for Annual Conf (Reg, PD, Hotel, MP)	\$ 2,758	\$ 3,107
Staff time for Staff Conf	\$ 1,728	\$ 1,728
Travel for Staff Conf (Reg, PD, Hotel, MP)	\$ 1,470	\$ 1,454
	\$ 8,874	\$ 9,207

Exhibit "B"

FY 2016-2017 AMENDED Budget

Object Code	Budgeted FY1617	Actual as of 4/24/2017	Projected 6/30/2017
Revenues			
4301 - Interest from Treasury	\$ 100	\$ 165	\$ 100
4562 - County Contributions	\$ 5,000	\$ -	\$ 5,000
4599 - Other Agencies	\$ 65,000	\$ 68,488	\$ 125,000
4817 - LAFCO Fees	\$ 17,065	\$ -	\$ 17,065
Total	\$ 87,165	\$ 68,653	\$ 147,165
Expenses			
5001 Salaried Employees	\$ 500	\$ 100	\$ 500
5021 - Retirement & Social Security	\$ 38	\$ 8	\$ 38
5022 - PERS Retirement	\$ 41	\$ 9	\$ 41
5031 - Medical Insurance	\$ 11	\$ -	\$ 11
5043 - Other Benefits	\$ 100	\$ -	\$ 100
5263 - Advertising	\$ 225	\$ -	\$ 225
5265 - Professional & Special Services	\$ 93,294	\$ 72,782	\$ 155,794
5311 - General Operating Expense	\$ 1,065	\$ 840	\$ 1,065
5331 - Travel Expense	\$ 3,675	\$ 3,139	\$ 4,528
5315 - County Cost Plan	\$ 590	\$ 442	\$ 590
5333 Motor Pool	\$ 1,152	\$ 400	\$ 632
Total	\$ 100,690	\$ 77,720	\$ 163,523
Est. Ending Balance Budget FY16/17	\$ (13,524)	\$ (9,067)	\$ (16,358)
FY 2015-2016 Balance	\$ 29,217	\$ 18,103	\$ 29,217
Est. Fund Bal Aval. FY17/18	\$ 15,693	\$ 9,036	\$ 12,860



Inyo Local Agency Formation Commission

168 North Edwards Street - Post Office Drawer L

Independence, California 93526

Phone: (760) 878-0263 - FAX: (760) 872-2712 - E-Mail: inyolafco@inyocounty.us

COMMISSION ORDER

FIRST AMENDMENT TO THE FISCAL YEAR (FY) 2016-2017 INYO LOCAL AGENCY FORMATION COMMISSION (Inyo LAFCO) BUDGET (451001)

It is hereby ordered that pursuant to an affirmative vote of at least four of the Inyo Local Agency Formation Commissioners that the FIRST AMENDMENT of the FY 2016-2017 Inyo LAFCO Budget (451001) presented to the Commission on May 8, 2017 shall be effective and said Budget is amended as set forth below:

The FY 2016-2017 LAFCO Budget, Budget Unit 451001 by increasing appropriations in LAFCO Other Agency (Revenue Object Code #4599) by \$60,000; by increasing appropriations in Professional Services (Expenditure Object Code #5265) by \$62,500; by increasing Travel Expense (Expenditure Object Code #5331) by \$853 and decreasing appropriations in Motor Pool (Expenditure Object Code 5333) by \$520

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS
8th DAY OF MAY 2017

INYO LAFCO

By: _____
Laura Smith, Chair

By: _____
Cathreen Richards, Executive Officer

Dated: _____

Dated: _____