

SONOMA LOCAL AGENCY FORMATION COMMISSION

111 SANTA ROSA AVENUE, SUITE 240, SANTA ROSA, CA 95404

(707) 565-2577

www.sonomalafco.org

Staff Report

Meeting Date: November 1, 2023

Agenda No. Item 3.1

Agenda Item Title: FY 2022-23 Year End Actuals

**Environmental
Determination:** Not a project under CEQA

Staff Contacts: Mark Bramfitt and Cynthia Olson

ANALYSIS

Attached for the Commission's review is a spreadsheet showing the Commission's actual expenditures and revenues for the fiscal year beginning July 1, 2022, through June 30, 2023.

Summary:

The Expenditures for FY 2022-23 totaled \$761,815, 80% of the Adopted Budget of \$951,245. Revenues totaled \$823,094, 87% of the Adopted Budget of \$951,245. This amount includes \$37,400 in fees for services that is accounted for but not included in the budget and \$21,524 in interest accrued on pooled cash.

In adopting the FY 2022-23 budget, the Commission limited the increase in agency apportionments to 3% over the 2021-22 budget by using Fund Balance monies to balance the level of projected expenditures. The final figures show that the fees for services and interest on pooled cash together with the lower than projected actual expenditures eliminated the need to use monies from the Fund Balance.

Salaries and Benefits

The Administrative Analyst I-III position (0.7 FTE) was included in the 2022-23 budget but not filled. This resulted in an 26% reduction in the Salaries and Benefits expenditures from the Adopted Budget.

Expenditures:

The cost for legal services was higher than budgeted due to the increased complexity of projects requiring legal review and consultation. Staff also receives assistance from Counsel with regards to the review and drafting of documents related to the California Environmental Quality Act (CEQA).

The costs for Postage (Acct 51911), Printing (Acct 51915) and Legal Notices (Acct 51301) were higher due to the cost of the printing and mailing of protest forms for the Gold Ridge Fire Protection District reorganization and the number and size of legal notices for the various proposals and projects. The printing, postage and noticing costs associated with the District reorganization were reimbursed to LAFCO by the District.

Revenues:

The apportionments were slightly more than budgeted due to a small over payment by one of the special districts. The interest on pooled funds was substantially higher than projected due to the increase in investment returns reflective of the improving world economy. Overall, the revenues were sufficient to cover the costs of the expenditures without the use of the Commission's fund balance.

Fund Balance:

The beginning fund balance as of July 1, 2022, was \$763,792, of which \$182,107 was committed to balance the FY 2022-23 Budget. As no funds were needed to cover

expenditures, \$61,279 was added to the fund balance for a total of \$825,071. As per Commission policy, 50% or \$412,536 is to be held in reserve for unforeseen expenses including employee severances, insurance deductibles, and legal proceedings.

RECOMMENDATIONS

None

ATTACHMENTS

1. FY 2022-23 Year End Actuals