

M E M O R A N D U M

TO: Local Agency Formation Commission

FROM: Stephen Lucas, Executive Officer

SUBJECT: **Agenda Item 6.1 - Executive Officer's Report**

DATE: December 23, 2015 for the meeting of January 7, 2016

ADMINISTRATION:

1. The annual audit conducted by KCOE ISOM (previously known as Matson Isom) began on December 22, 2015 with an all day in-office review to be followed with the preparation of the final audit to be submitted to the Commission in February.
2. The quarterly financial reports (Attachment 1) are provided for review. At this mid fiscal year point, we have received 92% of anticipated revenues and have expended 39% of anticipated expenses.
3. The Executive Officer was invited to be a panelist for the Butte County Leadership Academy at its session on Intergovernmental Affairs held on December 10. Other panelists included the Chico City Manager, Paradise Town Manager, County CAO and General Manager of the South Feather Water and Power Agency. The session focused on collaborative approaches to governance/problem solving and discussed the annexations of Chico islands, the resolution of the sewer connection issue, the Paradise sewer connection study and groundwater management.

PROJECT NOTES:

1. On December 9, Staff had an initial "kick-off" meeting with the Jennifer Stephenson of Policy Consulting Associates who has been retained by the City of Chico in cooperation with LAFCO, to prepare an updated municipal service review and sphere of influence plan. The meeting outlined issues and expectations moving forward with a goal of conducting a public hearing by early summer.

CALAFCO: None

LEGISLATION: The new legislative session is now underway and bills are being formulated for consideration. CALAFCO will focus on clean-up legislation to SB88 which gave authority to the State Water Resources Control Board (SWRCB) to consolidate failing water agencies, an Omnibus bill that will address non-substantive changes in Cortese Knox Hertzberg Local Government Reorganization Act (CKH), and legislation to require Joint Powers Authorities to notify LAFCO of their existence.

GENERAL NOTES: None

APPLICATION ACTIVITY See Attachment 2

Attachments: 1. Second Quarter Financial Report
2. Application Activity Report

Exhibit 1 - FINANCIAL REPORT		2015/16				%
		Adopted	Special Projects	Total	12/23/2015	
Funding Sources:						
101001	Fund Balance	-	-	-	-	0%
4410101	Interest	5,000.00	-	5,000.00	2,102.67	42%
4410103	*Unrealized Gain/Loss	-	-	-	-	0%
4547970	County Funding	263,994.00	-	263,994.00	263,994.00	100%
4547971	Cities Funding	263,994.00	-	263,994.00	263,994.00	100%
4547972	Special Districts' Funding	58,666.00	-	58,666.00	36,421.00	62%
4617230	Filing Fees	35,000.00	-	35,000.00	26,109.27	75%
4712523	Miscellaneous - Revenue	2,000.00	-	2,000.00	-	0%
47112537	Miscellaneous - Refunds	-	-	-	-	0%
4711308	SOI Trust Fund Transfers	15,503.00	-	15,503.00	-	0%
4712531	Reimbursement of P/Y Expenditures	-	-	-	-	0%
Total Funding Sources		644,157.00	-	644,157.00	592,620.94	92.00%
Expenditures:						
511	Salaries & Wages	310,704.00	-	310,704.00	134,007.81	43%
515	Vacation, Sick Leave & Other	-	-	-	-	0%
518	Employee Benefits	147,914.00	-	147,914.00	60,440.61	41%
523	Communications	3,952.00	-	3,952.00	1,586.00	40%
526	Household Expense	500.00	-	500.00	-	0%
527	General Insurance	3,700.00	-	3,700.00	3,580.22	97%
528	Compensation Insurance	1,900.00	-	1,900.00	2,033.88	107%
533	Memberships	4,350.00	-	4,350.00	3,806.20	87%
535	Office Expense	6,000.00	-	6,000.00	118.60	2%
536	Professional & Specialized Services	63,936.00	-	63,936.00	22,521.50	35%
537	Publications & Legal Notices	1,900.00	-	1,900.00	899.06	47%
538	Rents & Leases - Buildings	24,661.00	-	24,661.00	7,748.20	31%
539	Rents & Leases - Equipment	300.00	-	300.00	75.00	25%
541	Special Departmental Expense	3,500.00	-	3,500.00	1,557.57	45%
542	Data Processing	6,680.00	-	6,680.00	1,670.00	25%
543	Transportation & Travel	19,750.00	-	19,750.00	8,870.15	45%
544	Utilities	4,410.00	-	4,410.00	1,335.57	30%
580	Appropriation for Contingencies	30,000.00	-	30,000.00	-	0%
101001	Appropriation for Reserve	10,000.00	-	10,000.00	-	0%
Total Expenditures		644,157.00	-	644,157.00	250,250.37	38.85%

* Unrealized gain/loss is based on cash @ years' end and is a requirement of audited financial statements. Figure is booked and reversed in new year.

SPHERE OF INFLUENCE TRUST FUND 1011308 (December 23, 2015)							
YEAR	BEG BALANCE	DEPOSITS	INTEREST	TRANSFER IN	TRANSFER OUT	REFUNDS/CORRECTIONS	FUND BALANCE
1999/00	45,027.21	16,063.00	2,787.84	-	-	-	63,878.05
2000/01	63,878.05	9,199.50	3,982.46	-	-	-	77,060.01
2001/02	77,060.01	9,068.15	4,100.67	-	-	-	90,228.83
2002/03	90,228.83	14,995.55	4,247.92	-	-	-	109,472.30
2003/04	109,472.30	6,059.25	4,062.26	-	-	-	119,593.81
2004/05	119,593.81	34,524.15	4,260.00	-	(12,000.00)	(150.00)	146,227.96
2005/06	146,227.96	91,520.50	3,946.67	-	(74,000.00)	-	167,695.13
2006/07	167,695.13	151,104.25	8,559.35	-	(73,000.00)	-	254,358.73
2007/08	254,358.73	34,949.25	12,395.38	73,000.00	(68,029.00)	(25,200.00)	281,474.36
2008/09	281,474.36	7,334.00	12,698.86	-	-	-	301,507.22
2009/10	301,507.22	3,750.32	5,289.72	-	(80,493.51)	-	230,053.75
2010/11	230,053.75	7,205.00	4,918.67	-	(21,938.00)	-	220,239.42
2011/12	220,239.42	14,500.00	3,876.74	-	(15,273.00)	-	223,343.16
2012/13	223,343.16	650.00	2,401.42	-	-	-	226,394.58
2013/14	226,394.58	100.00	1,740.00	-	(20,500.00)	(100.00)	207,634.58
2014/15	207,634.58	38,776.00	2,335.78	-	(21,638.00)	(14,354.00)	212,754.36
2015/16	212,754.36	-	-	-	-	-	212,754.36
*Beginning Balance		45,027.21					
Deposits (To Date)		439,798.92					
Interest (To Date)		81,603.74					
Expended (To Date)		(353,675.51)					
Fund Balance,		212,754.36					

*Prior to 2000, the SOI Fund was within the DDS, for which LAFCO had little control. \$45,000 was transferred when LAFCO left the DDS.

Attachment 2 - APPLICATION ACTIVITY								
<i>Project Status As of December 30, 2015</i>								
File	Applicant	Project Name	Date Application Received	Certificate of Filing	LAFCO Hearing Date	Certificate of Completion	SBE Submittal Date	Additional Comments
11-06	Butte County	CSA No. 114 - Expansion of Powers	02/02/11	N/A	pending	N/A	N/A	Incomplete - On Hold
15-08	Biggs	MSR/SOI Plan Updates	01/29/15	N/A	12/03/15			Processing
15-12MS	Buzztail CSD	MSR/SOI Plan Updates	03/16/15	05/14/15	pending	N/A	N/A	MSR/SOI Update in progress
15-17	Chico	Chapman Annexation No. 1	04/17/15	05/17/15	07/02/15			To be Recorded 7/2020
15-18	Chico	Mulberry Annexation No. 1	04/17/15	05/17/15	07/02/15			To be Recorded 7/2020
16-01	Chico	Ext. of Services - 1437 Glenwood Ave	10/22/15	N/A	12/03/15	N/A	N/A	approved
16-02	Chico	Ext of Services - 14 San Gabriel Dr	11/10/15	N/A	01/07/16	N/A	N/A	processing
16-03	Biggs	W. Biggs Gridley Rd Annex No. 2	12/08/15	12/14/15	01/07/16			
16-04	Chico	East 8th St. Annexation No. 21			pending			Incomplete- Fees received only
SP-57	LAFCo	Gateway at Butte Creek						Consultation