

MENDOCINO LOCAL AGENCY FORMATION COMMISSION

FINANCIAL STATEMENTS

JUNE 30, 2023 and 2022

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Mendocino Local Agency Formation Commission Management Discussion & Analysis of Fiscal Years Ending June 30, 2022 & 2023

1 MANAGEMENT DISCUSSION AND ANALYSIS

1.1 DISCUSSION OF BASIC FINANCIAL STATEMENTS

Mendocino Local Agency Formation Commission's (LAFCo) primary funding source for its annual budget is mandated by Government Code Section 56381. Section 56381 requires that the costs of LAFCo are to be paid in equal one-third shares by the agencies represented on the Commission; that is, the County pays one-third of the adopted budget, the four Cities pay one-third and the fifty Special Districts pay one-third. LAFCo does not receive its annual income directly; instead, an independent third party, the County Auditor, receives and holds the funds for LAFCo.

LAFCo's General Fund is its primary operating fund; it is used to account for most all transactions of the Commission. When application fees are received, a Project Fund will be developed for the income and expenditures associated with that particular Project.

The Commission also maintains a reserves account for holding funds for legal and operational contingencies. Commission policies specify a minimum legal reserve of \$35,000 and an operational reserve of 25% of the operational budget (Mendocino LAFCo Policy 5.1.5). Although the Commission did not revise the legal reserve policy, during Fiscal Year 2020/2021, the Commission directed staff to increase legal reserves to \$50,000; direction that has since remained unchanged.

LAFCo has no other specialized funds such as enterprise funds, capital asset funds, debt payment funds, or other similar funds. Because of the size of its budget, the type of income, and the nature of the funding process mandated by Government Code Section 56381 and the keeping of the funds by the County Auditor, LAFCo has historically utilized a modified cash basis of accounting.

1.2 COMPARATIVE FINANCIAL INFORMATION

All services needed by LAFCo, including County services received by LAFCo, must be paid for from LAFCo's budget. This includes such services as staff, legal counsel, GIS, County surveyor, Auditor, (A-87 costs), Assessor and Recorder, engineering services, publications of legal notices, communications, website, insurance, the cost of annual audits, etc. These costs have been reflected in LAFCo's budget since Fiscal Year 2001-2002. Additionally, the costs of the Sphere of Influence/Municipal Service Review process as mandated by G.C. 56425 and 56430 have been reflected in LAFCo's budget.

For several years the Commission relied on excess reserves resulting from underutilized work plan budget to balance the budget, thereby adopting lower apportionment fees. The excess reserves were exhausted in Fiscal Year 2018/2019 and the Commission began to increase apportionment fees annually to work towards adoption of a balanced annual budget. Apportionment fees in Fiscal Year 2019/2020 were \$135,000 and were increased to \$150,000 with the Fiscal Year 2020/2021 budget. In FY

2021/2022, apportionment fees were increased to \$265,000 for a balanced annual budget and to meet Commission direction to increase the legal reserves to \$50,000. Apportionment fees remained \$265,000 in FY 2022/2023 to accommodate the work plan.

1.3 CONDENSED FINANCIAL INFORMATION

A summation of LAFCo’s financial circumstances is provided in the tables below.

1.3.1 Statement of Net Position

Statement of Net Position		
June 30, 2023 & 2022		
Assets	2023	2022
Cash	237,095	174,896
Accounts Receivable	110	110
Total Assets	237,205	175,005
Liabilities	37,859	30,749
Total Net Position	199,346	144,257
Statement of Activities		
June 30, 2023 & 2022		
	2023	2022
Program Expenses	227,245	229,875
Program Revenues	280,926	297,626
Net Program Income	53,681	67,650
General Revenue	1,409	627
Increase in Net Position	55,089	68,277
Net Position-July 1	144,257	75,980
Net Position-June 30	199,346	144,257

1.4 LAFCo’s OVERALL FINANCIAL POSITION

The particular financial circumstances of LAFCo are different from most public agencies. LAFCo has no authority to tax, borrow or enter into capital projects. It does have the power to assess fees for applications and services provided. By law, fees can only be the actual, direct costs of providing the service, and cannot be used to fund the operating costs of LAFCo. The primary expenditures for the budget are paid by the participating agencies rather than from fees, taxes or assessments on property. LAFCo has no debt. Its primary monetary assets are its reserve funds. At end of Fiscal Year 2022/2023, general reserve funds were at \$116,027.

1.5 ANALYSIS AND TRANSACTIONS OF GENERAL FUND-LAFCo’s BUDGET

Following is the adopted amended budget for Fiscal Year 2022/2023, which was adopted by the Commission on June 6, 2022 (LAFCo Resolution No. 2021-22-18) and amended on June 5, 2023 (LAFCo Resolution No. 2022-22-13).

Commission's Final Budget Fiscal Year 2022/2023				
	Quick Books		Original	Amended
Line #	Account #	Description	2022/2023	2022/2023
Revenue				
1	4000	LAFCo Apportionment Fees	\$ 265,000	\$ 265,000
2	4030	Application Filing Fees	-	-
3	4800	Miscellaneous	-	-
4	4910	Interest Income	100	100
5		Total	\$ 265,100	\$ 265,100
Use of Residual Cash				
6			-	-
7		Total Income	\$ 265,100	\$ 265,100
Expenses				
8	5300	Contract Services - Office & Staff	125,100	125,100
9	5500	Office Rent	6,500	6,500
10	5600	Office Expense	3,300	3,300
11	5700	Internet & Website Costs	2,500	2,500
12	5900	Publication & Legal Notices	2,000	2,000
13	6000	Televising Commission Meetings	2,000	2,000
14	6100	Audit Services	3,800	3,800
15	6200	Bookkeeping	4,500	4,500
16	6300	Legal Counsel	19,000	19,000
17	6400	A-87 Costs - County Services	2,100	3,200
18	6500	Insurance - General Liability	3,200	3,200
19	6600	Memberships (CALAFCO/CSDA)	3,700	3,700
20	6670	GIS Contract (Counsel training/IS Support)	2,000	4,000
21	6740	In-County Travel & Stipends	4,000	4,000
22	6750	Travel & Lodging	6,000	2,900
23	6800	Conferences (Registrations)	4,100	4,100
24	7000	Work Plan (MSRs and SOIs)	70,000	70,000
25		Total Expenses before Application Fees	\$ 263,800	\$ 263,800
26	8000	Application Filing Fees	-	-
27		Total Expense	\$ 263,800	\$ 263,800
28		Fund Balance	\$ 30,815	\$ 30,815
29		General Reserves (Legal & Operational)	\$ 115,950	\$ 115,950
		Work Plan Contingency (Cash Balance)	\$ 30,815	\$ 30,815

1.6 ANALYSIS OF SIGNIFICANT BUDGETARY VARIATIONS-UNSPENT FUNDS

Each year, since the beginning of the budget process under Cortese-Knox-Hertzberg (CKH), there have been unspent funds from the various line items. The Commission through its budget deliberations process has determined that money not spent in one budget year from various line items, is to be used in the next year's budget to increase reserves and as a Fund Balance Carryover to offset the forthcoming year's budget for G.C. 56425 & 56430 mandates.

Additionally, LAFCo Policies dictate maintenance of a reserve account. LAFCo Policy 5.1.5 *Reserves for Fiscal Stability, Cash Flow, and Contingencies* (Resolution No. 2018-19-06) states: *"Mendocino LAFCo will strive to maintain reserves for fiscal stability, unforeseen operating or capital needs, cash flow requirements, revenue source stability from revenue shortfalls, and unanticipated legal fees. The reserves consist of an Operating Reserve of 25 percent of the annual operating budget and a Legal Reserve of \$35,000 and are to be maintained in separate accounts."*

During Fiscal Year 2020/2021, the Commission directed staff to increase legal reserves to \$50,000. Commission direction remained unchanged through FY 2022/2023.

1.7 DESCRIPTION OF SIGNIFICANT CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

Except for a provision in CKH that allows the Board of Supervisors to lend temporary operational funds to the Commission, LAFCo has no authority to borrow or to develop capital projects. The Commission has no mortgages, leases, liens, short-term loans, long-term debt, or any other encumbrances. It owns no stocks, bonds, securities or other investments. It has no capital assets or capitalization programs. The Commission does have the authority to pursue grants to assist in its decision making, but has no grants at this time.

1.8 DISCUSSION OF SIGNIFICANT CHANGES IN CONDITIONS AND ESTIMATED MAINTENANCE EXPENSES FOR INFRASTRUCTURE ASSETS

The Commission owns no land, buildings or infrastructure. Other than normal office furniture, filing cabinets, telephone, computer, and printer, the Commission has no physical assets. Paper and electronic records or past actions and activities are maintained in the LAFCo office, and from the date of inception of LAFCo in 1963.

1.9 CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

There are no facts, decisions or conditions that are currently known that are expected to significantly alter LAFCo's future financial picture.

1.10 ADDITIONAL FINANCIAL INFORMATION

This financial report is designed to provide LAFCo's participating agencies, members of the public, customers, and other interested parties with an overview of LAFCo's financial results and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact Mendocino LAFCo at 200 South School Street, Ukiah, CA 95482; 707-463-4470.

2 INDEPENDENT AUDITOR'S REPORT

February 14, 2024

Mendocino LAFCO

Ukiah, CA

INDEPENDENT AUDITOR'S REPORT

Opinions

We have audited the accompanying financial statements of Mendocino LAFCO as of and for the year-ended June 30, 2023, as listed in the Table of Contents. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mendocino LAFCO as of June 30, 2023, and the respective changes in financial position, and cash flows where applicable for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always

detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information and Budget VS. Actual comparison be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurances on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide an assurance.

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3 FINANCIAL STATEMENTS

3.1 STATEMENT OF NET POSITION & GOVERNMENTAL FUNDS BALANCE SHEET

LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY						
STATEMENT OF NET POSITION						
& GOVERNMENTAL FUNDS BALANCE SHEET						
AS OF JUNE 30, 2023 & 2022						
	General	Adjustments	Statement	General	Adjustments	Statement
	Fund	Note 3	of Net	Fund	Note 3	of Net
			Position			Position
			2023			2022
Assets						
Cash - Note 2	\$237,095	\$ -	\$237,095	\$174,896	\$ -	\$174,896
Accounts Receivable	110	-	110	110	-	110
Total Assets	237,205	-	237,205	175,006	-	175,006
Liabilities						
Accounts Payable	26,044	-	26,044	18,302	-	18,302
Fees Received in Advance	11,815	-	11,815	12,448	-	12,448
Total Liabilities	37,859	-	37,859	30,750	-	30,750
Fund Balance/Net Position						
Fund Balances						
Reserved for Legal	50,000	(50,000)	-	50,000	(50,000)	-
Reserved for Operating Reserve	66,030	(66,030)	-	56,750	(56,750)	-
Unassigned	83,316	(83,316)	-	37,506	(37,506)	-
Total Fund Balance	199,346	(199,346)	-	144,256	(144,256)	-
Total Liabilities & Fund Balances	237,205	(237,205)	-	175,006	(175,006)	-
Net Position						
Unrestricted		199,346	199,346		144,256	144,256
Total Net Position		\$ 199,346	\$199,346		\$ 144,256	\$144,256

3.2 STATEMENT OF ACTIVITIES

LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY		
STATEMENT OF ACTIVITIES		
FOR THE YEARS ENDED JUNE 30, 2023 & 2022		
	2023	2022
<u>General Government - Planning</u>		
Insurance-General	\$ 2,800	\$ 2,601
Memberships	3,579	3,470
Audit Fees	3,750	3,520
Internet and Website Costs	1,670	1,976
Legal Counsel	10,800	12,768
Architect, Engineering and Planning Services	-	-
Professional Services	159,491	152,407
Rent	6,510	5,959
Office Expenses	3,240	2,790
Publication and Legal Notices	1,295	1,296
County Support Services (GIS)	4,765	1,469
Televising Commissioner Meetings	1,944	2,014
Bookkeeping-Financial	4,455	4,500
Professional Fees-Applications	16,593	32,157
Transportation and Travel Out of County	1,269	-
In-County Travel & Stipends	757	426
Miscellaneous Expense	4,327	2,624
Special District Training Support		-
Total Program Expenses	227,245	229,977
<u>Program Revenues</u>		
Assessments	265,000	265,000
Application Fees & Reimbursements	15,926	32,626
Total Program Revenues	280,926	297,626
Net Program Income	53,681	67,649
<u>General Revenues</u>		
Interest Earnings	1,409	627
Total General Revenues	1,409	627
Increase in Net Position	55,089	68,277
Net Position - July 1,	144,257	75,980
Net Position - June 30,	\$ 199,346	\$ 144,257

3.3

3.4 NOTES TO THE FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

Organization

The Mendocino Local Agency Formation Commission's (LAFCo) primary operates under the rules and requirements of the Cortese-Knox-Hertzberg Local Government Act of 2000 (CKH). This act is commonly referred to as CKH or AB 2838. This act is found in the Government Code beginning with Section 56000. However, this part of the Government Code does not comprise of all the requirements of laws that LAFCo must meet. Other elements of the law such as the Public Resources Code, Guidelines to California Environmental Quality Act (CEQA), Revenue and Taxation Code, Election Code, Brown Act, case decisions, state and local policies and the policies and procedures of LAFCo also affect the decision-making responsibilities of LAFCo. However, the primary controlling authority of LAFCo is the Government Code beginning with Section 56000 and LAFCo's policies which implement the law.

Accounting Policies

The Commission's accounting and reporting policies conform to the generally accepted accounting principles as applicable to state and local governments. The following is a summary of the more significant policies.

Basis of Presentation

The Statement of Net Position and Statement of Activities display information about the reporting of the Commission as a whole.

The Commission is comprised of only one fund, the General Fund. The General Fund is the primary operating fund of the Commission and is always classified as a major fund. It is used to account for all activities. The Commission maintains two bank accounts to manage the Fund: a checking account with Savings Bank of Mendocino County and a reserves account with Westamerica Bank in Ukiah, CA. The reserves are set aside for legal and operational contingencies; policies are established for both.

Basis of Accounting

Statement of Net Position and Statement of Activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, asset and liabilities resulting from an exchange are recognized when the exchange takes place.

When an expense is incurred for the purpose for which both restricted and unrestricted net assets are available, the Commission's policy is to apply restricted net assets first.

In the General Fund Financial Statements, government funds are presented on the modified accrual basis of accounting. Under this method, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectable within the current period or within sixty days after year end. Expenditures are recorded

when the related fund liability is incurred, except for general obligation bond principal and interest which are recorded when due.

When an expense is incurred for the purpose for which either committed, assigned or unassigned net assets are available, the Commission's policy is to apply committed or assigned net asset first.

Budget

The Commission is required to adopt an annual budget for the Commission's general operations each fiscal year. The annual budget for the general fund is prepared in accordance with the basis of accounting utilized by the Commission. The budget is amended from time-to-time as needed and is approved by the Commissioners with each amendment.

Deposits and Investments

It is the Commission's policy for deposits and investments to either be insured by the FDIC or collateralized. The Commission's deposits and investments are categorized to give an indication of the level of risk assumed by the Commission as of June 30, 2023 and 2022. The categories are described as follows:

- Category 1 Insured, registered or collateralized, with securities held by the entity or its agent in the entity's name.

- Category 2 Uninsured and unregistered or collateralized, with securities held by the counter party's trust department or agent in the entity's name.

- Category 3 Uninsured and unregistered, or uncollateralized, with securities held by the counter party, or its trust department or agent but not held in the entity's name.

Deposits and Investments as of June 30, 2023 and 2022 consist of Category 1 type only.

State law requires uninsured deposits of public agencies to be secured by certain state approved investment securities. The Commission's deposits are secured as part of an undivided collateral pool covering all public deposits with the financial institution. The market value of the pool must be equal to at least 110% of the total public deposits held by the financial institutions.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Risk Management

The Commission is exposed to various risks of loss related to torts, theft to, damage to, and destruction of assets, errors and omissions, injuries to contract staff, and natural disasters. The Commission carries

insurance for all risks. Settled claims resulting from these risks have not exceeded insurance coverages in the past three years.

Equity Classifications – Government-wide Statements

Equity is classified as net position and displayed as follows:

- a. Invested in capital assets, net of related debt – consists of capital assets net of accumulated depreciation and reduced by outstanding liabilities used for acquisition, construction or improvement of these assets.
- b. Unrestricted net position – All other net assets that do not meet the definition of “Investment in capital assets, net of unrelated debt”.

Equity Classifications – Fund Statements

Government fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned or unassigned.

Note 2 – Cash

The Commission maintains an account with Savings Bank of Mendocino County used for issuing checks for the payment of general operating expenses. The County of Mendocino collects the Apportionment Fees from the County, Cities and Special Districts and holds those funds in an account (Treasury) with the County Auditor. When sufficient funds are collected (Apportionment Fees), LAFCo will then transfer funds from the Treasury into the checking account at Savings Bank of Mendocino County. Treasury Savings Bank of Mendocino County balances for the fiscal year ended June 30, 2023 and 2022 were \$75,504 and \$52,912, respectively. Cash on deposit in the County of Mendocino’s treasury is a pooled money investment account similar to a money market account. The funds deposited with the County, until transferred, are invested in accordance with Sections 53601 and 53635 of the California Government Code that specify the authorized investments that an investment pool can purchase. Treasury balances for the fiscal year ended June 30, 2023 and 2022 were \$31,372 and \$6,016, respectively.

The County’s investment policy as of July 7, 1997 prohibits the following: reverse repurchase agreements, collateralized mortgage securities, futures or options, lend securities or security with a stated or potential maturity longer than five years. Interest earnings recorded by the Commission for these funds for the fiscal year ended June 30, 2023 and 2022 were \$1,409 and \$537, respectively. The County of Mendocino issues a separate comprehensive annual financial report. Copies of the County of Mendocino’s annual financial report may be obtained from the County of Mendocino’s Auditor-Controller’s office, 501 Low Gap Road, Room 1080, Ukiah, CA 95482.

The Commission’s deposits with County Treasury have a risk category of “uncategorized” which represents investments in pools where the Commission’s investments are not evidenced by specific identifiable securities.

The Commission also maintains an account with Westamerica Bank used for holding reserve funds for legal and operational contingencies. Commission policies specify a minimum legal reserve of \$35,000 and an operational reserve of 25% of the operational budget. However, beginning in FY 2020/2021, the Commission continues to direct legal reserves be maintained at \$50,000 in response to increases in

complicated applications and work plan tasks. Reserves balances for the fiscal year ended June 30, 2023 were \$50,000 in legal reserves and \$66,030 in operational reserves.

Note 3 – Reconciliation to Statement of Net Position

There are no differences in the amounts reported for government activities in the Statement of Net Position.

Note 4 – Accounts Receivable

On an accrual basis, revenues are recognized in the fiscal year in which the services are billed.

Note 5 – Accounts Payable

On an accrual basis, expenses are recognized in the fiscal year in which the goods or services are received.

Note 6 – Fees Received in Advance

On an accrual basis, revenues are recognized in the fiscal year in which the services are provided. Some fees are received by the Commission in advance of performing the requested services and are therefore carried as a liability until the work has been completed and the revenues earned.

Note 7 – Joint Powers Agreement

The Commission participates in a joint venture under a joint agreement (JPA) with the Special District Risk Management Authority (SDRMA). The relationship between the Commission and the JPA is such that is not a component unit of the Commission and the JPA is not a component unit of the Commission for financial reporting purposes.

The JPA's purpose is to jointly fund and develop programs to provide comprehensive and economical funding of property, workers compensation and employers liability coverage for bodily injury by accident or by disease, including resulting from death, arising out of and in the course of an employee's employment with the Commission. This program is provided through collective self-insurance; the purchase of insurance coverage's; or a combination thereof. Copies of SDRMA annual financial reports may be obtained from their executive office at 1112 I Street #300, Sacramento, CA 95814.

Note 8 – Risk Management

The Commission is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets, errors and omissions; injuries to employees; and natural disasters. During FY 2022-23 the Commission contracted insurance for liability, property, crime damage, and director insurance.

Note 9 – Contingencies

As of June 30, 2023, the Commission had no pending litigation or potential nondisclosed liabilities that management believes would have a material effect on the financial statements.

Note 10 – Subsequent Events

Subsequent events are those events or transactions that occur subsequent to the effective date of the financial statements, but prior to the issuance of the final reports, which may have a material effect on the financial statement or disclosures therein.

There are no subsequent events that have occurred that meet the above definition.

4 SUPPLEMENTARY INFORMATION

4.1 BUDGETARY COMPARISON SCHEDULE-GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2023

LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY					
BUDGETARY COMPARISONS SCHEDULE - GENERAL FUND					
FOR THE YEAR ENDED JUNE 30, 2023					
					Variance with
	Amended				Final Budget
	Budgeted	Amounts	Actual		Positive
	Original	Final	Amounts		(Negative)
Beginning Budgetary Fund Balance	\$ 144,257	\$ 144,257	\$144,257	\$	144,257
Resources (Inflows)					
Assessments	\$ 265,000	\$ 265,000	\$265,000		-
Fees & Reimbursements	-	-	15,926		15,926
Miscellaneous	-	-	29		29
Interest Earnings	100	100	1,409		1,309
Total Resources	\$ 265,100	\$ 265,100	\$282,364		17,264
Charges (Outflows)					
5300 Basic Services (Contract)	125,100	125,100	120,481		4,619
5500 Office Rent	6,500	6,500	6,510		(10)
5600 Office Expenses	3,300	3,300	3,240		60
5700 Internet and Website Costs	2,500	2,500	1,670		830
5900 Publication & Legal Notices	2,000	2,000	1,295		705
6000 Televising Commission Meetings	2,000	2,000	1,944		56
6100 Audit Services	3,800	3,800	3,750		50
6200 Bookkeeping	4,500	4,500	4,455		45
6300 Legal Counsel	19,000	19,000	10,800		8,200
6400 A-87 Costs-County Services	2,100	3,200	3,152		48
6500 Insurance-General	3,200	3,200	2,800		400
6600 Memberships	3,700	3,700	3,579		121
6670 Contract Services-GIS Services	2,000	4,000	4,765		(765)
6740 In-County Travel & Stipends	4,000	4,000	757		3,243
6750 Travel & Lodging	6,000	2,900	1,269		1,631
6800 Conferences (Registrations)	4,100	4,100	1,064		3,036
7000 Work Plan (MSR and SOI)	70,000	70,000	39,011		30,990
Misc Expenses (Special District Training Support, bank service cha	-	-	109		(109)
8000 Applications and Projects	-	-	16,593		(16,593)
Total Charges	\$ 263,800	\$ 263,800	\$227,243	\$	36,557
Ending Budgetary Net Position	\$ 145,557	\$ 145,557	\$199,377		