


# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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**DATE:** JANUARY 10, 2018   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
MICHAEL TUERPE, Project Manager  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** Agenda Item #10: Mid-Year Financial Review for Period  
July 1 through December 31, 2017

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## **RECOMMENDATION:**

Staff recommends that the Commission continue consideration of the Mid-Year Financial Review to the February 21, 2018 hearing.

## **BACKGROUND:**

LAFCO contracts with the County for a range of financial bookkeeping and accounting functions. Effective October 2017, the County has transferred to a new, all encompassing, financial bookkeeping and accounting system. The purpose of the new system is to improve fiscal operations and introduce more efficient business processes. However, the new system allows for entries to be booked during a roughly 10-day period following the end of the calendar month. For example, transactions related to County services can be posted by the County through January 11 for the month of December.

While the County works through its implementation hiccups, LAFCO staff is formulating implementation procedures for its workflow. Even though the financial processes and procedures are changing, LAFCO staff does not believe this to have an effect on the Commission's finances.

Further, the new system does not automatically generate monthly activity reports. Departments and agencies are now required to generate their own reports as needed. Therefore, LAFCO staff cannot generate the necessary reports and provide proper analysis until after January 11. Because of this change in circumstance, LAFCO staff recommends a continuance to the February 21 hearing.

KRM/MT