



**San Diego County**  
**Local Agency Formation Commission**  
 Regional Service Planning | Subdivision of the State of California

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**AGENDA REPORT**  
 Consent | Action

November 3, 2025

**TO:** Chair Whitburn and Commissioners

**FROM:** Priscilla Mumpower, Assistant Executive Officer  
 Aiden Velasquez, Communications Associate

**SUBJECT:** **Amendment to Fee Schedule | Authorization to Accept Online Payments**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will consider amending its fee schedule to authorize receipt of online payments via credit card and electronic bank transfer. This action completes a holdover from the FY2024–2025 workplan to establish procedures for accepting applicant fees through a third-party payment processor. Staff has identified QuickBooks Payments as the preferred solution due to its compatibility with the Commission's existing accounting platform and comparatively low processing fees. Authorization and a corresponding amendment to the adopted fee schedule are required before implementation. Staff recommends approval.

**BACKGROUND**

**Adopted Fee Schedule**

San Diego LAFCO's fee schedule was updated in February 2019. The schedule establishes fixed application fees based on proposal type, at-cost fees for unique jurisdictional changes (e.g., formations, consolidations, dissolutions, and incorporations), and a Municipal Service Review maintenance fee equal to 5% of the application fee, with a minimum cost of \$6,400 for a single jurisdictional change. Currently, the schedule authorizes only check payments.

<b>Administration</b> Keene Simonds, Executive Officer 2550 Fifth Avenue, Suite 725 San Diego, California 92103 T 619.321.3380 E lafco@sdcountry.ca.gov www.sdlafco.org	<b>Paloma Aguirre</b> County of San Diego  <b>Joel Anderson</b> County of San Diego  <b>Monica M. Steppe, Alt.</b> County of San Diego	<b>Kristi Becker</b> City of Solana Beach  <b>Dane White</b> City of Escondido  <b>John McCann Alt.</b> City of Chula Vista	<b>Chair Stephen Whitburn</b> City of San Diego  <b>Marni von Wilpert, Alt.</b> City of San Diego	<b>Vice Chair Barry Willis</b> Alpine Fire Protection  <b>Jo MacKenzie</b> Vista Irrigation  <b>David Drake, Alt.</b> Rincon del Diablo	<b>Brigitte Browning</b> General Public  <b>Eileen Delaney, Alt.</b> General Public
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## Earlier Workplan Directive

San Diego LAFCO's FY2024–2025 workplan included 30 special projects divided into statutory and administrative categories with Commission-established priorities. One administrative project involved establishing procedures to allow applicants to pay LAFCO via credit card or electronic bank transfer, eliminating the need for physical checks. Work was substantially completed before fiscal year-end but paused due to higher priorities, with presentation to the Commission scheduled for early FY2025-2026.

## DISCUSSION

This item is for San Diego LAFCO to consider formal action to amend the adopted fee schedule to authorize online payments via credit card and electronic bank transfer. The proposed action has been under evaluation by LAFCO staff since its placement in the prior fiscal year workplan and informed by researching potential integrated payment processors and evaluating implementation requirements. The evaluation led to consideration of two principal options: QuickBooks Payments and PayPal. As further detailed, staff believes QuickBooks Payments is the most practical option for LAFCO due to its integration with the Commission's existing accounting system and comparatively low processing fees. Additional discussion on implementation and related considerations follow.

- **How it Works**

LAFCO links its existing QuickBooks account to the integrated QuickBooks Payments program. The payment process follows these four steps:

1. **Invoice Creation** – LAFCO generates an invoice within its QuickBooks account and uses the integrated payment function to send a PDF version to the responsible party by email, including a secure “Pay Now” link.
2. **Payment Initiation** – The responsible party receives the invoice and clicks the “Pay Now” link, which opens QuickBooks’ secure payment portal where they select their preferred payment method.
3. **Payment Confirmation** – Once completed, QuickBooks immediately confirms payment on-screen and by email to the responsible party.
4. **Automatic Recording** – The transaction automatically posts in LAFCO’s QuickBooks account, marking the invoice as Paid and recording the payment and any associated processing fee.

- Types of Payments it Accepts

QuickBooks Payments allows for three types of online payments:

- ACH (automatic clearinghouse) bank transfers
- Credit and debit cards
- Digital wallets

Cards and digital wallets include the following sources: Visa, Mastercard, Discover, American Express, Apple Pay, PayPal, and Venmo.

- **Deposit Time, Processing Fees, and Disputes**

The deposit speed (or the amount of time it takes for customer payments to reach the San Diego LAFCO bank account) varies per payment type. ACH Bank Transfers may take between one to five business days to be deposited while cards and digital wallets will take approximately one business day.

Processing fees established by QuickBooks will be passed directly to the applicant. Applicable processing fees vary by transaction, including 1.0% for ACH bank transfers and 2.99% for credit/debit card or digital wallet transactions. An example of these fees relative to LAFCOs fee schedule is footnoted.<sup>1</sup>

Disputed charges will appear in the form of Chargebacks. This would occur if an applicant disputed a charge with their bank, the bank approved the dispute and then issued a chargeback notice. These may be disputed through evidence of valid services and payments. If the bank determines the Chargeback is valid, funds will be lost. If the Chargeback is ruled invalid, funds will not be affected.

- **Other Considerations**

San Diego LAFCO has utilized QuickBooks as its preferred accounting software since 2016. The QuickBooks Payments add-on represents a practical financial tool supported by a trusted provider. QuickBooks employs multiple measures to maintain privacy and security, including multi-factor authentication and data encryption, ensuring only authorized users can access QuickBooks servers and all stored information is securely encrypted.

The proposed update is shown in track-changes format as provided in Attachment Two.

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<sup>1</sup> A CEQA-exempt jurisdictional change proposal with a \$6,405 base fee (e.g., annexation) would incur an additional \$64.05 for ACH or about \$191.50 for card or digital wallet payment. Each additional change request (e.g., concurrent detachment or related sphere amendment) adds \$4,163.25 to the base fee, with the same percentage-based charges applied—bringing total processing fees (for two jurisdictional changes) to \$105.70 for ACH or \$312.30 for card/digital payments.

## ANALYSIS

The proposed amendment to San Diego LAFCO fee schedule to authorize acceptance of online payments directly responds to increasing interest by applicants to make it easier and more convenient to expedite proposal processing and related requests. Beyond convenience, this authorization separately helps to address equity by enabling applicants without immediate cash reserves to utilize credit options for managing payment timing, and ensuring financial constraints do not delay legitimate proposals. Further, no fiscal impact to LAFCO is anticipated given it is proposed the processing fees by QuickBooks Payment will be passed directly to the applicant. Applicants may continue to submit payment by check should they choose not to utilize the online payment options.

## RECOMMENDATION

Staff recommends San Diego LAFCO approve the proposed amendment to the adopted fee schedule authorizing online payments consistent with Alternative One in the following section.

## ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):

Approve the proposed amendment to the adopted fee schedule as provided in Attachment Two with any desired changes and set an immediate effective date.

Alternative Two:

Continue the item to the next regular meeting and provide directions to staff as needed.

Alternative Three:

Take no action.

## PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

On behalf of the Assistant Executive Officer,



Aiden Velasquez  
Communications Associate

Attachments:

- 1) Current Fee Schedule
- 2) Proposed Fee Schedule Update



# SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

## Regional Service Planning | Political Subdivision of the State of California

### FEE SCHEDULE

#### Standard Jurisdictional Changes

Standard jurisdictional changes include (a) annexations, (b) detachments, (c) latent power establishments, and (d) service power divestitures

	LAFCO is Responsible Agency			LAFCO is Lead Agency Plus Consultant Costs		
	Exemption	Initial Study	Impact Report	Exemption	Initial Study	Impact Report
Single Jurisdictional Change						
- With Full Consent   No Protest Hearing	\$ 6,405.00	\$ 7,045.50	\$ 7,686.00	\$ 6,405.00	\$ 8,326.50	\$ 10,248.00
- Without Full Consent   Protest Hearing	\$ 8,326.50	\$ 8,967.00	\$ 9,607.50	\$ 8,326.50	\$ 10,248.00	\$ 12,169.50
Each Additional Jurisdictional Change						
- With Full Consent   No Protest Hearing	\$ 4,163.25	\$ 4,579.58	\$ 4,995.90	\$ 4,163.25	\$ 5,412.23	\$ 6,661.20
- Without Full Consent   Protest Hearing	\$ 5,412.23	\$ 5,828.55	\$ 6,244.88	\$ 5,412.23	\$ 6,661.20	\$ 7,910.18

Fees for all standard jurisdictional changes are fixed and represent reasonable cost estimates for the underlying action(s) based on a number of predetermined staff hours to complete. These fees are non-refundable and – while not typical or expected – may be augmented by one or more deposits when additional time is needed beyond the predetermined staff hour allocation as determined by the LAFCO Executive Officer.

#### Other Jurisdictional Changes

Special District Formation	Billed for time and material starting with a \$ 9,150 deposit to cover the first 75 hours
Special District Consolidation or Dissolution	Billed for time and material starting with a \$12,200 deposit to cover the first 100 hours
Incorporation	Billed for time and material starting with a \$24,400 deposit to cover first 200 hours

Fees for other boundary changes are at-cost. These fees require an initial and refundable deposit to cover staff time based on the hourly composite rate. Additional deposits may be required as determined by the Executive Officer.

## Other Requests and Charges

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Outside Service Extensions	
- Exemption	\$ 1,921.50
- Initial Study	\$ 2,113.65
- Impact Report	\$ 2,305.80
Sphere of Influence Amendments	Billed at their corresponding rate for standard boundary changes; applies to expansions, reductions, establishments, and eliminations
Municipal Service Reviews	Billed for time and material starting with a \$12,200 deposit to cover the first 100 hours
Reconsideration of a Commission Determination	\$ 2,600.00
Time Extension to Complete Proceedings	\$ 610.00
General Staff Research	\$ 122.00 per hour; first four hours of any general research project waived
Scheduling a Special Meeting	\$ 3,210.00
Postage, Mail Supplies, Photocopies, Etc.	at cost

## Common Third Party Charges

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County of San Diego Clerk-Recorder	\$ 50.00
California Department of Fish and Game	
- Filing for a Negative Declaration	\$ 2,916.75
- Filing for a Mitigated Negative Declaration	\$ 2,916.75
- Filing for an Environmental Impact Report	\$ 4,051.25
State Board of Equalization	
- 0.0 to 1.0 acre	\$ 300.00
- 1.0 to 5.0 acres	\$ 350.00
- 6.0 to 10.0 acres	\$ 500.00
- 11.0 to 20.0 acres	\$ 800.00
- 21.0 to 50.0 acres	\$ 1,200.00
- 51.0 to 100.0 acres	\$ 1,500.00
- 100.0 acres or more	\$ 2,000.00

## Implementing Policies

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- 1 Proposals and requests subject to this fee schedule will be deemed incomplete until the appropriate fee has been received by LAFCO.
- 2 All additional staff time required to process proposals or requests subject to this fee schedule beyond the coverage of the initial fixed fee or collected at-cost deposit will be billed at a composite hourly rate of \$122.00.
- 3 Applicants with proposals or requests subject to this fee schedule requiring consultants to prepare environmental or other technical documents will be responsible for all direct costs therein and will be required to provide a dedicated deposit as determined by the Executive Officer.
- 4 The Executive Officer may stop work on any proposal or request subject to this fee schedule until receipt of a requested fee or deposit.
- 5 The Commission may reduce or waive fees if a financial hardship is demonstrated and/or if the proposal or request is in response to a LAFCO condition or recommendation. Requests must be made in writing. Pre authorized reductions follow.
  - a) Jurisdictional changes that include a qualifying city annexation of an entire "island" under Government Code 56375.3 shall receive a 50% fee reduction relative to the charges normally incurred under the fee schedule. Additional reductions or waivers require Commission approval.
  - b) Jurisdictional changes that include a qualifying city annexation of a disadvantaged unincorporated community under Government Code 56375(a)(8) shall receive a 50% fee reduction relative to the charges normally incurred under the fee schedule. Additional reductions or waivers would require Commission approval.
  - c) Jurisdictional changes initiated in response to an existing or pending septic or well failure shall receive a 75% fee reduction relative to the charges normally incurred under the fee schedule. Qualifying proposals must have 100% written consent of all affected landowners and confirmation from the County Environmental Health Department verifying an existing or pending failure exists. Additional reductions or waivers would require Commission approval.

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**FEE SCHEDULE**

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## Common Third-Party Charges

### State Board of Equalization

0.0 to 1.0 acre	\$ 300.00
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6.0 to 10.0 acres	\$ 500.00
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## Payment Options

San Diego LAFCO accepts payments by check or through QuickBooks Payments using a credit card, debit card, digital wallet, or ACH bank transfer.



For questions regarding payment procedures or to obtain further instructions, please contact the analyst assigned to your proposal or the San Diego LAFCO office direct line at (619) 321-3380.

### Important Notes:

1. Payments made by check must be made payable to San Diego LAFCO and mailed to: 2550 Fifth Avenue, Suite 725, San Diego, California 92103-6624.
2. Payments made through QuickBooks Payments are subject to third-party processing fees established by QuickBooks and passed directly to the applicant. Applicable fees include 1.0% for ACH bank transfers and 2.99% for credit/debit card or digital wallet transactions. A secure payment link will be provided upon request and following invoicing.
3. Payments related to the State Board of Equalization are not eligible for electronic processing and must be submitted to San Diego LAFCO by check made payable to the State Board of Equalization.

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