

Corkey Harmon
County Member

Susie Baugh
City Member

Chris Kelstrom
County Member

Pam Morgan
City Member

Allen Long
County Member Alternate

Tenessa Audette
City Member Alternate



Fred Ryness
Special District Member

Brenda Haynes
Public Member

Ronnean Lund
Special District Member

Vacant
Public Member Alternate

Rosemary Smith
Special District Alternate

AGENDA ITEM 9.B.

Date: April 2, 2026

From: Krystle Brogna, Executive Officer

Subject: Proposed FY 2026-27 Budget

The Commission will consider approving a proposed budget for Fiscal Year 2026-27 and authorizing circulation to member agencies for review, in anticipation of final budget adoption at a public hearing in June.

BACKGROUND

Under California Government Code Section 56381, LAFCOs are responsible for annually adopting a proposed budget by May 1st and a final budget by June 15th. State law specifies the proposed and final budgets shall, at a minimum, be equal to the budget adopted for the previous fiscal year unless LAFCO finds the reduced costs will nevertheless allow agency to fulfill its prescribed regulatory and planning duties.

DISCUSSION

The proposed FY 2026-27 budget will be provided to all member agencies upon approval. The budget proposes no increase in member contributions. The LAFCo Executive Committee voted unanimously on March 13, 2026, to recommend the Commission approve the proposed budget as it is shown in Attachment A.

Funding Sources:

Shasta LAFCO's annual operating expenses are principally funded through appropriations from the County, Cities, and Special Districts, in addition to application fees and interest earnings. Each fiscal year after the Commission adopts the final budget, the County Auditor apportions operating expenses by one-third, shared between the County, the Cities, and the independent special districts.

The apportionment process is defined by Government Code §56381 and is based on revenues reported to the State Controller and publicly available online through the By the Numbers web portal:

<https://bythenumbers.sco.ca.gov/>

Operating Expenses:

Proposed operating expenses reflect anticipated staffing services and daily operational needs. Notable expenses are as follows:

- Retirement - CalPERS (last annual payment)
- Membership costs with CALAFCO and CSDA
- Liability costs with SDRMA
- MSR/SOI Updates
- Conference Fees and Sponsorships (attendance at Annual CALAFCO Conference)

MSR/SOI Updates Compliance Work Plan

For FY 2026-27, the following MSR/SOI Updates are scheduled: Conclude Fall River Valley FPD, Anderson FPD, Buckeye FPD, CSA #2 - Sugarloaf, CSA #3 - Castella, CSA #6 - Jones Valley, CSA #13 - Alpine Meadows, and CSA #4 - Redding Transit.

RECOMMENDATION

This item has been agendized for consideration as part of a noticed public hearing. The following procedures are recommended with respect to the Commission's consideration of this item:

- 1) Receive verbal report from staff;
- 2) Open the public hearing and invite testimony (mandatory); and
- 3) Discuss item and - if appropriate - close the hearing and consider action on recommendation:

"I move to 1) adopt Resolution No. 2026-02, approving the proposed budget for Fiscal Year 2026-27 as provided in Attachment A, and 2) direct the Executive Officer to distribute the proposed budget to cities, special districts, and the County."

ATTACHMENTS

Attachment A - Proposed FY 2026-27 Budget

Attachment B - Draft Resolution No. 2026-02