

Patrick Jones
County Member

Irwin Fust
Special District Member

Pamelyn Morgan
City Member Alternate

Mary Rickert
County Member Alternate

Stan Neutze
City Member

Brenda Haynes
Special District Member

Mike Dacquisto
City Member



Larry Russell
Public Member

Katharine Ann Campbell
Public Member Alternate

Joe Chimenti
County Member

George Williamson
Executive Officer

Fred Ryness
Special District Alternate

James M. Underwood
General Counsel

Kathy Bull
Manager

Agenda Item: 7.b.

Meeting Date: April 7, 2022

From: Executive Officer George Williamson & Kathy Bull, LAFCO Manager

Subject: Proposed Budget - Fiscal Year 2022/2023

SUMMARY

Local Agency Formation Commissions (LAFCOs) are independent commissions established by the California legislature under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. 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 2022/23 budget was reviewed and forwarded to the Commission by the Executive Committee on March 23, 2022.

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. Final budget scheduled for 6/2/2022.

Operating Expenses:

Operating expenses continue to be impacted by CalPERS unfunded liability repayment. Proposed operating expenses reflect anticipated staffing services, and daily operational needs. Notable expenses as follows:

- Retirement – PERS – Previous EO – Cost is \$50,498 for five years.
- Fiscal/Audit Services –proposed audit for FY 2021/2022, estimated to cost \$5,500.00.
- Cost savings for equipment leases.
- Membership costs with CALAFCO have increased slightly.
- Liability costs with SDRMA have increased slightly.

Operating Revenues:

The operating revenues are proposed to remain equal with last year in the amount of \$204,600 to local funding agencies. All essential Shasta LAFCO operational functions will be met in accordance with California law.

MSR/SOI Updates Compliance Work Plan

For FY 2022/2023, the following MSR/SOI Updates are scheduled: City of Shasta Lake; Clear Creek CSD; Anderson Cottonwood Irrigation District; CSA #14 – Belmont (storm drainage) & CSA #15 Lighting. Budget estimate is \$30,000. The Clear Creek CSD MSR/SOI Update will be the priority.

RECOMMENDATION

Staff recommends the Commission implement the following:

- Open the public hearing;
- Direct staff to read any submitted written comments;
- Approve proposed Fiscal Year 2022/2023 budget as outlined above; and
- Direct staff to forward the proposed budget to local funding agencies.

Attachments:

Exhibit A: Shasta LAFCO FY 2022/2023 Proposed Budget Worksheet

Exhibit B: Shasta LAFCO Resolution 2022-06

FY 2022/2023 Proposed Budget

Categories	DRAFTFY 2021/2022 Budget	DRAFTFY 2022/2023 Budget
REVENUES		
Interest	0	0
Intergovernmental Revenue		
Contribution from Cities	68,200	68,200
Contribution from Shasta County	68,200	68,200
Contribution from Special Districts	68,200	68,200
Total Intergovernmental Revenue	204,600	204,600
TOTAL REVENUES	204,600	204,600
EXPENSES		
Salaries & Benefits		
Payroll Expense		
Regular Hours	35,672	34,472
Sick Leave Hours	588	*
Retirement - PERS - Previous EO	50,498	50,498
Employer Taxes	1,784	2,300
Total Employer Expense	88,542	87,270
Total Salaries & Benefits	88,542	87,270
Services and Supplies		
Contract Employment Services		
Contract Executive Officer	51,000	52,500
Contract LAFCO Personnel	0	0
Total Contract Employment Services	51,000	52,500
Office Services & Supplies		
Bank & Transfer Fees	120	300
Communications	1,420	1,620
Info Tech Tools & Equip	378	0
Memberships	4,850	3,650
Mileage Reimbursement	250	250
Office Cleaning	420	0
Office Expense	350	200
Office Furnishings	0	0
Office Supplies	550	500
Postage & Shipping	550	500
Printing	0	0
Total Office Services & Supplies	8,888	7,020
Professional Services		
Misc Professional Services		
Fiscal/Audit Services (next Fy22-23)	0	5,500
InfoTech Services	250	250
InfoTech- Website	720	720
Total Misc Professional Services	970	6,470
Legal Counsel		
Misc Legal Services	10,000	10,000
Total Legal Counsel	10,000	10,000

* Includes required 3 day sick leave availability

FY 2022/2023 Proposed Budget

Categories	DRAFTFY 2021/2022 Budget	DRAFTFY 2022/2023 Budget
Total Professional Services	10,970	16,470
Rents, Leases & Misc		
Property & General Liability	3,400	3,900
Publications/Legal Notices - Regular	800	800
Rents & Leases Equipment - Postage Me	0	0
Rents & Leases Equipment - Copier	0	0
Rents & Leases of Structures	6,000	7,200
Small Tools & Equipment	0	0
Software	0	0
Total Rents, Leases & Misc	10,200	11,900
MSR/SOI Expenses		
GIS Services	5,500	4,000
Postage Printing	140	140
Public Hearing Notice	200	200
Misc. Other	29,160	25,660
Total MSR/SOI Expenses	35,000	30,000
Utilities		
Total Services & Supplies	116,058	117,890
TOTAL EXPENSES	204,600	205,160
Appropriation for Contingency	0	0
TOTAL BUDGET ALLOTMENT BALANCE	\$204,600	\$204,600
CONTINGENCY FUND BALANCE		
Contingency Deposit		
Contingency Withdrawal		\$560
Contingency Balance	\$8,804	\$8,244

SHASTA LOCAL AGENCY FORMATION COMMISSION

RESOLUTION 2022-06

**RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION
ADOPTING A PROPOSED BUDGET FOR FISCAL YEAR 2022/2023**

WHEREAS, the Shasta Local Agency Formation Commission is required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to adopt a proposed budget for the next fiscal year no later than May 1; and

WHEREAS, the Executive Officer prepared a report concerning the proposed budget, including recommendations thereon; and

WHEREAS, the Executive Officer's report was presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at its public hearing on the proposed budget held on April 7, 2022; and

WHEREAS, the Commission determined the proposed budget projects, staffing and program costs of the agency as accurately and appropriately as is possible.

NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:

1. The proposed budget for Fiscal Year 2022/2023 as outlined in Exhibit A is approved;
2. The overall operating costs provided in the proposed budget will allow the Commission to fulfill its regulatory and planning responsibilities as required under Government Code Section § 56381(a);
3. The adopted proposed budget for Fiscal Year 2022/2023 as outlined in Exhibit A be circulated to local funding agencies for review and comment.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Shasta LAFCO Commission on the 7th day of April, 2022, and adopted by the following vote:

AYES:
NOES:
ABSTAINS:
ABSENT:

Dated: _____

Irwin Fust, Chairman
Shasta Local Agency Formation Commission

Attest:

Dated: _____

Kathy Bull, LAFCO Manager
Shasta Local Agency Formation Commission