

Les Baugh
County Member

Irwin Fust
Special District Alternate

Larry Farr
City Member Alternate

Pam Giacomini
County Member Alternate

James Yarbrough
City Member

Brenda Haynes
Special District Member



Francie Sullivan
City Member

David Kehoe
County Member

Stephen Morgan
Special District Member

Dick Fyten
Public Member

Bob Richardson
Public Member Alternate

George Williamson
Executive Officer/
James M. Underwood
General Counsel

DATE: April 7, 2016

TO: Shasta LAFCO Commissioners

FROM: George Williamson, Executive Officer

SUBJECT: 7.b. Proposed Fiscal Year 2016-17 Budget

SUMMARY

The Commission will consider approving a proposed Fiscal Year 2016-2017 budget and authorizing circulation to local funding agencies for review in anticipation of adopting a final budget at a public hearing on June 2, 2016.

Local Agency Formation Commissions (LAFCOs) are responsible under State law 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 the agency to fulfill its prescribed regulatory and planning duties.

LAFCo Funding Sources:

Shasta LAFCo's annual operating expenses are principally funded through appropriations from the county, cities and independent special districts, in addition to application fees and interest earnings. Each fiscal year, after the Commission adopts the final budget, the County Auditor apportions the net operating expenses in the following manner: the County pays 1/3 of the net operating costs; the cities, as a whole, pays 1/3 of the net operating costs; and the independent special districts, as a whole, pays 1/3 of the net operating costs. Statutory authority provides mechanisms for the County Auditor to collect the amounts apportioned.

Proposed Operating Expenses:

The proposed operating expenses reflect the anticipated staffing services for day-to-day operations and for municipal service reviews and sphere of influence updates. The operating expenses projected to increase include: Professional Services and Special Services; rent; computer upgrades memberships (CALAFCO and CSDA). Applications for the FY 2016-17 are budgeted at \$180,380 based on reorganization inquiries and the number of anticipated applications to be processed.

Proposed Operating Revenues:

As noted above, there is an anticipated increase in expenses to cover professional services, rent computer upgrades, and related activities. This additional expense could be covered without an increase the amount of city, special district, and County operating revenues. Those operating revenues are proposed to remain at last year's level of \$186,000.00.

For comparison purposes, the adopted actual to date and projected expenses from the current FY 2015-16 are presented. In this current year, now 3/4ths complete, projected expenses are projected to fall below budgeted expenses by approximately .3%.

RECOMMENDATION

This item has been agendaized for consideration as part of a 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; and
- 3) Discuss item and – if appropriate – close the hearing and consider action on recommendation:

"I move to: 1) adopt Resolution No. 16-02, approving the proposed fiscal year 2016-17 budget, as provided in Attachment A, and 2) direct the Executive Officer to distribute the proposed budget to cities, special districts and the County and schedule the final budget for a public hearing on June 2, 2016."

Attachments

Attachment A: Proposed FY 2016-17 Budget

Attachment B: Resolution No. 16-02

Preliminary Budget Fiscal Year 2016/2017

Categories	Adopted FY 2015-16 Budget	FY15-16 Actual March-31	FY15-16 April	FY15-16 May	FY15-16 June	Projected 2015-16	Over/ Under	Proposed FY 2016-17 Budget
REVENUES								
Interest	\$150.00	\$155.02	\$0.00	\$0.00	\$25.00	\$180.02	-\$30.02	\$180.00
Intergovernmental Revenue								
Contribution from Cities	\$62,000.00	\$62,000.00	\$0.00	\$0.00	\$0.00	\$62,000.00	\$0.00	\$62,000.00
Contribution from Shasta County	\$62,000.00	\$62,000.00	\$0.00	\$0.00	\$0.00	\$62,000.00	\$0.00	\$62,000.00
Contribution from Special Districts	\$62,000.00	\$62,002.00	\$0.00	\$0.00	\$0.00	\$62,002.00	-\$2.00	\$62,000.00
Total Intergovernmental	\$186,000.00	\$186,002.00	\$0.00	\$0.00	\$0.00	\$186,002.00	-\$2.00	\$186,000.00
Miscellaneous Revenue								
Fees Received - Applications	\$5,000.00	\$63.23	\$0.00	\$0.00	\$0.00	\$63.23	\$436.77	\$0.00
	\$5,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$0.00
EXPENSES								
Salaries & Benefits								
Employer Expense								
Retirement - PERS - Previous EO	\$0.00	\$2,012.43	\$251.00	\$251.00	\$251.00	\$2,765.43	-\$2,765.43	\$3,000.00
Salaries & Benefits - Total	\$0.00	\$2,012.43	\$251.00	\$251.00	\$251.00	\$2,765.43	-\$2,765.43	\$3,000.00
Contract Services								
Contract Executive Officer	\$50,000.00	\$25,198.50	\$10,268.00	\$5,500.00	\$5,500.00	\$46,466.50	\$3,533.50	\$60,000.00
LAFCO Personnel	\$28,375.00	\$21,799.20	\$3,350.00	\$3,350.00	\$3,350.00	\$31,849.20	-\$3,474.20	\$40,000.00
Contract Services - Sub Total	\$78,375.00	\$46,997.70	\$13,618.00	\$8,850.00	\$8,850.00	\$78,315.70	\$59.30	\$100,000.00
Office Services & Supplies								
Bank & Transfer Fees	\$468.00	\$251.95	\$10.00	\$10.00	\$10.00	\$281.95	\$186.05	\$120.00
Communications	\$2,040.00	\$1,752.07	\$170.00	\$170.00	\$170.00	\$2,262.07	-\$222.07	\$2,320.00
Info Tech Tools & Equip	\$300.00	\$298.00	\$0.00	\$0.00	\$0.00	\$298.00	\$2.00	\$400.00
Memberships	\$3,500.00	\$3,537.00	\$0.00	\$0.00	\$0.00	\$3,537.00	-\$37.00	\$3,555.00
Mileage Reimbursement	\$240.00	\$104.65	\$0.00	\$0.00	\$0.00	\$104.65	\$135.35	\$240.00
Office Cleaning	\$1,140.00	\$738.00	\$0.00	\$0.00	\$0.00	\$738.00	\$402.00	\$1,140.00
Office Expense	\$500.00	\$84.34	\$0.00	\$0.00	\$0.00	\$84.34	\$415.66	\$500.00
Office Furnishings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
Office Supplies	\$1,500.00	\$438.76	\$0.00	\$0.00	\$0.00	\$438.76	\$1,061.24	\$1,500.00
Postage & Shipping	\$675.00	\$306.31	\$0.00	\$0.00	\$0.00	\$306.31	\$368.69	\$675.00
Printing	\$200.00	\$0.00	\$200.00	\$200.00	\$100.00	\$500.00	-\$300.00	\$500.00
Office Services Supplies - Sub-T	\$10,563.00	\$7,511.08	\$380.00	\$380.00	\$280.00	\$8,551.08	\$2,011.92	\$11,150.00
Professional Services								
Miscellaneous Professional Services								
Consulting - Misc.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contract EO- Application Work	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Elections	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Engineering	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fiscal/Audit Services	\$10,000.00	\$0.00	\$0.00	\$10,000.00	\$0.00	\$10,000.00	\$0.00	\$5,000.00
InfoTech Services	\$250.00	\$192.00	\$0.00	\$58.00	\$0.00	\$250.00	\$0.00	\$250.00
InfoTech - Website	\$950.00	\$639.00	\$0.00	\$0.00	\$261.00	\$900.00	\$50.00	\$950.00
Planning and GIS	\$750.00	\$766.25	\$0.00	\$0.00	\$0.00	\$766.25	-\$16.25	\$500.00
Other Professional Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous Services - Sub-To	\$11,950.00	\$1,597.25	\$0.00	\$10,058.00	\$261.00	\$11,916.25	\$33.75	\$6,700.00
Legal Counsel								
Misc. Legal Services	\$12,578.00	\$8,835.50	\$710.50	\$524.50	\$435.00	\$10,505.50	\$2,072.50	\$15,000.00
Expenses Deferred from FY 2014/15	\$30,052.00	\$30,142.88	\$0.00	\$0.00	\$0.00	\$30,142.88	-\$90.88	\$0.00
Legal Counsel Sub Total	\$42,630.00	\$38,978.38	\$710.50	\$524.50	\$435.00	\$40,648.38	\$1,981.62	\$15,000.00
Professional Services Sub Total	\$54,580.00	\$40,575.63	\$710.50	\$10,582.50	\$696.00	\$52,564.63	\$2,015.37	\$21,700.00
Applications Processing Expenses								
Contract EO- Application Processing	\$6,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,000.00	\$6,000.00
Support Staff - Application Process	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00
CDFW Fees	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00
GIS Services	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00
Mileage Reimbursement	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
Misc Other	\$366.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$366.00	\$366.00
Postage & Shipping	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
Printing	\$250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250.00	\$250.00
Public Hearing Notice	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00

Preliminary Budget Fiscal Year 2016/2017

Categories	Adopted FY 2015-16 Budget	FY15-16 Actual March-31	FY15-16 April	FY15-16 May	FY15-16 June	Projected 2015-16	Over/ Under	Proposed FY 2016-17 Budget
Office Supplies	\$250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250.00	\$250.00
Applications Processing Sub-total	\$9,566.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9,566.00	\$9,566.00
Rents, Leases & Misc.								
Property & General Liability	\$1,700.00	\$1,602.86	\$0.00	\$0.00	\$0.00	\$1,602.86	\$97.14	\$1,683.00
Publications/Legal Notices - Regula	\$1,000.00	\$93.90	\$100.00	\$100.00	\$100.00	\$393.90	\$606.10	\$1,000.00
Rents & Leases Equipment - Posta	\$400.00	\$243.92	\$0.00	\$95.00	\$0.00	\$338.92	\$61.08	\$400.00
Rents & Leases Equipment - Copie	\$4,452.00	\$4,140.00				\$4,892.00	-\$440.00	\$4,765.00
Rents & Leases Equip-FY 2014-15	\$2,137.00	\$2,136.86	\$0.00	\$0.00	\$0.00	\$2,136.86	\$0.14	\$0.00
Rents & Leases of Structures	\$12,000.00	\$10,206.90	\$1,146.00	\$1,146.00	\$1,146.00	\$13,644.90	-\$1,644.90	\$12,876.00
Small Tools & Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
Software	\$0.00	\$0.00	\$600.00	\$0.00	\$0.00	\$600.00	-\$600.00	\$1,000.00
Rents, Leases & Misc. Sub Total	\$21,689.00	\$18,424.44	\$1,846.00	\$1,341.00	\$1,246.00	\$23,609.44	-\$1,920.44	\$21,924.00
MSR/SOI Expenses								
CDFW Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GIS Services	\$1,561.00	\$1,340.00	\$0.00	\$0.00	\$0.00	\$1,340.00	\$221.00	\$1,050.00
Mileage Reimbursement	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Postage Printing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
Public Hearing Notice	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250.00
Office Supplies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Misc. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,500.00
MSR/SOI Expenses Sub-total	\$1,561.00	\$1,340.00	\$0.00	\$0.00	\$0.00	\$1,340.00	\$221.00	\$10,000.00
Moving Expenses								
Communication		\$0.00	\$99.00	\$0.00	\$0.00	\$99.00	-\$99.00	\$99.00
Contract - LAFCO Staff		\$0.00	\$3,571.00	\$0.00	\$0.00	\$3,571.00	-\$3,571.00	\$3,571.00
Info Tech Services		\$0.00	\$220.00	\$0.00	\$0.00	\$220.00	-\$220.00	\$220.00
Office Expense - Movers, sign removal		\$0.00	\$804.00	\$0.00	\$0.00	\$804.00	-\$804.00	\$700.00
Office Supplies - business cards		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30.00
Moving Expenses Sub-total	\$0.00	\$0.00	\$4,694.00	\$0.00	\$0.00	\$4,694.00	-\$4,694.00	\$4,620.00
Transportation/Travel & Utilities								
Transportation/Travel - Staff	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Transportation/Travel - Commissio	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$1,800.00	\$1,870.63	\$90.00	\$0.00	\$0.00	\$1,960.63	-\$160.63	\$1,320.00
Trans./Travel & Utilities Sub Total	\$1,800.00	\$1,870.63	\$90.00	\$0.00	\$0.00	\$1,960.63	-\$160.63	\$1,320.00
TOTAL EXPENSES	\$178,134.00	\$118,731.91	\$21,589.50	\$21,404.50	\$11,323.00	\$173,800.91	\$4,333.09	\$183,280.00

SHASTA LOCAL AGENCY FORMATION COMMISSION

RESOLUTION 2016-02

RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION

ADOPTING A PROPOSED BUDGET FOR FISCAL YEAR 2016-17

WHEREAS, the Humboldt Local Agency Formation Commission ("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, 2016; and

WHEREAS, the Commission determined the proposed budget projects the 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 2016-17 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).

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Commission on the 7th day of April 2016 and adopted by the following vote:

AYES:
NOES:
ABSTAINS:
ABSENT:

Dated: _____

Stephen Morgan, Chair
Shasta Local Agency Formation Commission

Exhibit A – Proposed FY 2016-17 Budget