

Patrick Jones
County Member

Janice Powell
City Member

Tim Garman
County Member

Tenessa Audette
City Member

Mary Rickert
County Member Alternate

Stan Neutze
City Member Alternate



Fred Ryness
Special District Member

Ronnean Lund
Special District Member

Rosemary Smith
Special District Alternate

Larry Russell
Public Member

Michael Spencer
Public Member Alternate

AGENDA ITEM 9.C.

Date: August 1, 2024

From: Krystle Heaney, Executive Officer

Subject: **FY2023-24 Budget Amendment**

The Commission will receive an update on the FY2023-24 budget and consider an amendment to cover staffing services costs for June 2024.

BACKGROUND

Shasta LAFCO adopted the FY2023-24 Budget on June 1, 2023 which was then distributed to member organizations with County Auditor apportioned annual contributions invoices. Two budget amendments were approved by the Commission in August and December 2023, respectively. Amendment 1 was approved primarily to reallocate planned payroll expenses to staffing services after the departure of the former Officer Manager. Amendment 2 was approved to reallocate additional payroll, employer taxes, office supplies, and MSR funds to cover staffing, communication, audit, website, and membership costs.

DISCUSSION

Due to the departure of the former Office Manager and the transition of Executive Officers, additional staffing services have been required to review current contract agreements, coordinate with project applicants, review and organize administrative files, and reconcile financial accounting records. As such, the total cost for staffing services has exceeded the budgeted amount. To cover these expenditures, the following fund reallocations are proposed:

- Decrease Communications - IT Support by \$1,000
- Decrease Info Tech Services by \$2,500
- Decrease Info Tech - Website by \$500
- Increase MSR/SOI Expenses by \$600
- Increase Contract Independent Executive Officer & Staff Services by \$3,400

The Executive Committee reviewed the proposed budget amendment at their July 15th meeting and recommended approval.

RECOMMENDATION

Staff recommends the Commission review the proposed reallocations and adopt Resolution 2024-03 approving the budget amendment as recommended by the Executive Committee.

ATTACHMENTS

Attachment A - Draft Resolution 2024-03

Attachment B - FY2023-24 Proposed Budget Amendment Spreadsheet

SHASTA LOCAL AGENCY FORMATION COMMISSION

RESOLUTION 2024-03

**RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION
APPROVING BUDGET AMENDMENT #3 FOR FY2023-24**

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 a final budget by June 15; and

WHEREAS, the Fiscal Year 2023-24 Budget was approved on June 1, 2023, Resolution 2023-03; and

WHEREAS, the Fiscal Year 2023-24 Budget was subsequently amended (Amendment #1) on August 3, 2023, to allocate additional funds for several expenditures and add clerk expenses to the Executive Officer Services Agreement due to the prior Office Manager's resignation; and

WHEREAS, the Fiscal Year 2023-24 Budget was further amended (Amendment #2) by Resolution 2023-13 to allocate funds for several expenditures and balance expenses with revenues; and

WHEREAS, the Commission did receive a staff report outlining additional reallocation of funds to further balance expense with revenues at a regularly scheduled meeting on August 1, 2024; and

WHEREAS, the Commission determined that the proposed budget amendments were portrayed as accurately and appropriately as is possible.

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

1. The amendments to the Fiscal Year 2023-24 Budget as outlined in Exhibit A are approved;
2. The Executive Officer is hereby ordered to publicly post the amended Fiscal Year 2023-24 Budget to the Commission's website and notify member agencies of the approved changes.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Shasta Local Agency Formation Commission on the 1st day of August, 2024, and adopted by the following vote:

AYES:
NOES:
ABSTAINS:
ABSENT:

Dated: _____

Larry Russell, Chairman
Shasta Local Agency Formation Commission

Attest:

Dated: _____

Krystle Heaney, Executive Officer
Shasta Local Agency Formation Commission

DRAFT

Budget Categories	FY 2021/22	FY 2022/23	FY 2023/24	23/24 Amended #2	23/24 Amended #3
REVENUES					
Interest	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Funding Agencies' Apportionments					
Cities	\$68,200.00	\$68,200.00	\$69,500.00	\$69,500.00	\$69,500.00
Shasta County	\$68,200.00	\$68,200.00	\$69,500.00	\$69,500.00	\$69,500.00
Special Districts	\$68,200.00	\$68,200.00	\$69,500.00	\$69,500.00	\$69,500.00
TOTAL REVENUES	\$204,600.00	\$204,600.00	\$208,500.00	\$208,500.00	\$208,500.00
EXPENSES					
Payroll, Benefits & Retirement Payout					
clerk/administrator	\$36,260.00	\$32,800.00	\$35,000.00	\$1,000.00	\$1,000.00
CalPERS Annual Retirement Payout - Previous Exec Officer	\$50,498.00	\$50,498.00	\$50,498.00	\$50,498.00	\$50,498.00
Employer Taxes	\$1,784.00	\$6,030.00	\$6,300.00	\$300.00	\$300.00
Total Payroll, Benefits & Retirement	\$88,542.00	\$89,328.00	\$91,798.00	\$51,798.00	\$51,798.00
Services and Supplies					
Contract Services					
Contract Independent Executive Officer & Staff Services	\$51,000.00	\$52,500.00	\$57,500.00	\$84,000.00	\$87,400.00
Contract Legal Counsel Services (annual service contract)	10,000	10,000	\$12,500.00	\$12,500.00	\$12,500.00
Total Contract Employment Services	\$61,000.00	\$62,500.00	\$70,000.00	\$96,500.00	\$99,900.00
Office Services & Supplies					
Bank & Transfer Fees	\$120.00	\$300.00	\$300.00	\$300.00	\$300.00
Communications - IT Support	\$1,420.00	\$1,619.52	\$1,620.00	\$2,500.00	\$1,500.00
Info Tech Tools & Equip	\$378.00	\$0.00	\$500.00	\$500.00	\$500.00
Memberships (CALAFCO)	\$4,850.00	\$3,650.00	\$4,000.00	\$4,000.00	\$4,000.00
Office Expense Supplies & Mileage Reimbursement	\$1,150.00	\$950.00	\$1,300.00	\$1,000.00	\$1,000.00
Postage, Shipping & Printing	\$550.00	\$500.00	\$500.00	\$500.00	\$500.00
Total Office Services & Supplies	\$8,888.00	\$7,019.52	\$8,220.00	\$8,800.00	\$7,800.00
Support /Fiscal/Tech Services					
Misc Professional Services					
Fiscal/Audit Services (bi-annual)	\$0.00	\$5,500.00	\$0.00	\$8,500.00	\$8,500.00
InfoTech Services	\$250.00	\$250.00	\$750.00	\$3,000.00	\$500.00
InfoTech- Website	\$720.00	\$720.00	\$120.00	\$2,000.00	\$1,500.00
Total Misc Professional Services	\$970.00	\$6,470.00	\$870.00	\$13,500.00	\$10,500.00
Total Professional Services	970	6,470	\$870.00	\$13,500.00	\$10,500.00
Rents, Leases & Misc					
Property/Gen. Liability Insurance-Membership (SDRMA-CSDA)	\$3,400	\$3,900	\$3,900.00	\$4,962.00	\$4,962.00
Publications/Legal Notices - Regular	\$800	\$800	\$1,000.00	\$1,000.00	\$1,000.00
Rents & Structure Leases (999 Mission De Oro Dr Suite 106)	\$6,000	\$7,200	\$7,200.00	\$7,200.00	\$7,200.00
Equipment & Software	\$0	\$0	\$512.00	\$1,000.00	\$1,000.00
Total Rents, Leases & Misc	\$10,200	\$11,900	\$12,612.00	\$14,162.00	\$14,162.00
Municipal Services Reviews/SOI Update Expenses					
GIS Services	\$5,500.00	\$4,000.00	\$4,500.00	\$4,500.00	\$4,500.00
Postage Printing	\$140.00	\$140.00	\$100.00	\$100.00	\$100.00
Public Hearing Notices	\$200.00	\$200.00	\$140.00	\$140.00	\$140.00
Preparing, Agency Review, Hearings, Postings	\$29,160.00	\$25,660.00	\$20,260.00	\$19,000.00	\$19,600.00
Total MSR/SOI Expenses	\$35,000.00	\$30,000.00	\$25,000.00	\$23,740.00	\$24,340.00
Total Services & Supplies	\$116,058.00	\$117,889.52	\$116,702.00	\$156,702.00	\$156,702.00
TOTAL EXPENSES	\$204,600.00	\$207,217.52	\$208,500.00	\$208,500.00	\$208,500.00