

Patrick Jones  
County Member  
  
Pamelyn Morgan  
City Member  
  
Stan Neutze  
City Member  
  
Michael Dacquisto  
City Member Alternate

Irwin Fust  
Special District Member  
  
Mary Rickert  
County Member Alternate  
  
Ronnean Lund  
Special District Member



Larry Russell  
Public Member  
  
Kevin W. Crye  
County Member  
  
Fred Ryness  
Special District Alternate

Michael Spencer  
Public Member Alternate  
  
George Williamson  
Executive Officer  
  
James M. Underwood  
General Counsel  
  
Kathy Bull  
Manager

## Agenda Item:7.a.

**Meeting Date:** June 1, 2023

**From:** George Williamson, Executive Officer

**Subject:** Adopting Final Fiscal Year 2023/2024 Budget

### **Background:**

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 the agency to fulfill its prescribed regulatory and planning duties.

### **Discussion:**

The Executive Committee met on May 18, 2023, discussed the Final FY 2023/2024 Budget and recommended approval to bring to the full Commission.

**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. Statutory authority allows the County Auditor to collect the amounts apportioned.

**Operating Expenses:** Operating expenses in the coming five years are going to be severely impacted by CalPERS unfunded liability repayment. The proposed operating expenses reflect the anticipated staffing services, daily operational needs, and municipal service reviews and sphere of influence updates. A notable operating expense includes the annual CalPERS unfunded liability payment.

**Operating Revenues:** The FY 2023/2024 operating revenues from local funding agencies is recommended to slightly increase in the amount of \$3,900 (less than 2%). All essential LAFCO operational functions will be met in accordance with California law.

### **Recommendation:**

Staff recommends the Commission:

- Open the public hearing;
- Direct staff to read any submitted written comments;
- Approve final Fiscal Year 2023/2024 budget referenced in Resolution 2023-03 as outlined above;
- Direct staff to forward the final budget to Shasta County Auditor; and
- Direct staff to forward the final budget to local funding agencies.

Exhibit A: Shasta LAFCO FY 2023/2024 Final Budget Worksheet

Exhibit B: Resolution No.2023-03

999 Mission De Oro Drive, Suite 106, Redding, CA 96003

Phone: 530.242.1112

[eo@shastalafco.org](mailto:eo@shastalafco.org)

## Final FY 2023-2024 Shasta LAFCO Budget

| Budget Categories                               | FY 2022/2023   | Final FY 2023/2024         |
|---|----------------|----------------------------|
| <b>REVENUES</b>                                 |                |                            |
| Interest  | 0              | 0                          |
| <b>Intergovernmental Revenue</b>                |                | <b>(proposed increase)</b> |
| Contribution - Cities                           | 68,200         | \$69,500                   |
| Contribution - Shasta County                    | 68,200         | \$69,500                   |
| Contribution - Special Districts                | 68,200         | \$69,500                   |
| <b>Total Intergovernmental Revenue</b>          | <b>204,600</b> | <b>\$208,500</b>           |
| <b>TOTAL REVENUES</b>                           | <b>204,600</b> | <b>\$208,500</b>           |
| <b>EXPENSES</b>                                 |                |                            |
| <b>Payroll, Benefits &amp; Retirement</b>       |                |                            |
| <b>Expense</b>                                  |                |                            |
| Regular Hours - Manager                         | 32,200         | \$34,600                   |
| Required 3 day Sick Leave Hours - Manager       | 600            | \$400                      |
| Retirement - PERS - Previous EO                 | 50,498         | \$50,498                   |
| Employer Taxes - Manager                        | 6,030          | \$6,300                    |
| <b>Total Employer Expense</b>                   | <b>89,328</b>  | <b>\$91,798</b>            |
| <b>Total Payroll, Benefits &amp; Retirement</b> | <b>89,328</b>  | <b>\$91,798</b>            |
| <b>Services and Supplies</b>                    |                |                            |
| <b>Contract Employment Services</b>             |                |                            |
| Contract Executive Officer                      | 52,500         | \$57,500                   |
| Contract LAFCO Personnel                        | 0              | \$0                        |
| <b>Total Contract Employment Services</b>       | <b>52,500</b>  | <b>\$57,500</b>            |
| <b>Office Services &amp; Supplies</b>           |                |                            |
| Bank & Transfer Fees                            | 300            | \$300                      |
| Communications                                  | 1,620          | \$1,620                    |
| Info Tech Tools & Equip                         | 0              | \$500                      |
| Memberships                                     | 3,650          | \$4,000                    |
| Mileage Reimbursement                           | 250            | \$300                      |
| Office Cleaning                                 | 0              | \$0                        |
| Office Expense                                  | 200            | \$500                      |
| Office Furnishings                              | 0              | \$0                        |
| Office Supplies                                 | 500            | \$500                      |
| Postage & Shipping                              | 500            | \$500                      |
| Printing  | 0              | \$0                        |
| <b>Total Office Services &amp; Supplies</b>     | <b>7,020</b>   | <b>\$8,220</b>             |
| <b>Professional Services</b>                    |                |                            |
| <b>Misc Professional Services</b>               |                |                            |
| Fiscal/Audit Services                           | 5,500          | \$0                        |
| InfoTech Services                               | 250            | \$750                      |
| InfoTech- Website                               | 720            | \$120                      |
| <b>Total Misc Professional Services</b>         | <b>6,470</b>   | <b>\$870</b>               |
| <b>Legal Counsel</b>                            |                |                            |
| Legal Services                                  | 10,000         | \$12,500                   |
| <b>Total Legal Counsel</b>                      | <b>10,000</b>  | <b>\$12,500</b>            |

## Final FY 2023-2024 Shasta LAFCO Budget

| Budget Categories                        | FY 2022/2023     | Final FY 2023/2024 |
|--|------------------|--------------------|
| <b>Total Professional Services</b>       | <b>16,470</b>    | <b>\$13,370</b>    |
| <b>Rents, Leases &amp; Misc</b>          |                  |                    |
| Property & General Liability             | 3,900            | \$3,900            |
| Publications/Legal Notices - Regular     | 800              | \$1,000            |
| Rents & Leases Equipment - Postage Meter | 0                | \$0                |
| Rents & Leases Equipment - Copier        | 0                | \$0                |
| Rents & Leases of Structures             | 7,200            | \$7,200            |
| Small Tools & Equipment                  | 0                | \$312              |
| Software                                 | 0                | \$200              |
| <b>Total Rents, Leases &amp; Misc</b>    | <b>11,900</b>    | <b>\$12,612</b>    |
| <b>MSR/SOI Expenses</b>                  |                  |                    |
| GIS Services                             | 4,000            | \$4,500            |
| Postage Printing                         | 140              | \$100              |
| Public Hearing Notice                    | 200              | \$140              |
| Preparing, Review, Hearing, Posting      | 25,660           | \$20,260           |
| <b>Total MSR/SOI Expenses</b>            | <b>30,000</b>    | <b>\$25,000</b>    |
| Utilities (most included in rent)        | 0                | \$0                |
| <b>Total Services &amp; Supplies</b>     | <b>117,890</b>   | <b>\$116,702</b>   |
| <b>TOTAL EXPENSES</b>                    | <b>207,218</b>   | <b>\$208,500</b>   |
| Appropriation for Contingency            | 0                | 0                  |
| <b>TOTAL BUDGET ALLOTMENT BALANCE</b>    | <b>\$204,600</b> | <b>\$208,500</b>   |
| <b>CONTINGENCY FUND BALANCE</b>          |                  |                    |
| Contingency Deposit                      |                  |                    |
| Contingency Withdrawal                   | \$2,618          |                    |
| Contingency Balance                      | \$6,186          | \$6,186            |
| <b>FY 2023-24 Change</b>                 |                  | <b>\$3,900</b>     |

**SHASTA LOCAL AGENCY FORMATION COMMISSION  
RESOLUTION 2023-03**

**RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION  
ADOPTING A FINAL BUDGET FOR FISCAL YEAR 2023/2024**

**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 final budget by June 15; and

**WHEREAS**, the Commission adopted a Proposed Budget at a noticed public hearing on April 6 2022, as recommended by the Executive Committee with a slight (\$3,900.00) increase; and

**WHEREAS**, the Commission Staff circulated for review and comment of the Proposed Draft Budge to each of the funding agencies who contribute to the budget; and

**WHEREAS**, the Final Budget for Fiscal Year 2023/2024 was presented to the Commission in the manner provided by law at its public hearing on June 1, 2023; 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 Final Budget for Fiscal Year 2023/2024 as outlined in Exhibit A is approved;
2. The adopted Final Budget for Fiscal Year 2023/2024 as outlined in Exhibit A be circulated to local funding agencies and the County Auditor as required under Government Code Section 56381(a);
3. The Shasta County Auditor-Controller is authorized to apportion the budget as specified in Government Code Section 56381(b) and request payment from the County and each City and each Special District no later than July 1, 2023 as specified in Government Code 56381(c).
4. If the County, a City or Special District does not remit its required payment within 60 days, the County Auditor is requested to collect an equivalent amount from property tax, fee or eligible revenue owed the County, City or Special District as describe in Government Code Section 56381(c).

**THE FOREGOING RESOLUTION** was introduced at a regular meeting of the Shasta LAFCO Commission on the 1<sup>st</sup> day of June, 2023, and adopted by the following votes:

AYES:  
NOES:  
ABSTAINS:  
ABSENT:

Dated: \_\_\_\_\_

\_\_\_\_\_  
*Irwin Fust, Chairman*  
Shasta Local Agency Formation Commission

ATTEST:

Dated: \_\_\_\_\_

\_\_\_\_\_  
*George Williamson, Executive Officer*  
Shasta Local Agency Formation Commission