



Agenda Item: 6.B.

Meeting: April 20, 2021

To: Trinity LAFCo Commissioners

From: Colette Santsche, Executive Officer & Kathy Bull, Administrator/Clerk

Subject: Proposed Fiscal Year 2021/2022 Budget and Work Plan

BACKGROUND:

Local Agency Formation Commissions (LAFCos) are responsible for annually adopting a proposed budget by May 1st and a final budget by June 15th in accordance with Government Code Section 56381. 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:

Funding Sources:

Trinity LAFCos annual operating expenses are principally funded through appropriations from the County and Special Districts, in addition to application fees. Each fiscal year, after the Commission adopts the final budget, the County Auditor apportions operating expenses between the County and the independent special districts. Statutory authority allows the County Auditor to collect the amounts apportioned.

Operating Expenses:

The proposed operating expenses reflect the anticipated staffing services, daily operational needs, and preparation of municipal service reviews and sphere of influence updates. No changes in operating expenses are proposed from the prior fiscal year.

Operating Revenues:

The operating revenues are proposed to remain equal with last year without an increase to local funding agencies. Staff is examining the possibility of an increase to contributions from local funding agencies in the Fiscal Year 2022/2023 in order to reduce reliance on reserves needed to balance the operational budget.

RECOMMENDATION:

Staff recommends the Commission approve the Proposed Budget for Fiscal Year 2021/2022 referenced in Resolution 2021-02 and as outlined in Attachment A, with any requested changes; direct staff to forward the proposed budget to local funding agencies; and direct staff to prepare the final budget at a public hearing scheduled for June 15, 2021.

Exhibit A: Trinity LAFCo FY 2021/2022 Proposed Budget
Exhibit B: Resolution Number 2021-02

Trinity LAFCo Budget

Fund No. 270-0100
Department No. 8270

Categories	Acct #	FY 2019/20 Adopted Budget	FY 2019/20 Budget Adjustments	FY 2019/20 Year End Actual	FY 2020/21 Adopted Budget	FY 2020/21 Q3 Actual	FY 2021/22 Proposed Budget
REVENUES:							
Interest	6601	-	-	1,671	-	-	-
LAFCo Fees (Applications)	8404	-	-	1,216	5,000	2,952	5,000
Cont From Other Agencies:							
County	9282	14,000	14,000	14,000	14,000	14,000	14,000
Indep Spec Districts	9285	14,000	14,000	13,450	14,000	9,328	14,000
TOTAL Revenues		\$ 28,000	\$ 28,000	\$ 30,337	\$ 33,000	\$ 26,280	\$ 33,000

EXPENDITURES:							
Memberships	2240	1,500	1,500	1,075	1,500	1,185	1,500
Office	2260	600	600	655	600	36	600
Professional & Specialized:	2300	40,800	40,800	39,837	45,800	25,090	45,800
- Staffing services		15,000	25,000	24,985	25,000	14,546	25,000
- MSR/SOI		25,000	15,000	11,732	15,000	9,858	15,000
- Applications		-	-	2,839	5,000	686	5,000
- Legal Counsel		500	500	-	500	-	500
- Web Service		300	300	282	300	-	300
Publications & Legal Notices	2500	500	500	947	500	268	500
Transportation & Travel	2750	1,500	1,500	406	1,500	58	1,500
Training	2756	-	-	-	-	-	-
Contrib to Non LAF Agency	3200	-	-	-	-	-	-
Transfer Out		-	-	-	-	-	-
TOTAL Expenditures		\$ 44,900	\$ 44,900	\$ 42,921	\$ 49,900	\$ 26,637	\$ 49,900

Operating Difference		\$ (16,900)	\$ (16,900)	\$ (12,584)	\$ (16,900)	\$ (357)	\$ (16,900)
<i>(Negative Balance Indicates Use of Reserves)</i>							

FUND BALANCE/RESERVES

Beginning Year Fund Balance		\$ 109,160			\$96,576		
Ending Year Fund Balance				\$ 96,576			
Assigned/Designated Reserve Funds:	\$90,000						
Litigation Defense:	\$ 60,000						
Special Legal Counsel:	\$ 10,000						
Unanticipated Sp. Studies:	\$ 20,000						



RESOLUTION NO. 2021-02

ATTACHMENT B

ADOPTING A PROPOSED BUDGET FOR FISCAL YEAR 2021/2022

WHEREAS, the Trinity 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 20, 2021; 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 2021/2022 as outlined in Exhibit A is hereby approved and by this reference incorporated herein;
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 2021/2022 shall be circulated to funding agencies for review and comment.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Trinity LAFCO Commission on the 20th day of April, 2021, and adopted by the following roll call vote:

AYES:
NOES:
ABSTAINS:
ABSENT:

ATTEST:

APPROVED:

Kathy Bull
Administrator/Clerk

Keith Groves
Chair