



## AGENDA ITEM 5.A.

**MEETING:** April 18, 2023  
**TO:** Trinity LAFCo Commissioners  
**FROM:** Colette Santsche, Executive Officer  
**SUBJECT:** Proposed Budget for Fiscal Year 2023-24

### **BACKGROUND**

Local Agency Formation Commissions (LAFCos) are responsible for annually adopting a proposed budget by May 1<sup>st</sup> and a final budget by June 15<sup>th</sup> 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:**

Staff is proposing an approximate 3% increase to contributions from local funding agencies in Fiscal Year 2023-24 to reduce reliance on reserves needed to balance the operational budget.

#### **Proposed Work Plan:**

As stated above, the proposed budget is intended to cover basic operating and administration expenses of the commission. This includes the development of municipal service reviews and sphere of influence updates for special districts throughout the county. As part of the Fiscal Year 2023-24 budgeting process, staff is proposing the following work plan:

<b>Activity</b>	<b>Tentative Time Frame</b>
<b>Planning and Regulatory Activities</b>	
Post Mountain PUD MSR/SOI Update	June/Aug 2023 Hearing
Weaverville Regional Fire Services MSR/SOI Update	Dec/Feb 2024 Hearing
Change of Organization/Reorganization Proposals (0-1/yr)	Ongoing
Out of Agency Service Requests (0-1/yr)	Ongoing
Agency Pre-application Meetings	Ongoing
Planning for Sustainable Fire Services in Trinity County	Ongoing
<b>Administrative Activities (Priority 1)</b>	
2023-24 budget, claim forms, tracking	Ongoing
2023 CALAFCO Annual Conference in Monterey, CA	Oct 18-20, 2023
2024 CALAFCO Staff Workshop	April 2024
Public information/communications	Ongoing
Website Maintenance and Updates	Ongoing
GIS Boundary Mapping Updates	Ongoing
<b>Administrative Activities (Priority 2)</b>	
Public Records Requests	As needed
Respond to Grand Jury Reports	As needed
LAFCo Policy Review and Revisions	As needed
State Legislation Monitoring and Position Letters	As needed
Comment on LAFCo-related local government proceedings	As needed

## **RECOMMENDATION**

Staff recommends the Commission approve the Proposed Budget and workplan for Fiscal Year 2023-24 referenced in Resolution 2023-03 and as outlined in Attachment B, 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 20, 2023.

### Attachments:

- A. Trinity LAFCo FY 2023/2024 Proposed Budget
- B. Resolution 2023-03

# Trinity LAFCo Budget

Categories	Acct #	FY 2021/22 Adopted Budget	FY 2021/22 Year End Actual	FY 2022/23 Adopted Budget	FY 2022/23 Mid Year Actual	FY 2023/24 Proposed Budget
<b>REVENUES:</b>						
Interest	6601	-	388	-	154	-
LAFCo Fees (Applications)	8404	5,000	750	5,000	1,150	5,000
Cont From Other Agencies:						
County	9282	14,000	14,000	14,500	14,500	15,000
Indep Spec Districts	9285	14,000	16,965	14,500	14,697	15,000
<b>TOTAL Revenues</b>		<b>\$ 33,000</b>	<b>\$ 32,104</b>	<b>\$ 34,000</b>	<b>\$ 30,501</b>	<b>\$ 35,000</b>

## EXPENDITURES:

Memberships	2240	1,500	1,185	1,500	1,243	1,500
Office	2260	600	471	600	247	600
Professional & Specialized:	2300	45,800	38,130	45,800	11,417	45,800
- Staffing services		25,000	22,657	25,000	9,335	25,000
- MSR/SOI		15,000	14,291	15,000	1,909	15,000
- Applications		5,000	1,150	5,000	173	5,000
- Legal Counsel		500	-	500	-	500
- Web Service		300	32	300	-	300
Publications & Legal Notices	2500	500	214	500	85	500
Transportation & Travel	2750	1,500	708	1,500	444	1,500
Training	2756	-	-	-	-	-
Contrib to Non LAF Agency	3200	-	-	-	-	-
Transfer Out		-	-	-	-	-
<b>TOTAL Expenditures</b>		<b>\$ 49,900</b>	<b>\$ 40,708</b>	<b>\$ 49,900</b>	<b>\$ 13,436</b>	<b>\$ 49,900</b>

Operating Difference		\$ (16,900)	\$ (8,604)	\$ (15,900)	\$ 17,066	\$ (14,900)
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(Negative Balance Indicates Use of Reserves)

## FUND BALANCE/RESERVES

Beginning Year Fund Balance		\$ 89,587		\$ 80,983		
Ending Year Fund Balance			\$ 80,983			
Assigned/Designated Reserve Funds	\$90,000					
Litigation Defense:	\$ 60,000					
Special Legal Counsel:	\$ 10,000					
Unanticipated Sp. Studies:	\$ 20,000					



## RESOLUTION NO. 2023-03

## ATTACHMENT B

### ADOPTING A PROPOSED BUDGET FOR FISCAL YEAR 2023-24

**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 18, 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 proposed budget for Fiscal Year 2023-24 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 2023-24 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 18<sup>th</sup> day of April, 2023, and adopted by the following roll call vote:

AYES:

NOES:

ABSTAINS:

ABSENT:

ATTEST:

APPROVED:

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Colette Santsche  
Executive Officer

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Heidi Carpenter-Harris  
Chair