

TRINITY LAFCO www.trinitylafco.org 670 9th Street, Suite 202 Arcata, California 95521

AGENDA ITEM 5.A.

MEETING: April 30, 2024

TO: Trinity LAFCo Commissioners

FROM: Colette Santsche, Executive Officer

SUBJECT: Proposed Budget for Fiscal Year 2024-25

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 LAFCo's 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 2024-25 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 2024-25 budgeting process, staff is proposing the following work plan:

Activity	Tentative Time Frame			
Planning and Regulatory Activities				
Post Mountain PUD MSR/SOI Follow-up	Ongoing			
Middle Trinity Regional Fire Services MSR/SOI Update	Aug 2024 Hearing			
Down River Regional Fire Services MSR/SOI Update	Feb/April 2025 Hearing			

Activity	Tentative Time Frame				
Countywide Park and Recreation Services MSR/SOI Update	June/Aug 2025 Hearing				
Change of Organization/Reorganization Proposals (0-1/yr)	Ongoing				
Out of Agency Service Requests (0-1/yr)	Ongoing				
Agency Pre-application Meetings	Ongoing				
Administrative Activities (Priority 1)					
2024-25 budget, claim forms, tracking	Ongoing				
2024 CALAFCO Annual Conference in Yosemite, CA	Oct 16-18, 2024				
2024 CALAFCO Staff Workshop	Apr 30-May 2, 2025				
Public information/communications	Ongoing				
Website Maintenance and Updates	Ongoing				
GIS Boundary Mapping Updates	Ongoing				
Administrative Activities (Priority 2)					
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 2024-25 referenced in Resolution No. 2024-01 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 18, 2024.

Attachments:

A. Trinity LAFCo FY 2024/2025 Proposed Budget

B. Resolution 2024-01

Trinity LAFCo Budget

Categories	Acct #	FY 2020/21 Adopted	FY 2020/21 Year End	FY 2021/22 Adopted	FY 2021/22 Year End	FY 2022/23 Adopted	FY 2022/23 Year End	FY 2023/24 Adopted	FY 2023/24 8 Month	FY 2024/25 Proposed
		Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
<u>REVENUES</u> :				-	-		-	-		
Interest	6601	-	543	-	388	-	348	-	-	-
LAFCo Fees (Applications)	8404	5,000	2,925	5,000	750	5,000	400	5,000	-	5,000
Cont From Other Agencies:										
County	9282	14,000	14,000	14,000	14,000	14,500	14,500	15,000	15,000	15,500
Indep Spec Districts	9285	14,000	10,494	14,000	16,965	14,500	14,697	15,000	14,151	15,500
TOTAL Revenues		\$ 33,000	\$ 27,962	\$ 33,000	\$ 32,104	\$ 34,000	\$ 29,945	\$ 35,000	\$ 29,151	\$ 36,000
EXPENDITURES:										
Memberships	2240	1,500	1,185	1,500	1,185	1,500	1,243	1,500	1,346.00	1,500
Office	2260	600	121	600	471	600	478	600	216.41	600
Professional & Specialized:	2300	45,800	33,198	45,800	38,130	45,800	29,600	45,800	26,176.74	45,800
- Staffing services		25,000	20,084	25,000	22,657	25,000	19,707	25,000	14,296.25	25,000
- MSR/SOI		15,000	12,428	15,000	14,291	15,000	9,721	15,000	11,587.50	15,000
- Applications		5,000	686	5,000	1,150	5,000	173	5,000	1	5,000
- Legal Counsel		500	-	500	-	500	-	500	1	500
- Web Service		300	-	300	32	300	-	300	292.99	300
Publications & Legal Notices	2500	500	333	500	214	500	369	500	94.53	500
Transportation & Travel	2750	1,500	115	1,500	708	1,500	905	1,500	307.50	1,500
Training	2756	-	-	-	-	-	-	-	-	-
Contrib to Non LAF Agency	3200	-	-	-	-	-	-	-	-	-
Transfer Out		-	-	-	-	-	-	-	-	-
TOTAL Expenditures		\$ 49,900	\$ 34,951	\$ 49,900	\$ 40,708	\$ 49,900	\$ 32,595	\$ 49,900	\$ 28,141.18	\$ 49,900
Operating Difference		\$ (16,900)	\$ (6,989)	\$ (16,900)	\$ (8,604)	\$ (15,900)	\$ (2,649)	\$ (14,900)	\$ 1,010	\$ (13,900)
(Negative Balance Indicates Use of R	Reserves)							,	· · · · ·	
FUND BALANCE/RESERVES										
Beginning Year Fund Balance		\$96,576		\$ 89,587		\$ 80,983				
Ending Year Fund Balance			\$ 89,587		\$ 80,983		\$ 78,333			
Assigned/Designated Reserve Funds	\$90,000									
Litigation Defense:	\$ 60,000									
Special Legal Counsel:	\$ 10,000									

Unanticipated Sp. Studies: \$

20,000





RESOLUTION NO. 2024-01

ADOPTING A PROPOSED BUDGET FOR FISCAL YEAR 2024-25

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 30, 2024; 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 2024-25 as outlined in Exhibit A is hereby approved and by this reference incorporated herein;
- 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 2024-25 shall be circulated to funding agencies for review and comment.

THE FOREGOING RESOLUTION was introduced at a special meeting of the Trinity LAFCo Commission on the 30th day of April, 2024, and adopted by the following roll call vote:

AYES: NOES: ABSTAINS: ABSENT:

ATTEST:

APPROVED:

Colette Santsche Executive Officer Heidi Carpenter-Harris Chair