

# LAFCO

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**Santa Barbara Local Agency Formation Commission**  
105 East Anapamu Street ♦ Santa Barbara CA 93101  
805/568-3391 ♦ FAX 805/568-2249  
www.sblafco.org ♦ lafco@sblafco.org

May 8, 2025 (Agenda)

Local Agency Formation Commission  
105 East Anapamu Street  
Santa Barbara CA 93101

## **Final LAFCO Budget for Fiscal Year 2025-2026**

Dear Members of the Commission:

### RECOMMENDATION:

Consider recommendations regarding the Final Budget for Fiscal Year (FY) 2025-2026, and consider adoption of a Resolution that takes the following actions:

- a) Review the Final Budget for FY 2025-2026, accept all public testimony and approve the Budget as presented;
- b) Direct staff to distribute the approved Final Budget to Cities, Special Districts and the County as required by Government Code Section 56381; and
- c) Notify the County Auditor to proceed pursuant to Government Code Section 56381(b) with apportionment of LAFCO costs among the County, Cities, and Special Districts.

### DISCUSSION:

The proposed budget was approved by the Commission on April 3, 2025. Following the April 3, 2025 Commission meeting, the approved Proposed Budget was transmitted to the County Executive, City Managers and Special District Managers. The notice of Final Budget hearing has been posted to the Commission website. The Final Budget staff report was also distributed to the County Executive, City Managers and Independent Special Districts Managers.

The notification and hearing process are consistent with the provisions of Government Code Section 56381. Pursuant to the section, "The Commission shall adopt annually following noticed public hearing, a proposed budget by May 1 and a final Budget by June 15."

The funding formula for LAFCO's budget is established in the Cortese-Knox-Hertzberg Act. LAFCO's budget is funded primarily by the County, Cities and Independent Special Districts, with each group paying one-third of the LAFCO adopted budget. The Final Budget has been distributed to the County, Cities, and Special Districts.

The recommended Final Budget for Fiscal Year 2025-2026 reflects a total projected appropriations of \$635,804, with a slight increase to Line Item 4840 for Other Gov't Agencies to \$603,704 from last year.

The final budget and signed resolution will be submitted to the County Auditor's Office. The City and District shares are pro-rated based on general revenues reported to the State Controller's Office by the jurisdictions. The County Auditor will calculate the cost to each jurisdiction and distribute invoices for payment to the Cities and Special Districts within the County in the first quarter of the 2025-2026 fiscal year. A reminder of adopted Contribution Policy regarding Net Operating Expenses will be forwarded to each member prior to December deadline.

Attachments

Attachment A - Recommended Final LAFCO Budget for FY 2025-2026

Attachment B - Draft Proposed LAFCO Budget for FY 2025-2026

Attachment C - LAFCO Resolution Approving the Final Budget for FY 2025-2026

Please contact the LAFCO office if you have any questions.

Sincerely,



Mike Prater  
Executive Officer

cc: County Executive Officer  
Each City Manager  
Each Special District Manager

**SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION**  
**Operating Fund #5320, Santa Barbara LAFCO, Department # 815**

RECOMMENDED FINAL 2025-2026 BUDGET - MAY 8, 2025

Final 5/8/2025

Account Name and Number	2024-25 Final Budget	As of 3/31/25	Projected Year-End	2025-26 Recommended Budget	Inc/Dec	% Inc/Dec
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**REVENUES**

Interest Income - 3380	3,000	6,219	10,431	6,000	3,000	100%
Unrealized Gain/Loss - 3381	0	0	0	0	0	0.0%
Other Gov't Agencies - 4840	560,000	559,921	559,921	603,704	43,704	7.8%
Planning Studies Service - 5738	20,000	31,880	34,630	20,000	0	0.0%
Misc. Revenue - 5909	9,000	1,920	6,441	6,100	-2,900	-32%
<b>Total Revenues</b>	<b>592,000</b>	<b>599,940</b>	<b>611,423</b>	<b>635,804</b>	<b>43,804</b>	<b>7.4%</b>

**EXPENDITURES**

**Salaries and Benefits**

Commissioner Stipends - 6210	22,000	10,707	17,122	22,000	0	0%
Regular Salary - 6100	293,078	195,289	283,908	303,652	10,574	4%
FICA Contribution - 6500	15,826	12,107	18,872	19,130	3,304	21%
FICA/Medicare - 6550	6,448	3,088	4,660	6,680	232	4%
Retirement-Employer Contribution - 6400	25,581	16,800	25,581	29,104	3,523	14%
Retirement - Employee Contribution - 5771	25,581	16,800	25,581	29,104	3,523	14%
Unemployment Insurance - 6700	3,466	3,947	4,537	7,490	4,024	116%
Fed Unemploy Tax-Employer Cont - 6700	550	290	350	550	0	0%
<b>Fixed Costs (\$):</b>						
Health Plan/Contribution - 6600	33,680	25,336	36,427	35,100	1,420	4%
Life/Disability Insurance - 6610	3,000	1,976	2,965	3,000	0	0%
Def Comp - EO Employer - 6100	4,200	3,150	4,200	4,200	0	0%
Phone/Cash Allowance - 7811	2,450	1,624	2,436	2,450	0	0%
Auto Allowance - 7326	7,000	4,666	7,000	7,000	0	0%
<b>Total Salaries and Benefits</b>	<b>417,279</b>	<b>278,980</b>	<b>408,058</b>	<b>440,356</b>	<b>23,077</b>	<b>6%</b>

**Services and Supplies**

Audit Fees - 7324	12,900	12,800	15,800	13,090	190	1%
Memberships - 7430	9,750	10,287	10,287	10,567	817	8%
Office Expense - 7450	1,500	445	625	1,500	0	0%
Equipment Maintenance - 7120	0	0	0	0	0	0%
Copier Expense - 7453	1,000	127	700	1,000	0	0%
Prof & Special Services - 7460	50,000	1,840	33,222	70,000	20,000	40%
Payroll Fees - 7507	2,400	1,697	2,116	2,400	0	0%
Legal Services -7508	65,000	13,601	60,000	65,000	0	0%
Pubs & Legal Notices - 7530	3,000	1,836	2,232	3,000	0	0%
Postage - 7451	1,000	186	269	1,000	0	0%
Gen Fund Cost Allocation - 7669	19,051	10,225	19,051	8,505	-10,546	-55%
Training and Travel - 7732	26,000	14,839	22,512	26,000	0	0%
<b>Total Services and Supplies</b>	<b>191,601</b>	<b>67,883</b>	<b>166,814</b>	<b>202,062</b>	<b>10,461</b>	<b>5%</b>

**Other Charges**

Electricity - 7801	500	516	649	650	150	30%
Natural Gas - 7802	175	124	175	175	0	0%
Water - 7803	150	95	150	150	0	0%
Refuse - 7804	200	89	200	200	0	0%
Utility Services - 7806	100	25	100	100	0	0%
Liability Insurance - 6900	1,545	38	1,661	1,661	116	0%
Telephone Services - 7897	450	344	450	450	0	0%
<b>Total Other Charges</b>	<b>3,120</b>	<b>1,231</b>	<b>3,385</b>	<b>3,386</b>	<b>266</b>	<b>9%</b>

<b>Contingency Reserve - 9600</b>	<b>-20,000</b>		<b>0</b>	<b>-10,000</b>	<b>0</b>	<b>0</b>
<b>Total Contingency Reserve</b>	<b>293,441</b>		<b>326,607</b>	<b>0</b>	<b>316,607</b>	<b>7.9%</b>
<b>Total Exp/Appropriations</b>	<b>592,000</b>	<b>348,094</b>	<b>578,257</b>	<b>635,804</b>	<b>43,804</b>	<b>7.4%</b>
<b>Net Financial Impact</b>	<b>0</b>	<b>251,846</b>	<b>33,166</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

\*\$33,000 contingency is estimated to be added into reserves in FY 25/26. While \$10,000 of contingency will also be deducted from reserves o

**SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION**  
**Operating Fund #5320, Santa Barbara LAFCO, Department # 815**

PROPOSED DRAFT 2025-2026 BUDGET - APRIL 3, 2025

Draft 4/3/2025

Account Name and Number	2024-25 Final Budget	As of 3/31/25	Projected Year-End	2025-26 Recommended Budget	Inc/Dec	% Inc/Dec
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Liability Insurance - 6900	1,545	38	1,661	1,661	116	0%
Telephone Services - 7897	450	344	450	450	0	0%
<b>Total Other Charges</b>	<b>3,120</b>	<b>1,231</b>	<b>3,385</b>	<b>3,386</b>	<b>266</b>	<b>9%</b>

<b>Contingency Reserve - 9600</b>	<b>-20,000</b>	<b>-20,000</b>	<b>-20,000</b>	<b>-10,000</b>	<b>0</b>	<b>0</b>
<b>Total Contingency Reserve</b>	<b>293,441</b>	<b>368,094</b>	<b>305,096</b>	<b>0</b>	<b>295,096</b>	<b>0.6%</b>
<b>Total Exp/Appropriations</b>	<b>592,000</b>	<b>368,094</b>	<b>598,257</b>	<b>635,804</b>	<b>43,804</b>	<b>7.4%</b>
<b>Net Financial Impact</b>	<b>0</b>	<b>231,846</b>	<b>11,655</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>

\*\$11,000 contingency will be added into reserves in FY 25/26. The estimated contingency reserve balance will be \$295,000

LAFCO RESOLUTION NO. 25 -04

RESOLUTION OF THE SANTA BARBARA LOCAL AGENCY FORMATION  
COMMISSION ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2025-2026

WHEREAS, the Executive Officer has given the notices required by law and forwarded copies of the proposed budget to officers, persons, and public agencies proscribed by law; and

WHEREAS, this matter was set for public hearing at 1:00 p.m. on May 8, 2025, and a public hearing was duly conducted; and

WHEREAS, at said hearing, the Commission heard and received all oral and written comments and evidence which were made, presented or filed, and all person's present and participating remotely were given the opportunity to hear and be heard in respect to any matter relating to said recommended final budget, and

WHEREAS, the Commission finds that it can accomplish its legislative purpose and adopted work plan with the reduced final budget as required by Cortese-Knox-Hertzberg Act; and

NOW, THEREFORE BE IT RESOLVED AND ORDERED by the Local Agency Formation Commission of Santa Barbara County, State of California, as follows:

1. The recitals set forth herein are true, correct and valid;
2. Pursuant to Government Code section 56381(a), the Commission hereby adopts the Final Budget for Fiscal Year 2025-26 in the amount of \$635,804 as set forth in **Exhibit A**. The amount charged to the Cities, the Independent Special Districts and the County, after deducting fees from applications will be \$603,704; and
3. Pursuant to Government Code section 56381(a), the Final Budget is found to be adequate for the Commission to fulfill the purpose and programs of Chapter 3 ("Powers") of Part 2 of the Cortese-Knox-Hertzberg Act;
4. Staff is directed to distribute the Final Budget to the County, Cities, and Special Districts as required by Government Code section 56381; and
5. Staff shall notify the County Auditor to proceed pursuant to Government Code section

ATTACHMENT C

Santa Barbara LAFCO  
LAFCO RESOLUTION NO. 25-04

56381(b) with apportionment of LAFCO costs among the County, Cities, and Special Districts.

This resolution was adopted on May 8, 2025 and is effective on the date signed by the Chair.

AYES:

NOES:

ABSTAINS:

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

\_\_\_\_\_  
Alice Patino, Chair  
Santa Barbara Local Agency Formation Commission

ATTEST:

\_\_\_\_\_  
Natasha Carbajal, Clerk/Analyst  
Santa Barbara Local Agency Formation Commission