

LAFCO

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 4, 2023 (Agenda)

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

Final LAFCO Budget for Fiscal Year 2023-2024

Dear Members of the Commission:

RECOMMENDATION:

Consider recommendations regarding the Final Budget for Fiscal Year (FY) 2023-2024, and consider adoption of a Resolution that takes the following actions:

- a) Review the Final Budget for FY 2023-2024, 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 6, 2023. Following April 6, 2023 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.

Commissioners: Cynthia Allen ♦ Jay Freeman, Vice-Chair ♦ Craig Geyer ♦ Joan Hartmann, Chair ♦ James Kyriaco ♦ Bob Nelson
♦ Jenelle Osborne ♦ Alice Patino ♦ Jim Richardson ♦ Shane Stark ♦ Das Williams **Executive Officer:** Mike Prater

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 2023-2024 reflects a total projected appropriations of \$571,236, with a slightly lowered Line Item 4840 for Other Gov't Agencies to \$540,236.

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 2023-2024 fiscal year. A reminder of newly adopted Contribution Policy regarding Net Operating Expenses will be forwarded to each member.

Attachments

Attachment A - Recommended Final LAFCO Budget for FY 2023-2024

Attachment B - Draft Proposed LAFCO Budget for FY 2023-2024

Attachment C - LAFCO Resolution Approving the Final Budget for FY 2023-2024

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 2023-2024 BUDGET - MAY 4, 2023

Final 5/4/2023

Account Name and Number	2022-23 Final Budget	As of 3/31/23	Projected Year-End	2023-24 Recommended Budget	Inc/Dec	% Inc/Dec
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REVENUES

Interest Income - 3380	4,000	2,553	2,553	2,000	-2,000	-50%
Unrealized Gain/Loss - 3381	0	0	0	0	0	0%
Other Gov't Agencies - 4840	580,072	550,340	580,072	540,236	-39,836	-7%
Planning Studies Service - 5738	25,000	25,000	25,000	18,000	-7,000	-28%
Misc. Revenue - 5909	7,135	8,087	9,175	11,000	0	0%
Total Revenues	616,207	585,980	616,800	571,236	-44,971	-7%

EXPENDITURES

Salaries and Benefits

Commissioner Stipends - 6210	22,000	11,268	22,000	22,000	0	0%
Regular Salary - 6100	274,887	180,530	272,000	293,731	18,844	7%
FICA Contribution - 6500	7,422	9,973	14,785	15,861	8,439	114%
FICA/Medicare - 6550	4,275	2,828	3,675	6,462	2,187	51%
Retirement-Employer Contribution - 6400	24,935	13,852	20,390	23,866	-1,069	-4%
Retirement - Employee Contribution - 5771	24,925	13,852	20,390	23,866	-1,059	-4%
Unemployment Insurance - 6700	3,563	2,610	3,500	6,630	3,067	86%
Fed Unemploy Tax-Employer Cont - 6700	300	117	300	300	0	0%
Fixed Costs (\$):						
Health Plan/Contribution - 6600	22,500	21,418	22,500	26,215	3,715	0%
Life/Disability Insurance - 6610	3,200	1,977	3,200	3,000	-200	0%
Def Comp - EO Employer - 6100	4,200	2,430	4,200	4,200	0	0%
Phone/Cash Allowance - 7811	2,750	1,624	2,450	2,450	-300	0%
Auto Allowance - 7326	7,000	4,667	7,000	7,000	0	0%
Total Salaries and Benefits	377,032	267,144	376,000	411,716	34,684	9%

STAFF SUPPORT

Contractual Staff Services - 7510	30,000	2,329	2,329	0	-30,000	-100%
Total Staff Support	30,000	2,329	2,329	-	(30,000)	-100%

Services and Supplies

Audit Fees - 7324	10,000	0	11,130	12,000	2,000	20%
Memberships - 7430	9,500	1,250	1,250	9,540	40	0%
Office Expense - 7450	1,500	2,391	2,211	1,500	0	0%
Equipment Maintenance - 7120	0	0	0	0	0	0%
Copier Expense - 7453	500	0	0	2,000	1,500	0%
Prof & Special Services - 7460	53,000	40,552	50,000	50,000	-3,000	-6%
Payroll Fees - 7507	2,750	1,546	2,800	2,750	0	0%
Legal Services - 7508	50,000	34,799	50,000	50,000	0	0%
Pubs & Legal Notices - 7530	2,000	1,030	2,298	2,000	0	0%
Postage - 7451	250	471	700	1,000	750	0%
Gen Fund Cost Allocation - 7669	38,100	29,074	38,100	-245	-38,345	-101%
Training and Travel - 7732	29,000	14,647	26,000	26,000	-3,000	-10%
Total Services and Supplies	196,600	125,760	184,489	156,545	-40,055	-20%

Other Charges

Electricity - 7801	500	485	500	500	0	0%
Natural Gas - 7802	175	166	175	175	0	0%
Water - 7803	150	97	150	150	0	0%
Refuse - 7804	200	123	200	200	0	0%
Utility Services - 7806	100	30	100	100	0	0%
Liability Insurance - 6900	1,000	824	1,350	1,400	400	0%
Telephone Services - 7897	150	298	440	450	300	200%
Total Other Charges	2,275	2,022	2,915	2,975	700	31%

Contingency Reserve - 9600	0	0	0	0	0	0%
Total Contingency Reserve	238,312		289,379	0	289,379	21.4%
Total Exp/Appropriations	616,207	397,255	565,733	571,236	-44,971	-7.3%
Net Financial Impact	0	188,725	51,067	0	0	0.0%

*\$0 contingency will be added to reserves in FY 23/24. The estimated contingency reserve balance will be \$289,000

ATTACHMENT A

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

RECOMMENDED DRAFT 2023-2024 BUDGET - APRIL 6, 2023

Draft 4/6/2023

Account Name and Number	2022-23 Final Budget	As of 3/31/23	Projected Year-End	2023-24 Proposed Budget	Inc/Dec	% Inc/Dec
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ATTACHMENT B

LAFCO RESOLUTION NO. 23 -XX

RESOLUTION OF THE SANTA BARBARA LOCAL AGENCY FORMATION
COMMISSION ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2023-2024

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 4, 2023, 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 2023-24 in the amount of \$571,236 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 \$540,236; 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

Santa Barbara LAFCO
LAFCO RESOLUTION NO. 23 -

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

This resolution was adopted on May 4, 2023 and is effective on the date signed by the Chair.

AYES:

NOES:

ABSTAINS:

Dated: _____

Joan Hartmann, Chair
Santa Barbara Local Agency Formation Commission

ATTEST:

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