



Solano Local Agency Formation Commission

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Staff Report

DATE: August 12, 2024

TO: Local Agency Formation Commission

FROM: Christina Love, Deputy Executive Officer

SUBJECT: **LAFCO Project 2024-10: FY 2024-2025 Adjusted Final Budget to Allocate Funds for an Additional Employee and for Increased Commissioner Per Diems**

Recommendation:

REVIEW and APPROVE the LAFCO Resolution approving FY 24-25 Adjusted Budget allocating funds for a new employee and commissioner per diems.

DIRECT staff to submit the amended documents to Solano County Auditor-Controller's Office for processing.

Background:

During the LAFCO (Commission) public hearing on the Fiscal Year 2024-2025 Final Budget and Workplan on June 10, 2024, the Commission adopted the Final Budget with instructions to return in August to consider 2 items: 1) funding an additional employee and 2) an increase to the Commissioner per diems.

This action proposes a budget adjustment allocation to fund the hiring of an employee starting September 2024. The adjustment also includes funds to support an increase to the Commissioner's per diems by \$50.00 per person per meeting.

Discussion:

Additional Employee

During the June 12, 2024, public hearing for the FY 24-25 Final Budget and Workplan, the Commission recognized the growing workload and staff's proactive and collaborative efforts on all tasks. To support the forward momentum of staff, the Commission directed staff to research funds and potentially return with a proposal to hire an additional staff person.

Staff considered possible positions that would best meet the needs of the anticipated and potential project applications. Given the complexities, staff is recommending a Senior Analyst

Commissioners

Ron Kott, Chair • John Vasquez, Vice-Chair • Nancy Shopay • Mitch Mashburn • Steve Bird

Alternate Commissioners

Alma Hernandez • Wanda Williams • Jack Batchelor

Staff

Rich Seithel, Executive Officer • Christina Love, Deputy Executive Officer • Aaron Norman, Analyst II • Tova Guevara, Office Administrator/Clerk • Tyra Hays, Project Specialist • Mala Subramanian, Lead Legal Counsel

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or Project Specialist, depending on the candidates' qualifications, because the best candidates will need significant experience in governmental agency operations.

The proposed budget adjustment plans for a Project Specialist to allow for broader opportunities. The budget adjustment also accounts for other expenses related to a new position. (Such as a computer, desk phone, phone port, additional software licenses, and other office equipment)

Exhibit A displays the approved Final Budget, estimated New Hire Expenses, and the Proposed Adjusted Budget. In summary, the total increases for Salary & Benefits (1000s) and Services & Supplies (2000s) are as follows:

Object Description	FY 24/25 Approved Final Budget	New Hire Expenses	FY 24/25 Proposed Adjusted Budget
Salaries & Benefits (1000s)	\$927,746	\$137,354	\$1,065,100
Services & Supplies (2000s)	\$303,719	\$5,750	\$311,869
<i>Services & Supplies Adjustment for per diems</i>	-	\$2,400	
Total Budget (includes subobjects not being changed)	\$1,286,963	\$145,504	\$1,432,466
Fund Balance Allocation	\$275,000	\$145,504	\$420,504

Staff also estimated the fund balance after the allocations approved with the Final Budget in June to be approximately \$361,000. Subtracting the proposed allocation, the adjusted Fund Balance will be approximately \$215,000.

Commission Per Diems in By Laws

The Solano LAFCO By Laws dictate how much the Commission is compensated per meeting. The per diems have not been revised in more than 10 years. Article VIII, Section 5 sets the per diems at \$100 per commissioner per meeting. The proposed budget adjustment proposes an increase to \$150 per commissioner per meeting, effective when a revision to the By Laws are adopted.

The FY 24-25 Final Budget allocated \$4,800 for commissioner per diems in subobject 2250. The proposed FY 24-25 allocates an additional \$2,400, for a total of \$7,200 for commission per diems in subobject 2250.¹

Attachments:

Action item – LAFCO Resolution adopting the Adjusted Final Budget Fiscal Year 2024-2025
Exhibit A: FY 2024-25 Proposed Adjusted Final Budget

¹ \$100 x 8 commissioners x 6 regular meetings vs. \$150 x 8 commissioners x 6 regular meetings

LAFCO RESOLUTION NO. 2024-

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF SOLANO COUNTY ADOPTING THE
ADJUSTED FINAL BUDGET FISCAL YEAR 2024-2025**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000(CKH) section 56000 et seq. of the California Government Code (GC) requires the Local Agency Formation Commission (LAFCO or Commission) of Solano County to perform planning duties by encouraging the orderly development and coordination of local agencies; and,

WHEREAS, the Commission is required to adopt annual final budgets by June 15; and,

WHEREAS, staff consulted with the Budget Committee group on March 20, 2024 to help inform and make decisions regarding the agency’s funding requirements; and,

WHEREAS, the Executive Officer prepared a written report and recommendations on a proposed budget and proposed work plan for the fiscal year 2024-25 adopted by the Commission on April 8, 2024, and subsequently circulated for review and comment to all funding agencies; and,

WHEREAS, the Commission considered and adopted the Final Budget and Workplan for Fiscal Year 2024-25 at the public hearing held on June 10, 2024; and,

WHEREAS, during the public hearing for the Final Budget Fiscal Year 2024-25 on June 10, 2024, the Commission also directed staff to return for a potential budget adjustment for 1) funding for an additional employee, and 2) an increase to the Commissioner’s per diems; and

WHEREAS, on August 12, 2024, the Commission received and considered staff’s analysis for a budget adjustment to allocate funding for an additional employee and a \$50.00 increase to Commissioner per diems per Commissioner per meeting; and,

WHEREAS, on August 12, 2024, the Commission heard and considered all evidence and testimony for a Adjusted Final Budget to allocate funding for an additional employee and a \$50.00 increase to Commissioner per diems per Commissioner per meeting; and,

WHEREAS, the Commission’s Adjusted Final Budget operating budget for FY 2024-25 is \$1,432,466; and,

WHEREAS, expenses for Adjusted Final Budget Fiscal Year 2024-25 are hereby allocated by budget category in the following manner:

Salaries and Employee Benefits	\$ 1,065,100
Services and Supplies	\$ 311,869
Other Expenses	\$ 45,000
<u>Designated Reserve</u>	<u>\$ 10,497</u>
Total Expenses	\$ 1,432,466

WHEREAS, the Adjusted Final Budget Fiscal Year 2024-25 includes an increased appropriation from Fund Balance by an additional \$145,504; and,

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WHEREAS, the Adjusted Final Budget Fiscal Year 2024-25 does not change the City/County Apportionment amount; and,

WHEREAS, revenues for Adjusted Final Budget Fiscal Year 2024-25 or the means of financing the LAFCO program will be by monies derived from the following sources of funding:

Anticipated Revenue	\$ 50,000
Anticipated Interest	\$ 10,000
Fund Balance	\$ 420,504
City/County Apportionment	\$ 951,963
Total Revenue	\$1,432,466

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Local Agency Formation Commission of the County of Solano does approve and adopt the Adjusted Final Budget Fiscal Year 2024-25, as shown in attached Exhibit A, and by this reference incorporated herein and does further order and direct the following:

Section 1: The Executive Officer shall transmit the Adjusted Final Budget to the Auditor and all parties specified in Government Code §56381(a) as promptly as possible.

The foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of the County of Solano at a duly noticed public hearing held on August 10, 2024, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Ron Kott, Chair
Presiding Officer of Local Agency Formation
Commission County of Solano, State of California

ATTEST:

Tova Guevara, Clerk of the Commission

Exhibit A: FY 2024-25 Proposed Adjusted Final Budget

EXHIBIT A

Sub-object	Obj Desc	FY 24/25 Approved Final Budget [PB]	New Hire Expenses	FY 24/25 Adjusted Final Budget [PB]
EXPENSES	1000 SALARIES AND EMPLOYEE BENEFITS			
	1110 SALARY/WAGES REGULAR	\$691,516	\$93,029	\$784,545
	1210 RETIREMENT-EMPLOYER	\$84,249	\$15,759	\$100,008
	1212 DEFERRED COMP-COUNTY MATCH	\$650	\$130	\$780
	1220 FICA-EMPLOYER	\$10,027	\$1,349	\$11,376
	1230 HEALTH INS-EMPLOYER	\$107,508	\$23,140	\$130,648
	1231 VISION CARE INSURANCE	\$766	\$262	\$1,028
	1240 COMPENSATION INSURANCE	\$3,400	\$700	\$4,100
	1241 LT DISABILITY INSURANCE ER	\$2,253	\$405	\$2,658
	1250 UNEMPLOYMENT INSURANCE	\$1,500	\$300	\$1,800
	1260 DENTAL INS-EMPLOYER	\$5,874	\$1,323	\$7,198
	1270 ACCRUED LEAVE CTO PAYOFF	\$15,000	\$0	\$15,000
	1290 LIFE INSURANCE-EMPLOYER	\$5,003	\$956	\$5,959
	TOTAL SALARIES AND EMPLOYEE BENEFITS	\$927,746	\$137,354	\$1,065,100
	2000 SERVICES AND SUPPLIES			
	2021 COMMUNICATION-TELEPHONE SYSTEM	\$1,000		\$1,000
	2026 CELL PHONE ALLOWANCE	\$2,100		\$2,100
	2028 TELEPHONE SERVICES	\$8,720	\$1,000	\$9,720
	2051 LIABILITY INSURANCE	\$9,089		\$9,089
	2140 MAINTENANCE-BLDGS & IMPROVE	\$500		\$500
	2170 MEMBERSHIPS	\$11,500	\$200	\$11,700
	2180 BOOKS & SUBSCRIPTIONS	\$500		\$500
	2200 OFFICE EXPENSE	\$8,760		\$8,760
	2201 EQUIPMENT UNDER \$1,500	\$2,000	\$1,000	\$3,000
	2202 CONT ASSETS COMPUTER RELATED	\$5,000	\$2,500	\$7,500
	2204 COMPUTER RELATED ITEMS:<\$500	\$1,000	\$350	\$1,350
	2205 POSTAGE	\$600		\$600
	2235 ACCOUNTING & FINANCIAL SERVICE	\$35,000		\$35,000
	2239 LEGAL SERVICE	\$15,000		\$15,000
	2245 CONTRACTED SERVICES	\$90,000		\$90,000
	2250 OTHER PROFESSIONAL SERVICES	\$16,000	\$2,400	\$18,400
	2266 CENTRAL DATA PROCESSING SVCE	\$62,000		\$62,000
	2271 SOFTWARE SUBSCRIPTION/SBITA ST	\$3,500	\$700	\$4,200
	2280 PUBLICATIONS AND LEGAL NOTICES	\$1,000		\$1,000
	2310 EDUCATION & TRAINING	\$12,550		\$12,550
	2335 TRAVEL EXPENSE	\$8,000		\$8,000
	2339 MANAGEMENT BUSINESS EXPENSE	\$2,000		\$2,000
	2354 CAR ALLOWANCE	\$7,900		\$7,900
	2355 PERSONAL MILEAGE	\$0		\$0
	TOTAL SERVICES AND SUPPLIES	\$303,719	\$8,150	\$311,869
	OTHER EXPENSES			
	3233 LEASE EXPENSE - BUILDING LT	\$34,000	\$0	\$34,000
	3235 LEASE EXPENSE - COPIERS/MFD'S LT	\$11,000	\$0	\$11,000
	TOTAL OTHER EXPENSES	\$45,000	\$0	\$45,000
	TOTAL OPERATING EXPENSES	\$1,276,465	\$145,504	\$1,421,969
	730 20% RESERVE POLICY ADJUSTMENT	\$ 10,497		\$ 10,497
	TOTAL TOTAL EXPENDITURES	\$1,286,963	\$145,504	\$1,432,466
REVENUES	REVENUES			
	9200 LICENSES & PERMITS-OTHER			
	9229 LICENSES & PERMITS-OTHER	\$50,000	\$0	\$50,000
	9400 REVENUE FROM USE OF MONEY/PROP			
	9401 INTEREST INCOME	\$10,000	\$0	\$10,000
	9500 INTERGOVERNMENTAL REVENUES			
	9511 OTHER GOVERNMENTAL AGENCIES	\$951,963	\$0	\$951,963
	740 OTHER REVENUE			
	740 FUND BALANCE APPROPRIATON	\$275,000	\$145,504	\$420,504
	TOTAL TOTAL REVENUES	\$1,286,963	\$145,504	\$1,432,466
	EXPENSES			
	1000	\$927,746	\$137,354	\$1,065,100
	2000	\$303,719	\$8,150	\$311,869
	3000	\$45,000	\$0	\$45,000
	Reserve Adjustment	\$ 10,497	\$ 145,504	\$ 10,497
	TOTAL EXPENSES	\$1,286,963	\$291,007	\$1,432,466
	REVENUES			
	9200	\$50,000	\$0	\$50,000
	9400	\$10,000	\$0	\$10,000
	9500	\$951,963	\$0	\$951,963
	Fund Balance Appropriation	\$275,000	\$145,504	\$420,504
	TOTAL REVENUES	\$1,286,963	\$145,504	\$1,432,466