



Commission Meeting

Solano LAFCO

April 12, 2021

**Commission Meeting
In Progress**

**Closed
Session**

Proposed Budget Fiscal Year 2021-2022

- Finance Committee meeting 3-25-21 to develop Proposed Budget.
- Proposed Budget considerations:
 1. No increase to the County and cities billing.
 2. Maintain Reserve Account at minimum 20% of operating budget.
 3. Recognize LAFCO's MSR/SOI responsibilities
 4. Recognize Commission's prior workplan goals/priorities:
Projects, Commission Directives, Administrative, and Legislative

Summary of Proposed Budget FY 21-22

Description	FY 21/22 Proposed	FY 20/21 Adjusted	Difference	%
Expenses	\$775,355	\$835,579	(\$60,224)	-7%
Revenues	\$775,335	\$835,579	(\$60,224)	-7%
Net Fund Cost (Fund Balance)	\$40,953	\$82,494	(\$41,541)	-100%

Notable Changes from Prior Year

Line Item	Description	Explanation	Increase (Decrease) vs. FY 20/21 Adjusted Budget
1110	Salaries	2% salary adjustment for performance evaluations.	\$6,084
1210	Retirement	Increase cost for unfunded liability, slight increase to PEPRA rate.	\$5,254
2235	Accounting Services	No audit for FY 21/22; audits are biennial.	(\$13,289)
2239	Legal Services	Moved from Prof Services (2250) to Legal Services (2239) more accurate description.	\$27,050
2245	Contracted Services	Decrease MSR/SOI costs. Recommend MSR/SOI update for cemetery districts.	(\$48,347)
2250	Professional Services	Moved \$27,050 to legal services costs (2239) and decreased website estimated costs.	(\$29,304)
730	Reserve	No change to Reserve Account from prior year.	(\$21,233)
740	Fund Balance	Recommend decrease of fund balance appropriation from the prior year.	(\$41,541)
9229	Licenses and Permit	Increase of projected revenue from application fees due to an increase in anticipated projects.	\$10,000

Proposed Budget FY 21-22: Expenses

Budget Categories	2020-21 Adjusted Budget	2021-22 Proposed Budget	+/-	% Change
<i>Salaries and Benefits (1000)</i>	\$476,033	\$486,744	\$10,711	2%
<i>Services and Supplies (2000)</i>	\$338,313	\$288,611	(\$49,702)	(15%)
<i>Reserve Adjustment (730)</i>	\$21,233	\$0	(\$21,233)	(100%)
Total Expenses	\$835,579	\$775,355	(\$60,224)	(7%)

Proposed Budget FY 21-22: Revenue

Budget Categories	2020-21 Adjusted Budget	2021-22 Proposed Budget	+/-	Percent Change
<i>Licenses, Permits, and Franchise (9200)</i>	\$10,000	\$20,000	\$10,000	100%
<i>Revenue from Use of Money (9400)</i>	\$3,000	\$3000	\$0	0%
<i>Intergovernmental Revenues (9500)</i>	\$711,738	\$711,402	(\$336)	(0%)
<i>Fund Balance Appropriation</i>	\$82,494	\$40,953	(\$41,541)	(50%)
<i>Encumbrance Roll-Over</i>	\$28,347	\$0	(\$28,347)	(100%)
Total Revenue	\$835,579	\$775,355	(\$60,224)	(7%)

Estimated Billing to County and Cities

ESTIMATED BILLING TO COUNTY AND CITIES FOR FY 2021-22*					
Agency	Governmental Funds Revenues (FY 18/19)*	Cost %	FY 20/21 Actual Invoice per Auditor	FY 21/22 Estimate	+/-
<i>Benicia</i>	\$ 49,599,695.00	8.31%	\$ 30,269.00	\$ 29,543.53	\$ (725.47)
<i>Dixon</i>	\$ 33,241,107.00	5.57%	\$ 16,991.00	\$ 19,799.71	\$ 2,808.71
<i>Fairfield</i>	\$ 152,008,108.00	25.45%	\$ 95,596.00	\$ 90,542.01	\$ (5,053.99)
<i>Rio Vista</i>	\$ 12,990,935.00	2.18%	\$ 6,476.00	\$ 7,737.91	\$ 1,260.91
<i>Suisun City</i>	\$ 25,396,955.00	4.25%	\$ 14,899.00	\$ 15,127.43	\$ 228.43
<i>Vacaville</i>	\$ 154,828,104.00	25.93%	\$ 95,578.00	\$ 92,221.71	\$ (3,356.29)
<i>Vallejo</i>	\$ 169,110,236.00	28.32%	\$ 96,061.00	\$ 100,728.71	\$ 4,667.71
<i>Subtotal: Cities</i>	\$ 597,175,140.00	100.00%	\$ 355,870.00	\$ 355,701.00	\$ (170.00)
<i>County</i>			\$ 355,869.00	\$ 355,701.00	\$ (168.00)
TOTAL			\$ 711,739.00	\$ 711,402.00	\$ (337.00)
*Most recent report available as of 4/1/21,					
Per Solano County Auditor, ACO uses Gov't Funds Revenue to invoice cities					

Fund Balance Appropriation

Fund Balance total - \$140,953

Appropriate \$40,953 to offset the cost of funding the Operating Budget (Billing to the County and the seven cities remain comparable to the prior year)

Consider options for the balance of \$100,000:

- 1. Increase Reserve Account** from \$157,200 to \$257,200.
- 2. Increase appropriation** to fund Operating Budget (\$40,953 as proposed to \$140,953)
- 3. No change** - \$100,000 remains in fund balance
- 4. New designated reserve account** (per Section C of the Commission's Reserves Policy "The Commission may appropriate revenue to establish and maintain a legal defense reserve fund to minimize the cost impact of litigation...The Commission may use fund balance, general reserves above the 20% minimum, or other sources of revenue to fund its legal defense reserve.")

Proposed Workplan FY 21-22: High Priority

#	Task/Project	Priority	Category	Comments
1	Fire Services	High	C	Con't. work with Fire Committee: develop cost centers; analyze staffing models; review station locations; develop service and funding options; SOI update; con't explore reorg options; gap analysis.
2	Reorganizations	High	P	<i>Fairfield</i> – Sunset Road (island) and Pittman Road <i>Suisun City</i> – Walters Rd and Pennsylvania/Hwy 12 <i>Benicia</i> – Benicia Road (Island Annexation) <i>Vacaville</i> – Nut Tree Airport vicinity (Island Annexation) <i>SID</i> - Roberts' Ranch, Cement Hill, Green Valley Apartments, and Harbison Apartments
3	Sphere of Influence (SOI) Mapping/Reconciliation	High	L	Update, inventory, and identify parcels. Identify possible Disadvantaged unincorporated community (DUC) and lands under Williamson Act contracts. Identify long-term and short-term designations.
4	Municipal Service Review (MSR)/Sphere of Influence (SOI) Updates	High	P	Cemetery Districts: Rio Vista (completed in 2005), Silveyville (c 2012), Solano (c 2012), and Vacaville (c 2012) - (New funds) Solano Irrigation District (completed in 2014) Rural North Vacaville (completed in 2016) (PY funds)
5	SOI Updates-Reclamation Districts	High	P	Adopt remaining SOI for RDs with boundary issues.
6	Mapping and Boundary Corrections	High	L	Verify, correct, and map city and special district boundaries and SOIs. Con't work with County GIS to update and correct boundary layers.

Proposed Workplan FY 21-22: Medium Priority

#	Task/Project	Priority	Category	Comments
7	Policies and Standards	Medium	A	Review and update policies to improve clarity/compliance with CKH.
8	Website Improvement	Medium	L	Address ADA compliance, improve usability, and usefulness.
9	Outreach	Medium	C	Ongoing outreach to local agencies, cities, county, developers, and public.
10	Island Profiles	Medium	C	Analysis of current/planned zoning, existing services, conditions, development potential, and map. Develop island annexation campaign with Resource Management and Cities.
11	Fees Update	Medium	A	Update application charge out rates to reflect the Commission's current costs for processing projects.
12	H.R.	Medium	A	Classification/Salary Range reviews.

Recommended Commission Actions:

- **Adopt or adopt with modification(s)** the Proposed Budget and Workplan for fiscal year 2021-22.
- **Distribute** the Proposed Budget to the County and the cities.
 - Presentation - County/City Manager's Group
 - Presentation - Planning Director's Group
- **Schedule a Public Hearing** for June 14 to consider and adopt the Final Budget

2021 Committee Appointments

I. Personnel

❖ *2020 - Commissioners Price, Shopay, and Spering*

II. Finance/Budget

❖ *2020 - Commissioners Kott and Smith*

An aerial photograph of a lush green valley. The foreground is filled with dense green trees and fields. In the middle ground, a small farm with several buildings and a long fence line is visible. The background consists of rolling green hills under a sky with scattered white and grey clouds. The text "Next Meeting June 14" is overlaid in the center of the image in a blue, outlined font.

**Next Meeting
June 14**