



Solano Local Agency Formation Commission

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Staff Report

Public Hearing

DATE: June 13, 2022

TO: Local Agency Formation Commission

FROM: Rich Seithel

SUBJECT: FY 2022-2023 FINAL BUDGET and WORKPLAN

RECOMMENDATIONS:

1. Review, Consider public testimony, and Approve or Approve with modifications the 2022-23 Final Budget and Workplan via the adoption of Resolution No. 2022-08.
2. Direct staff to distribute the Final Budget to the cities, County, special districts, and the Auditor per GC §56381.

DISCUSSION

On May 2, 2022, the Commission adopted the Proposed Budget and Workplan for fiscal year (FY) 2022-23. The Commission directed staff to distribute the Proposed Budget and solicit input from the cities and County.

Staff presented the Proposed Budget and Work Plan to the Community Development Directors' Group on April 21, 2022 and the City/County Managers Group on May 25, 2022. Neither group voiced comments on the Proposed Budget.

The Final Budget for FY 2022-23 is identical to the Proposed Budget adopted by the Commission on May 2, 2022. A detailed narrative was provided in the May Proposed Budget staff report and is included as Attachment B.

Attachments:

A – Resolution 2022-08 Adopting the Final Budget for the Fiscal Year 2022-23

Exhibit A – 2022-23 Final Budget and

Exhibit B – Workplan

B – May 2, 2022 Staff Report to the Commission on the Proposed Budget and Workplan

RESOLUTION NO. 2022-08

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF SOLANO COUNTY ADOPTING A FINAL BUDGET AND WORKPLAN
FISCAL YEAR 2022-2023**

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 annually final budgets by June 15; and,

WHEREAS, staff consulted with the ad hoc group on April 21, 2022 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 2022-23 adopted by the Commission on May 2, 2022, and subsequently circulated for review and comment to all funding agencies; and,

WHEREAS, the Commission has heard and considered all oral and written testimony submitted, including, but not limited to, the final budget, work plan and priorities for 2022-23, and the Executive Officer's report and recommendations presented at a public hearing held on May 2, 2022; and,

WHEREAS, the Commission determined the proposed budget projects the staffing and program costs of the Commission as accurately and appropriately as possible; and,

WHEREAS, the Commission's operating budget for FY 2022-23 is \$1,048,788; and,

WHEREAS, the operating budget is approximately \$184,087 or 21% more than the previous fiscal year's operating budget; and,

WHEREAS, expenses for FY 2022-23 are hereby allocated by budget category in the following manner:

Salaries and Employee Benefits	\$ 589,573
Services and Supplies	\$ 415,417
<u>Designated Reserve</u>	<u>\$ 43,798</u>
Total Expenses	\$ 1,048,788

WHEREAS, revenues for FY 2022-23 or the means of financing the LAFCO program will be by monies derived from the following sources of funding:

Anticipated Revenue	\$ 75,000
Anticipated Interest	\$ 3,000
Fund Balance	\$ 75,000
<u>City/County Apportionment</u>	<u>\$ 895,788</u>
Total Revenue	\$ 1,048,788

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Local Agency Formation Commission of the County of Solano does approve and adopt the Final Budget as shown in Exhibit A and the Workplan as shown in Exhibit B for the fiscal year 2022-22, attached, and by this reference incorporated herein and does further order and direct the following:

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

Section 2: The Auditor shall apportion the budget as specified in Government Code §56381(b) and request payment from each city and the County no later than July 1, 2022, as specified in §56381(c).

Section 3: If a city or the County does not remit its required payment within 60 days, the Auditor is requested to collect an equivalent amount from the property tax or any fee or eligible revenue owed to the city or County as described in §56381(c).

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 June 13, 2022, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

John Vasquez, Chair
Local Agency Formation Commission
County of Solano, State of California

ATTEST:

Jeffrey Lum, Clerk to the Commission

Proposed Budget for Fiscal Year 2022-2023

		Description	20/21 ACTUALS	21/22 Adjusted Budget (AB)	21/22 YE Estimate w/EN	FY 22/23 Proposed Budget (PB)	Diff Between PB and 20/21 AB: PB-AB	Pct of PB and AB: (PB-AB)/AB		
EXPENSES	1000	SALARIES AND EMPLOYEE BENEFITS								
	0001110	SALARY/WAGES REGULAR	\$341,282	\$357,842	\$337,351	\$ 426,170	\$ 68,328	19%		
	0001121	SALARY/WAGES-EXTRA HELP	\$4,668	\$0	\$0	\$ -	\$ -	#DIV/0!		
	0001210	RETIREMENT-EMPLOYER	\$37,304	\$43,662	\$40,436	\$ 50,452	\$ 6,790	16%		
	0001212	DEFERRED COMP-COUNTY MATCH	\$373	\$390	\$368	\$ 520	\$ 130	33%		
	0001220	FICA-EMPLOYER	\$5,663	\$5,189	\$4,910	\$ 6,180	\$ 991	19%		
	0001230	HEALTH INS-EMPLOYER	\$30,908	\$47,181	\$43,737	\$ 66,259	\$ 19,078	40%		
	0001231	VISION CARE INSURANCE	\$393	\$475	\$435	\$ 781	\$ 306	64%		
	0001240	COMPENSATION INSURANCE	-\$208	\$1,909	\$1,837	\$ 1,900	\$ (9)	0%		
	0001241	LT DISABILITY INSURANCE ER	\$1,487	\$1,603	\$1,603	\$ 3,666	\$ 2,063	129%		
	0001250	UNEMPLOYMENT INSURANCE	\$1,064	\$1,302	\$1,302	\$ 1,500	\$ 198	15%		
	0001260	DENTAL INS-EMPLOYER	\$1,952	\$2,796	\$2,602	\$ 3,638	\$ 842	30%		
	0001270	ACCRUED LEAVE CTO PAYOFF	\$22,564	\$21,894	\$39,828	\$ 25,000	\$ 3,106	14%		
	0001290	LIFE INSURANCE-EMPLOYER	\$2,145	\$2,501	\$2,501	\$ 3,507	\$ 1,006	40%		
		TOTAL	SALARIES AND EMPLOYEE BENEFITS	\$449,595	\$486,744	\$476,910	\$ 589,573	\$ 102,829	21%	
		2000	SERVICES AND SUPPLIES							
		0002021	COMMUNICATION-TELEPHONE SYSTEM	\$798	\$748	\$748	\$ 1,000	\$ 252	34%	
		0002025	CELLULAR COMMUNICATION SERVICE	\$643	\$616	\$0	\$ -	\$ (616)	-100%	
		0002026	CELL PHONE ALLOWANCE	\$1,468	\$2,280	\$2,280	\$ 2,500	\$ 220	10%	
		0002028	TELEPHONE SERVICES	\$3,414	\$3,336	\$4,200	\$ 4,800	\$ 1,464	44%	
		0002051	LIABILITY INSURANCE	\$0	\$7,250	\$7,250	\$ 7,467	\$ 217	3%	
		0002140	MAINTENANCE-BLDGS & IMPROVE	\$423	\$400	\$400	\$ 500	\$ 100	25%	
		0002170	MEMBERSHIPS	\$8,745	\$10,267	\$10,267	\$ 11,550	\$ 1,283	12%	
		0002180	BOOKS & SUBSCRIPTIONS	\$240	\$400	\$400	\$ 400	\$ -	0%	
		0002200	OFFICE EXPENSE	\$2,633	\$3,000	\$4,000	\$ 15,000	\$ 12,000	400%	
		0002202	CONT ASSETS COMPUTER RELATED	\$5,865	\$0	\$6,000	\$ 3,000	\$ 3,000	#DIV/0!	
		0002204	COMPUTER RELATED ITEMS:<\$500	\$1,452	\$500	\$500	\$ 1,000	\$ 500	100%	
		0002205	POSTAGE	\$480	\$911	\$911	\$ 1,000	\$ 89	10%	
		0002216	MAINTENANCE/SERVICE CONTRACTS	\$0	\$83	\$0	\$ -	\$ (83)		
		0002235	ACCOUNTING & FINANCIAL SERVICE	\$26,808	\$11,629	\$4,000	\$ 29,500	\$ 17,871	154%	
		0002239	LEGAL SERVICE	\$714	\$27,050	\$42,000	\$ 40,000	\$ 12,950	48%	
		0002245	CONTRACTED SERVICES	\$30,955	\$187,500	\$187,500	\$ 180,000	\$ (7,500)	-4%	
		0002250	OTHER PROFESSIONAL SERVICES	\$27,572	\$30,755	\$25,000	\$ 33,500	\$ 2,745	9%	
		0002255	CREDIT CARD PROCESSING FEES	\$28	\$0	\$0	\$ -	\$ -		
		0002266	CENTRAL DATA PROCESSING SVCE	\$12,077	\$39,703	\$20,000	\$ 23,100	\$ (16,603)	-42%	
		0002270	SOFTWARE	\$0	\$900	\$1,000	\$ -	\$ (900)	-100%	
		0002271	SOFTWARE RENTAL / SUBSCRIPTION	\$1,341	\$947	\$1,000	\$ 3,000	\$ 2,053	217%	
		0002280	PUBLICATIONS AND LEGAL NOTICES	\$579	\$2,000	\$2,000	\$ 1,500	\$ (500)	-25%	
		0002285	RENTS & LEASES - EQUIPMENT	\$7,857	\$7,483	\$8,000	\$ 8,400	\$ 917	12%	
		0002295	RENTS & LEASES-BUILDINGS/IMPR	\$17,128	\$19,034	\$19,034	\$ 25,000	\$ 5,966	31%	
		0002310	EDUCATION & TRAINING	\$50	\$2,000	\$2,000	\$ 1,000	\$ (1,000)	-50%	
		0002335	TRAVEL EXPENSE	\$0	\$10,000	\$4,000	\$ 12,000	\$ 2,000	20%	
		0002339	MANAGEMENT BUSINESS EXPENSE	\$934	\$963	\$1,000	\$ 2,000	\$ 1,037	108%	
		0002354	CAR ALLOWANCE	\$7,830	\$7,200	\$8,000	\$ 7,200	\$ -	0%	
		0002355	PERSONAL MILEAGE	\$0	\$1,000	\$250	\$ 1,000	\$ -	0%	
			TOTAL	SERVICES AND SUPPLIES	\$160,035	\$377,957	\$361,740	\$ 415,417	\$ 37,460	10%
		3000	OTHER CHARGES							
		0003696	OTHER CHARGES	\$232	\$0	\$0	\$ -	\$ -	#DIV/0!	
			OTHER EXPENSES							
		0000730	20% RESERVE POLICY ADJ	\$21,233	\$0	\$0	\$ 43,798	\$ 43,798	#DIV/0!	
		TOTAL	TOTAL EXPENSES	\$631,095	\$864,701	\$838,649	\$ 1,048,788	\$ 184,087	21%	
REVENUES	9200	LICENSES, PERMITS & FRANCHISE								
	0009229	LICENSES, PERMITS & FRANCHISE	\$49,000	\$20,000	\$75,000	\$ 75,000	\$ 55,000	275%		
		9400	REVENUE FROM USE OF MONEY/PROP							
	0009401	REVENUE FROM USE OF MONEY/PROP	\$6,239	\$3,000	\$3,000	\$ 3,000	\$ -	0%		
		9500	INTERGOVERNMENTAL REVENUES							
	0009511	INTERGOVERNMENTAL REVENUES	\$711,739	\$711,401	\$711,404	\$ 895,788	\$ 184,387	26%		
		OTHER REVENUE								
	740	FUND BALANCE FROM PY	\$82,494	\$40,953	\$49,245	\$ 75,000	\$ 34,047	83%		
	TOTAL	TOTAL REVENUES	\$849,472	\$775,354	\$838,732	\$ 1,048,788	\$ 273,434	35%		
SUMMARY	Expenses	1000		\$486,744	\$476,910	\$ 589,573	\$ 102,829	21%		
		2000		\$377,957	\$361,740	\$ 415,417	\$ 37,460	10%		
		3000		\$0	\$0	\$ -	\$ -	#DIV/0!		
		Reserve Adjustment		\$0	\$0	\$ 43,798	\$ 43,798	#DIV/0!		
		TOTAL EXPENDITURES		\$864,701	\$838,649	\$ 1,048,788	\$ 184,087	21%		
	Revenues	9200		\$20,000	\$75,000	\$ 75,000	\$ 55,000	275%		
		9400		\$3,000	\$3,000	\$ 3,000	\$ -	0%		
		9500		\$711,401	\$711,401	\$ 895,788	\$ 184,387	26%		
		Fund Balance Appropriation		\$40,953	\$49,245	\$ 75,000	\$ 34,047	83%		
		Encumbrance Roll-over		\$89,346	\$0	\$ -	\$ (89,346)	-100%		
	TOTAL REVENUES		\$864,700	\$838,649	\$ 1,048,788	\$ 184,088	21%			

730	Reserve current- End of FY 21/22	\$ 157,200
730	Reserve for Proposed Budget FY22/23	\$ 200,998
730	Reserve Balance ADJ FY 22/23	\$ 43,798
740	Fund Balance- End of FY 20/21	\$ 257,693
740	Fund Balance - FY 21/22 Adj Based on Est. EOY	\$ 8,295
	Fund Balance- Estimated EOY 21/22	\$ 249,398
	Proposed Appropriation for Operating Budget from Fund Balance	\$ 75,000
	Fund Balance - Estimated after FY 22/23 App.	\$ 174,398

2022-23 Proposed Workplan

#	Task/Project	Priority	Category	Comments
1	Fire Services	High	C/P	Con't. working with the applicant, districts, stakeholders, and Fire Ad Hoc Committee in analyzing the proposed reorganization.
2	Municipal Service Review (MSR)/Sphere of Influence (SOI) Updates	High	P/L	<i>City of Dixon (c 2014)</i> <i>City of Vacaville (c 2017) (PY funds)</i> <i>Solano Irrigation District (c 2014)</i>
3	SOI Updates	High	C/P	Rural North Vacaville Water District Suisun City Fire Protection Districts Adopt remaining SOI for RDs with boundary issues.
4	Reorganizations	High	P	<i>Fire Districts</i> <i>Fairfield:</i> <ul style="list-style-type: none"> • Sunset Townhomes Sunset Ave/ East Tabor Ave • DeNova Pittman Road • Property on Sunset Ave /Railroad Ave <i>Benicia:</i> <ul style="list-style-type: none"> • Benicia Road /Columbus Pkwy (Island Annexation) • Goodyear Road – ‘Compost Site’ <i>Vacaville:</i> Nut Tree Airport vicinity (Island Annexation) <i>Dixon:</i> <ul style="list-style-type: none"> • East Central Dixon • Lombardo Property
5	Boundary and Sphere of Influence (SOI) Mapping/Reconciliation	High	L	Verify, correct, and map Cemetery District boundaries and SOIs. Con't work with County GIS to update and correct boundary layers.
6	Human Resource	High	A/C	Hire an Office/Analyst person.
7	Audit	High	A/L	Contract with outside consultant to conduct an audit.
8	Outreach	High	C	Ongoing outreach to local agencies, cities, county, developers, and the public: <ul style="list-style-type: none"> • <i>Ag Innovation Group: Assist and participate in the creation and kick-off of the Ag Innovations Collaboration group.</i> • <i>Solano Economic Development Corporation</i> • <i>Planning Directors Meeting</i> • <i>CALAFCO – Bay Area EO Group</i> Improve outreach by improving website design by changing vendors.

9	Independent Special District Member Representative for Oversight Board	High	L	Run election within Special Districts to fill vacant seat on Solano Consolidation Oversight Board
10	Fees Update	Medium	A/C	Update application charge out rates to reflect the Commission's current costs for processing projects.
11	Website Improvement	Medium	L/A	Address ADA compliance, improve usability, and usefulness.
12	Island Campaign	Medium	C	Develop island annexation campaign with Resource Management and the Cities.
13	Policies and Standards	Medium	A	Improve outreach by improving website design by changing vendors. with CKH. Create Submittal Checklists.