

MENDOCINO LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 2025-26-07

APPROVING THE FINAL BUDGET AND WORK PROGRAM FOR FISCAL YEAR 2026-27

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000 et seq.) requires the Mendocino Local Agency Formation Commission (“Commission”) to adopt a proposed budget by May 1 and a final budget by June 15 of each year; and

WHEREAS, pursuant to Government Code §56381(a), the proposed and final budget must be at least equal to the budget adopted for the prior fiscal year unless the Commission determines that reduced staffing or program costs will allow the Commission to fulfill its statutory purposes and responsibilities; and

WHEREAS, on April 6, 2026, the Commission adopted a Proposed Budget and Work Program for Fiscal Year 2026-27, which is substantially unchanged from the amended Fiscal Year 2025-26 Final Budget; and

WHEREAS, the Proposed Budget and Work Program for Fiscal Year 2026-27 were transmitted to the County, cities and special districts in accordance with Government Code §56381(a); and

WHEREAS, notice of the public hearing on the Final Budget and Work Program for Fiscal Year 2026-27 was provided in the time and manner required by law; and

WHEREAS, the Commission considered the Executive Officer’s report and recommendations, and all oral and written testimony, at a duly noticed public hearing held on May 4, 2026; and

WHEREAS, adoption of the Final Budget and Work Program for Fiscal Year 2026-27 is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment and is therefore not a “project” for purposes of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines §15378(b)(5).

NOW, THEREFORE, BE IT RESOLVED that the Mendocino Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. Incorporation of Recitals

The foregoing recitals are true and correct and are hereby incorporated as findings of the Commission.

Section 2. Adoption of Final Budget

The Commission hereby adopts the Final Budget and Work Program for Fiscal Year 2026-27, attached hereto as Exhibit A (Final Budget) and Exhibit B (Work Program) and incorporated herein by this reference.

Section 3. Findings

The Commission finds that the adopted Final Budget and Work Program for Fiscal Year 2026-27 provide sufficient resources to carry out the Commission’s statutory purposes and responsibilities and do not reflect reductions in staffing or program costs that would impair the Commission’s ability to fulfill the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act.

Section 4. Transmittal

The Executive Officer is directed to transmit the adopted Final Budget and Work Program for Fiscal Year 2026-27 to the County Auditor-Controller, the County of Mendocino, all cities, and all special districts, in accordance with Government Code §56381.

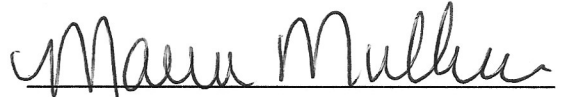
PASSED AND ADOPTED by the Mendocino Local Agency Formation Commission this 4th day of May, 2026, by the following vote:

AYES: Mahoney, Rodin, Cline, Ward, Gonzalez, Horsley, Mulheren

NOES:

ABSTAIN:

ABSENT:



MAUREEN MULHEREN, Commission Chair

ATTEST:



UMA HINMAN, Executive Officer

**Mendocino Local Agency Formation Commission
Final Budget for Fiscal Year 2026-27**

		FY 2025-26 Adopted	FY 2025-26 Amended	FY 2026-27 Final
REVENUE & APPLIED CASH BALANCE				
	<i>Cash Balance</i>	35,500	35,500	53,000
4000	LAFCo Apportionment	275,000	275,000	275,000
4100	Fees and Reimbursements	15,000	15,000	8,000
4800	Miscellaneous Revenue	-	-	-
4910	Interest Income	3,000	3,000	2,000
Net Revenue & Use / (Addition) of Unreserved Cash		328,500	328,500	338,000
EXPENSES				
Staffing				
5300	Basic Services (EO, Analyst, Clerk)	155,000	155,000	155,000
Subtotal: Staffing		155,000	155,000	155,000
Services & Supplies				
5500	Rent	8,500	8,500	8,500
5600	Office Expenses	4,000	4,000	3,500
5700	Internet & Website Costs	3,000	3,000	4,500
5900	Publication and Legal Notices	2,000	2,000	2,000
6000	Televising Meetings	2,000	2,000	2,000
6100	Audit Services	4,500	4,500	8,000
6200	Bookkeeping	5,500	5,500	5,500
6300	Legal Counsel	15,000	25,000	20,000
6400	A-87 Costs County Services	6,000	6,000	6,000
6500	Insurance-General Liability	3,200	3,200	3,800
6600	Memberships (CALAFCO/CSDA)	4,000	4,000	4,200
6670	GIS Contract with County	2,500	2,500	2,500
6740	In-County Travel & Stipends	2,300	2,300	1,500
6750	Travel & Lodging Expense	6,000	6,000	6,000
6800	Conferences (Registrations)	5,000	5,000	5,000
9000	Misc Expenses (bank charges, etc.)	-	-	-
Subtotal: Services & Supplies		73,500	83,500	83,000
Work Plan				
7000	Work Plan (MSRs and SOIs)	100,000	100,000	100,000
Subtotal: Work Plan		100,000	100,000	100,000
Total Expenses		328,500	338,500	338,000
NET BUDGET		-	(10,000)	-
RESERVES				
Reserves				
	Legal Reserves	50,000	40,000	50,000
	Operating Reserves (25% Expenses)	86,500	86,500	83,500
Total Reserves		136,500	126,500	133,500
Unreserved Cash				
	Cash Balance/Work Plan Contingency	52,800	52,800	55,700

**Final Work Program (Basic Services + Work Plan)
FY 2026-27**

May 1, 2026

Tasks	Description & Assumptions	Estimated Budget
Basic Services		
Office Hours & Administrative Duties	Clerk duties not related to projects; office hours; public assistance; PRA requests; budget development, tracking, amendments; accounts payable, QuickBooks; annual audit; EO correspondence; response to requests for Agency Comments for projects and/or environmental documents routed to LAFCo for review, etc.; carrying out Commission direction.	\$ 85,000
Commission & Committee Meetings	Commission & Committee meeting attendance (12 Regular and 8 Committee); agenda packet development, staff reports, presentations, minutes.	\$ 40,000
Work Plan Support	Prepare and distribute Public Notices, development of staff reports specifically related to MSR/SOI studies, presentation at Commission meetings for Public Workshops and Public Hearings.	\$ 6,000
Consult Legal Counsel	Contract is on an hourly basis.	Per Contract
Application Forms	Update application forms; map research and process clarification	\$ 2,000
Application Processing	Process change of organization or reorganization applications initiated by landowner petition or resolution of application from Cities and Special Districts to modify existing powers, annex and/or detach territory from agency boundaries, and create, dissolve, or consolidate/merge local agencies.	Paid by applicant
Work Plan Follow	Refine annual reporting and conduct follow-up on Commission direction, items identified in MSR/SOI studies and application approvals.	\$ 10,000
Policy Development	Policy development and amendments as needed	\$ 10,000
Transparency Improvements to Website	Assess/implement website improvements (JPAs, maps, etc.)	\$ 2,000
Total		\$ 155,000
Work Plan		
MSR/SOI Updates	Prepare and adopt combined Municipal Service Review and Sphere of Influence (MSR/SOI) Update studies pursuant to GOV §56425 and §56430, either in-house or by contract.	
<p>The agencies listed below have priority for preparation of a LAFCo-initiated MSR/SOI Update in Fiscal Year 2026-27. The actual completion of a specific study may span multiple fiscal years. The budget allocation for each agency is based on estimated costs. Actual costs for study completion may be higher or lower than estimated below.</p> <p>Work Plan implementation is subject to change due to various factors, such as: (a) agency responsiveness and timely provision of requested information, (b) complexity of issues involved, (c) level of public and affected agency controversy, (d) changing needs and priorities, (e) overall staff workload, and (f) higher than anticipated costs.</p> <p>The Work Plan budget assumes minimal costs for CEQA compliance related to filing a Notice of Exemption (NOE). Agencies requesting a non-coterminous SOI may expedite a potential multi-fiscal year process by contributing to the cost of preparing an Initial Study and associated environmental document (ND/MND, EIR, etc.).</p>		
The total Work Plan Budget is not limited to the following designations. These budget allocations may shift to other agencies as needed during the year.	County-wide Fire and EMS Service Providers (18 special districts)	\$ 75,000
	Mendocino Coast Health Care District (outsourced)	\$ 25,000
		\$ -
		\$ -
	Total	\$ 100,000