

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolafco.org | Web: www.mendolafco.org

COMMISSIONERS

Maureen Mulheren, Chair
County Member

Gerald Ward,
Vice Chair/Treasurer
Public Member

Katharine Cole
Special District Member

Gerardo Gonzalez
City Member

Candace Horsley
Special District Member

Glenn McGourty
County Member

Mari Rodin
City Member

Francois Christen, Alternate
Special District Member

Douglas Crane, Alternate
City Member

John Haschak, Alternate
County Member

Richard Weinkle, Alternate
Public Member

STAFF

Executive Officer
Uma Hinman

Clerk/Analyst
Larkyn Feiler

Counsel
Scott Browne

REGULAR MEETINGS

First Monday of each month
at 9:00 AM in the
Mendocino County
Board of Supervisors
Chambers
501 Low Gap Road, Ukiah

Date: May 4, 2023

To: Mendocino County, Cities, and Independent Special Districts

From: Uma Hinman, Executive Officer

Subject: Notice of Public Hearing to Adopt a Final LAFCo Budget and Work Program for Fiscal Year 2023-2024

The Mendocino Local Agency Formation Commission (LAFCo) is responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to adopt a proposed budget by May 1st and a final budget by June 15th. The proposed and final budgets are distributed to the local funding agencies for review and comment. The legislation also specifies that the proposed and final budgets shall, at a minimum, be equal to the budget adopted for the previous fiscal year unless LAFCo finds any reduced costs will nonetheless allow the agency to meet its regulatory and planning duties.

Enclosed is a proposed final budget and work program for fiscal year 2023-2024, as directed by the Commission on May 1, 2023. The budget anticipates \$341,000 in revenues (\$275,000 apportionment fees) and \$320,000 in expenditures, not including reimbursable application costs. The proposed final budget includes utilizing \$56,000 in anticipated cash balance to balance the budget and to increase operational reserves and contingencies.

Increases in operating expenses are associated primarily with inflationary increases in vendor expenses, implementing the proposed work program, organizational improvements, and policy and procedure development and updates. In response, a 3.7 percent increase in apportionment fees is proposed for next fiscal year.

The Commission will hold a public hearing at its regular meeting on **June 5, 2023** to consider adoption of a final budget and work program for fiscal year 2023-2024.

Copies of all related documents may be reviewed once available (72 hours in advance of the meeting) and may be reviewed at the LAFCo website (www.mendolafco.org) or at the LAFCo office. If you cannot attend the public hearing described in this notice, you may submit written comments prior to the hearing. Please direct comments, questions, and requests to review documents to LAFCo, 200 South School Street, Ukiah, CA 95482; e-mail: eo@mendolafco.org; phone: (707) 463-4470.

Attachments:

- (1) Public Hearing Notice
- (2) FY 2023-24 Proposed Final Budget
- (3) FY 2023-24 Proposed Final Work Program

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NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Monday, May 15, 2023, at 9:00 AM (or as soon thereafter as the matter may be heard) a hybrid meeting format with in-person participation in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, and remote (video or telephone) participation under GOV Section 54953 as described in the Instructions for Remote Participation Option on the agenda to be posted at least 72 hours advance of the meeting and livestreamed at www.youtube.com/MendocinoCountyVideo. The Mendocino Local Agency Formation Commission (LAFCo) will hold a public hearing to consider the following:

Final Budget and Work Program for Fiscal Year 2023-2024

The LAFCo Budget for Fiscal Year 2023-2024 anticipates \$341,000 in revenues (\$275,000 apportionment fees) and \$320,000 in expenditures, not including reimbursable application costs. The proposed Final Budget includes utilizing \$56,000 in anticipated cash balance to balance the budget and to increase operational reserves and contingencies.

This item is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15306 and Section 15061(b)(3).

Copies of all related documents may be reviewed once available (72 hours in advance of meeting) at the LAFCo website (www.mendola.co) or at the LAFCo office. If you cannot attend the Public Hearing described in this notice, you may submit written comments to the hearing. Please direct comments, questions, and requests to review documents to the LAFCo, 200 South School Street, Ukiah, CA 95482; eo@mendola.co; phone: (707) 463-4470.

All interested persons are invited to attend, be heard, and participate in the hearings.

BY ORDER OF THE MENDOCINO
LOCAL AGENCY FORMATION COMMISSION

UMA HINMAN, Executive Officer

Date Posted By: May 15, 2023

Mendocino Local Agency Formation Commission
Proposed Final Budget for FY 2023-2024

May 1, 2023

ACCOUNT #	DESCRIPTION	FY 2022-23		FY 2023-24
		Adopted	Projected	Proposed
REVENUE				
	<i>Anticipated Cash Balance</i>			\$ 56,000
4000	LAFCo Apportionment Fees	\$ 265,000	\$ 265,000	\$ 275,000
4100	Fees and Reimbursements (Includes Service Fee OH)	\$ -	\$ 9,000	\$ 9,500
4800	Miscellaneous			
4910	Interest Income	\$ 100	\$ 100	\$ 500
	REVENUE TOTAL	\$ 265,100	\$ 274,100	\$ 341,000
EXPENSES				
5300	Basic Services (EO, Analyst, Clerk)	\$ 125,100	\$ 125,100	\$ 133,000
5500	Rent	\$ 6,500	\$ 6,500	\$ 7,000
5600	Office Expenses	\$ 3,300	\$ 3,300	\$ 4,500
5700	Internet & Website Costs	\$ 2,500	\$ 2,000	\$ 3,000
5900	Publication and Legal Notices	\$ 2,000	\$ 1,500	\$ 3,000
6000	Televising Meetings	\$ 2,000	\$ 2,000	\$ 2,400
6100	Audit Services	\$ 3,800	\$ 3,750	\$ 4,000
6200	Bookkeeping	\$ 4,500	\$ 4,500	\$ 5,500
6300	Legal Counsel	\$ 19,000	\$ 15,000	\$ 30,000
6400	A-87 Costs County Services	\$ 2,100	\$ 2,100	\$ 2,500
6500	Insurance-General Liability	\$ 3,200	\$ 2,800	\$ 3,000
6600	Memberships (CALAFCO/CSDA)	\$ 3,700	\$ 3,580	\$ 4,000
6670	GIS Contract with County	\$ 2,000	\$ 3,000	\$ 3,000
6740	In-County Travel & Stipends	\$ 4,000	\$ 1,200	\$ 4,000
6750	Travel & Lodging Expense	\$ 6,000	\$ 2,500	\$ 6,500
6800	Conferences (Registrations)	\$ 4,100	\$ 1,800	\$ 4,500
7000	Work Plan (MSRs and SOIs)	\$ 70,000	\$ 35,000	\$ 100,000
9000	Misc Exp (Special District Training Support, bank charges)	\$ 60	\$ 100	\$ 100
	OPERATING EXPENSE TOTAL	\$ 263,800	\$ 215,630	\$ 320,000
8000	Application Fees (Revenue)		\$ 19,000	\$ 37,500
8000	Applications (Expenses)		\$ 23,000	\$ 30,000
8600	Special Projects	\$ 9,200	\$ 2,525	\$ -
	REVENUE/EXPENSE DIFFERENCE	\$ 1,300	\$ 58,470	\$ 21,000
	<i>(Negative balance indicates use of fund balance and/or reserves)</i>			
RESERVES / CONTINGENCIES				
	Legal Reserves	\$ 50,000		\$ 50,000
	Operations Reserves @ 25% Annual Operating Budget	\$ 65,950		\$ 80,000
	Total Reserves	\$ 115,950		\$ 130,000
	Work Plan Contingency	\$ 30,815		\$ 37,760

Proposed Final Work Program (Basic Services and Work Plan)

FY 2023-24

May 1, 2023

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.	\$ 70,000
Commission & Committee Meetings	Commission & Committee meeting attendance (12 Regular and 8 Committee); agenda packet development, staff reports, presentations, minutes.	\$ 34,000
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.	\$ 5,000
Consult Legal Counsel	Contract allows for a minimum of 4 hours per month.	Per Contract
Application Forms	Update application forms; map research and process clarification	\$ 8,000
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
Policy Development	Prepare policy amendment and development as needed (overhaul)	\$ 15,000
Transparency Improvements to Website	Assess/implement website improvements (JPAs, maps, etc.)	\$ 1,000
Total		\$ 133,000
Work Plan		
MSR/SOI Update	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.	\$ 100,000
<p>The agencies listed below have priority for preparation of a LAFCo-initiated MSR/SOI Update in Fiscal Year 2023-24.</p> <p>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.	Coastal Water/Wastewater Districts (7 special districts, 10 mutual water companies) (initiated in FY 2022-23) Outsourced/Consultant Contract	\$ 100,000
Total		\$ 100,000