



LOCAL AGENCY FORMATION COMMISSION

Dave Braun, Executive Officer

200 W. 4th Street, Suite 3100, Madera, CA 93637
www.maderacounty.com/government/madera-laftco
(559) 675-7821

DATE: March 22, 2023 **ITEM #5**

TO: LAFCO Commissioners

FROM: Dave Braun, Executive Officer *DB*

SUBJECT: Proposed 2023-2024 Fiscal Year Budget and Schedule of Fees

PROPOSAL

The proposed Budget and Fee Schedule for Fiscal Year 2023-2024 (Exhibit A) is presented for Commission review and approval.

BACKGROUND

Pursuant to Government Code Section 56381, the Commission must adopt a proposed budget by May 1, 2023, and a final budget by June 15, 2023, after consideration at a noticed public hearing. The statute further requires that the budget must at least be equal to the budget adopted for the previous fiscal year, unless the Commission finds "that reduced staffing or program costs will nevertheless allow the Commission to fulfill its purposes and programs." After a careful review of our agency's budget, staff has proposed a budget that is a modest increase from the previous year. Staff believes it is consistent with workload estimates anticipated for the upcoming fiscal year.

The 2023-2024 Budget proposes three increases to the previous year's budget. There is a small increase to the CALAFCO membership dues, which typically has a cost-of-living adjustment each year. There is also a \$5,000 increase in the category of Outside Consultants to be used for the preparation of Municipal Service Reviews (MSR), and a \$1,950 increase for Transportation and Travel to cover the cost for staff and the Commission to attend the CALAFCO Conference. These last two proposed increases reflect the increased cost of doing business due to the current inflation. The Budget also proposes a \$500 reduction in the category of Postage. The net result of these changes is a \$6,729 increase in the 2023-2024 Budget in comparison to the 2022-2023 Budget.

The proposed 2023-2024 Budget includes an anticipated carryover amount of \$57,614.23 in the Operating Fund. Due to this expected carryover, the contributions from the County and cities of Madera and Chowchilla have been substantially reduced for the 2023-2024 Budget as compared to the 2022-2023 Budget.

In previous years, the Commission has annually made small increases to the fee schedule in order to keep pace with inflation. This past year the Consumer Price Index was 6.4 percent through January 2023. Therefore, staff is proposing an adjustment in all fees, which would increase the basic application fee from \$2,790 to \$2,969.

ANALYSIS

The proposed 2023-2024 Budget reflects a modest increase in the overall operating budget. This is due to an anticipated increase in costs for outside consultants and for travel to CALAFCO conferences. Workload estimates are expected to be like previous years prior to the COVID pandemic. Staff is anticipating a normal level of applications that will be paid for by the applicants with an estimate of four applications.

The individual line items which changed from last year's budget are discussed below.

Revenue

77090-XXX	Revenue for the FY 2023-2024 Budget will come from the LAFCO Operating Fund as well as Madera County and the cities of Madera and Chowchilla
77030-662713	Staff estimates approximately four (4) applications

Expenditures

77030-721100 Memberships	Increase in cost for CALAFCO Membership
77030-721302 Postage	Reduction in cost for Postage
77030-721489 Outside Consultants	Increase in cost for Outside Consultants

77030-722000 Increase in cost for Travel
Transportation/Travel

The budget shows an increase of approximately 4.76 percent compared to last year's budget.

RECOMMENDATION

Staff recommends that the Commission:

1. Approve the proposed budget for Fiscal Year 2023-2024 (Exhibit A) and approve a 6.4 percent increase in the Fee Schedule (Exhibit B) in accordance with the increase in the Consumer Price Index.

ATTACHMENTS

Exhibit A - Proposed Budget FY 2023-2024
Exhibit B - Proposed Fee Schedule

MADERA LOCAL AGENCY FORMATION COMMISSION
PROPOSED BUDGET FISCAL YEAR 2023-2024

EXHIBIT A

Funding Sources							
Line Item Number	Name	Description	Budget FY 2022-2023	Through Feb 2023	Projected to End of Year	Budget FY 2023-24	Increases & (Decreases)
Reserve Fund							
77030-XXXXXX	LAFCO Agency Fund	<i>Agency Fund Balance</i>	82,446.47	82,782.40	83,122.40	83,122.40	
Fund Balance							
	<i>Beginning Fund balance</i>	<i>Beginning Fund Balance</i>	5,109.97	5,109.97	5,109.97	57,614.23	52,504.26
Revenues							
77030-640100	Interest Income	Money earned as a result of accrued interest on fund	0.00	306.78	615.00	0	
77030-659XXX	Contribution to LAFCO - Madera County	Percentage of contribution (50%)	65,092.63	65,092.63	65,092.63	39,480.02	(25,612.61)
77030-659XXX	Contribution to LAFCo - City of Madera	Percentage of contribution (40.85%)	53,297.85	53,297.85	53,297.85	32,255.17	(21,042.68)
77030-659XXX	Contribution to LAFCo - City of Chowchilla	Percentage of contribution (9.15%)	11,794.78		11,794.78	7,224.84	(4,569.94)
77030-662713	LAFCO Filing Fees	Fees collected to offset some of the costs of processing applications and other services.	11,160.00	9,545.00	13,000.00	11,500.00	340.00
	Total Revenues		141,345.26	128,242.26	143,800.26	90,460.03	(50,885.23)
Appropriations							
77030-750125	OP TRNS OUT - LAFCO AGENCY FUND	Transfers from LAFCO Agency Fund				0.00	
	TOTAL REVENUES, TRANSFERS AND BEGINNING FUND BALANCE		146,455.23	133,352.23	148,910.23	148,074.26	42,507.47
	TOTAL FINANCING AVAILABLE		228,901.70	216,134.63	232,032.63	231,196.66	42,913.48
Expenditures							
	Name	Description					
Salaries and Employee Benefits							
77030-710102	Permanent Salaries		0.00	0.00	0	0.00	
77030-710103	Temporary Salaries	Executive Officer, Clerk, and Commissioner Stipends	45,000.00	25,318.74	38,000.00	45,000.00	
77030-710203	CO OASDHI Contributions (Social Security)		2,800.00	1,554.27	2,350	2,800.00	
77030-710204	CO MEDICARE Contribution		650.00	363.51	550	650.00	
77030-710400	CO WKRS COMP Insurance		165.00	165.00	165	165.00	
	Total Salaries & Employee Benefits		48,615.00	27,401.52	41,065.00	48,615.00	
Refunds and Overpayments							
77030-721208	s	Refund of Withdrawn applications	0.00	0	0.00	0.00	
	Total Refunds and Overpayments		0.00	0.00	0.00	0.00	
Services and Supplies							
77030-720300	Communications Services (Telephone)	Billed based on 10% of the Charges to the Planning Dept.	960.00	0.00	960.00	960.00	
77030-720904	Liability Insurance	Premium Payment for Risk Management Pool	100.00	0.00	100.00	100.00	
77030-721100	Memberships (CALAFCO)	Annual membership fees	3,371.00	3,371.00	3,371.00	3,650.00	279.00
77030-721302	Postage	Costs are based on anticipated usage.	2,500.00	0.00	500.00	2,000.00	(500.00)
	Professional and Specialized Services	Based on the breakout below					
77030-721486	Planning Department	Charges for actual services.	4,000.00	1,173.66	2,500.00	4,000.00	
77030-721403	Audit/Accounting Services (County)	Charges for actual services.	2,000.00	160.46	500.00	2,000.00	
77030-721436	Attorney and Other Legal Fees (County)	Charges for actual services.	18,000.00	7,604.49	16,000.00	18,000.00	
77030-721461	Engineering Services (County Engineering)	Charges for actual services.	1,000.00	0.00	200.00	1,000.00	
77030-721487	Assessor's Office	Charges for actual services.	1,000.00	203.43	450.00	1,000.00	
77030-721488	Elections Office	Charges for actual services.	500.00	0.00	100.00	500.00	
77030-721489	Outside Consultants	Charges for actual services.	35,000.00	0.00	5,000.00	40,000.00	5,000.00
77030-721426	Software Maintenance and Modification	Ongoing upkeep of software versions and misc.	1,000.00	0.00	50.00	1,000.00	
77030-721500	Publications and Legal Notices	Charges for actual services.	2,000.00	890.00	1,800.00	2,000.00	
77030-721601	Rent/Lease Co Cars	Charges for actual services.	1,000.00	0.00	0.00	1,000.00	
77030-721700	Rents and Leases - Building Space	Lump sum amount billed monthly	6,000.00	4,000.00	6,000.00	6,000.00	
77030-722000	Transportation/ Travel/	Conferences Training and associated costs	8,050.00	8,767.18	10,000.00	10,000.00	1,950.00
77030-721300	Office Supplies	Charges for actual cost and prorated share of common materials	2,400.00	829.34	1,500.00	2,400.00	
77030-722100	Utilities (water, sewer, electric, etc.)	Lump sum amount billed monthly	1,200.00	800.00	1,200.00	1,200.00	
77030-740300	Fixed Assets	Filing Cabinets	0.00	0.00	0.00	0.00	
77030-722005	Reimburse Employee Cars (& Commissioners)	Reimbursement for Staff and Commissioners' use of private vehicles for LAFCO Business	1,000.00	0.00	0.00	1,000.00	
	Total Services & Supplies		91,081.00	27,799.56	50,231.00	97,810.00	6,729.00
Contingency							
77030-780100	Appropriation for Contingencies	<i>Contingency</i>	1,649.26	0.00	0.00	1,649.26	
	TOTAL APPROPRIATIONS		141,345.26	55,201.08	91,296.00	148,074.26	6,729.00
	TOTAL FINANCING RESOURCES		146,455.23	133,352.23	148,910.23	148,074.26	1,618.03
	ENDING FUND BALANCE		5,109.97	78,151.15	57,614.23	0.00	(5,109.97)



LOCAL AGENCY FORMATION COMMISSION

Dave Braun, Executive Officer

MADERA LOCAL AGENCY FORMATION COMMISSION

SCHEDULE OF FEES AND CHARGES

(Effective July 1, 2023)

In accordance with Government Code Sections 56383, the Madera LAFCo has discretion to establish a schedule of fees for the costs of proceedings. The schedule of fees shall not exceed the estimated reasonable cost of providing the service and shall be imposed pursuant to Government Code Section 66016.

It is the policy of the LAFCo not to accept a resolution or petition application for a change of organization, reorganization, or sphere of influence amendment until all applicable processing and/or petition checking fees have been deposited with the Executive Officer.

With respect to studies of special district changes of organization or reorganization performed at the request of an individual or entity, it is the policy of the Commission that the individual or entity that requests the changes of organization or reorganization shall be responsible for payment of the applicable fee at the time of application.

It is the policy of the LAFCo that any processing or petition checking fees are mandatory and non-refundable unless specifically waived by a majority vote of the Commission.

In addition to the LAFCo fees and charges, there are in some cases State of California Fish and Game Fees and fees which are applicable in order to formally record an approved application with the State Board of Equalization.

PAYABLE AT TIME OF FILING OF LAFCO APPLICATION

A. LAFCO APPLICATION /PROCESSING FEES (Checks payable to Madera LAFCO)

BASIC FEES

Change of Organization

- Annexation, Detachment or Reorganization consisting of an Annexation and Detachment \$2,969
- Formation (not including cost of Special District Study) \$2,969
- Consolidation \$2,969
- Dissolution \$2,969
- Merger/ Establishment of Subsidiary District \$2,969
- Incorporation (not including cost of Comprehensive Financial Analysis) \$2,969
- Activation of Latent Powers \$2,969

Reconsideration Fee \$2,969

Sphere of Influence

- Sphere of Influence- Adoption, Amendment or Update \$2,969

Special District Study

- Applicant Fee \$1,458 Processing Fee, Plus Actual Cost for Preparation of Study, Plus Actual LAFCO Administrative Costs

Municipal Service Review (MSR)

- Applicant Fee \$1,458 Processing Fee, Plus Actual Cost for Preparation of MSR, Plus Actual LAFCO Administrative Costs

Out of Area Service Contracts

- Applicant Fee (Items Heard By Commission) \$1002
- Applicant Fee (Administrative Approvals) No Fee

Transfer of Jurisdiction

- Applicant Fee \$1002

SUPPLEMENTAL FEES (In addition to basic fee)

CEQA Reviews

(LAFCO as Lead Agency)

-	Environmental Evaluation	\$609
-	Preparation of Negative Declaration	\$609
-	Preparation of Mitigated Negative Declaration	\$609

EIR Preparation as Lead Agency \$1,458 Processing Fee plus actual cost of EIR (LAFCO preparation plus 10% of EIR cost to administer contract.

Comprehensive Fiscal Analysis \$1,573 Processing Fee plus actual cost of CFA preparation plus 10% of CFA cost to administer contract.

Verification of Petition Signatures \$1 per signature
By County Registrar of Voters
(Check payable to Madera County Registrar of Voters)

Fish and Game Administrative Recording Fee \$50
(Check payable to Madera County Clerk)

B. STATE OF CALIFORNIA DEPARTMENT OF FISH AND GAME FEES

State law requires that for any project which has the potential to cause adverse impact on fish and/or wildlife, a fee be charged based on the type of environmental certification taken by the Lead Agency. If this fee was paid at the time the Lead Agency took action on the project prior to application to LAFCO (e.g., when a pre-zoning was adopted by a city council), evidence that the fee was paid can be supplied to LAFCO to satisfy requirement. No additional payment, other than the \$50.00 administrative charge for the County Clerk need be paid for subsequent actions on the same project.

State Department of Fish and Game Fee

(Check payable to State Department of Fish and Game)

-	If an EIR	\$2,995.25
-	If a Negative Declaration	\$2,156.25
-	If a Mitigated Negative Declaration	\$2,156.25

C. STATE BOARD OF EQUALIZATION FEES

After Commission approval and conducting authority ratification, the final step is recording of the action with the State Board of Equalization. State will not formally record action until payment of their fees.

(Check payable to State Board of Equalization)

Single Area Transactions

<u>Area Within Subject Territory</u>	<u>Single Area Mapping Fee</u>
- Less than 1 acre	\$ 300
- 1-5 acres	\$ 350
- 6-10 acres	\$ 500
- 11-20 acres	\$ 800
- 21-50 acres	\$1,200
- 51-100 acres	\$1,500
- 101-500 acres	\$2,000
- 501-1000 acres	\$2,500
- 1001-2000 acres	\$3,000
- 2001 and above	\$3,500

D. MISCELLANEOUS FEES AND CHARGES

LAFCO

Special Commission Meeting	\$ Actual Costs
Outside Consultant(s)	\$ Actual Costs
Document Copying	\$ 1.50 First Page + \$0.30 per additional page
Meeting Tape	\$ Actual Costs
Meeting Transcript	\$ Actual Costs

State of California

Request for State Controller's review of a Comprehensive Fiscal Analysis for incorporation	Actual costs of review, plus a 10% administration fee, with a deposit as specified by the Madera LAFCO Policies and Procedures Section 5.7
--	---

SINCE FEES AND CHARGES ARE SUBJECT TO CHANGE WITHOUT NOTICE, EACH APPLICANT IS ENCOURAGED TO CONTACT THE LAFCO OFFICE PRIOR TO EXECUTING A WARRANT TO ENSURE PAYMENT AMOUNT IS CORRECT.