

SONOMA LOCAL AGENCY FORMATION COMMISSION

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Staff Report

Meeting Date: June 28, 2022

Agenda No. Item 4.1

Agenda Item Title: Fiscal Year 2022-23 Final Budget and Fee Schedule

Proposal: None

Environmental: Not a Project under CEQA

Staff Contacts: Mark Bramfitt

Analysis

Background

At its April 6, 2022 meeting, the Commission conducted a public hearing on its Fiscal Year 2022-23 Proposed Budget and adopted a budget of \$951,245. As directed by the Commission at the April meeting, staff circulated the adopted Proposed Budget to funding agencies for review and comment. No comments from agencies have been received as of the date of the writing of this report.

FY 2022-23 Budget – High Level Features

Apportionments from the County, the cities in the County, and the independent special districts are projected to provide \$764,138 of the needed expenditure amount. Interest from invested cash is anticipated to provide an additional \$5,000, a decrease over the previous year in expectation of continuing lowered return on investments. Fee revenue, although tracked during each fiscal year, is not budgeted due to the difficulty of projecting the number and types of projects that will be submitted. Fee revenue rolls over to become part of the Commission's Fund Balance, which is a reserve to be used at the Commission's discretion. For 2022-23, \$182,107 of Fund Balance monies are projected to be used to balance expenditures and to defray a portion of funding agencies' apportionments.

Comprehensive details of the FY 2022-23 budget were presented to the Commission on April 7. At a high level, the budget features:

- A three percent increase in apportionments from our funding agencies.
- Budgeting of 3.7 Full Time Equivalent (FTE) staffing levels across four allocated positions. Presently, these positions are filled at 2.0 FTEs. Staff is currently involved in the screening and interviewing process and anticipates filling the 1.0 FTE Clerk position in early FY 2022-23.
- Use of \$182,107 from the Fund Balance. A Fund Balance of \$ 725,151 is projected at the end of this fiscal year.
- Maintenance of funding allocations for contracted services of \$35,000 and legal services of \$25,000 and the funding for the biennial audit of the Commission in the amount of \$15,000.

Fee Schedule

Staff is proposing that the Commission's Fee Schedule remain unchanged. Although there have been modest changes to staff salary rates, staff does not believe that a comprehensive review of the fee schedule is warranted. Many of our larger projects such as District reorganizations are billed on an at-cost basis.

Recommendation

Staff recommends that the Commission take the following actions on the Fiscal Year 2022-23 Final Budget and Fee Schedule at the June 2, 2021, meeting:

1. Conduct a public hearing on the Fiscal Year 2022-23 Final Budget and Fee Schedule.
2. Adopt the Fiscal Year 2022-23 Final Budget and Fee Schedule, with any desired changes.
3. Direct staff to maintain an undesignated, unreserved Fund Balance to meet unforeseen or unexpected needs and/or, if needed, to balance the level of expenditures and revenues during the fiscal year.
4. Request the Sonoma County Auditor-Controller-Treasurer-Tax Collector to prepare and send to each funding agency a statement of its apportionment for Fiscal Year 2022-23 and collect apportionments as directed by state law.

Alternate Recommendation

None.

Attachments

1. Fiscal Year 2022-23 Proposed Final Budget
2. Draft Resolution
3. 2022-23 Proposed Fee Schedule