



Executive Officer's Report

To: Imperial LAFCO Commissioners

From: Tyler Salcido, Executive Officer

TPS

Item: 9a

Subject: Final Budget for Fiscal Year 2025-2026

Date: May 22, 2025

Time: 08:30 a.m.

Location: El Centro City Council Chambers
1275 W. Main Street, El Centro, CA 92243

Report

1. Purpose of Final Budget for Fiscal Year 2025-2026

Per state law, the commission is required to adopt a draft budget and a final budget annually to conduct the functions of the Local Agency Formation Commission for the following fiscal year.

A. State Law

Cortese-Knox-Hertzberg Reorganization Act of 2000:

- i. **G.C. § 56381 (a)** The commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and a final budget by June 15. At a minimum, the proposed and final budget shall 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 the purposes and programs of this chapter. The commission shall transmit its proposed and final budgets to the board of supervisors, to each city, and to each independent special district.
- ii. **G.C. § 56381 (b)** After public hearings, consideration of comments, and adoption of a final budget by the commission pursuant to subdivision (a), the auditor shall apportion the net operating expenses of a commission in the following manner:
 - (1)(B) The cities' share shall be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county, or by an alternative method approved by a majority of the cities representing the majority of the combined cities' populations.

- (2) In counties in which there is no independent special district representation on the commission, the county and its cities shall each provide a one-half share of the commission's operational costs. The cities' share shall be apportioned in the manner described in paragraph (1).

2. **Public Notice**

In compliance with Government Code Section 56381, public notice for this hearing was issued at least 21 days in advance. Notices were published in the Imperial Valley Press, posted outside the LAFCo office, and made available on our website.

Fiscal Year 2025-2026 Final Budget

For Fiscal Year 2025-2026, the overall budget totals \$886,419, representing an increase of \$15,177 (1.74%) from FY2024-2025. This final budget reflects a reduction of \$20,023 from the draft budget presented on March 27, 2025, due to the revised pension bond obligation, which decreased from 6.040% to 1.0828% of pensionable payroll. Staff has prepared two final budget scenarios for the Commission's review:

- **Proposed Final Budget (No Minimum Unassigned Reserves):** The Cities' and County's contributions would increase by 1.74%, aligning directly with the percentage increase of the total budget expenses.
- **Proposed Final Budget (10% Unassigned Reserves):** The Cities' and County's contributions would increase by 3.51%, allowing LAFCo to maintain Unassigned Reserves of \$88,642, equivalent to 10% of the total FY2025-2026 budgeted expenses of \$886,419.

Revenues:

The following summarizes the revenue categories of the Imperial LAFCo budget:

- **81-1928 Contributions from Cities**
These funds are provided collectively by the seven cities, covering one-half of the total apportionment cost. According to G.C. 56381 (1) (B) the cities' share is apportioned proportionally based on each city's total revenues as reported in the most recent edition of the Cities Annual Report, published by the State Controller, as a percentage of the combined city revenues within the County.
 - No Minimum Unassigned Reserves scenario: Total contributions from the cities would increase by \$5,834 (1.74%), from FY2024-2025, to a total of \$341,129.
 - 10% Unassigned Reserves Scenario: Total contributions from the cities would increase by \$11,759 (3.51%), from FY2024-2025, to a total of \$347,054.
- **81-1933 Contribution from County**
These funds represent the County's portion, covering one-half of the total apportionment cost for Imperial LAFCo operations.
 - No Minimum Unassigned Reserves scenario: Total contributions from the cities would increase by \$5,834 (1.74%), from FY2024-2025, totaling \$341,129.

- 10% Unassigned Reserves Scenario: Total contributions from the cities would increase by \$11,759 (3.51%), from FY2024-2025, totaling \$347,054.

- **81-1808 LAFCo Fees**

These funds are provided by incoming project applications, including but not limited to municipal service reviews, annexations, reorganizations, incorporations, dissolutions, and consolidations. Fees are collected to offset Imperial LAFCo salaries, benefits, and other expenditures associated with applications.

LAFCo Fees budgeted for FY2025-2026 are \$38,000, in anticipation of approval of pending master tax-sharing agreements between the County and cities.

- **Rents - 1122 State**

These funds are provided by rental revenue. Imperial LAFCo owns the building located at 1122 W. State St., in El Centro. Three rental spaces are available, all of which are currently occupied.

FY2025-2026 rents are budgeted for \$51,288.

- **Interest Income**

Interest Income is anticipated to be approximately \$18,000 for FY2025-2026.

- **Use of Reserves**

- No Minimum Unassigned Reserves Scenario:
 - \$96,873 of reserves would be utilized to balance the FY2025-2026 budget.
 - Estimated total reserves remaining: \$576,793, consisting of:
 - Assigned Emergency Reserves: \$500,000
 - Unassigned Reserves: \$76,793
- 10% Unassigned Reserves Scenario:
 - \$85,024 of reserves would be utilized to balance the FY2025-2026 budget.
 - Estimated total reserves remaining: \$588,642, consisting of:
 - Assigned Emergency Reserves: \$500,000
 - Unassigned Reserves: \$88,642 (maintained at 10% of total budgeted expenses).

- **Contingency - Emergency Reserves & Litigation**

The Commission maintains an Assigned Emergency Reserve totaling \$500,000, which includes:

- Litigation Fund: \$40,000, to address potential legal expenses.
- Catastrophic Building Damage Fund: \$460,000, designated for major repairs or catastrophic events impacting the LAFCo building.
- Unassigned and Available Reserves after allocation:
 - No Minimum Unassigned Reserves Scenario: \$76,793
 - 10% Unassigned Reserves Scenario: \$88,642 (maintained at 10% of total budgeted expenses).

Expenditures:

The following summarizes the expenditure categories of the Imperial LAFCo budget for FY2025-2026:

- **82-2001 LAFCo Salaries**
This category includes costs for employee salaries. Imperial LAFCo staff is comprised of an Executive Officer, an Accountant, and a Clerk/Analyst. The budgeted amount for **FY2025–2026** is **\$434,099**.
- **82-2035 LAFCo Employee Benefits**
This category covers employer costs for retirement, life, accidental-and-disability insurance, health and dental insurance, workers' compensation, Medicare, and the County pension bond obligation. Because the pension bond obligation rate was revised downward from 6.040% to 1.0828% of payroll, the FY2025-2026 employee benefits budget has been reduced to \$206,522 – a decrease of \$20,022.
- **82-2036 Commissioner Stipend**
This category provides a \$100 stipend per commission meeting attended. The budgeted amount for **FY2025-2026** is **\$5,000**.
- **82-2060 Communications**
This category covers costs for the phone system, including dedicated lines for security and fire alerts. By switching carriers and transitioning to a VoIP system, Imperial LAFCo will reduce communications expenditure by \$3,840 (76%) for **FY2025–2026**. Accordingly, the recommended budget for this category is **\$1,200**.
- **82-2100 Insurance - Property**
This category includes the cost of insurance coverage for the building and business property. The budgeted amount for **FY2025–2026** is **\$7,797**.
- **82-2101 Insurance Liability**
This category includes the cost of insurance for General Liability coverage, including the Commissioner's errors & omissions. The budgeted amount for **FY2025-2026** is **\$16,736**. Liability and property insurance estimates will be revised if updated quotes are received prior to Final Budget approval.
- **82-2120 Maintenance - Equipment**
This category includes the costs of maintenance agreements and repairs for large-format printers/scanners/plotters, copiers, postage meters, and other office equipment. No new maintenance agreements are anticipated for next year, resulting in a \$1,000 decrease from the FY2024–2025 budget. The **FY2025–2026** budgeted amount is **\$6,000**.
- **82-2150 Memberships**
This category includes the cost of annual membership dues to CALAFCO, along with an additional \$1,809 for the California Special Districts Association (CSDA) in **FY2025–2026**. The total budgeted amount is **\$6,159**.
- **82-2170 Office Expense (Office Supplies)**
This category covers costs related to the day-to-day purchase of office supplies and application processing materials. By reviewing past spending, monitoring office supply inventories, and shopping with multiple vendors, staff anticipates a \$2,000 (20%) reduction from the FY2024–2025 budget. The **FY2025–2026** budgeted amount is **\$8,000**.

- **82-2170 Office Expense (Electronics)**
This category covers upgrades, replacements, and supplies for computers and related peripherals. Because significant computer and peripheral upgrades were completed during FY2024–2025, staff projects a 25% reduction in electronics office expenses for FY2025–2026 – equating to a decrease of approximately \$4,000. As a result, the recommended budget for this category in **FY2025–2026** is **\$12,000**.
- **82-2170 Office Expense (Software & Licenses)**
This category covers IT subscriptions, with no change from the previous year. The **FY2025–2026** budgeted amount remains **\$7,000**.
- **82-2170 Office Expense (Furnishings)**
This category covers the cost of replacements for desks, chairs, filing cabinets, and other office furnishings. There is no change for **FY2025–2026**; the budget remains **\$1,000**.
- **82-2180 Prof & Spec Services - Legal**
This category covers costs for general and specialized counsel services. LAFCo maintains an agreement with Walker & Driskill Professional Law Corporation for its general counsel needs. With the legal status of the IVHD formation confirmed and no anticipated need for specialized counsel, the **FY2025–2026** budget can be reduced by 50% to **\$30,000**.
- **82-2180 Prof & Spec Services - Other (Annual Audit & Paychex)**
This category covers the costs for annual audit services and payroll processing. Imperial LAFCo contracts with Paychex for payroll processing and engages an independent outside auditor for its annual audited financial statements. The **FY2025–2026** budget remains unchanged at **\$23,000**.
- **82-2181 Prof & Spec Serv - Data Processing/Network**
This category includes costs for internet services provided by the Imperial Valley Telecommunications Authority (IVTA), contracted IT network services, and web hosting services provided by Conveyor Group. Due to ongoing contractual increases, the **FY2025–2026** budget will rise by 3.93% to **\$30,138**.
- **82-2182 Prof & Spec Serv - Other (GIS/CAED)**
This category covers the cost of GIS and mapping services provided under an agreement with the County of Imperial. There is no increase for **FY2025–2026**; the budget remains **\$12,000**.
- **82-2190 Public & Legal Notices**
This category includes the costs incurred for required legal notices and communications, such as agenda postings in newspapers and public hearing notices. The budget for **FY2025–2026** remains unchanged at **\$3,600**.
- **82-2200 Rents & Leases - Equipment**
This category covers payments for leased equipment, currently a large copier and a postage meter. The new copier lease agreement has resulted in cost efficiencies, reducing the **FY2025–2026** budget by \$1,608 (28%) to **\$4,092**.
- **82-2230 Special Department Expense**
This category is for miscellaneous items such as commissioner plaques, sponsorships of special workshops, and late fees. The **FY2025–2026** budget is reduced by approximately 28% from FY2024–2025, bringing the total to **\$1,000**.

- **82-2251 Travel in County**
This category covers reimbursements for travel within Imperial County. The **FY2025–2026** budget is reduced by half from FY2024–2025, to **\$250**.
- **82-2252 Travel out of County**
This category includes costs for registration and travel expenses for commissioners and staff attending the CALAFCO annual conference, staff workshops, board meetings, and other educational activities. Since this year's CALAFCO conference will be held in San Diego, CA, the **FY2025–2026** Travel out of County budget can be reduced by 15% from FY2024–2025, to **\$27,726**.
- **82-4300 Capital Outlay**
This category covers single-item equipment purchases exceeding \$3,500. No purchases are anticipated for FY2025–2026.
- **1122 Repair & Maint Costs / Ongoing Expense**
This category covers building-related repair and maintenance costs, including alarm monitoring, cleaning and restroom supplies, trash services, minor (non-remodeling) repairs (e.g., plumbing and electrical), pest control, and equipment upkeep such as air conditioners and sprinkler systems. With no major repairs anticipated next year, the FY2024–2025 budget is reduced by 32% for **FY2025–2026**, bringing the total to **\$20,000**.
- **1122 Repair & Maint Costs / Remodel**
This category covers costs associated with major interior and exterior remodeling of the building. As no remodeling is anticipated in FY2025–2026, the budget for this category will be eliminated, resulting in a \$9,000 savings.
- **1122 Utilities**
This category covers costs for water and electricity. For **FY2025–2026**, the budget remains flat at **\$23,100**, although the recently announced IID rate increase suggests that future budgets may need adjustments.

Summary

In preparing the FY2025-2026 Final Budget, staff again reviewed current revenues, expenditures, and projected costs for the coming fiscal year.

The proposed final budget totals \$886,419, an increase of \$15,177 (1.74%) over FY2024-2025 and a reduction of \$20,023 from the draft budget presented on March 27, 2025, due to the lower pension bond obligation rate. Attached as "Exhibit A", this final budget is submitted for the Commission's review and consideration.

Options

- Option #1:** Approve and adopt the final budget for fiscal year 2025-2026 as presented under the No Minimum Unassigned Reserves scenario.
- Option #2:** Approve and adopt the final budget for fiscal year 2025-2026 as presented under the 10% Unassigned Reserves scenario.
- Option #3:** Approve and adopt the final budget for fiscal year 2025-2026 as modified by the Commission at this meeting.

Recommendation by the Executive Officer

The Executive Officer recommends that LAFCo conduct a public hearing and consider all information presented in both written and oral form. The Executive Officer then recommends, assuming no significant public input warrants to the contrary, that LAFCo take the following action:

Option #2: Approve and adopt the final budget for fiscal year 2025-2026 as presented under the 10% Unassigned Reserves scenario.

EXHIBIT A: Final Budget Fiscal Year 2025-2026

EXHIBIT B: Notice of Public Hearing

EXHIBIT C: Draft LAFCo Resolution #2025-XX

EXHIBIT A

Final Budget Fiscal Year 2025-2026

LAFCO's Proposed FINAL BUDGET FOR FISCAL 2025-2026

EXHIBIT A

					Proposed Draft Budget				Proposed Final Budget				Proposed Final Budget - 10% Reserve							
					Fiscal 2025-2026 Proposed DRAFT Budget	Fiscal 2025-2026 Increase (Decrease)		% Change	Fiscal 2025-2026 Proposed FINAL Budget	Fiscal 2025-2026 Increase (Decrease)		% Change	Fiscal 2025-2026 Proposed FINAL Budget	Fiscal 2025-2026 Increase (Decrease)		% Change				
					ADOPTED FINAL Fiscal 2024-2025 (approved 5/23/24)	Preliminary Actuals @ 03/11/25	Estimated Annual for 2024-2025	2024/2025 over (under)												
Income																				
81-1928 CONTRB FROM OTHER AGENCIES (Cities)					335,295	335,295	335,295	(0)	348,841	13,546	a	4.04%	341,129	5,834	a	1.74%	347,054	11,759	a	3.51%
81-1933 COUNTY MATCHING FUNDS					335,295	335,295	335,295	(0)	348,841	13,546	a	4.04%	341,129	5,834	a	1.74%	347,054	11,759	a	3.51%
81-1808 LAFCO FEES					50,000	16,209	17,209	(32,791)	38,000	(12,000)	b	-24.00%	38,000	(12,000)	b	-24.00%	38,000	(12,000)	b	-24.00%
RENTS - 1122 STATE					47,028	34,193	47,474	446	51,288	4,260	c	9.06%	51,288	4,260	c	9.06%	51,288	4,260	c	9.06%
*CONTINGENCY - EMERGENCY RESERVES (& LITIGATION)					103,623		103,623	0	101,472	(2,151)	d	-2.08%	96,873	(6,751)	d	-6.51%	85,024	(18,600)	d	-17.95%
INTEREST INCOME					0	17,788	17,788	17,788	18,000	18,000	o		18,000	18,000	o		18,000	18,000	o	
OTHER INCOME					0	977	977	977	0	0		0.00%	0	0		0.00%	0	-		0.00%
Total Income					871,242	739,757	857,661	(13,580)	906,442	35,200		4.04%	886,419	15,177		1.74%	886,419	(20,023)		1.74%
Expenses																				
82-2001 LAFCO SALARIES					353,018	257,103	411,604	58,586	434,099	81,081	e	22.97%	434,099	81,081	e	22.97%	434,099	81,081	e	22.97%
82-2035 LAFCO EMPLOYEE BENEFITS					211,833	113,669	174,593	(37,240)	226,544	14,711	e	6.94%	206,522	(5,311)	p	-2.51%	206,522	(5,311)	p	-2.51%
82-2036 COMMISSIONER STIPEND					4,500	1,800	4,300	(200)	5,000	500	f	11.11%	5,000	500	f	11.11%	5,000	500	f	11.11%
82-2060 COMMUNICATIONS					5,040	4,247	4,818	(222)	1,200	(3,840)	g	-76.19%	1,200	(3,840)	g	-76.19%	1,200	(3,840)	g	-76.19%
82-2100 INSURANCE PROPERTY					7,797	-8	7,797	0	7,797	0		0.00%	7,797	0		0.00%	7,797	0.00		0.00%
82-2101 INSURANCE LIABILITY					14,125	13,811	13,811	(314)	16,736	2,611	h	18.48%	16,736	2,611	h	18.48%	16,736	2,611	h	18.48%
82-2120 MAINTANCE -EQUIPMENT					7,000	1,840	5,609	(1,391)	6,000	(1,000)	i	-14.29%	6,000	(1,000)	i	-14.29%	6,000	(1,000)	i	-14.29%
82-2150 MEMBERSHIPS					4,500	0	4,350	(150)	6,159	1,659		36.87%	6,159	1,659		36.87%	6,159	1,659		36.87%
82-2170 OFFICE EXPENSE (Office Supplies)					10,000	2,714	5,653	(4,347)	8,000	(2,000)	b	-20.00%	8,000	(2,000)	b	-20.00%	8,000	(2,000)	b	-20.00%
82-2170 OFFICE EXPENSE (Electronics)					16,000	6,397	10,967	(5,033)	12,000	(4,000)	b	-25.00%	12,000	(4,000)	b	-25.00%	12,000	(4,000)	b	-25.00%
82-2170 OFFICE EXPENSE (Software & Licenses)					7,000	4,387	5,987	(1,013)	7,000	0		0.00%	7,000	0		0.00%	7,000	0.00		0.00%
82-2170 OFFICE EXPENSE (Furnishings)					1,000	0	0	(1,000)	1,000	0		0.00%	1,000	0		0.00%	1,000	0.00		0.00%
82-2180 PROF & SPEC SERVICES-Legal					60,000	88,189	109,689	49,689	30,000	(30,000)	j	-50.00%	30,000	(30,000)	j	-50.00%	30,000	(30,000)	j	-50.00%
82-2180 PROF & SPEC SERVICES - Other (Annual Audit & Paychex)					23,000	10,452	17,872	(5,128)	23,000	0		0.00%	23,000	0		0.00%	23,000	0.00		0.00%
82-2181 PROF & SPEC SERV-DATA PROCESSING/NETWORK					29,000	22,012	30,812	1,812	30,138	1,138	k	3.93%	30,138	1,138	k	3.93%	30,138	1,138	k	3.93%
82-2182 PROF & SPEC SERV-OTHER (GIS/CAED)					12,000	0	12,000	0	12,000	0		0.00%	12,000	0		0.00%	12,000	0.00		0.00%
82-2190 PUBLIC & LEGAL NOTICES					3,600	1,582	2,482	(1,118)	3,600	0		0.00%	3,600	0		0.00%	3,600	0.00		0.00%
82-2200 RENTS & LEASES-EQUIPMENT					5,700	2,146	4,064	(1,636)	4,092	(1,608)	l	-28.21%	4,092	(1,608)	l	-28.21%	4,092	(1,608)	l	-28.21%
82-2230 SPECIAL DEPARTMENT EXPENSE					1,400	492	985	(415)	1,000	(400)	b	-28.57%	1,000	(400)	b	-28.57%	1,000	(400)	b	-28.57%
82-2251 TRAVEL IN COUNTY					500	0	250	(250)	250	(250)	b	-50.00%	250	(250)	b	-50.00%	250	(250)	b	-50.00%
82-2252 TRAVEL OUT OF COUNTY					32,609	17,019	17,819	(14,791)	27,726	(4,883)	m	-14.98%	27,726	(4,883)	m	-14.98%	27,726	(4,883)	m	-14.98%
82-4300 CAPITAL OUTLAY					0			0	0	0		0.00%	0	0		0.00%	0	0.00		0.00%
1122 REPAIR & MAINT COSTS/ONGOING EXPENSE					29,520	7,195	14,391	(15,129)	20,000	(9,520)	n	-32.25%	20,000	(9,520)	n	-32.25%	20,000	(9,520)	n	-32.25%
1122 REPAIR & MAINT COSTS/REMODEL					9,000	0	0	(9,000)	0	(9,000)	n		0	(9,000)	n		0	(9,000)	n	
1122 UTILITIES					23,100	8,812	17,624	(5,476)	23,100	0		0.00%	23,100	0		0.00%	23,100	0.00		0.00%
*CONTINGENCY - EMERGENCY RESERVES					0			0	0	0		0.00%	0	0		0.00%	0	0.00		0.00%
Total Expenses					871,242	563,861	877,477	6,234	906,441	35,199		4.04%	886,419	15,177		1.74%	886,419	15,177		1.74%
estimated use of additional reserves FY2024-2025							19,816													

- Notes (Fiscal 2025-2026 Draft Proposal):
- a) increase in apportionment due to increase in budget

b) decrease due to project volume

c) increase as all suites are currently rented

d) increase in drawdown of estimated available reserves to offset expenses

e) increase to accommodate current salaries and potential merits and benefit premium increases

f) increase due to anticipation of having 10 meetings per fiscal year

g) decrease due to switching over to new phone plans

h) increase due to anticipation of about 18%

i) decrease due to not anticipating additional maintenance need

j) decrease due to litigations being completed

k) increase due to ongoing contractual increases

l) decrease due to new lease agreements

m) decrease due to Annual conference location being in San Diego

n) decrease do to not anticipating having additonal repairs and renovations

o) increase as we are currently earning interest on CD

p) decrease due to reduction of pension bond contribution %

Projected Reserves	Projected Reserves	Projected Reserves
797,105 Total Reserves as of 6.30.2024	797,105 Total Reserves as of 6.30.2024	797,105 Total Reserves as of 6.30.2024
(103,623) Use of Reserves FY2024-2025	(103,623) Use of Reserves FY2024-2025	(103,623) Use of Reserves FY2024-2025
(19,816) Est. Add. Reserves FY2024-2025	(19,816) Est. Add. Reserves FY2024-2025	(19,816) Est. Add. Reserves FY2024-2025
(500,000) Assigned Emergency Reserves	(500,000) Assigned Emergency Reserves	(500,000) Assigned Emergency Reserves
173,666	173,666	173,666
(101,472) Use of Reserves FY2025-2026	(96,873) Use of Reserves FY2025-2026	(85,024) Use of Reserves FY2025-2026
72,194 Additional Unassigned Reserves	76,793 Additional Unassigned Reserves	88,642 Additional Unassigned Reserves

Amounts that were changed in Final Budget

Denotes changes from March 27, 2025 Draft Budget

LAFCO Estimated Annual Cost of Salaries and Benefits for 2025-2026

EXHIBIT A

Position	Proposal FYE 6/30/26	Estimated Retirement	Estimated Medical, Dental, Vision, AD&D, Life	Estimated W/comp	Medicare (Employer's portion)	FICA (Employer's portion)	Estimated State Unemployment	TOTAL Estimated Employment Costs
Executive Officer (Full Time Employee) full year	219,900	46,047	39,492	4,046	3,189	0	112	312,786
Analyst/Accountant full year	112,055	38,401	26,028	515	1,625	0	112	178,736
Analyst/Clerk full year	71,724	21,955	14,604	330	1,040	0	112	109,765
Building Maintenance	30,420	n/a	n/a	6,075	441	1,886	112	38,934
	\$ 434,099	\$ 106,403	\$ 80,124	\$ 10,966	\$ 6,294	\$ 1,886	\$ 448	\$ 640,221

Senior Analyst vacant

Retirement components

Health / medical 13.33%

Pension bond 1.0828%

Employer 16.20% / 19.86%

EXHIBIT B

Notice of Public Hearing



NOTICE OF PUBLIC HEARING & SCHEDULED HEARING DATE

This notice is to advise you, the recipient of this notice, that the final budget for fiscal year 2025-2026 will be considered by the Imperial County Local Agency Formation Commission (LAFCo) and will be heard on the date and time listed below. As an interested person or agency, you may comment on this draft budget by submitting written documentation to LAFCo or appearing at the public hearing. You are not required to attend this meeting; it is simply for your information. The Executive Officer's report and draft budget will be available on the LAFCo website at least 72 hours prior to the meeting date and time listed below.

Meeting Date: May 22, 2025

Meeting Time: 08:30 a.m.

Meeting Location: El Centro Board Chambers
1275 W. Main Street, El Centro, CA 92243

Description: Public Hearing and related action to consider approval of the final budget for fiscal year 2025-2026

Staff Contact: Tyler Salcido, LAFCo Executive Officer
1122 W. State Street, Suite D, El Centro, CA 92243
(760) 353-4115
tylers@iclafco.com
www.iclafco.com

EXHIBIT C

Draft LAFCo Resolution #2025-XX



IMPERIAL LOCAL AGENCY FORMATION COMMISSION

May 22, 2025

RESOLUTION #2025-XX OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF IMPERIAL APPROVING AND ADOPTING THE FINAL BUDGET FOR FY 2025-2026.

RESOLVED, by the Local Agency Formation Commission of the County of Imperial, State of California, that:

WHEREAS, per G.C. § 56381 (a) of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the Commission is required to adopt a draft budget by May 1st and a final budget by June 15th of each year for its operations and to meet its mandates; and

WHEREAS, on March 27, 2025, the Commission met, discussed, and voted to approve and adopt the draft budget for fiscal year 2025-2026.

WHEREAS, the Executive Officer has reviewed and prepared a proposed final budget for the LAFCo to consider, outlined the process, and has presented the proposed final budget to the Commission for direction; and

WHEREAS, per G.C. § 56381 (a) of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the Commission shall adopt at a minimum a budget equal to the previous year's budget unless the Commission can make specific findings. In preparation for this budget, staff reviewed the current budget, the current expenditures, and the anticipated or projected costs that LAFCo would incur during the next fiscal year. The attached **Exhibit A** represents the budget as proposed in the amount of \$_____, which is _____ of \$_____ from the 2024-2025 budget; and

WHEREAS, Imperial LAFCo utilizes permanent full-time staff members for the executive officer, clerical, and accounting; part-time general maintenance staff; all of whose salaries are set by LAFCo according to the line-item budget attached; and

WHEREAS, Imperial LAFCo does intend to function in compliance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 as an independent agency while minimizing the costs of independence; and

WHEREAS, the Commission desires to continue to utilize the services of the county auditor's office to collect the costs from the cities and the county and transfer them to the LAFCo accountant; and

WHEREAS, Imperial LAFCo must have an independent accounting system to review the fiscal aspects, and while the Executive Officer has the full authority to manage the day-to-day accounting and fiscal management, LAFCo resolved to have an outside independent accounting firm perform an annual audit of LAFCo accounting; and

WHEREAS, the Imperial LAFCo has authorized the Executive Officer to contract services to maintain the LAFCo-owned property, such as outside lawn care, interior housekeeping, general maintenance, repair, and other similar work. Some of this work may be done by staff who shall then be compensated at a competitive rate for private contractors; and

WHEREAS, G.C. § 56381 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the auditor to request payment from each jurisdiction, including methods of collection, pro-rata percentage share of costs for each entity, and to turn over said collected funds to LAFCo in a timely manner; and

WHEREAS, on May 22, 2025, the Commission met, discussed, and voted to approve and adopt the final budget for fiscal year 2025-2026.

NOW, THEREFORE, BE IT DETERMINED, ORDERED AND RESOLVED as follows:

The final budget of \$_____ for FY 2025-2026 has been approved and adopted.

PASSED, ADOPTED, AND APPROVED this 22nd day of **May 2025**, by the following roll call votes:

AYES:

NAYES:

ABSTAINED:

ABSENT:

Jesus Escobar, Chair