

# Mendocino LAFCo

April 6, 2026



Fiscal Year 2026-27  
Proposed Budget & Work Program

# LAFCo Budget Statutes & Policies

## Annual Budget (CKH 56381(a))

- Budget  $\geq$  previous fiscal year unless finding that a reduction in staffing or program expenses will nevertheless allow the Commission to fulfill its purposes and programs
- Provision for less if find that a reduction in staffing or program expenses will nevertheless allow the Commission to fulfill its purposes and programs

## Mendocino LAFCo Policy 5.1 Budget

# Budget Development

## **Preliminary Budget and Work Program**

- Previous years' budgets and actuals
- Projections based on known trends
- Identification of organizational needs and improvements
- Executive Committee reviews and makes recommendation to the Commission (March)

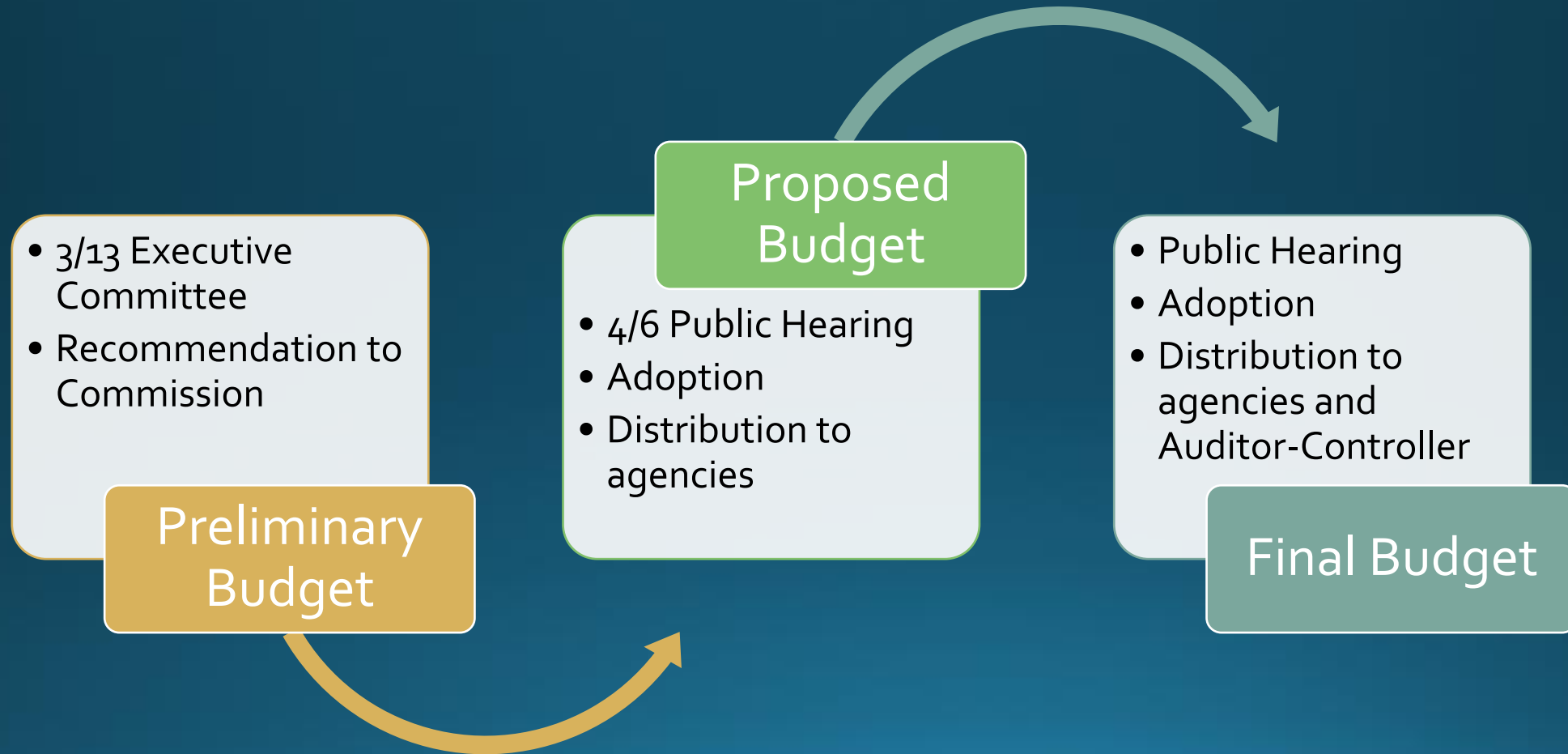
## **Proposed Budget and Work Program**

- Commission reviews and adopts a Proposed Budget and Work Program (April)
- EO distributes to member agencies

## **Final Budget and Work Program**

- Commission adopts a Final Budget and Work Program (May/June)
- EO distributes to member agencies and County Auditor

# Budget Development Process



# Expenditures

## Basic Services

- Staffing
  - Executive Officer
  - Senior Analyst
  - Analyst

## Services & Supplies

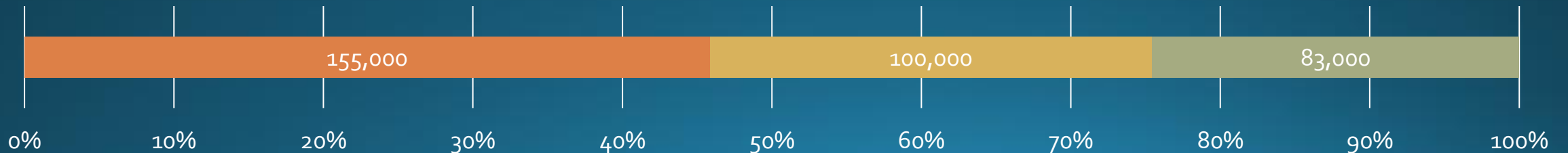
- Organization operations
- Office supplies
- Professional services
- Training

## Work Plan

- Prioritized MSR and SOI Updates

## Applications

- Cost recovery
- Anticipated
  - *Ukiah Reorganization*
  - *RRFC Annexation*



# Proposed Work Program

## Basic Services

- Day to day office administration and operations, carry out the responsibilities of the Commission, Commission and Committee meetings, implementing Commission direction
- Developing policies & procedures
- Research, outreach and coordination with local government agencies
- Budget development and reporting
- Organizational improvements

## Work Plan

- Conduct State-mandated MSR/SOI studies

# Work Plan Development

## Identify priority MSR/SOI studies

- 1) Municipal services
- 2) Date of last SOI update
- 3) Known issues or development pressures
- 4) Coordinate with land use plan updates

Scope of studies determined by agency services and issues

## Implementation

- In-house by staff
- Outsource to consultants

# Work Plan

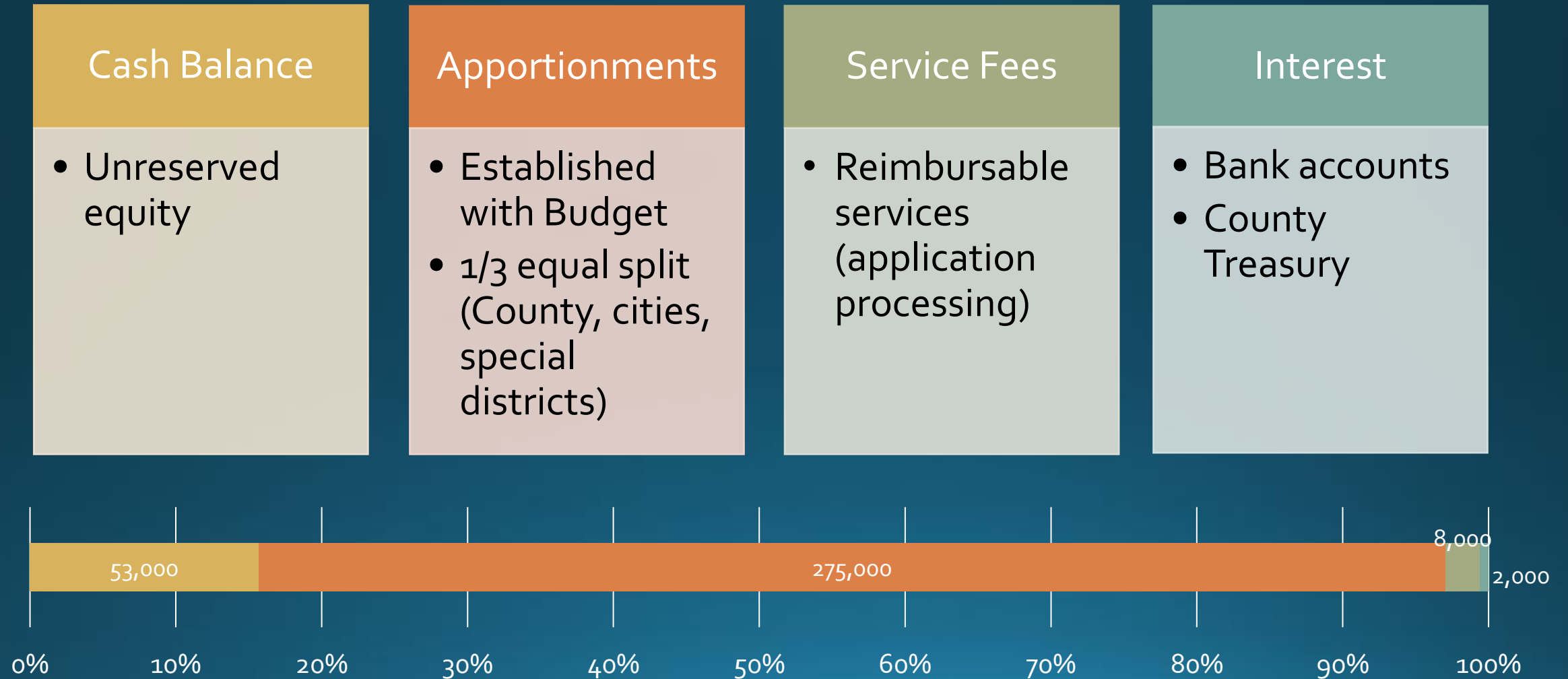
## Complete studies in progress

- Laytonville County Water District
- Multi-year, County-wide fire and EMS service providers (18 agencies)

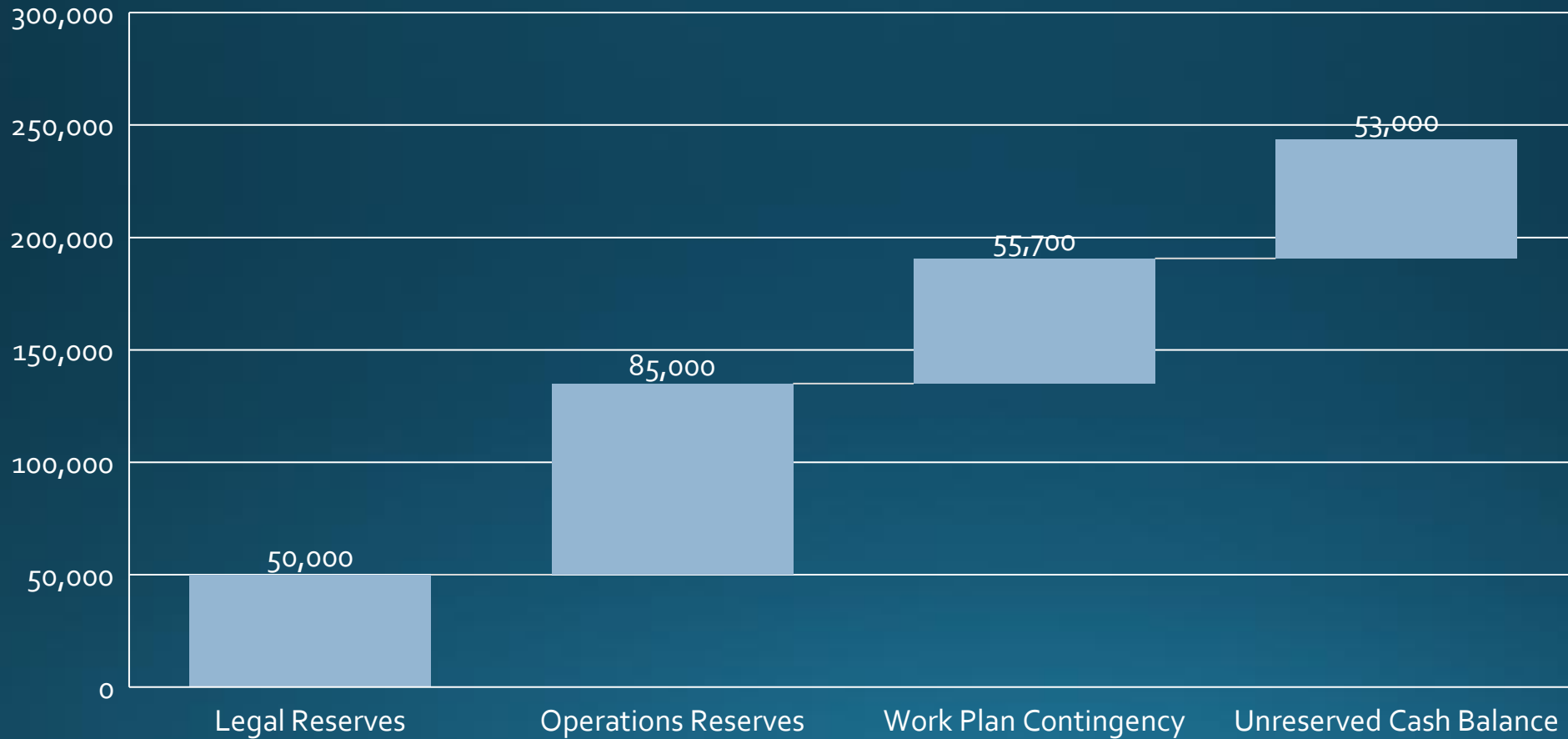
## Initiate studies in FY 2026-27

- Mendocino Coast Health Care District

# Revenue



# Reserves and Unreserved Funds



# Proposed Budget

Table 1. Summary of Adopted FY 2025-26 and Proposed FY 2026-27 Budgets				
	FY 2025-26 Adopted (\$)	FY 2025-26 Amended (\$)	FY 2026-27 Proposed (\$)	Difference (%)
<b>REVENUES</b>				
<i>Anticipated Use of Cash Balance</i>	35,500	35,500	53,000	
Apportionments	275,000	275,000	275,000	0
Fees/Reimbursements/Interest	18,000	18,000	10,000	(57.1)
<b>Revenues Total</b>	<b>328,500</b>	<b>328,500</b>	<b>338,000</b>	2.9
<b>EXPENDITURES</b>				
Basic Services (Staffing)	155,000	155,000	155,000	0
Services and Supplies	73,000	83,500	83,000	(0.6)
Work Plan	100,000	100,000	100,000	0
<b>Expenditures Total</b>	<b>328,500</b>	<b>338,500</b>	<b>338,000</b>	(0.1)
<b>RESERVES</b>				
Legal Reserves	50,000	40,000	50,000	
Operating Reserves	86,500	86,500	83,000	

# Proposed Budget Summary

## Expenditures

\$338,000

- Basic Services (no change)
- Services & Supplies (-0.6%)
- Work Plan (no change)

## Revenues

\$338,000

- Apportionment Fees (no change)
- Service Fees and Interest (-57.1%)
- Use of Cash Balance (\$53,000)

## Reserves

\$133,000

- Legal (restore to target)
- Operations (no change)

## Work Plan Contingency

\$55,700

- Work Plan budget that extend between years
- Support work plan modifications and unexpected expenses

# Recommendations

Review the Proposed Budget and Work Program for FY 2026-27, accept all public testimony and take the following actions:

- 1) Adopt Resolution No. 2025-26-05 approving the Proposed Budget and Work Program for FY 2026-27 as presented or modified; and
- 2) Direct staff to transmit the adopted Proposed Budget and Work Program to funding agencies for review and comment pursuant to GOV 56381; and
- 3) Schedule a public hearing for May 4, 2026 to consider and adopt the Final Budget and Work Program for FY 2026-27.