



Balancing Community and Commerce

44 N. SAN JOAQUIN STREET □ SUITE 374 □ STOCKTON, CA 95202 □ 209-468-3198

**NOTICE OF PUBLIC WORKSHOP FOR THE FICAL YEAR 2024-2025  
PRELIMINARY BUDGET  
AND PROPOSED SCHEUDULE OF FEES**

NOTICE IS HEREBY GIVEN that on Thursday, April 11, 2024, at 9:00 AM. in the Chambers of the Board of Supervisors on the 6th Floor, 44 North San Joaquin Street, Stockton, California, the San Joaquin Local Agency Formation Commission (LAFCo) will have a discussion and public workshop about the FY 2024-2025 Preliminary Budget, Work Program and Schedule of Fees.

Details of the proposed budget and fee schedule are available by contacting the LAFCo Office at 209-468-3198 during regular business hours or online at [www.sjlafco.org](http://www.sjlafco.org)

All interested persons may appear at said workshop and present their views on any matter relating to the proposal at that time.

If you have any questions or need more information, please call the LAFCo Office at (209) 468-3198.

Dated: March 28, 2024

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BY ORDER OF THE SAN JOAQUIN  
LOCAL AGENCY FORMATION COMMISSION  
J.D. Hightower, Executive Officer

# Agenda Item 4



## EXECUTIVE OFFICER'S REPORT

**PROJECT:** FY 2024/2025 Preliminary Operating Budget

**PROPOSAL:** Review and authorize the Executive Officer to distribute the Preliminary FY 2024/2025 Operating Budget.

**APPLICANT:** San Joaquin Local Agency Formation Commission

**LOCATION:** N/A

**PURPOSE:** Public workshop and discussion about the proposed LAFCo budget for FY 2024/2025 pursuant to Government Code Section 56381, Annual Budget.

**PROCESS:** This is an item for public information and discussion amongst all Commissioners, alternate Commissioner's insights and comments are considered important for this item.

### RECOMMENDATION:

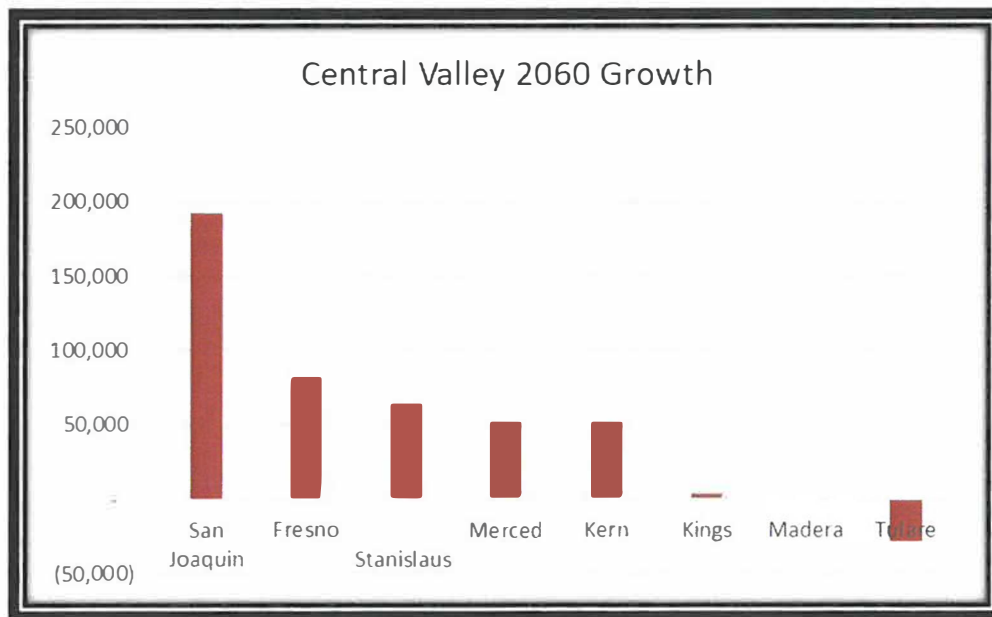
It is recommended that the Commission review and authorize the Executive Officer to distribute the proposed budget for FY 2024-2025. This proposed budget keeps the County and collective cities apportioned costs the same as last Fiscal Year at \$259,638.00. With the incorporation of the City of Mountain House on July 1, 2024, the mandated contributions from individual cities that existed last fiscal year decrease and the County contribution remains the same as the approved FY 2023-2024 budget.

FY 2024/2025 Population Based LAFCo Contribution			
	Population	% Population	FY 24-25 Budget
Escalon	7,362	1%	\$ 2,928
Lathrop	31,331	5%	\$ 12,463
Lodi	66,570	10%	\$ 26,480
Manteca	86,859	13%	\$ 34,550
Mountain House	27,602	4%	\$ 10,979
Ripon	15,979	2%	\$ 6,356
Stockton	322,489	49%	\$ 128,277
Tracy	94,538	14%	\$ 37,605
<b>Cities Total</b>	<b>652,730</b>	<b>100%</b>	<b>\$ 259,638</b>
<b>San Joaquin County</b>	<b>786,145</b>	<b>N/A</b>	<b>\$ 259,638</b>

The budget sub-committee, Chairperson Johnson, Commissioner Barton and Executive Officer Hightower reviewed the proposed budget on February 28, 2024. To facilitate budget preparations, CKH directs that the commission shall transmit its proposed budget to the board of supervisors and each city.

**BACKGROUND:**

Being the Gateway County, San Joaquin has and is projected to continue to have positive population growth through 2060. Utilizing State Department of Finance projections, San Joaquin County is expected to add 192,189 new residents by 2060. In comparison the projected 2060 growth shows positive growth in 7 of the 8 Central Valley counties.. San Joaquin is the leader in this important economic development indicator. By balancing community and commerce San Joaquin is projected to more than double the growth of the second highest growing Central Valley county, Fresno. The Central Valley is expected to grow by 419,037 while overall the entire State population is expected to grow by only 400,752. This is due to Los Angeles County projected to lose over 1.5 million residents by 2060.



**FY 2023-2024 ACCOMPLISHMENTS:**

With a growing population and diverse array of special districts, San Joaquin LAFCo has been efficient and productive. During FY 2023-2024, LAFCo completed the Comprehensive Fiscal Analysis, incorporation and impartial analysis necessary for the incorporation of Mountain House Community Services District. Over 90% of the registered voters within Mountain House agreed with the Commission and voted for Measure "D" in the March 5, 2024 election. A Certificate of Completion for the new City of Mountain House has been recorded.

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In addition, to the first incorporation in over 20 years within the State, LAFCo completed 18 out-of-agency service requests and to date the following projects:

- Indelicato Reorganization to the City of Manteca
- Dissolution of California Irrigation District
- Pierra Annexation time extension to the City of Ripon
- Issuance of a Certificate of Filing for Hat Ranch tentative hearing date 6/13/24

#### BUDGET SUBCOMMITTEE ACTION:

A salary survey was conducted that the budget sub-committee reviewed. As a result of that review, it was agreed that all positions base salaries be raised 5%. A salary survey was done comparing other area LAFCo's suggests that in comparison with other LAFCo's and local agencies that the 5% increase is merited and will give SJLAFCo a prudent reserve contingency budget entering FY 2025-2026.

The proposed budget will result in a conservative salary range that can be further evaluated as part of a future total compensation study.

LAFCO Salary Survey - San Joaquin Region Monthly Ranges									
	Exec Officer			Clerk/Analyst			Clerk Currentty =0.45 FTE		
	(Low)	(High)	Mid-Point Annual Salary	(Low)	(High)	Mid-Point Annual Salary	(Low)	(High)	Mid-Point Annual Salary
Stanislaus - LAFCo	\$9,078	\$13,617	\$136,171				\$4,818	\$7,229	\$72,284
Fresno - LAFCo			\$180,070						\$89,919
Alameda - LAFCo			\$167,298				\$6,381	\$7,838	\$85,315
Sacramento - LAFCo			\$155,220	\$7,862	\$9,557	\$104,514			
Riverside LAFCo	\$13,092	\$17,010	\$180,617	\$5,101	\$6,770	\$71,226	\$3,462	\$5,028	\$50,927
Solano Lafco			\$180,000						\$58,224
Contra Costa LAFCo			\$188,499				\$5,106	\$6,476	\$69,492
Butte LAFCo	\$ 11,107	\$ 15,628	\$173,784	\$ 5,832	\$ 8,207	\$84,234	\$4,623	\$6,380	\$71,539
Yolo LAFCo			\$173,225						\$81,070
San Joaquin COG *	\$14,426	\$20,197	\$207,738	\$7,543	\$10,561	\$108,623	\$4,684	\$6,557	\$67,447
SJ County **	\$12,877	\$14,907	\$166,706	\$5,852	\$7,114	\$77,795	\$5,308	\$6,451	\$70,553
SJ Regional Transit ****	\$11,250	\$14,167	\$152,500	\$6,250	\$8,333	\$87,500	\$3,594	\$5,185	\$52,678
City of Stockton *****	\$13,621	\$17,381	\$186,010	\$6,031	\$7,743	\$82,643	\$5,347	\$6,866	\$73,278
City of Manteca *****	\$14,030	\$17,053	\$186,498	\$7,449	\$9,054	\$99,018	\$4,834	\$5,328	\$60,974
<b>Average</b>	<b>\$12,435</b>	<b>\$16,245</b>	<b>\$173,881</b>	<b>\$5,769</b>	<b>\$7,482</b>	<b>\$89,444</b>	<b>\$4,816</b>	<b>\$6,334</b>	<b>\$29,047</b>
<b>SJ LAFCo</b>	<b>\$11,980</b>	<b>\$14,245</b>	<b>\$167,763</b>	<b>\$5,130</b>	<b>\$6,236</b>	<b>\$74,694</b>	<b>\$4,410</b>	<b>\$5,360</b>	<b>\$27,698</b>
<b>Difference</b>	<b>4%</b>	<b>12%</b>	<b>4%</b>	<b>11%</b>	<b>17%</b>	<b>16%</b>	<b>8%</b>	<b>15%</b>	<b>5%</b>
<b>Range Spread</b>	<b>\$3,810</b>			<b>\$1,713</b>			<b>\$1,518</b>		
<b>Budget Impact</b>			<b>\$6,118</b>			<b>\$14,750</b>			<b>\$1,349</b>

#### FILING FEES:

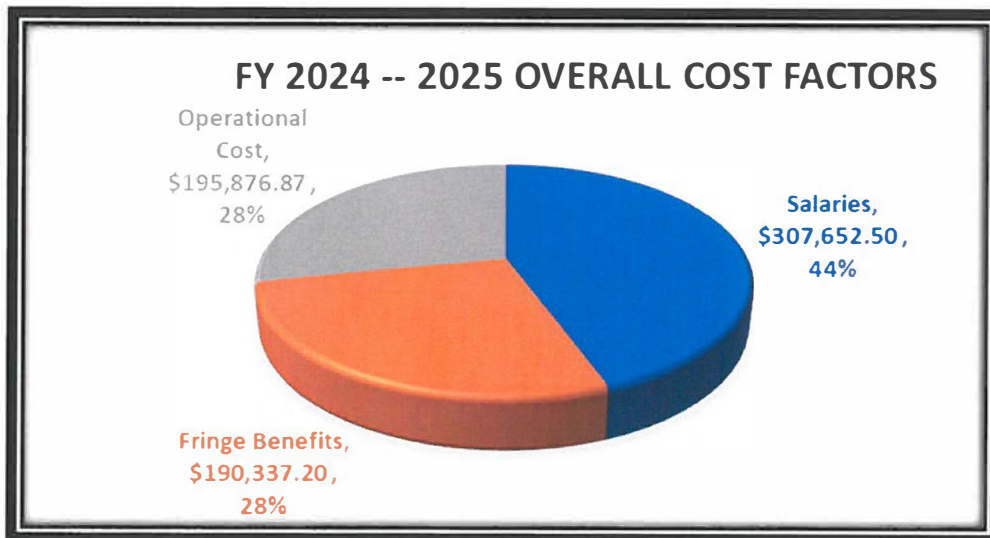
The proposed FY 2024/2025 budget proposes that application filing fees be increased by 2.4% from FY 2023/2024 (please see attached application filing fee sheet).

#### PROPOSED BUDGET:

The proposed FY 2024/2025 budget is a balanced budget with revenues and costs of \$675,539. Revenues are comprised of the city and county mandated contributions



and application filing fees. The costs have three components, salaries, benefits and operating costs.



The proposed line item budget is shown below:



## REVENUES

FY 24-25 LAFCo EO Preliminary Budget 28-Feb-24			
	FY 23-24	Mid -Year	FY 24-25
<b>Fund Balance - Beginning of the Fiscal Year</b>			
<b>Revenues</b>			
* INTEREST INCOME	\$ 20,456	\$ 43,130	\$ 86,260
USE OF MONEY AND PROPERTY	\$ 20,456	\$ 43,130	\$ 86,260
* County Contribution	\$ 259,638	\$ 259,638	\$ 259,638
* Cities Contribution	\$ 259,638	\$ 259,638	\$ 259,638
* Application Filing Fees	\$ 92,249	\$ 19,909	\$ 70,000
* Total Revenues	\$ 611,525	\$ 539,185	\$ 589,276
MISCELLANEOUS REVENUES		\$ 127,065	
<b>TOTAL REVENUE</b>	<b>\$ 631,982</b>	<b>\$ 709,380</b>	<b>\$ 675,536</b>

## STAFF COST

<b>Expenditures</b>			
<b>Salaries</b>			
SALARIES & WAGES-REGULAR	\$ 223,008	\$ 140,665	\$ 295,397
SALARIES-CAFETERIA	\$ 42,425	\$ 12,914	\$ -
SALARIES-CAR ALLOWANCE	\$ 5,040	\$ 4,050	\$ 7,020
ADMINISTRATION BENEFITS	\$ -	\$ 2,697	\$ -
<b>TOTAL SALARIES</b>	<b>\$ 270,474</b>	<b>\$ 160,326</b>	<b>\$ 302,417</b>
<b>Fringe Benefits</b>			
UNEMPLOYMENT COMP INSURANCE	\$ 167	\$ 213	\$ 425
RETIREMENT-EMPLOYER SHARE	\$ 57,187	\$ 49,604	\$ 99,208
RETIREMENT-EMPLOYER ADDTL CONT	\$ 5,955	\$ 6,216	\$ 12,432
SOCIAL SECURITY-OASDI	\$ 13,769	\$ 8,676	\$ 17,351
SOCIAL SECURITY-MEDICARE	\$ 8,390	\$ 2,164	\$ 4,329
LIFE INSURANCE	\$ 152	\$ 150	\$ 299
HEALTH INSURANCE	\$ 55,622	\$ 21,003	\$ 42,007
DENTAL INSURANCE	\$ 504	\$ 199	\$ 399
VISION CARE	\$ 135	\$ 49	\$ 98
<b>TOTAL FRINGE BENEFITS</b>	<b>\$ 141,881</b>	<b>\$ 88,274</b>	<b>\$ 176,548</b>
<b>TOTAL STAFF COST</b>	<b>\$ 412,355</b>	<b>\$ 248,600</b>	<b>\$ 478,965</b>



## OPERATING COST

Services and Supplies			
PROFESSIONAL SERV-PROGRAMS	\$ 108,886	\$ 73,717	\$ 75,802
OFFICE EXPENSE-GENERAL	\$ 26,820	\$ 17,831	\$ 26,820
OFFICE SUPPLIES-PURCHASING-ISF	\$ 1,207	\$ 274	\$ 549
GENERAL OFFICE SUPPLIES	\$ 141	\$ 79	\$ 158
OFFICE EXPENSE-POSTAGE	\$ 1,349	\$ 575	\$ 1,149
COMMUNICATIONS	\$ 3,108	\$ 1,219	\$ 2,437
MEMBERSHIPS	\$ 13,814	\$ 13,855	\$ 12,409
TRANS AND TRAVEL-GENERAL COMMISSIONERS	\$ 8,760	\$ 11,158	\$ 15,000
TRANS/TRAVEL-STAFF	\$ 2,667	\$ 4,734	\$ 7,000
AUDITOR SERVICES	\$ 1,429	\$ -	\$ 1,501
PROFESSIONAL SERV- COUNTY	\$ -	\$ 2,964	\$ 3,112
PUBLICATIONS & LEGAL NOTICES	\$ 2,200	\$ 270	\$ 540
RENTS-STRUCTURES & GROUNDS	\$ 19,412	\$ 12,941	\$ 22,738
RENTS/LEASES-AUTO EQUIP-ISF	\$ 1,923	\$ 1,041	\$ 2,083
DATA PROCESSING CHARGES	\$ 11,915	\$ 5,104	\$ 10,207
INSURANCE-WORKER'S COMP	\$ 593	\$ 453	\$ 906
INSURANCE-CASUALTY - SLIP	\$ 15,402	\$ 12,872	\$ 14,159
<b>TOTAL SERVICES AND SUPPLIES</b>	<b>\$ 219,626</b>	<b>\$ 159,088</b>	<b>\$ 196,571</b>



**San Joaquin Local Agency Formation Commission**  
**SCHEDULE OF FEES**  
**FEES FOR PROCESSING APPLICATIONS AND CHARGES FOR SERVICES**  
**(Effective Date 07/01/ 2024)**

	City and County Fee	Special District Fee
<b>ANNEXATIONS AND DETACHMENTS</b>		
<b>Existing and New Development:</b>		
Under 3 Acres	\$ 2,463.54	\$ 4,927.08
3 to 10 Acres	\$ 3,941.66	\$ 7,883.33
10.1 to 20 Acres	\$ 4,116.25	\$ 8,232.51
20.1 to 40 Acres	\$ 4,934.57	\$ 9,869.15
40.1 to 80 Acres	\$ 5,760.40	\$ 11,520.80
80.1 to 120 Acres	\$ 6,584.07	\$ 13,168.15
120.1 to 240 Acres	\$ 7,757.47	\$ 15,514.94
240.1 to 500 Acres	\$ 8,247.50	\$ 16,495.00
500.1 to 1,000 Acres	\$ 9,064.75	\$ 18,129.51
Over 1,000.1 acres	\$ 8,852.30 + per acre	\$ 8.62
		\$ 17.24
<b>LEGAL SERVICES</b>		
<b>Required for all services.</b>	\$ 1,071.10	\$ 2,142.21
Principal	\$ 401.66	\$ 803.33
Associate	\$ 321.33	\$ 642.66
Paralegal	\$ 187.44	\$ 374.89
<b>OTHER ACTIONS</b>		
Proposals requiring Protest Proceedings (Actual cost if Voter Election)	\$ 1,713.77	\$ 3,427.53
Special District Formation	\$ 9,104.38	\$ 18,208.77
Consolidation, Merger, Subsidiary District	\$ 1,071.10	\$ 2,142.21
Addition of Services	\$ 2,677.76	\$ 5,355.52
Dissolution	No Charge	No Charge
Request for Reconsideration	\$ 1,606.66	\$ 3,213.31
Time Extension Request	\$ 428.44	\$ 856.88
Out-of-Agency Service for Designated Areas	\$ 2,677.76	\$ 5,355.52
Out-of-Agency Service per EDU	\$ 321.33	\$ 642.66
Sphere of Influence		\$ -
Amendment to a Municipal Service Review	\$ 2,677.76	\$ 5,355.52
New or Update for Cities	\$ 4,284.42	\$ 8,568.83
New or Update for Special Districts	\$ 1,713.77	\$ 3,427.53
Removal of Territory	\$ 2,677.76	\$ 5,355.52
Incorporation actual costs + filing fee	\$ 5,355.52	\$ 10,711.04
Comprehensive Fiscal Analysis actual + filing fee	\$ 5,355.52	\$ 10,711.04



	City and County Fee	Special District Fee
<b>Environmental Review</b>		
Lead Agency other than LAFCo:		
Review Environmental Impact Report	\$ 535.55	\$ 1,071.10
Review Negative Declaration	\$ 267.78	\$ 535.55
Review Exemption	\$ 160.67	\$ 321.33
LAFCo as Lead Agency		
Initial Study (Including Negative Declaration)	Actual Cost	Actual Cost
Preparation and processing of EIR	Actual Cost	Actual Cost
CEQA Exemption	\$ 321.33	\$ 642.66
State Department of Fish and Wildlife Fee (LAFCo lead Agency) includes County Clerk Processing Fee)		
Notice of Exemption		
Negative Declaration		
Environmental Impact Report	As Required by F&W	As Required by F&W
County Clerk Processing Fee	\$ 50.00	\$ 50.00
<b>Miscellaneous Fees and Charges</b>		
Boundary Map & Legal Description Checking ( <i>Make Check out to San Joaquin County Department of Public Works</i> )		
	\$732.20 or 20% of LAFCo Fee	\$732.20 or 20% of LAFCo Fee
Special Commission Meeting	\$ 2,142.21	\$ 4,284.42
Staff Costs for Research, Technical Assistance, Mailing, Attendance at Meetings and unique/complex projects as determined by Commission		
Executive Officer per hour	\$ 203.51	\$ 407.02
LAFCo Clerk/Analyst per hour	\$ 171.38	\$ 342.75
Commission Clerk per hour	\$ 85.69	\$ 171.38
County Clerk Processing Fee - Per Document	\$ 100.00	\$ 100.00
Voter Registrar Fee	\$ 100.00	\$ 100.00
Meeting CD per CD	\$ 21.42	\$ 42.84
Document Copying per page	\$ 0.21	\$ 0.43
	Fee set by Registrar of Voters	Fee set by Registrar of Voters
Checking Sufficiency of Petition (per signature)		
Outside Consultants hired by LAFCo	Actual Cost + 20%	Actual Cost + 20%
Meeting Transcript	Actual Cost + 20%	Actual Cost + 20%

1. Actual costs shall be determined by multiplying the documented actual hours by the hourly rate of salary plus benefits.

2. The Commission may waive or adjust processing fees upon a determination that the proposal would further the purposes of the Local Government Reorganization Act of 2000. Requests for fee waivers or adjustments must be submitted in writing to the Commission prior to the submittal of any application.

3. Processing and filing fees are due and payable upon filing of an application with LAFCo. No action shall be taken on any proposal or petition until appropriate fees have been paid.

4. Upon Commission approval, the Executive Officer may require fees based on actual cost for unique/complex projects.