



Siskiyou Local Agency Formation Commission

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[Siskiyou LAFCO](#)

Hailey Lang
Executive Officer

Rachel Jereb
Deputy Executive Officer

Date: April 8, 2025
To: Chair and Siskiyou LAFCO Members
From: Hailey Lang, Executive Officer
Subject: FY 2025/2026 Preliminary Budget

I. Background:

State law requires that each member entity of Siskiyou LAFCO (the nine cities within Siskiyou County and the County of Siskiyou) fund its yearly functions. The actual distribution is set annually by the Auditor's office based on a set distribution arrangement authorized under Government Code Section 56381(b)(1)(B). This distribution splits the cities' and the County's share at 50 percent each.

In determining the appropriate funding level, 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 allow the Commission to fulfill the purposes and programs of its responsibilities. Historically the collective annual member contribution was \$40,000; however, the Commission waived member contributions in FY 2008/09 and FY 2009/10, and in FY 2010/11 the contribution level was reduced to \$35,000. For FY 2011/12 through 2015/16 the contribution was raised to \$30,000. For FY 2016/2017 the contribution was reduced to \$20,000 before returning to \$30,000 in FY 2017/18, where it remained through FY 2024/25.

In determining the budget level, it is important to project future costs. The largest regular cost that must be funded is the requirement that the municipal service review and sphere of influence (MSR/SOI) updates be conducted every five years. The last MSR/SOI update for the nine incorporated cities in 2016, resulted in the selection of Quad Knopf, Inc. (QK) with a bid of \$68,928. The alternate contractor, Michael Baker International, had a bid of \$95,320. After delays due to COVID-19, the project was completed in 2021. An updated MSR/SOI for the cities is now being planned.

Due to the length of time involved since the RFPs for the last MSR/SOI update, staff looked to the more recent Countywide Fire service review and sphere of influence update to estimate future costs. That project's RFP resulted in three bids ranging in cost from \$125,000 to \$172,825, with an average of \$143,842. Staff is anticipating that future costs for the nine incorporated cities MSR/SOI update will be in line with that amount.

The budget table below shows the adjusted FY 2024/2025 budget, the projected ending 2024/2025 budget, and proposed budget for FY 2025/2026.

City Members

Colleen Baker, Commissioner
Mark Mazzoni, Commissioner
Vacant, Alternate

County Members

Nancy Ogren, Commissioner
Ed Valenzuela, Commissioner
Michael Kobseff, Alternate

Public Members

Laurel Harkness, Member-At-Large
Angelina Cook, Alternate Member-At-Large

As shown in the table, LAFCO's revenue is projected to be approximately \$32,700 at the end of FY 2024/2025. The funding balance is expected to be \$109,544 in FY 2025/2026.

There was a sizable decrease in the estimated County's Cost Allocation Plan (CAP) cost for 2024/2025 which resulted in a credit of \$9,792. The CAP covers the cost of processing payments through the Auditor's Office and other accounting support.

Upon adoption of the preliminary budget, staff will transmit this budget to the Board of Supervisors and each city in the County pursuant to Government Code Section 56381. Staff would then return to LAFCO with any potential changes as a result of this outreach with a final budget prior to June 15, 2025, for adoption.

	Year End FY 2024/25 Adopted Budget	Year End FY 2024/25 Estimated Budget	FY 2025/26 Requested Budget
Revenue			
Interest	\$1,100	\$1,300	\$1,100
545100 Other Governmental Agencies	\$15,000	\$15,000	\$15,000
560300 Contributions from Others	\$15,000	\$15,000	\$15,000
550800 Application Fees	\$1,200	\$1400	\$1,200
Total Revenue	\$32,300	\$32,700	\$32,300
Expenditures			
Office Costs			
717000 Maintenance of Equip	\$25	\$0	\$25
720000 Memberships	\$1,873	\$1,873	\$1,934
722000 Office Supplies	\$20	\$20	\$20
724000 Publications/Legal	\$940	\$438	\$940
725000 Rents and Lease	\$75	\$75	\$75
729000 Transportation/Travel	\$1,000	\$500	\$1,233
751000 Cost Allocation Plan	\$(9792)	\$(9792)	\$(9,792)
Consultant/Staff Services			
723100 Administration	\$20,000	\$20,000	\$20,000
723000 Professional Services/Staff	\$11,045.25	\$2,328.75	\$2,500.00
Total Expenditures	\$25,419	\$15,628	\$21,292
Ending Fund Balance	\$81,964	\$98,396	\$109,544

II. California Environmental Quality Act (CEQA):

The review and potential approval of this budget is a government fiscal activity that does not involve any commitment to any specific project. Pursuant to CEQA Guidelines Section 15378(b)(4), government fiscal activities or funding mechanisms which do not involve any commitment to any specific project which may result in potentially significant physical impacts on the environment are not projects and are therefore not subject to CEQA.

III. Recommendation:

1. Consider the preliminary budget for FY 2025/26 proposed by staff.
2. Make a motion and a second to determine that the recommended actions are not subject to environmental review under CEQA pursuant to CEQA Guidelines Section 15378(b)(4) and are therefore exempt from CEQA and approve the proposed FY 2025/26 preliminary budget.
3. By roll call vote:
 - A. Determine the project exempt from CEQA pursuant to CEQA Guidelines Section 15378(b)(4).
 - B. Approve the FY 2025/26 preliminary budget provided in the staff report.
 - C. Direct staff to transmit this preliminary budget to the Board of Supervisors, each city, and each independent special district in the County pursuant to Government Code Section 56381(a).
 - D. Return to the Commission on May 13, 2025 (or June 10, 2025), for adoption of the final budget with any necessary changes.