



**San Diego County**  
**Local Agency Formation Commission**  
 Regional Service Planning | Subdivision of the State of California

# 6b

**AGENDA REPORT**  
 Public Hearing

May 1, 2023

**TO:** Commissioners

**FROM:** Keene Simonds, Executive Officer

**SUBJECT:** **Proposed Final Workplan and Budget for 2023-2024 and Related Actions**

**SUMMARY**

The San Diego County Local Agency Formation Commission (LAFCO) will consider recommendations in adopting a final workplan and budget for 2023-2024. Both items return following their draft adoption in March and subsequent public review. The workplan remains substantively unchanged in outlining 30 specific projects in priority order. Noteworthy revisions involve adding four projects from the current year that were initially expected to be completed by June 30th and include a white paper on governance options to enhance public recreation opportunities involving local reservoirs, policy establishment on out-of-agency services, and municipal service reviews on the Carlsbad and Oceanside regions. The budget is unchanged and continues to total \$2.750 million. More than four-fifths of total expenses – \$2.261 million – covers operating costs and represents an increase of 12.6% and primarily tied to funding an additional staff position. Agency apportionments continue to represent nine-tenths of all operating revenues and set to increase by 13.0% via the combination of additional operating expenses plus reduction in budgeted use of reserves.

**BACKGROUND**

San Diego LAFCO is responsible under State law to adopt a proposed budget by May 1<sup>st</sup> and a final budget by June 15<sup>th</sup>. A mandatory review by all local funding agencies is required between the two adoption periods. State law also specifies the proposed and final budgets

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shall be equal to the budget adopted for the previous fiscal year unless LAFCO formally finds any reduced costs will allow the membership to meet its regulatory and planning duties.

## DISCUSSION

This agenda item is for San Diego LAFCO to consider recommendations from the Executive Officer in adopting a final (a) workplan and (b) budget for the upcoming fiscal year. Both items return to the Commission from their initial presentation and adoption in draft-form on March 6<sup>th</sup> and subsequent 45-day public review period. This included providing direct notice to all 77 local funding agencies as required under statute as well as presenting to both the Cities and Special Districts Advisory Committees. Comments received during the public review are attached. A summary discussion of the main components underlying both items and key revisions made since the March 6<sup>th</sup> follows.

### Summary | Proposed Final Workplan in 2023-2024

The proposed final workplan remains mostly intact from the draft adopted in March. This includes continuing to outline 30 specific projects for the upcoming fiscal year listed in priority order and divided between high (Nos. 1-10), moderate (Nos. 11-20), and low (Nos. 21-30). Revisions have been incorporated to account for four existing projects that were initially expected to be completed by June 30<sup>th</sup> but now expected to substantively extend into the new fiscal year. These four added projects are a white paper on governance options to enhance public recreation opportunities involving local reservoirs, policy establishment on out-of-agency services, and municipal service reviews on the Carlsbad and Oceanside regions. In accommodating these additions, four projects have been removed from the workplan since March. These involve a policy update on Rule No. 4 (district function and class designations), governance study on the Escondido region, and bylaw updates for the Cities and Special Districts Advisory Committees. Notably, while all four of these latter projects remain pertinent, their removal does not pose any concerns given the likelihood they can be readily and timely addressed in future workplans.

A summary of the revisions to the workplan follows.

Revisions to Workplan Changes Made Since March 6 <sup>th</sup>	
Added	Removed
Oceanside Regional Municipal Service Review (6)	Governance Study on Escondido Region (12)
Carlsbad Regional Municipal Service Review (7)	Policy Update on Commission Rule No. 4 (26)
Policy Update on Out-of-Agency Services (11)	Bylaw Update for Cities Advisory Committee (27)
Paper on Governance Options: Reservoir Recreation (15)	Bylaw Update for Districts Advisory Committee (28)

## Summary | Proposed Final Budget in 2023-2024

The proposed final budget remains entirely intact from the draft adopted in March and sets total matching expenses and revenues at \$2.750 million. More than four-fifths of total expenses tie to operating costs and equal \$2.260 million, which represent a net change of 12.6% – or \$253,211 – over the current fiscal year. This increase accommodates baseline operating expenses plus increasing staff from 8.0 to 9.0 fulltime employees with the reestablishment of the Assistant Executive Officer position. Previously approved cost-of-living adjustments for all employees paired with a biennial per diem adjustment and providing additional funding for communication services (translation, multi-media, and community engagement) largely account for the other increases in operating expenses. The remaining one-fifth portion of total expenses involve non-operating costs at \$0.489 million and tied to transacting a State planning grant plus debt service. Similar to expenses, four-fifths of total revenues tie to operating units and equal \$2.254 million. This amount represents a net change of 13.3% – or \$264,386 – over the current fiscal year and mostly attributed to increases in local agency apportionments. Remainder of total budgeted revenues at \$0.495 million involve non-operating units and tie to transacting a State planning grant plus unassigned reserves.

### ANALYSIS

San Diego LAFCO’s proposed final workplan and budget for 2023-2024 reflects a measured true-up to better align activities with available resources. The true-up ties to continuing the Commission’s practice to set a full and otherwise proactive workplan with the aid of increasing staff through the re-budgeting of a full-time Assistant Executive Officer position. Re-budgeting the position accounts for three-fifths of the total increase in operating expenses – or \$0.190 of the \$0.264 million – and would advantageously expand LAFCO’s organizational capacities and in doing so, keep up with the workplan and proposal activities. A user-friendly guide on the proposed final workplan and budget is available as Attachment One. The guide will be updated to reflect any changes approved by the Commission at the May 1<sup>st</sup> meeting and will be circulated to all funding agencies.

### RECOMMENDATION

It is recommended San Diego LAFCO approve the proposed final workplan and budget as presented with any desired changes. This recommendation is consistent with taking the actions identified in the proceeding section as Alternate One.

### ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

Alternative One (recommended):

- (a) Adopt the attached resolution provided as Attachment Two approving the final workplan (Exhibit A) and budget (Exhibit B) for 2023-2024 with any changes.
- (b) Direct the Executive Officer to coordinate with the County of San Diego Auditor's Office to invoice all local agencies consistent with the calculation provided under Government Code Section 56381 for the total amount of \$2,038,651.
- (c) Amend policies – Rule No. 2 subsection 10 – to increase the per diem to \$275.00.

Alternative Two:

Continue consideration of the item to its next regular meeting.

**PROCEDURES FOR CONSIDERATION**

This item has been placed on the agenda for action as part of a noticed public hearing. The following procedures, accordingly, are recommended in the Commission's consideration.

- 1) Disclose any ex-parte communications.
- 2) Receive verbal report from staff unless waived.
- 3) Open the hearing and invite comments from the public.
- 4) Close the public hearing, discuss item, and consider recommendation.

Respectfully,



Keene Simonds  
Executive Officer

Attachments:

- 1) Guide to the Proposed Final Workplan and Budget for FY2024
- 2) Draft Resolution Approving a Proposed Workplan and Budget for FY2024
  - Exhibit A: Proposed Workplan
  - Exhibit B: Proposed Budget
- 3) Comments Received on the Proposed Workplan and Budget



PROPOSED FINAL

# Workplan & Budget Guide

FOR 2023-2024

## About Us

Local Agency Formation Commissions – or LAFCOs – are boundary makers that oversee the creation and expansion of cities and special districts in all 58 counties of California. LAFCOs exercise regulatory and planning powers to coordinate publicly provided services, such as water or fire protection, and match them with community needs.

**The goal of every LAFCO is to facilitate smart growth while avoiding urban sprawl.**

San Diego LAFCO operates within the second largest county in California as measured by population and currently tasked with overseeing over 100 local governmental agencies.

A summary of San Diego LAFCO's proposed final workplan and budget for 2023-2024 follows.

# 2023-2024 Workplan Guide

The proposed final workplan list 30 targeted projects for 2023–2024 comprising both new and continued activities. The targeted projects complement LAFCO’s baseline commitment to process jurisdictional proposals and related service requests in a timely manner and are divided between three priority categories – high, medium, and low. An outline of all 30 projects with additional details on the “Top 10” follows.



## No. 1

**Recruit, Hire + Support  
Budgeted Staff**  
Fill Analysts + AEO Positions



## No. 2

**Commissioner Onboarding**  
Create User-Friendly Guide and  
Reference Resource



## No. 3

**Transition Accounting**  
QuickBooks Change from Desktop  
to Cloud Platform



## No. 4

**Personnel Policies Part I**  
Work with RGS in Scope of Work  
to Guide Comprehensive Redo



## No. 5

**Personnel Policies Part II**  
Begin Implementing Scope of  
Work on the Comprehensive Redo



## No. 6

**Oceanside MSR**  
Inform Sphere Updates for  
Oceanside, Oceanside Harbor  
District, and Morro Hills CSD



## No. 7

**Carlsbad MSR**  
Inform Sphere Updates for Carlsbad,  
Carlsbad MSR, and Leucadia WWD



## No. 8

**Healthcare Districts MSR**  
Inform Sphere Updates for Tri-City,  
Palomar, Grossmont + Fallbrook



## No. 9

**SALC Planning Grant 2.0**  
Begin Two Year Grant to Analyze  
ROI Opportunities for Small Ag



## No. 10

**RCDs’ Ad Hoc Committee**

## Medium Priorities

- No. 11** | Policy Update on Out-of-Agency Services
- No. 12** | MSR on San Marcos Region
- No. 13** | MSR on Vista Region
- No. 14** | MSR on County Water Authority + MET
- No. 15** | White Paper: Public Recreation + Reservoirs
- No. 16** | White Paper: Growth Management + Housing
- No. 17** | Special Districts Advisory Committee
- No. 18** | Cities Advisory Committee
- No. 19** | Website Content Expansion
- No. 20** | 2022–2023 Outside Audit

## Lower Priorities

- No. 21** | Legislative Proposal to G.C. 56133
- No. 22** | Policy Update on Applicant Processing
- No. 23** | MSR on Encinitas Region
- No. 24** | MSR on Del Mar + Solana Beach Region
- No. 25** | Legislative Proposal to G.C. 56430
- No. 26** | White Paper: School Districts
- No. 27** | Website Tool: Service + Fiscal Indicators
- No. 28** | Liaison with Local Tribes
- No. 29** | Annual Local Agency Directory
- No. 30** | White Paper: Community Choice Aggregations

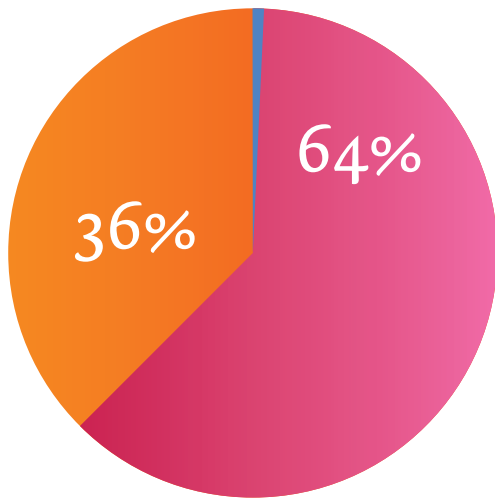
For a complete listing of the draft workplan, please visit: [sdlafco.org](https://sdlafco.org)

# 2023-2024 Budget Guide

San Diego LAFCO’s proposed final budget for 2023–2024 ties directly to funding the associated workplan and sets total matching expenses and revenues at \$2.750 million. More than four-fifths of total budgeted expenses and revenues tie to operating units. Operating expenses total \$2.261 million, which represent a net change of 12.6% – or \$253, 211 – over the current fiscal year. The remaining portion of the total budget involves non-operating units and largely transacting revenues and expenses tied to a State planning grant and debt service.

Key budgeted operating expenses and revenues follow.

## Operating Expenses: \$2.261 Million



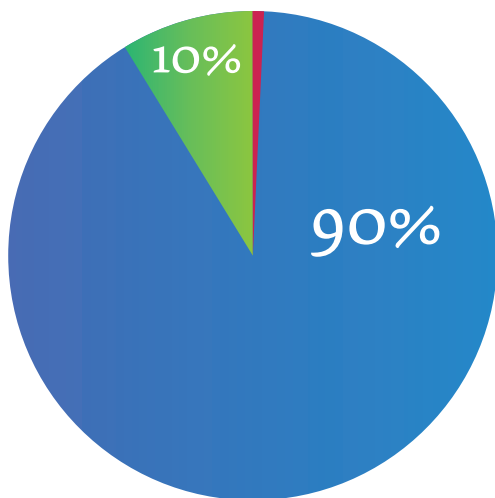
### Salaries and Benefits Cost

- \$1.436 million; an increase of (14.5%) over prior year
- Amount equals 64% of all operating expenses
- Increases staffing from 8.0 to 9.0 fulltime employees
  - Addition involves re-establishing the Assistant Executive Officer position
- Accommodates previously approved cost-of-living adjustments for all employees

### Services and Supplies Cost

- \$0.825 million; an increase of 9.5% over prior year
- Amount equals 36% of all operating expenses
- Three largest group costs:
  - 1 Professional services: \$0.296 million
  - 2 Office space: \$0.145 million
  - 3 County Information Technology: \$0.125 million

## Operating Revenues: \$2.254 Million



### Application Fees

- \$0.200 million; 17.6% change over prior year
- Amount equals 8.9% of all operating revenues

### Local Agency Contributions

- \$2.039 million; an increase of 13.0% over prior year
- Amount equals 90% of all operating revenues
- Allocation set by State law as follows:
  - 1 County of San Diego covers \$0.582 million
  - 2 Cities less City of San Diego covers \$0.582 million
  - 3 Districts covers \$0.582 million
  - 4 City of San Diego \$0.291 million



**PROJECTED 2023–2024 FUND BALANCE**

Committed Stabilization:	250,000
Committed Opportunity:	500,000
Assigned:	62,500
Unassigned:	788,242
<b>TOTAL:</b>	<b>1,600,742</b>

### TOP CITY ALLOCATION

1. San Diego
2. Carlsbad
3. Oceanside
4. Escondido
5. El Cajon

### TOP DISTRICT ALLOCATIONS

1. Otay Water
2. Helix Water
3. Padre Dam Municipal
4. Vallecitos Water
5. Olivenhain Municipal

## San Diego LAFCO's Commission

San Diego LAFCO is governed by a 13-member "Commission" comprising county, city, special district, and public members. All Commissioners are appointed elected officials with the exception of the two public members. Commissioners serve four-year terms and divided between "regulars" and "alternates" and must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. Commissioners are subject to standard disclosure requirements and must file annual statements of economic interests. The Commission has sole authority in administering its legislative responsibilities and decisions therein are not subject to an outside appeal process.



**Jim Desmond**  
Chair  
County of San Diego



**Stephen Whitburn**  
Vice Chair  
City of San Diego



**Joel Anderson**  
Commissioner  
County of San Diego



**Kristi Becker**  
Commissioner  
City of Solana Beach



**Jo MacKenzie**  
Commissioner  
Vista Irrigation



**Andrew Vanderlaan**  
Commissioner  
Public Member



**Dane White**  
Commissioner  
City of Escondido



**Baron Willis**  
Commissioner  
Alpine Fire Protection



**David Drake**  
Alternate  
Special District Member



**Harry Mathis**  
Alternate  
Public Member



**John McCann**  
Alternate  
City of Chula Vista



**Nora Vargas**  
Alternate  
County of San Diego



**Marni von Wilpert**  
Alternate  
City of San Diego



**RESOLUTION No. \_\_\_\_**

**SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION**

**ADOPTING A FINAL WORKPLAN AND BUDGET  
FISCAL YEAR 2023-2024**

**WHEREAS**, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the San Diego County Local Agency Formation Commission (“Commission”) to perform certain regulatory and planning duties in facilitating efficient and accountable local government; and

**WHEREAS**, the Commission is required to annually adopt proposed and final budgets by May 1<sup>st</sup> and June 15<sup>th</sup>, respectively; and

**WHEREAS**, the Executive Officer prepared a written report and recommendations on a proposed workplan and budget for 2023-2024, which was subsequently considered and adopted by the Commission at a noticed hearing held on March 6, 2023; and

**WHEREAS**, the adopted proposed workplan and budget for 2023-2024 was circulated for public review and comment in a manner provided under law – including notices to all funding agencies; and

**WHEREAS**, the Executive Officer has prepared a written report and recommendations on a final workplan and budget for 2023-2024; and

**WHEREAS**, the Commission has heard and fully considered all the evidence on a final workplan and budget for 2023-2024 presented at a public hearing held on May 1, 2023;

**WHEREAS**, the adoption of a workplan and budget are not projects under the California Environmental Quality Act.

**NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER** as follows:

1. The final workplan for 2023-2024 shown as Exhibit A is APPROVED.
2. The final budget for 2023-2024 shown as Exhibit B is APPROVED.
3. The Executive Officer is directed to work with the County of San Diego Auditor’s Office in invoicing all funding agencies in the collective amount of \$2,033,861.

The foregoing resolution was duly and regularly adopted by the Commission at a public hearing held on May 1, 2023 by the following vote:

Yes: \_\_\_\_\_

No: \_\_\_\_\_

Abstain: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Keene Simonds  
Executive Officer

**PROPOSED FINAL WORKPLAN FOR FY2023-2024**

Priority	Level	Type	Project	Description
Ongoing	...	Statutory	Applicant Proposals and Requests	Prioritize resources to address all applicant proposals and related requests
Ongoing	...	Administrative	Targeted LAFCO Presentations	Coordinate timely public outreach; emphasis on informing stakeholders ahead of MSR work
Ongoing	...	Statutory	Workplan and Budget Management	Actively manage the workplan and budget resources with quarterly updates to the Commission
1	High	Administrative	Recruiting, Hiring + Supporting Staff	Ensure all budgeted positions are filled in a timely manner with appropriate resource support
2	High	Administrative	Commissioner Onboarding	Create onboarding resources and related training for new and continuing Commissioners
3	High	Administrative	Online Accounting	Transition QuickBooks accounting from desktop to online platform + make use of public-facing features
4	High	Administrative	Policy   Personnel: Part I	Coordinate with RGS a multi-phased scope of work to update personnel policies to reflect best practices
5	High	Administrative	Policy   Personnel: Part II	Implement first phase of scope of work in updating personnel policies
6	High	Statutory	MSR   Oceanside Region	Complete the scheduled reviews of the City of Oceanside, Oceanside SC Harbor District, and Moreno Hills CSD
7	High	Statutory	MSR   Carlsbad Region	Complete the scheduled reviews of the City of Carlsbad, Carlsbad MWD, and Leucadia WWD
8	High	Statutory	MSR   Healthcare Districts	Initiate a comprehensive study of the four healthcare districts in San Diego County
9	High	Administrative	SALC Planning Grant 2.0	Initiate two-year grant to expand SALC 1.0 to establish ag costs/revenues for existing and emerging crops with gap analysis
10	High	Administrative	RCD Ad Hoc Committee: Year Two	Complete approved scope of work and present recommendations to the Commission as merited
11	Medium	Statutory	Policy   Out-of-Agency Services	Complete policy establishment involving the review-approval process for out-of-agency services (Section 56133)
12	Medium	Statutory	MSR   San Marcos Region	Complete the scheduled reviews of the City of San Marcos, San Marcos FPD, & Vallecitos WD
13	Medium	Statutory	MSR   Vista Region	Complete the scheduled reviews of the City of Vista, Vista ID, Vista FPD, & Buena SD
14	Medium	Statutory	MSR   CWA-MET	Initiate scheduled review of wholesale water suppliers – CWA (comprehensive) and MET (abbreviated)
15	Medium	Administrative	White Paper   Public Recreation Opportunities	Evaluate potential governance models involving San Diego-owned reservoirs in unincorporated areas
16	Medium	Administrative	White Paper   Growth Management + Housing	Evaluate growth management policies and tools between LAFCO, County, and SANDAG (spheres, VMT, hubs, etc.)
17	Medium	Administrative	Special Districts Advisory Committee	Provide administrative support to the Special Districts Advisory Committee and hold no less than three formal meetings in FY
18	Medium	Administrative	Cities Advisory Committee	Provide administrative support to the Cities Advisory Committee and hold no less than two formal meetings in FY
19	Medium	Administrative	Website Content Expansion	Proceed with content expansion for newly redesigned LAFCO website with multi-media enhancements
20	Medium	Administrative	2022-2023 Audit	Complete outside audit of financial statements for 2022-2023 and ensure consistency with accounting standards

Priority	Level	Type	Project	Description
21	Low	Statutory	Legislative Proposal   G.C. 56133	Continue work to sponsor amendment clarifying LAFCOs' authority to determine out-of-agency service exemptions
22	Medium	Statutory	Policy   Applicant Procedures	Update and streamline application materials and establish protocols in suspending and terminating proposals
23	Medium	Statutory	MSR   Encinitas Region	Initiate a regional study covering the City of Encinitas + San Dieguito WD et al.
24	Low	Statutory	MSR   Del Mar-Solana Beach Region	Initiate a regional study covering the Cities of Del Mar and Solana Beach + Santa Fe ID et al.
25	Low	Statutory	Legislative Proposal   G.C. 56430	Sponsor and/or facilitate amendment establishing community engagement enhancements in MSR statute
26	Low	Administrative	Service + Fiscal Indicators	Develop online browser feature to depict service + fiscal indicators among local agencies in San Diego County
27	Low	Administrative	White Paper   School Districts	Evaluate scope and scale of school districts and their baseline capacities for reference in municipal service reviews
28	Low	Administrative	Liaison with Local Tribes	Establish communication protocols with local tribes with respect to shared interests in regional services
29	Low	Administrative	Annual Local Agency Directory	Update and publish an annual local agency directory subject to LAFCO oversight
30	Low	Administrative	White Paper   Community Choice Aggregations	Evaluate scope and scale of CCAs and their operations in San Diego County and connectivity to LAFCO
	Bullpen	Statutory	Policy Review   Island Annexations	Consider options to define "substantially surrounded" and provide related mapping services
	Bullpen	Administrative	White Paper   Garbage Services	Evaluate the scope and scale of garbage collection services and possible governance alternatives
	Bullpen	Administrative	White Paper   Homeless Services	Evaluate the scope and scale of homeless services and possible governance alternatives
	Bullpen	Administrative	LAFCO Workshop	Organize a Commission Workshop to discuss core responsibilities + powers and implementing preferences
	Bullpen	Administrative	Public Access Television	Broadcast LAFCO meetings on local government channels
	Bullpen	Statutory	MSR   Pauma Valley Region	Initiate a regional study covering the north county special districts in the Pauma/Rincon communities
	Bullpen	Administrative	SOI/MSR Annual Report	Update and publish an annual report documenting all recorded municipal service review and sphere of influence actions
	Bullpen	Statutory	Policy   Fee Schedule	Review and update fee schedule to sync with current costs and related considerations
	Bullpen	Statutory	Policy   CEQA Guidelines	Review and update existing implementing guidelines relative to current statute and best practices
	Bullpen	Administrative	County Planning Groups	Monitor regular meetings of the County's 28 Planning and or Sponsor Groups and directly engage as appropriate
	Bullpen	Statutory	Disadvantaged Unincorporated Communities	Update DUC mapping designations (DUC) in San Diego County based on current census information
	Bullpen	Administrative	Local Agency Finder Tool	Develop online feature for users to enter address to identify all overlapping local jurisdictions (cities and districts)
	Bullpen	Administrative	Southern California LAFCOs	Participate in quarterly meetings with other Southern California LAFCOs and related projects and/or trainings
	Bullpen	Administrative	CALAFCO	Participate in CALAFCO sponsored programs and related trainings (conferences, workshops, committees, etc.)
	Bullpen	Statutory	Policy   Commission Rule No. 4	Modernize Rule No. 4 and its provisions to regulate special districts' service functions and classes
	Bullpen	Statutory	Escondido Region Governance Study	Study options to consolidate (functional and political) the City of Escondido and Rincon del Diablo MWD
	Bullpen	Administrative	White Paper   JPAs	Evaluate the status of JPA filings in San Diego County relative to LAFCO's task in SB 1261
	Bullpen	Statutory	Policy   Cities Advisory Committee	Coordinate with CAD in updating bylaws and related procedures to sync with current member interests/priorities
	Bullpen	Statutory	Policy   Special Districts Advisory Committee	Coordinate with SDAC in updating bylaws and related procedures to sync with current member interests/priorities

EXPENSES	FY2021-2022			FY2022-2023			FY2023-2024			
	Adopted	Amended	Actuals	Adopted	Amended	Projected Actuals	Proposed Final	Difference \$	Difference %	
<b>Salaries and Benefits Unit</b>										
<u>Account No.</u>	<u>Description</u>									
51110-51310	Salaries and Per Diems	756,365	701,365	710,875	786,510	786,510	715,968	891,455	104,945	13.3%
51410	Retirement - SDCERA	301,077	241,077	238,521	275,694	275,694	255,990	318,295	42,600	15.5%
51415	Retirement - OPEB	9,164	9,164	7,744	9,030	9,030	8,155	10,273	1,243	13.8%
51421	Retirement - OPEB Bonds	37,655	37,655	31,780	-	-	-	-	-	0.0%
51450	Payroll Taxes	55,934	55,934	50,568	55,537	55,537	49,377	64,840	9,302	16.7%
51510-51550	Group Insurance	130,169	110,169	104,715	125,476	125,476	102,010	150,033	24,557	19.6%
51560	Unemployment Insurance	2,000	2,000	406	2,000	2,000	1,000	1,000	(1,000)	-50.0%
		<b>1,292,364</b>	<b>1,157,365</b>	<b>1,144,609</b>	<b>1,254,248</b>	<b>1,254,248</b>	<b>1,132,500</b>	<b>1,435,895</b>	<b>181,648</b>	<b>14.5%</b>
<b>Services and Supplies Unit</b>										
<u>Account No.</u>	<u>Description</u>									
52074	Communications	6,336	6,336	7,562	12,961	12,961	6,327	43,824	30,863	238.1%
52138	General Liability Insurance	10,788	10,788	12,402	12,402	12,402	12,737	12,737	335	2.7%
52178	Vehicle - Maintenance	980	980	1,251	980	980	1,051	980	-	0.0%
52182	Vehicle - Fuel	500	500	128	500	500	497	500	-	0.0%
52270	Memberships	25,510	25,510	21,989	30,248	30,248	27,037	28,994	(1,254)	-4.1%
52304	Miscellaneous	50	50	146	50	50	50	50	-	0.0%
52330	Office: General Support	6,420	6,420	13,519	8,211	8,211	11,461	8,211	-	0.0%
52332	Office: Postage USPS	250	250	219	250	250	200	250	-	0.0%
52334	Office: Design + Printing	8,000	8,000	20,124	15,000	15,000	15,000	22,500	7,500	50.0%
52336	Office: Books and Guidelines	2,000	2,000	-	2,000	2,000	42	-	(2,000)	-100.0%
52338	Office: Drafting/Engineering	50	50	-	50	50	-	-	(50)	-100.0%
52344	Office: Supplies and Furnishings	14,300	69,300	59,726	14,600	14,600	11,318	14,600	-	0.0%
52354	Office: County Mail Services	10,000	10,000	8,095	10,000	10,000	9,201	10,000	-	0.0%
52370	Professional Services	199,740	321,740	326,659	270,960	270,960	379,047	296,170	25,210	9.3%
52490	Publications and Legal Notices	4,650	4,650	17,437	4,650	4,650	12,500	8,150	3,500	75.3%
52504	Leases: Equipment	6,600	6,600	6,520	6,600	6,600	6,600	6,600	-	0.0%
52530	Leases: Office Space	89,764	89,764	100,303	137,868	137,868	142,239	144,743	6,875	5.0%
52550	Special Expenses: County Overhead	75,346	75,346	36,865	72,466	72,466	30,624	40,000	(32,466)	-44.8%
52562	Special Expenses: New Hire Checks	-	-	49	-	-	469	-	-	0.0%
52566	Special Expenses: Minor Equipment	500	500	1,485	500	500	-	-	(500)	-100.0%
52602	Computer Training	500	500	-	500	500	-	-	(500)	-100.0%
52610	Travel and Training   In County	3,000	3,000	4,502	2,700	2,700	4,500	2,700	-	0.0%
52612	Employee Auto	8,700	8,700	7,766	8,700	8,700	7,890	8,700	-	0.0%
52622	Travel and Training   Out of County	5,000	5,000	-	16,050	16,050	13,436	15,050	(1,000)	-6.2%
52721	IT Reimbursements: Network	30,000	30,000	36,411	26,553	26,553	16,748	20,000	(6,553)	-24.7%
52723	IT Reimbursements: Data Center	40,000	40,000	27,761	29,015	29,015	26,621	33,000	3,985	13.7%
52725+28	IT Reimbursements: Financial Systems	20,000	20,000	18,973	40,146	40,146	23,881	35,000	(5,146)	-12.8%
52732	IT Reimbursements: Desktop Computing	25,000	25,000	71,257	21,488	21,488	24,382	28,000	6,512	30.3%
52734	IT Reimbursements: Help Desk	3,000	3,000	2,218	2,331	2,331	2,002	2,331	-	0.0%
52750	IT Reimbursements: Catalog Equipment	45,000	45,000	13,938	3,748	3,748	25,937	40,000	36,252	967.3%
52758	Fleet Reimbursements: Vehicle Lease	2,000	2,000	1,986	2,000	2,000	2,000	2,000	-	0.0%
		<b>643,984</b>	<b>820,983</b>	<b>819,291</b>	<b>753,528</b>	<b>753,528</b>	<b>813,798</b>	<b>825,091</b>	<b>71,563</b>	<b>9.5%</b>
<b>OPERATING EXPENSE TOTAL</b>										
		<b>1,936,348</b>	<b>1,978,348</b>	<b>1,963,900</b>	<b>2,007,776</b>	<b>2,007,776</b>	<b>1,946,298</b>	<b>2,260,986</b>	<b>253,211</b>	<b>12.6%</b>

**EXPENSES CONTINUED...**

		FY2021-2022			FY2022-2023			FY2023-2024		
		Final	Amended	Actuals	Adopted	Amended	Projected Actuals	Proposed Final	Difference \$	Difference %
<b>Non Operating Unit</b>										
<u>Account No.</u>	<u>Description</u>									
51421	Debt Service: OPEB Obligation Bonds	-	-	-	37,388	37,388	32,781	34,092	(3,296)	-8.8%
53585	Equipment Depreciation	2,500	2,500	-	-	-	-	-	-	0.0%
TBD	Grant Award Payments	-	34,768	34,768	-	215,500	215,500	450,000	450,000	n/a
54955-54961	Fixed Assets	2,500	2,500	-	-	-	-	-	-	0.0%
		<u>5,000</u>	<u>39,768</u>	<u>34,768</u>	<u>37,388</u>	<u>252,888</u>	<u>248,281</u>	<u>484,092</u>	<u>446,704</u>	<u>1194.8%</u>
	EXPENSE TOTALS	1,941,348	2,018,116	1,998,668	2,045,163	2,260,664	2,194,579	2,745,079	699,915	34.2%

**REVENUES**

		FY2021-2022			FY2022-2023			FY2023-2024		
		Final	Amended	Actuals	Adopted	Amended	Projected Actuals	Proposed Final	Difference \$	Difference %
<b>Intergovernmental Unit</b>										
<u>Account No.</u>	<u>Description</u>									
45918.1	Apportionments   County	483,914	483,914	483,914	515,479	515,479	515,479	581,074	65,595	12.7%
45918.2	Apportionments   Cities (less SD)	483,914	483,914	483,914	515,479	515,479	515,479	581,074	65,595	12.7%
45918.3	Apportionments   City of San Diego	241,957	241,957	241,957	257,830	257,830	257,830	290,639	32,809	12.7%
45918.4	Apportionments   Special Districts	483,914	483,914	483,914	515,479	515,479	515,479	581,074	65,595	12.7%
		<u>1,693,700</u>	<u>1,693,700</u>	<u>1,693,700</u>	<u>1,804,265</u>	<u>1,804,266</u>	<u>1,804,266</u>	<u>2,033,861</u>	<u>229,595</u>	<u>12.7%</u>
<b>Service Charges Unit</b>										
<u>Account No.</u>	<u>Description</u>									
46234	Application Fees	150,000	150,000	222,221	170,000	170,000	250,000	200,000	30,000	17.6%
		<u>150,000</u>	<u>150,000</u>	<u>222,221</u>	<u>170,000</u>	<u>170,000</u>	<u>250,000</u>	<u>200,000</u>	<u>30,000</u>	<u>17.6%</u>
<b>Earnings Unit</b>										
<u>Account No.</u>	<u>Description</u>									
44105	Interest and Dividends	15,000	15,000	5,205	15,000	15,000	5,000	15,000	-	0.0%
		<u>15,000</u>	<u>15,000</u>	<u>5,205</u>	<u>15,000</u>	<u>15,000</u>	<u>5,000</u>	<u>15,000</u>	<u>-</u>	<u>0.0%</u>
	OPERATING REVENUE TOTAL	1,858,700	1,858,700	1,921,126	1,989,265	1,989,266	2,059,266	2,248,861	259,595	13.0%
<b>Non-Operating Unit</b>										
<u>Account No.</u>	<u>Description</u>									
TBD	Grant Awards	-	19,011	19,011	-	215,500	215,500	450,000	450,000	n/a
47540	Transfer from Fund Balance	82,648	82,648	82,648	55,898	55,898	55,898	46,218	(9,680)	-17.3%
		<u>82,648</u>	<u>101,659</u>	<u>101,659</u>	<u>55,898</u>	<u>271,398</u>	<u>271,398</u>	<u>496,218</u>	<u>440,320</u>	<u>787.7%</u>
	REVENUE TOTALS	1,941,348	1,960,359	2,022,785	2,045,163	2,260,664	2,330,664	2,745,079	699,915	34.2%
<b>TOTAL NET</b>				<b>24,117</b>	<b>-</b>	<b>-</b>	<b>136,085</b>	<b>-</b>		

**FUND BALANCE**

(unrestricted)	Start of Year	End of Year	Start of Year	End of Year	Start of Year
Committed					
... Stabilization	250,000	250,000	250,000	250,000	250,000
... Opportunity	500,000	500,000	500,000	500,000	500,000
Assigned by EO	125,000	100,437	62,500	62,500	62,500
Unassigned	<u>704,086</u>	<u>670,118</u>	<u>708,055</u>	<u>788,242</u>	<u>788,242</u>
	<u>1,579,086</u>	<u>1,520,555</u>	<u>1,520,555</u>	<u>1,600,742</u>	<u>1,600,742</u>
% of unassigned balance to operating expenses:	36.4%	34.1%	35.3%	40.5%	34.9%

**Simonds,Keene**

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**From:** Tom Kennedy <tkennedy@rainbowmwd.com>  
**Sent:** Monday, March 20, 2023 3:00 PM  
**To:** Sellen, Erica A <Erica.Sellen@sdcounty.ca.gov>; Simonds,Keene <Keene.Simonds@sdcounty.ca.gov>  
**Subject:** [External] RE: LAFCO Advisory Committee | Proposed Workplan and Budget for FY2024

Thanks Erica – it was a shame not to have time the other day to go through these. I offer the following:

- The optics of having the top 5 priorities be internally focused rather than working on MSRs, etc. may be a challenge for some. Please note that I am not among those, but I could see some pushback there. May I suggest re-ordering the top 10 to avoid any misconceptions?
- The abbreviation “RGS” is used in #4 without an explanation of what that means.
- Both the SDAC and the CAC are described as medium priorities in #14 and #15 – I am not sure what the inclusion of these committees means in terms of priorities. Is there some change coming to those committees? I see the bylaws reappear in 27 and 28.

Tom Kennedy | General Manager | Rainbow Municipal Water District  
3707 Old Highway 395, Fallbrook, CA 92028 | 760-728-1178 | [www.rainbowmwd.com](http://www.rainbowmwd.com)

*NOTICE: All e-mails to and from the Rainbow Municipal Water District may be considered public records and are subject to public disclosure pursuant to the California Public Records Act.*

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**From:** Sellen, Erica A <Erica.Sellen@sdcounty.ca.gov>  
**Sent:** Monday, March 20, 2023 12:47 PM  
**To:** Simonds,Keene <Keene.Simonds@sdcounty.ca.gov>  
**Subject:** LAFCO Advisory Committee | Proposed Workplan and Budget for FY2024

**EXTERNAL EMAIL – USE CAUTION WHEN OPENING ATTACHMENTS OR HYPERLINKS.**

Good afternoon Advisory Committee Members,

Due to time constraints, LAFCO staff was unable to present the proposed workplan and budget for FY2024 at last week’s advisory committee meeting. The Executive Officer – nonetheless – invites all members to review the attached notice and guide and provide comments on behalf of your home agency. Comments received by **April 20<sup>th</sup>** will be incorporated into final versions of both documents for their adoption by the Commission on May 1<sup>st</sup>.

Should you have any questions, please contact Executive Officer Keene Simonds at (619) 321-3380 or [keene.simonds@sdcounty.ca.gov](mailto:keene.simonds@sdcounty.ca.gov).

Thank you,

*Erica A. Sellen*

Executive Assistant  
San Diego County LAFCO  
2550 Fifth Avenue, Suite 725  
San Diego, CA 92103



Main Line: (619) 321-3380  
Fax: (619) 404-6508



## Simonds,Keene

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**From:** Smith, Oliver <oliver.smith@philips.com>  
**Sent:** Monday, March 20, 2023 6:05 PM  
**To:** Sellen, Erica A; Simonds,Keene  
**Cc:** Kim Thorner; Gary Arant  
**Subject:** [External] RE: LAFCO Advisory Committee | Proposed Workplan and Budget for FY2024

**Categories:** Green Category

Erica,

First, I would like to commend LAFCO for a very thorough evaluation of the FPU and RMWD detachment impacts, and especially to Priscilla Mumpower's excellent presentation. Other than the presentation having Consideration Items 1 to 18 and the document having them (a) through (r), information was well presented in both forms.

I would also like to reiterate SDAC Chair Thorner's request that, in the next version of the staff report, LAFCO show the "net impact" on each SDCWA member agency after an imposition of a specified exit fee and taking into account any credits back.

As far as the LAFCO Proposed Workplan and Budget For FY2024, I would like to state that, in my view, it is unreasonable for LAFCO planned expenses to exceed their designated budget. LAFCO should be expected to maintain fiscal responsibility and "stay in the black", just like is required of every agency it oversees. If that means you can't do all of what you want to do, so be it.

Regards,

Oliver Smith  
Member, LAFCO Special Districts Advisory Committee.

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**From:** Sellen, Erica A <Erica.Sellen@sdcounty.ca.gov>  
**Sent:** Monday, March 20, 2023 12:47 PM  
**To:** Simonds,Keene <Keene.Simonds@sdcounty.ca.gov>  
**Subject:** LAFCO Advisory Committee | Proposed Workplan and Budget for FY2024

**Caution:** This e-mail originated from outside of Philips, be careful for phishing.

Good afternoon Advisory Committee Members,

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Should you have any questions, please contact Executive Officer Keene Simonds at (619) 321-3380 or [keene.simonds@sdcounty.ca.gov](mailto:keene.simonds@sdcounty.ca.gov).

Thank you,

*Erica A. Sellen*  
Executive Assistant

San Diego County LAFCO  
2550 Fifth Avenue, Suite 725  
San Diego, CA 92103



Main Line: (619) 321-3380  
Fax: (619) 404-6508

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