

**BUDGET SUMMARY
FISCAL YEAR 2017-2018**

	2015-2016 AUDITED ACTUAL	2016-2017 ADOPTED BUDGET	2016-2017 ESTIMATED ACTUAL	2017-2018 ADOPTED BUDGET	
REVENUES					
Fee Revenue	5,753	5,000	6,620	5,000	
Refunds		(500)	(500)	(500)	
Interest	3,064	1,800	2,525	1,800	
Cost Recovery	-	300	-	300	
Apportionment from Funding Agencies	320,796	320,796	320,796	325,556	0.015
TOTAL	329,613	327,396	329,441	332,156	0.015
EXPENDITURES					
Supplies and Services	45,597	54,483	53,981	56,265	
Personnel	209,761	218,818	219,000	222,789	
Professional Services	38,161	78,830	53,965	99,190	
Contingency	-	17,607	-	18,912	
TOTAL	293,519	369,738	326,946	397,156	0.074
Increase (Decrease) in Net Assets	36,094	(42,342)	2,495	(65,000)	
Amount to be funded from Net Assets:		\$42,342	(2,495)	65,000	

Note: The FYE 2016 Personnel Expenditures stated here were adjusted in the FYE 2016 Annual Audit to recognize expenditures of \$196,689 for payroll & benefits, and \$13,072 toward LAFCo's proportionate share of CalPERS Pension Liability.

2017-2018 Expenditures Budget

	2015-2016 ACTUAL	2016-2017 ADOPTED BUDGET	2016-2017 ESTIMATED ACTUAL	2017-2018 ADOPTED BUDGET
SUPPLIES & SERVICES				
Information Technology (phone, computers, software)	11,504	12,000	12,000	13,000
Memberships	1,941	2,090	2,080	2,215
Office Supplies & Services	1,169	1,400	1,320	1,400
Postage and Copying	3,901	4,840	5,000	5,000
Rent	18,839	19,253	19,216	19,600
Notices and Publications	1,730	2,000	1,880	2,000
Stipends - Commission (\$50)	1,500	3,300	2,900	3,300
Mileage, Development & Travel	3,812	9,600	9,585	9,750
Capital Expenses - Durable Goods	-	-	-	-
Depreciation Expense - noncash	1,200	2,212	1,240	2,505
Total Supplies & Services	45,597	54,483	53,981	56,265
PERSONNEL				
Executive Officer				
Clerk/Analyst				
Asst. Clerk				
Benefits, Taxes, Adjustments	196,689	218,818	219,000	222,789
Total Personnel	196,689	218,818	219,000	222,789
PROFESSIONAL SERVICES				
Consulting Contracts	-	30,000	15,000	50,000
CPA	1,391	2,000	1,500	1,500
Audit	11,716	7,150	6,765	7,580
Payroll Accounting	780	780	780	0
Project Professional Services	434	2,000	600	1,500
Legal Services - Projects & Administration	14,321	18,000	18,000	18,000
Legal Services - Litigation	-	9,000	-	9,000
Administrative Support (County Auditor Services)	6,648	6,700	8,400	8,400
Insurance - Liability	2,872	3,200	2,920	3,210
Total Professional Services	38,161	78,830	53,965	99,190
CONTINGENCY				
Contingency		17,607	-	18,912
Total Contingency	-	17,607	-	18,912
Total Expenditures	280,447	369,738	326,946	397,156

0.03

0.02

0.21

Note: The FYE 2016 Personnel Expenditures stated here were adjusted in the FYE 2016 Annual Audit to recognize expenditures of \$196,689 for payroll & benefits, and \$13,072 toward LAFCo's proportionate share of CalPERS Pension Liability.

PROFORMA BALANCE SHEET FISCAL YEAR 2017-2018

	6/30/2016 AUDITED ACTUAL	6/30/2017 ESTIMATED ACTUAL	6/30/2018 ADOPTED BUDGET
ASSETS			
Cash	\$ 278,535	\$ 275,900	\$ 211,600
Prepaid Expenses	0	500	500
Accounts Receivable	801	2,000	6,000
Total Current Assets	<u>279,336</u>	<u>278,400</u>	<u>218,100</u>
Non-Current Assets			
Capital Assets - net of depreciation	4,800	4,601	2,400
Total Assets	<u>\$ 284,136</u>	<u>\$ 283,001</u>	<u>\$ 220,500</u>
LIABILITIES AND NET ASSETS			
Current Liabilities			
Accounts Payable	\$ 3,408	\$ 2,500	\$ 2,500
Accrued Payroll		6,600	6,600
Accrued Vacation	24,100	12,261	12,273
Deferred Revenue		2,500	5,000
Total Current Liabilities	<u>27,508</u>	<u>23,861</u>	<u>26,373</u>
Net Assets			
Invested in Capital Assets	4,800	4,601	2,400
Fund Balance (unrestricted) - allocated (see schedule)	183,904	199,925	171,657
Fund Balance (unrestricted) - undesignated	67,924	54,614	20,069
Total Net Assets	<u>256,628</u>	<u>259,140</u>	<u>194,127</u>
Total Liabilities and Net Assets	<u>\$ 284,136</u>	<u>\$ 283,001</u>	<u>\$ 220,500</u>
Schedule of Allocated Net Assets			
MSR & Sphere Updates (includes estimated interest earnings)	\$ 77,280	\$ 77,480	\$ 27,680
Equipment Replacement	4,862	4,325	4,000
In-force Contracts	-	-	-
CEQA & Other Studies	20,000	20,000	20,000
Litigation Reserve	50,000	50,000	50,000
PERS Liability Reserve			5,314
General Reserve	31,762	48,120	64,663
Total Allocated Net Assets	<u>\$ 183,904</u>	<u>\$ 199,925</u>	<u>\$ 171,657</u>
Remaining to allocate	0	0	0
Balance check	0	0	0

NOTES TO THE BALANCE SHEET:

Liabilities – This Proforma Balance Sheet depicts estimated current liabilities; it does not include a statement of Nevada LAFCo's proportionate share of CalPERS long-term Pension Liability, which is identified for the first time in the audit of Fiscal Year 2014-2015. Note that the Commission's expenditure budget includes payments toward retiring the long-term Pension Liability, in accordance with the requirements of the Public Employees Retirement System (PERS).

Cash – Prior year ending cash balance adjusted by adding the expected revenues, subtracting expected expenses, and adjusting for **Capital Assets Net of Depreciation** – Carried forward from Capital Assets worksheet,, which tracks depreciation of equipment,

Accounts Payable – Estimate of current year budgeted expenses which will be unpaid at the end of the FY.

Accrued Payroll – Estimate of current year budgeted payroll which will be unpaid at the end of the FY.

Accrued Vacation – at mid-way thru current FY

Deferred Revenue – Estimate of unexpended deposits at end of the fiscal year.

Capital Assets – Carried from net amount above in asset section; required component of net asset balance.

Total Net Assets – Total Assets less Total Liabilities

Apportionment Spreadsheet constructed by Nevada County Auditor's Office

Notes:

Cities revenue data is based on the 2013-14 State Controller's report.
 Special districts revenue data is based on 2013-14 State Controller's Report
 This spreadsheet demonstrates how each category's one-third portion of LAFCo's budget are apportioned.

Agency	Share of LAFCo Budget	Apportionment Factor	LAFCO Services	Prior Year	Agency Revenues	Reference
17-18 Billing			FYE 2017			
County:	33.3333%		108,519			
County of Nevada			108,519	106,932		
Cities:	33.3333%		108,519			
6314 City of Grass Valley		38.231%	41,488	40,881	23,312,596	p94
6313 City of Nevada City		11.139%	12,087	11,911	6,792,061	P154
6345 Town of Truckee		50.630%	54,944	54,140	30,873,532	p231
			108,519		60,978,189	Total Cities
Special Districts:	33.3333%		108,519			
6708 Nevada Cemetery District		0.3338%	362	357	406,448	p633
6709 Truckee Cemetery District		0.1190%	129	127	144,965	p721
6782 Beyers Lane Community Service District		0.0114%	12	12	13,862	p440
6737 Kingsbury Green Community Service District		0.0201%	22	21	24,445	p295
6781 Lake of the Pines Ranchos Road Community Service District		0.0424%	46	45	51,624	p595
6780 Mystic Mine Road Community Service District		0.0097%	11	10	11,844	p632
6348 Higgins Fire District		1.0203%	1,107	1,091	1,242,459	p581
6722 Nevada County Consolidated Fire District		4.2222%	4,582	4,515	5,141,463	p633
6720 North San Juan Fire District		0.1844%	200	197	224,594	p638
6751 Oak Tree Park and Recreation District		0.0307%	33	33	37,394	
6721 Ophir Hill Fire District		0.4638%	503	496	564,823	p643
6723 Peardale-Chicago Park Fire District		0.3351%	364	358	408,097	p649
6745 Penn Valley Fire District		1.6150%	1,753	1,727	1,966,650	p650
6724 Rough and Ready Fire District		0.2385%	259	255	290,431	p681
6705 Truckee Fire District		7.8301%	8,497	8,373	9,534,875	p721
6726 Truckee-Donner Recreation and Park District		5.5120%	5,982	5,894	6,712,063	p721
6746 Western Gateway Regional Recreation and Park District		0.1184%	128	127	144,153	p733
6775 Bear River Recreation and Park District		0.1268%	138	136	154,461	p438
6707 Truckee Sanitary		5.8159%	6,311	6,219	7,082,214	p320
6710 Nevada County Resource Conservation District		0.1732%	188	185	210,900	p633
6250 Truckee Donner Public Utility District		29.0756%	31,553	31,092	35,406,145	p246, 403
6711 San Juan Ridge County Water		0.0160%	17	17	19,429	p689
6713 Washington County Water		0.0880%	96	94	107,194	p407,729
6302 Nevada Irrigation District		42.5975%	46,226	45,551	51,872,006	p243,379
		100.000%	108,519		121,772,539	Total Districts
			325,556	320,796		
LAFCo 2017-2018 net budget.			325,556			

** Multiple Function Utilities	Water Utility	Electric Utility	Fire Protector	Ambulance	Total
Truckee Donner Public Utility District	11,183,388	#####			35,406,145
Washington County Water	75,020		32,174		107,194
Penn Valley Fire Prot. District			952,070	1,014,580	1,966,650
Nevada Irrigation District	31,165,826	#####			51,872,006

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED	ADOPTED	ADOPTED
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET
REVENUES												
Fee Revenue												
Direct Billings												
Refunds	73,487	9,092	21,634	12,684	206	19,967	27,913	10,760	3,671	5,753	4,800	4,800
Cost Recovery												
Other												
Apportionment from Funding Agencies	328,600	323,294	305,087	258,652	231,699	214,870	387,711	299,103	299,103	320,796	320,796	325,556
TOTAL	402,087	332,386	326,721	271,336	231,905	234,837	415,624	309,863	302,774	326,549	325,596	330,356
EXPENDITURES												
Supplies and Services	63,208	52,680	66,727	58,169	57,542	59,886	50,754	53,458	55,985	45,597	54,483	56,265
Personnel	192,343	201,775	214,148	196,286	188,190	197,962	184,855	189,229	192,570	209,761	218,818	222,789
Professional Services	42,249	33,050	21,061	26,696	76,706	72,843	101,937	58,002	97,313	38,161	78,830	99,190
Other							64	-	-	-	-	-
Contingency (as budgeted)											17,607	18,912
TOTAL	297,800	287,505	301,936	281,151	322,438	330,691	337,610	300,689	345,868	293,519	369,738	397,156
Increase (Decrease) in Net Assets	117,777	61,993	32,926	(8,133)	(89,076)	(94,004)	80,358	11,000	(41,232)	36,094	(42,342)	(65,000)
Interest	13,490	17,112	8,141	1,682	1,457	1,850	2,344	1,826	1,862	3,064	1,800	1,800
EOY Net Assets	259,532	321,525	354,451	346,318	257,242	163,238	243,596	254,596	213,364	249,458	207,116	142,116

Percentage Change Apportionment from prior year	-10%	-2%	-6%	-15%	-10%	-7%	80%	-23%	0%	7%	0%	1%
Percentage Change Expenditures from prior year	-21%	-3%	5%	-7%	15%	3%	2%	-11%	15%	-15%	26%	7%

Nevada LAFCo 2017-2018 Work Program

Summary

Two significant annexation proposals originally anticipated for FY 2015-2016 have not yet been submitted. One of these projects is the Grass Valley Southern Sphere Annexation project, which will include annexation of a large area south of current city boundaries. This project has been in process with the City for several years; City staff advises they will submit a proposal once negotiations with landowners have been completed. The other significant project is the Canyon Springs development project in the Town of Truckee; this is a large planned development proposal which is currently being re-designed by proponents. Both of these projects are likely to move forward in 2017-2018. Several additional proposals are generally submitted each year.

Following the completion of the Western County Water Municipal Service Review and the Western County Wastewater Municipal Service Review in 2015, sphere of influence updates for the two County Water Districts and the Nevada Irrigation District were initiated. The County Water District spheres were updated in 2016, however, the Nevada Irrigation District has opted to also amend its sphere of influence, and consequently, the sphere amendment has been incorporated into the sphere update effort. The District is providing significant support, and the project is also being closely coordinated with Placer LAFCo, as the District's boundaries and sphere include major portions of western Placer County.

Initial discussions with Town staff regarding the Town of Truckee sphere update indicate the Town may also have an interest in amending the sphere boundary to include lands belonging to the Truckee Tahoe Airport District. Staff work on the update of the Nevada City sphere of influence began in 2016 following the completion Western County Wastewater MSR; completion of the sphere update is anticipated for FY 2017-2018. In addition, updates to the spheres of influence for the West County Wastewater Group (County Sanitation District and Kingsbury Greens Community Service District), the Road Community Service Group (includes three CSDs that provide road maintenance services) and the County Service Area Group (14 CSAs that provide road maintenance and serve as a vehicle for solid waste funding) are anticipated to be completed in FY 2017-2018.

In 2007 the Commission developed a multi-year plan, schedule, and savings program for preparing, repeating and/or updating MSRs and sphere updates. The schedule, updated and adjusted, is attached. The level of LAFCo administrative activity is not expected to change in any significant respect.

Applications

<u>Proposals</u> (including city and district annexations)	5-10
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Planning

<u>Sphere Updates</u>	6
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- Nevada Irrigation District (initiated 2016)
- Nevada City (initiated 2016)
- Town of Truckee (initial discussions in 2016)
- Western County Wastewater Group (two districts: County Sanitation and the Kingsbury Greens CSD) (initiated 2016)
- Road CSD Group (3 Community Service Districts)
- County Service Area Group (14 CSAs)

Municipal Service Reviews

- Eastern County Water and Eastern County Wastewater MSRs will be initiated in FY 2017-2018.

Administrative Projects and Operational Activity

Communication

- Conduct annual organizational LAFCo workshops (including annual Ethics Training sessions for public officials and Best Practices sessions for small agencies)
- Conduct project-oriented and related subject workshops, as appropriate

Commissioner and Staff Development

- CALAFCo Conference (proposed budget includes funding for two attendees in addition to staff)
- CALAFCo Staff Workshop
- Seminars and classes, as offered

Public Education

- Utilize media and speaking opportunities
- Submit articles to journals and newspapers
- Issue press releases on substantive actions
- Update agencies on LAFCo Commission membership
- Encourage agencies to request regular LAFCo meeting agendas

Budget Development and Control

Resource Development

- Monitor relevant legislation

Attachment: LAFCo's Comprehensive MSR/SOI Schedule

LAFCo's Comprehensive MSR/SOI Schedule

Agency	Sphere Plan		Related MSRs	MSR Updates	
	Current	Next		Current	Next
Nevada Irrigation District	2007	2017-18	West Co. Water	2015	2020-21
Nevada City	2008	2017-18	West Co. Water	2015	2020-21
			West Co Wastewater	2015	2020-21
			West Co. Roads	2008*	2017-18*
			West Co. Gen. Gov't Services	2008*	2017-18*
			Countywide Fire	2008*	2017-18*
			Countywide Recreation	2008*	2017-18*
Grass Valley	2011	2018-19	West Co. Water	2015	2020-21
			West Co Wastewater	2015	2020-21
			West Co. Roads	2011*	2018-19*
			West Co. General Gov't Services	2011*	2018-19*
			Countywide Fire	2011*	2018-19*
			Countywide Recreation	2011*	2018-19*
Town of Truckee	2010	2017-18	East Co. General Gov't Services	2010*	2017-18*
Truckee Sanitary District	2013	2018-19	East Co. Wastewater	2003	2017-18
Truckee Donner PUD	2013	2018-19	East Co. Water	2005	2017-18
			East Co. Electric	2013*	2018-19*
Resource Conservation District	2014	2019-20	Countywide Resource Conservation	2014*	2019-20*
Cemetery Districts Group (2 districts)	2014	2019-20	Countywide Cemetery	2014*	2019-20*
Countywide Fire/Emergency Group (9 districts)	2014	2019-20	Countywide Fire	2014*	2019-20*
West Co. Water Group (2 districts)	2016	2021-22	West Co. Water	2015	2020-21
West Co Wastewater (Co. San. Dist., 1 CSD)	2009	2017-18	West Co. Wastewater	2015	2020-21
Road CSDs Group (3 CSDs)	2012	2017-18	West Co. Roads	2012*	2017-18*
County Service Area Group (14 CSAs) – Roads and Solid Waste	2009	2017-18	West Co. General Gov't Services	2009*	2017-18*
			East Co. General Gov't Services	2009*	2017-18*
Recreation Group (4 districts)	2014	2019-20	Countywide Recreation	2014*	2019-20*

* MSR Determinations updated during Sphere update