

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF MAY 27, 2026

REGULAR MEETING

TO: Bill Wilde, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: Shiva Frentzen, Executive Officer

AGENDA ITEM #1: Public Hearing to Consider and Adopt the Final Budget, Work Plan, MSR/SOI Project Cycle, and Five-Year Budget Projection for Fiscal Year 2026-2027 and AB 2561 Discussion on Status of Employee Vacancies and Recruitment and Retention Efforts

RECOMMENDATION

Staff and the Budget Committee recommend that the Commission:

1. Open the Public Hearing on this matter;
2. Receive the information related to the Final Proposed Budget for Fiscal Year 2026-2027;
3. Receive the information related to the Work Plan for Fiscal Year 2026-2027;
4. Receive the information related to the MSR/SOI Project Cycle for Fiscal Year 2026-2027;
5. Receive the information related to the Five-Year Budget Projection;
6. Receive the information related to AB 2561 Discussion on Status of Employee Vacancies and Recruitment and Retention Efforts;
7. Close the Public Hearing on this matter;
8. Approve the MSR/SOI Project Cycle Fiscal Year 2026-2027;
9. Adopt the Resolution L-2026-08 adopting the Fiscal Year 2026-2027 Final Budget and Work Plan.

REASON FOR RECOMMENDED ACTION

The enclosed LAFCO Budget reflects the financial priorities for the agency for next year under the Cortese-Knox-Hertzberg Act. El Dorado LAFCO adopts its own budget in a two-stage process with notice to all funding agencies. This is the second of the two hearings.

BACKGROUND

Summary

This budget contains the initiatives that the Commission wants to prioritize for the coming fiscal year. The Strategic Planning Committee has met and reviewed the Work Plan and agency priorities for FY26-27. Subsequently, the Budget Committee has met and reviewed the financial priorities for FY26-27. The agency will budget to operate with equivalent of 2 full time employees and sufficient funding to hire consultants and part time employees as necessary.

How to Read the Attached Budget:

- Attachment A contains the Draft Proposed Budget for Fiscal Year 2026-2027
- Attachment B contains the Work Plan for FY2026-2027
- Attachment C contains the 5-year MSR/SOI Plan for FY2026-2027
- Attachment D contains the CalTrust account statement
- Attachment E contains the 5 Year Budget Projection

Overall Budget Highlights

As outlined above, the Budget Committee's goal was to plan for the future of the agency to operate with equivalent of 2 full time employees and possible additional part-time staff as necessary so the employee expenses increase by \$20,000 at \$420,000 (line item 5100). The Work Plan for FY26-27 is well defined and follows the proposed "5-year MSR/SOI Plan for FY26-27". This work plan allows the agency to use their full time staff for the major upcoming projects including the El Dorado Hills incorporation and progress towards possible reorganization of the rural fire districts in FY26-27. Agency contributions are increased by \$20,000 which is about 3% compared to FY25-26 (line item 4120).

Policy Reviews

2.10.5.a - An "Accrued Leave" fund to cover the balance of all employees' vested time off (vacation and sick leave), allocated annually as a line item in the budget. Funds may be expended for the sole purpose of compensating an employee who leaves the agency's employment of the balance of his/her accrued time off, in accordance with applicable Federal and State laws and in conformance with LAFCO's policies. Disbursement of the Accrued Leave is delegated to the Executive Officer.

Accrued Leave for FY26-27 is set to the best estimated amount for vacation and sick leave pay for the employees (line item 6800).

2.10.5.b - An "Operating Contingency" fund set at 10% of total operating expense, allocated annually as a line item in the budget. Funds may be expended to cover increases in cost for other budget items or unexpected expenses within the scope of other items in the budget. Disbursement of the operating contingency is at the discretion of the Executive Officer.

The Operating Contingency for FY26-27 is \$20,000 that is 10% of the total operating expenses at \$200,000 (line item 6300).

2.10.5.c - An "Emergency Reserve" fund set at a minimum of 15% and maximum of 25% of the LAFCO's current year operating budget for the purposes of funding non-budgeted legal expenses that may occur from time-to-time; unexpected catastrophic expenses; or an unexpected drop in revenues. Expenditure of "Emergency Reserve" funds must receive prior approval of the Commission; however, an emergency expense can be authorized from the "Emergency Reserve" with approval of the Executive Officer and either Commission Chair or Vice Chair for an amount totaling less than \$10,000.00 during a monthly period. Assignments into this classification will not be allocated in the budget. Instead, assignments into this fund will come from any carryover monies that are in excess of the estimated carryover amount specified in the final budget. Upon the time the "Emergency Reserve" fund is fully funded in accordance with this policy, the application of any excess carryover monies will be applied per Policies & Guidelines Section 2.7.5. The Executive Officer shall make recommendations to the Commission during adoption of the annual budget for replenishing this fund.

The Emergency Reserve for FY26-27 will stay at the current balance of the Caltrust account as of March 1, 2025 at \$136,041 that is approximately 21% of the operating budget.

2.10.5.e - An "Operating Reserve" fund set at a minimum of 30% of LAFCO's current year operating budget for the purpose of cash flow management with the timing of agency contribution reimbursement from El Dorado County. Disbursement of the "Operating Reserve" is at the discretion of the Executive Officer. Replenishment of the "Operating Reserve" for disbursement made in the same fiscal year is at the discretion of the Executive Officer. Assignments into this classification will not be allocated in the budget. Instead, assignments into this fund will come from any carryover monies that are in excess of the estimated carryover amount specified in the final budget. The Executive Officer makes recommendations to the Commission during adoption of the annual budget for replenishing this fund.

The Operating Reserve for FY26-27 will be the actual funds in the Umpqua Bank Money Market account at the end of FY25-26 which is estimated at \$406,844 that is approximately 64% of the operating budget.

AB 2561 Discussion on Status of Employee Vacancies and Recruitment and Retention Efforts

El Dorado LAFCO operates with two full-time employees and no vacancies. Remote work policy combined with continued training and salary adjustments have enabled the agency to maintain their staff.

Budget at a Glance

Budget	FY2026-27	FY2025-26
Employee Expense	\$420,000	\$400,000
Operating Expense	\$200,000	\$200,000
Operating Contingency	\$20,000	\$20,000
Expense Total	\$640,000	\$620,000
Non-Agency Revenues	\$15,000	\$15,000
Agency Contributions	\$625,000	\$605,000
Revenue Total	\$640,000	\$620,000

Attachments

Attachment A: Final Proposed Budget for FY2026-2027

Attachment B: Final Work Plan for FY2026-2027

Attachment C: 5-year MSR/SOI Plan for FY2026-2027

Attachment D: CalTrust account statement

Attachment E: Five-Year Budget Projection

Attachment F: Resolution L-2026-08

PROPOSED BUDGET FY 2026-2027

	<i>Fund (or line item)</i>	<i>DESCRIPTION</i>	<i>Proposed FY 2026-2027 LAFCO Budget</i>	<i>Proposed FY 2025-2026 LAFCO Budget</i>
Revenues	4000	Fees	\$ 15,000	\$ 15,000
	4100	Fund Balance	\$ -	\$ -
	4120	Revenue - Agency Payments	\$ 625,000	\$ 605,000
	4500	Revenue - From Reserves	\$ -	\$ -
	4700	Revenue Interest	\$ -	\$ -
	(5)	Sub-Total - Revenues	\$ 640,000	\$ 620,000
Employee Expense	5200	Employee Wage - Regular	\$ 320,000	\$ 300,000
	5210	Employee Wage - Temporary	\$ -	\$ -
	5230	Employee Wage - Overtime	\$ -	\$ -
	5310	Flex Benefits	\$ -	\$ -
	5311	Employee Assistance	\$ 500	\$ 500
	5320	Health Insurance (Less In Lieu)	\$ 30,000	\$ 30,000
	5340	Retirement - CALPERS	\$ 30,000	\$ 30,000
	5350	In-Lieu Health Insurance	\$ 4,500	\$ 4,500
	5400	Payroll Tax - Medicare (1.45% of Base)	\$ 3,500	\$ 3,500
	5420	Payroll Tax - SUI/ETT	\$ 1,500	\$ 1,500
	5440	Disability Insurance (.53% of Base)	\$ 1,500	\$ 1,500
	6800	Accrued Leave	\$ 28,500	\$ 28,500
		Additional wages for 3rd full time employee and EO	\$ -	\$ -
	5100	Sub-Total Employee Expenses	\$ 420,000	\$ 400,000
Operating Expense	5450	Workers Comp Insurance	\$ 2,000	\$ 2,000
	5460	General Liability Insurance	\$ 20,000	\$ 30,000
	6000	Information Services	\$ 24,000	\$ 20,000
	6010	County Clerk Fee	\$ 500	\$ 500
	6020	Accounting Services	\$ 15,000	\$ 15,000
	6030	Annual Audit	\$ 18,000	\$ 12,000
	6040	Cell & Telephone Services	\$ 2,000	\$ 2,000
	6050	Copies	\$ 500	\$ 500
	6060	GIS Maps	\$ 500	\$ 500
	6070	Lease Payment - Building	\$ 25,000	\$ 25,000
	6080	Legal Notices	\$ 1,000	\$ 1,000
	6090	Legal Services	\$ 24,000	\$ 24,000
	6100	Memberships	\$ 2,000	\$ 2,000
	6105	Memberships - CALAFCO	\$ 4,500	\$ 4,500
	6210	Office Expense	\$ 2,000	\$ 2,000
	6400	Postage	\$ 1,000	\$ 1,000
	6501	Professional Services	\$ 30,000	\$ 30,000
	6600	Publications	\$ 500	\$ 500
	6705	Rents/Lease - Equipment	\$ 3,000	\$ 3,000
	6710	Utilities	\$ 10,000	\$ 3,000
	6750	Staff Development (incl. Commissioner Development)	\$ 10,000	\$ 15,000
	6770	Transportation	\$ 4,500	\$ 6,500
	(44)	Sub-Total Operating Expense	\$ 200,000	\$ 200,000
	6300	Operating Contingency (10% of operating expenses)	\$ 20,000	\$ 20,000
	(46)	BUDGET TOTAL	\$ 640,000	\$ 620,000

[Policy 2.10.5.c](#) – The Emergency Reserve for FY6-27 will stay at the current balance of the Caltrust account as of March 1, 2026 at \$136,041 that is approximately 21% of the operating budget.

[Policy 2.10.5.e](#) – The Operating Reserve for FY26-27 is the current balance of the Columbia Bank money market account as of March 1, 2026 at \$406,844 that is approximately 64% of the operating budget.

Work Plan Fiscal Year 2026-2027

1. Recruit and train proper staffing for the agency
2. Work closely with the El Dorado Hills CSD as the applicant, groups, agencies, County, and Special Districts for the El Dorado Hills incorporation project
3. Work closely with the County of EL dorado and the neighboring Fire Protection Districts for possible reorganization of Mosquito Fire Protection District
4. Conduct a Sphere of Influence and Municipal Services Review for Rising Hill Community Services District
5. Progress on El Dorado LAFCO website (edlafco.us) for being visually impaired compliant
6. Meet with the Non-Municipal Services District Boards of the Audubon Hills CSD and Lakeview CSD according to the approved "FY26-27 NON-MUNICIPAL SERVICES MSR/SOI Project Cycle"
7. Work closely with the Cameron Park CSD to navigate through divestiture of Fire Services and annexation to another Fire Protection District
8. Work closely with the Strategic Planning Committee to strategize and continue the efforts for the Fire Summit that is recommended as the result of the Fire MSRs
9. Propose a five-year budget projection and MSR project plan
10. Work closely with the Budget Committee and Strategic Planning Committee to update Commission's Policies and Guidelines as necessary
11. Train staff and commissioners and attend the annual Conferences and Workshop
12. Review, evaluate and update internal work procedures
13. Coordinate with the County as needed on its preparation of environmental documents for various upcoming projects requiring future LAFCO action

	A	B	C	D	E	F	G
1	MUNICIPAL SERVICES MSR/SOI Project Cycle FY26-27						
2	<u>Policies and Guidelines for MSR/SOI Review (Sections 4 and 5)</u>						
3	Municipal Services	Service	District	Latest MSR Year	Targeted MSR	Next MSR Year Cycle	Fiscal Year
4	No*	P&R, L&L	El Dorado Hills CSD	2020		2025	FY25-26
5	Yes	Water	El Dorado Irrigation District	2020		In Progress	FY25-26
6	Yes	Fire	Cameron Park CSD (fire)	2022		2027	FY27-28
7	Yes	Fire	City of South Lake Tahoe (fire)	2022		2027	FY27-28
8	Yes	CSA (EMS)	County Service Area #3	2022		2027	FY27-28
9	Yes	CSA (EMS)	County Service Area #7	2022		2027	FY27-28
10	Yes	Fire	El Dorado County Fire Protection District	2022		2027	FY27-28
11	Yes	Fire	El Dorado Hills County Water District	2022		2027	FY27-28
12	Yes	Fire	Fallen Leaf Lake Community Services District (fire)	2022		2027	FY27-28
13	Yes	Fire	Garden Valley Fire Protection District	2022		2027	FY27-28
14	Yes	Fire	Georgetown Fire Protection District	2022		2027	FY27-28
15	Yes	Water	Grizzly Flats CSD	2022	In Progress	2027	FY26-27
16	Yes	Fire	Lake Valley Fire Protection District	2022		2027	FY27-28
17	Yes	Fire	Mosquito Fire Protection District	2022		2027	FY27-28
18	Yes	Fire	Pioneer Fire Protection District	2022		2027	FY27-28
19	Yes	Fire	Rescue Fire Protection District	2022		2027	FY27-28
20	Yes	Water	Georgetown Divide PUD	2022		2027	FY27-28
21	Yes	Water	South Tahoe PUD	2022		2027	FY27-28
22	No*	P&R, L&L	Cameron Park CSD (non-fire)	2023		2028	FY28-29
23	Yes	City	City of Placerville	2023		2028	FY28-29
24	Yes	City	City of South Lake Tahoe	2023		2028	FY28-29
25	Yes	Wastewater, recreation	Greenstone Country CSD	2023		2028	FY28-29
26	* As identified by the Commission						
27	** Targeted MSR Date						

	A	B	C	D	E	F	G
28	NON-MUNICIPAL SERVICES MSR/SOI Project Cycle FY26-27						
29	Municipal Services	Service	District	Latest MSR Year	Non-Municipal Services Analysis Report	Next SOI Year Cycle	Executive Officer Board Visit
30	No	Road	Sierra Oaks CSD	2021	2022	2024 (FY 23-24)	2023 (9)
31	No	Road	Arroyo Vista CSD	2018	2022	2024 (FY 23-24)	2024 (2)
32	No	Road	Knolls Property Owners CSD	2009	2022	2024 (FY 24-25)	2025 (4)
33	No	Road	Lakeview CSD	2019	2022	2024 (FY 24-25)	
34	No	Road	Rising Hill Road CSD	2007	2022	2024 (FY 24-25)	2025 (5)
35	No	Road	Audubon Hills CSD	2010	2022	2026 (FY 26-27)	
36	No	Road	Cameron Estates CSD	2018	2022	As Necessary	
37	No	Airport	Cameron Park Airport District	2010	2022	As Necessary	
38	No	Road	Connie Lane CSD	2016	2022	As Necessary	
39	No	Road	Cosumnes River CSD	2017	2022	As Necessary	
40	No	Road	East China Hill CSD	2007	2022	As Necessary	
41	No	RCD	El Dorado County Resource Conservation District	2020	2022	As Necessary	
42	No	P&R	Fallen Leaf Lake Community Services District (non-fire)	2013	2022	As Necessary	
43	No	Road	Garden Valley Ranch Estates CSD	2021	2022	As Necessary	
44	No	Rec	Georgetown Divide Recreation District	2011	2022	As Necessary	
45	No	RCD	Georgetown Divide Resource Conservation District	2020	2022	As Necessary	
46	No	Road	Golden West CSD	2016	2022	As Necessary	
47	No	Cemetery	Happy Homestead Cemetery District	2007	2022	As Necessary	
48	No	Road	Hickok Road CSD	2021	2022	As Necessary	
49	No	Road	Hillwood CSD	2016	2022	As Necessary	
50	No	P&R	Holiday Lake CSD (public/private ownership issue)	2018	2022	As Necessary	
51	No	Cemetery	Kelsey Cemetery District	2009	2022	As Necessary	

	A	B	C	D	E	F	G
52	NON-MUNICIPAL SERVICES MSR/SOI Project Cycle FY26-27						
53	Municipal Services	Service	District	Latest MSR Year	Non-Municipal Services Analysis Report	Next SOI Year Cycle	
54	No	Road	Marble Mountain Homeowners CSD	2017	2022	As Necessary	
55	No	Road	Mortara Circle CSD	2009	2022	As Necessary	
56	No	Road	Nashville Trail CSD	2017	2022	As Necessary	
57	No	Road	Rolling Hills CSD	2018	2022	As Necessary	
58	No	CSA(Library)	Service Area #10	2007	2022	As Necessary	
59	No	CSA(Road)	Service Area #2	2010	2022	As Necessary	
60	No	CSA(Drainage)	Service Area #5	2008	2022	As Necessary	
61	No	CSA(Road/Cemetery)	Service Area #9	2020	2022	As Necessary	
62	No	Road	Showcase Ranches CSD	2020	2022	As Necessary	
63	No	P&R	Tahoe Paradise Park & Recreation District	2017	2022	As Necessary	
64	No	RCD	Tahoe Resource Conservation District	2020	2022	As Necessary	
65	No	Road	West El Largo CSD	2010	2022	As Necessary	
66							



CalTRUST
 PO Box 2709
 Granite Bay, CA 95746
 www.caltrust.org
 Email: admin@caltrust.org
 Fax: 402-963-9094
 Phone: 833-CALTRUST (225-8787)

Agenda Item #1
Attachment D, Page 1 of 1
Investment Account Summary

02/01/2026 through 02/28/2026

SUMMARY OF INVESTMENTS

Fund	Account Number	Total Shares Owned	Net Asset Value per Share on Feb 28 (\$)	Value on Feb 28 (\$)	Average Cost Amount (\$)	Cumulative Change in Value (\$)
EL DORADO LOCAL AGENCY FORMATION COMMISSION						
CalTRUST Liquidity Fund		136,041.290	1.00	136,041.29	136,041.29	0.00
Portfolios Total value as of 02/28/2026				136,041.29		

DETAIL OF TRANSACTION ACTIVITY

Activity Description	Activity Date	Amount (\$)	Amount in Shares	Balance in Shares	Price per Share (\$)	Balance (\$)	Average Cost Amt (\$)	Realized Gain/(Loss) (\$)
		EL DORADO LOCAL AGENCY FORMATION COMMISSION			Account Number: 201 00021310			
Beginning Balance	02/01/2026			135,641.970	1.00	135,641.97		
Accrual Income Div Reinvestment	02/27/2026	399.32	399.320	136,041.290	1.00	136,041.29	0.00	0.00
Change in Value						0.00		
Closing Balance as of	Feb 28			136,041.290	1.00	136,041.29		

Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.

5 Year Budget Projection

Budget	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31
Employee Expenses	\$420,000	\$450,000	\$480,000	\$500,000	\$520,000
Operating Expenses	\$200,000	\$200,000*	\$200,000*	\$200,000	\$200,000
Operating Contingency	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Expense Total	\$640,000	\$670,000	\$700,000	\$720,000	\$740,000
Professional Services from Operating Reserve		\$100,000*	\$100,000*		

Assumptions:

- Employee expenses are increased for the next 5 years. This entails operating the agency with the equivalent of 2 full-time employees and hiring additional part-time help as needed.
- Operating expenses stay the same by streamlining the processes and implementing efficiencies in the operations of the agency.
- * The Full MSR for the Fire Districts to be outsourced in FY27-28 with an additional \$100K for Professional Services from Operating Reserves.
- * The full MSR for the small water districts, two cities and the Cameron Park CSD to be outsourced in FY28-29 with an additional \$100K for Professional Services from Operating Reserves.
- Agency contributions increase by ~5% every year.

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NUMBER L-2026-08

Adoption of Final Budget and Work Plan Fiscal Year 2026-27

WHEREAS, Government Code §56381 specifies that, following a noticed public hearing, the Commission shall adopt annually a proposed budget by May 1, 2026, and a final budget by June 15, 2026; and

WHEREAS, on March 25, 2026, following a noticed public hearing, the Commission considered its budget priorities, and a draft proposed budget to fulfill the purposes and programs of the Cortese-Knox-Hertzberg Act of 2000, commencing with Government Code §56000 et seq.; and

WHEREAS, the proposed budget was adopted on March 25, 2026, and transmitted to all parties specified in Government Code §56381(a); and

WHEREAS, a hearing was set for May 27, 2026, for the Commission to receive comment from the agencies and the public on the proposed budget; and

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified in law for the adoption of the final budget; and

WHEREAS, on May 27, 2026, at the time and place specified in the Notice, the Commission heard, discussed, and considered all oral and written testimony submitted on the budget, including but not limited to, the approved budget priorities and work plan for Fiscal Year 2026-2027 and the Executive Officer's report and recommendation.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the El Dorado Local Agency Formation Commission approves and adopts the final budget for Fiscal Year 2026-2027 as shown in Exhibit A, and work plan for Fiscal Year 2026-2027 as shown in Exhibit B, attached hereto and incorporated herein, and does further order and directs the following:

Section 1. The Executive Officer shall transmit the final budget to the County Auditor and all parties specified in Government Code §56381(a) as promptly as feasible.

Section 2. The El Dorado County Board of Supervisors shall transmit funds in the amount of \$106,667 to the Commission on July 1, 2026, sufficient to cover the first two months of operations as specified in Government Code §56381(c).

Section 3. The County Auditor shall apportion the budget as specified in Government Code §56381(b) and request payment from the County and each city and each independent special district no later than July 1, 2026, as specified in Government Code §56381(c).

Section 4. If the County, a city, or an independent special district does not remit its required payment within 60 days, the County Auditor is requested to collect an equivalent amount from the property tax, or any fee or eligible revenue owed to the County, city or district as described in Government Code §56381(c).

PASSED AND ADOPTED by the El Dorado Local Agency Formation Commission at a regular meeting of said Commission, held May 27, 2026, by the following vote:

	AYE	NO	ABSTAIN	ABSENT	NOT VOTING
Commissioner Carter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Jinkens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Saunders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Turnboo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Veerkamp	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner White	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Wilde (Chair)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Bass	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ferrero	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Gilchrest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Posey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ATTEST:

 Executive Officer

 Chairperson

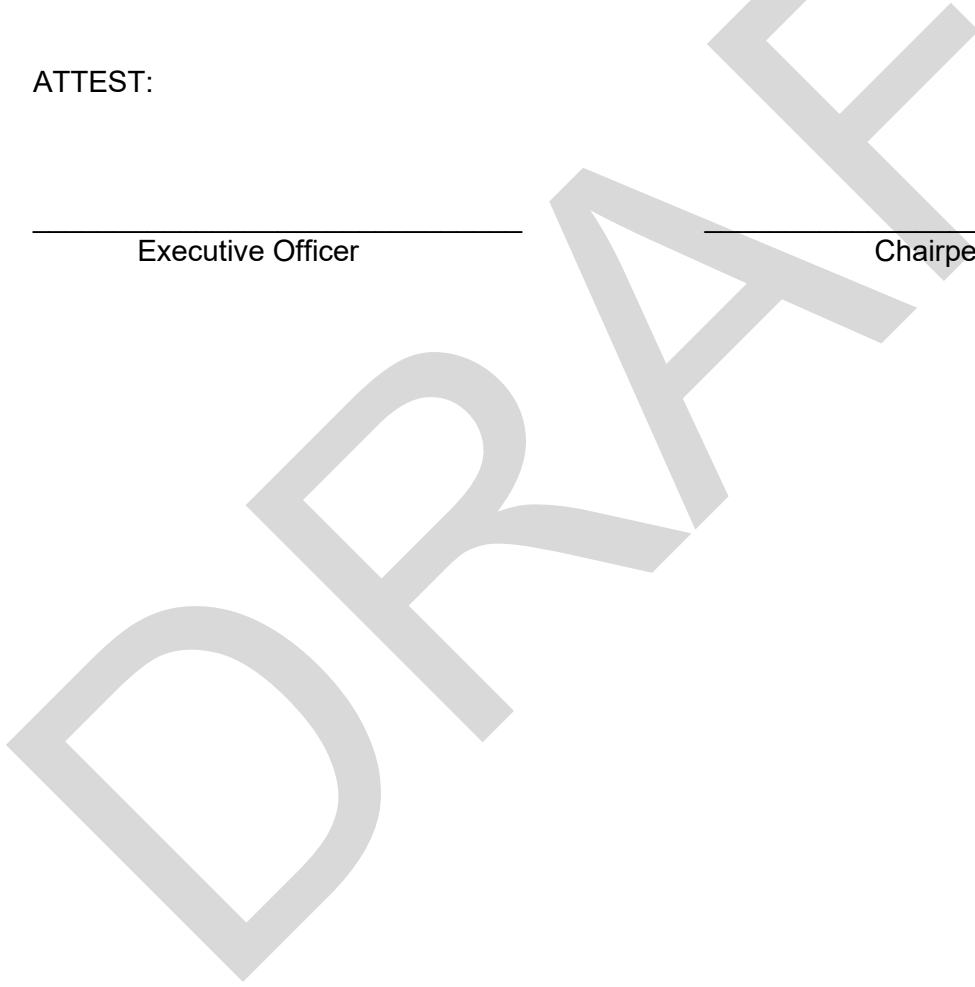


EXHIBIT A

PROPOSED BUDGET FY 2026-2027

	Fund (or line item)	DESCRIPTION	Proposed FY 2026-2027 LAFCO Budget	Proposed FY 2025-2026 LAFCO Budget
Revenues	4000	Fees	\$ 15,000	\$ 15,000
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	6105	Memberships - CALAFCO	\$ 4,500	\$ 4,500
	6210	Office Expense	\$ 2,000	\$ 2,000
	6400	Postage	\$ 1,000	\$ 1,000
	6501	Professional Services	\$ 30,000	\$ 30,000
	6600	Publications	\$ 500	\$ 500
	6705	Rents/Lease - Equipment	\$ 3,000	\$ 3,000
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	6770	Transportation	\$ 4,500	\$ 6,500
	(44)	Sub-Total Operating Expense	\$ 200,000	\$ 200,000
	6300	Operating Contingency (10% of operating expenses)	\$ 20,000	\$ 20,000
	(46)	BUDGET TOTAL	\$ 640,000	\$ 620,000

[Policy 2.10.5.c](#) – The Emergency Reserve for FY6-27 will stay at the current balance of the Caltrust account as of March 1, 2026 at \$136,041 that is approximately 21% of the operating budget.

[Policy 2.10.5.e](#) – The Operating Reserve for FY26-27 is the current balance of the Columbia Bank money market account as of March 1, 2026 at \$406,844 that is approximately 64% of the operating budget.

EXHIBIT B

Work Plan Fiscal Year 2026-2027

1. Recruit and train proper staffing for the agency
2. Work closely with the El Dorado Hills CSD as the applicant, groups, agencies, County, and Special Districts for the El Dorado Hills incorporation project
3. Work closely with the County of EL dorado and the neighboring Fire Protection Districts for possible reorganization of Mosquito Fire Protection District
4. Conduct a Sphere of Influence and Municipal Services Review for Rising Hill Community Services District
5. Progress on El Dorado LAFCO website (edlafco.us) for being visually impaired compliant
6. Meet with the Non-Municipal Services District Boards of the Audubon Hills CSD and Lakeview CSD according to the approved "FY26-27 NON-MUNICIPAL SERVICES MSR/SOI Project Cycle"
7. Work closely with the Cameron Park CSD to navigate through divestiture of Fire Services and annexation to another Fire Protection District
8. Work closely with the Strategic Planning Committee to strategize and continue the efforts for the Fire Summit that is recommended as the result of the Fire MSRs
9. Propose a five-year budget projection and MSR project plan
10. Work closely with the Budget Committee and Strategic Planning Committee to update Commission's Policies and Guidelines as necessary
11. Train staff and commissioners and attend the annual Conferences and Workshop
12. Review, evaluate and update internal work procedures
13. Coordinate with the County as needed on its preparation of environmental documents for various upcoming projects requiring future LAFCO action