



**SAN BENITO LAFCO  
AGENDA ITEM  
TRANSMITTAL FORM**

**Kollin Kosmicki**  
Board of Supervisors

**Dom Zanger**  
Board of Supervisors

**Roxanne  
Stephens**  
Hollister City Council

**Leslie Jordan**  
San Juan Bautista  
City Council

**Lynn Mello**  
Public Member

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**Item Number: 6.1**

**MEETING DATE:** 04/09/2026

**DEPARTMENT:** LAFCO

**AGENDA ITEM PREPARER:** Vanessa Delgado

**SUBJECT:**

**PROPOSED BUDGET FOR FY 26-27**

**AGENDA SECTION:**

BUSINESS ITEMS - PUBLIC HEARING ITEMS

**BACKGROUND/SUMMARY:**

Attached to this report is a summary of the proposed annual budget for Fiscal Year 2026-2027. With this proposed budget, staff is recommending that the budget remain fairly consistent with the budget for the past fiscal year with a nominal increase of 0.8% from the Fiscal Year 2025-2026 budget. The increase is to accommodate expenses related to document accessibility and additional attendance at this year's conference in Sacramento. Reductions are recommended in certain line items to balance the referenced increases anticipated, including Security, Public Works, Clerk Support, and Retiree Medical Insurance.

The Commission has established a Reserve Fund policy of 50% of the annual budget. Anything in excess of that amount is to be returned to the member agencies. Staff is in the process of identifying the Reserve Fund balance and in discussions with the Auditor's office regarding what rollover cash balance is necessary to meet operational needs through when payments are typically made by the member agencies.

**RECOMMENDATION:**

1. Review the Proposed Budget for Fiscal Year 2026-27.
2. Conduct Public Hearing and accept public testimony.
3. Approve Resolution 2026-01 Approving the Proposed Budget for FY 26-27 with any desired modifications.
4. Direct staff to distribute the Proposed Budget to the two cities and the County as required by Government Code Section 56381, and return to the Commission with a Final Budget in June.

**ATTACHMENTS:**

LAFCO No 2026-01  
Exhibit A LAFCO Proposed Budget FY26-27