

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolaafco.org | Web: www.mendolaafco.org

A G E N D A

Regular Meeting of **Monday, February 3, 2020** at 9:00 AM
County Board of Supervisors Chambers 501 Low Gap Road, Ukiah, California

*Live web streaming and recordings of Commission meetings are available via the County of Mendocino's YouTube Channel. Links to recordings and approved minutes are available on the LAFCo website <http://mendolaafco.org/recorded-meetings/>
Meeting documents are available online: <http://mendolaafco.org/meeting-documents/>*

COMMISSIONERS

Carre Brown, Chair
County Board of Supervisors

Tony Orth, Vice Chair
Brooktrails Township CSD

Gerald Ward, Treasurer
Public Member

Gerardo Gonzalez
Willits City Council

John Huff
Mendocino Coast Recreation
and Park District

Scott Ignacio
Point Arena City Council

John McCowen
County Board of Supervisors

Jenifer Bazzani, Alternate
Ukiah Valley Fire District

Will Lee, Alternate
Fort Bragg City Council

Richard Weinkle, Alternate
Public Member

John Haschak, Alternate
County Board of Supervisors

STAFF

Executive Officer
Uma Hinman

Analyst
Larkyn Feiler

Commission Clerk
Kristen Meadows

Counsel
Scott Browne

REGULAR MEETINGS

First Monday of each month
at 9:00 AM in the
Mendocino County
Board of Supervisors
Chambers
501 Low Gap Road, Ukiah

1. CALL TO ORDER and ROLL CALL

2. PUBLIC EXPRESSION

The Commission welcomes participation in the LAFCo meeting. Any person may address the Commission on any subject within the jurisdiction of LAFCo which is not on the agenda. There is a three minute limit and no action will be taken at this meeting. Individuals wishing to address the Commission under Public Expression are welcome to do so throughout the meeting.

3. OTHER BUSINESS

3a) Announcements of Appointments and Oaths of Office

Announcements of the Alternate Public Member and 2020 County Representatives. The Oaths of Office will be conducted for new Commissioners.

3b) Selection of Officers and Appointments to Committees

The Commission will vote on officers for 2020 and the elected Chair will appoint Commissioners to the Executive Committee and Policies & Procedures Committee.

4. CONSENT CALENDAR

The following consent items are expected to be routine and non-controversial, and will be acted on by the Commission in a single action without discussion, unless a request is made by a Commissioner or a member of the public for discussion or separate action.

4a) Approval of the December 2, 2019 Regular Meeting Summary

4b) Ratification of the December 2019 Claims & Financial Report

4c) Approval of the January 2020 Claims & Financial Report

4d) Acceptance of the Fiscal Year 2018-19 Audit

5. PUBLIC HEARING ITEMS

Public Hearings are scheduled for Commission consideration and possible adoption of items. Questions and comments from the Commission, participating agencies, and members of the public are welcome. Documents are available for review at: <http://mendolaafco.org/meeting-documents/>.

5a) None

6. WORKSHOP ITEMS

Workshops are scheduled for Commission review of draft reports prior to the noticing for public hearing. The Commission is invited to discuss the draft report and provide feedback to staff in anticipation of receiving a final SOI Update for formal action as part of a public hearing at a future meeting. No action will be taken by the Commission as part of the following item. Questions and comments from the Commission, participating agencies, and members of the public are welcome. Documents are available for review at: <http://mendolafco.org/meeting-documents/>.

6a) None

7. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

7a) Legal Counsel Contract Amendment

The Commission will consider an amendment to the existing Legal Services contract with P. Scott Browne, Attorney at Law. RECOMMENDED ACTION: a) Approve the proposed contract amendment (Amendment No. 2) with P. Scott Browne and authorize the Chair to sign the amendment, or 2) provide direction to staff.

7b) Sustainable Agricultural Lands Conservation Grant

Informational update on the status of the Sustainable Agricultural Lands Conservation Grant. RECOMMENDED ACTION: Receive and file report.

7c) Mid-Year Financial Report

The Commission will receive the Executive Officer's report on the mid-year budget and work plan status for Fiscal Year 2019-20. RECOMMENDED ACTION: Receive and file report.

7d) Redevelopment Agency (RDA) Oversight Board Special District Member Selection

Information report to the Commission on the Countywide RDA Oversight Board Special District Member selection process performed by the Executive Officer on behalf of the Independent Special District Selection Committee. RECOMMENDED ACTION: Receive and file report.

8. INFORMATION AND REPORT ITEMS

The following informational items are reports on current LAFCo activities, communications, studies, legislation, and special projects. General direction to staff for future action may be provided by the Commission.

8a) Work Plan, Current and Future Proposals (Written)

8b) Correspondence (Copies provided upon request)

8c) Executive Officer's Report (Verbal)

- Form 700s due by April 1, 2020

8d) Committee Reports (Executive Committee/Policies & Procedures) (Verbal)

8e) Commissioner Reports, Comments or Questions (Verbal)

8f) CALAFCO Business and Legislative Report

- CALAFCO Survey Report
- CALAFCO Legislative Update

9. CLOSED SESSION

9a) Contract Executive Officer Performance Evaluation

Pursuant to Government Code 54957(b)(1) - Contract Executive Officer Performance Evaluation

ADJOURNMENT

The next Regular Commission Meeting is scheduled for Monday, **March 2, 2020** at 9:00 AM in the County Board of Supervisors Chambers 501 Low Gap Road, Ukiah, California

Notice:

This agenda has been posted at least five (5) calendar days prior to the meeting in a location freely accessible to members of the public, in accordance with the Brown Act.

Participation on LAFCo Matters: All persons are invited to testify and submit written comments to the Commission on public hearing items. Any challenge to a LAFCo action in Court may be limited to issues raised at a public hearing or submitted as written comments prior to the close of the public hearing.

Americans with Disabilities Act (ADA) Compliance: Commission meetings are held in a wheelchair accessible facility. Individuals requiring special accommodations to participate in this meeting are requested to contact the LAFCo office at (707) 463-4470 or by e-mail to eo@mendolafco.org. Notification 48 prior to the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting.

Fair Political Practice Commission (FPPC) Notice: State Law requires that a participant in LAFCo proceedings who has a financial interest in a Commission decision and who has made a campaign contribution to any Commissioner in the past year must disclose the contribution. If you are affected, please notify the Commission before the hearing.

MENDOCINO

Local Agency Formation Commission

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Agenda Item No. 4a

COMMISSIONERS

Carre Brown, Chair
County Board of Supervisors

Tony Orth, Vice Chair
Brooktrails Township CSD

Gerald Ward, Treasurer
Public Member

Gerardo Gonzalez
Willits City Council

John Huff
Mendocino Coast Recreation
and Park District

Scott Ignacio
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John McCowen
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Jenifer Bazzani, Alternate
Ukiah Valley Fire District

Will Lee, Alternate
Fort Bragg City Council

Carol Rosenberg, Alternate
Public Member

Ted Williams, Alternate
County Board of Supervisors

STAFF
Executive Officer
Uma Hinman

Analyst
Larkyn Feiler

Commission Clerk
Kristen Meadows

Counsel
Scott Browne

Regular Meetings
First Monday
of each month
at 9:00 AM
in the Mendocino
County Board
of Supervisors Chambers
501 Low Gap Road

DRAFT MINUTES

Local Agency Formation Commission of Mendocino County

Regular Meeting of Monday, December 2, 2019

County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California

1. CALL TO ORDER and ROLL CALL (Video Time 0:13)

Chair Brown called the meeting to order at 9:04 a.m.

Regular Commissioners Present: Carre Brown, Tony Orth, Gerald Ward, Gerardo Gonzalez, Scott Ignacio, and John McCowen

Commissioner Bazzani was immediately seated for Commissioner Huff.

Regular Commissioners Absent: John Huff

Alternate Commissioners Present: Carol Rosenberg and Jen Bazzani

Alternate Commissioners Absent: Ted Williams and Will Lee

Staff Present: Uma Hinman, Executive Officer; Kristen Meadows, Clerk

2. PUBLIC EXPRESSION (Video Time 0:40)

No one from the public indicated interest in public expression.

3. OTHER BUSINESS (Video Time 1:03)

3a) Approval of Regular Meeting Schedule for 2020

Upon motion by Commissioner McCowen and second by Commissioner Gonzalez, the Regular Meeting Schedule for 2020 was approved unanimously by roll call vote.

EO Hinman noted that Scott Browne, Mendocino LAFCo Legal Counsel, was attending the meeting via telephone.

3b) Certificate of Recognition for Commissioner Rosenberg

Presentation of a Certificate of Recognition for outgoing Alternate Public Member Commissioner Carol Rosenberg.

4. CONSENT CALENDAR (Video Time 4:06)

Commissioner Ward pulled all three Consent Calendar items for discussion.

4a) Approval of October 7, 2019 Regular Commission Meeting Minutes

Commissioners Ward and McCowen noted corrections to the names of public speakers listed that provided testimony during the Public Hearing (Agenda Item 5a).

4b) Ratification of the November 4, 2019 Claims & Financial Report (Video Time 6:45)

<u>October 2019 Claims totaling</u>	<u>\$ 14,381.87</u>
Hinman & Associates Consulting	\$ 10,163.00
P. Scott Browne	\$ 600.00
Ukiah Valley Conference Center	\$ 458.30
Newspapers	\$ 947.75
CSDA	\$ 1,446.00
Commissioner Reimbursements	\$ 413.09
County of Mendocino	\$ 353.73

4c) Approval of the December 2, 2019 Claims & Financial Report

Commissioner Ward requested the following edits to the Claims & Financial Report:

- Review Weger Detachment on Budget Tracking spreadsheet and confirm totals.
- Include record of deposits on budget tracking spreadsheet. Track expenses in month they occur.
- Revise Work Plan budget tracking from \$561 to \$1,309.
- Legal Counsel to include breakdown of hours spent on Mendocino LAFCo.

<u>November 2019 Claims totaling</u>	<u>\$ 7,455.51</u>
Hinman & Associates Consulting	\$ 6,342.56
P. Scott Browne	\$ 600.00
Ukiah Valley Conference Center	\$ 512.95

Commissioner McCowen made a motion, seconded by Commissioner Ignacio, to approve the Consent Calendar with corrections to names of public speakers on the meeting minutes, and corrections noted for the budget and applications tracking related to the work plan and Weger Detachment, and direction for Legal Counsel to include hours on all future invoices. The motion was unanimously approved by roll call vote.

Ayes: (7) Orth, McCowen, Ward, Gonzalez, Bazzani, Ignacio, Brown

5. PUBLIC HEARING ITEMS (Video Time 14:04)

5a) Weger Detachment from the Mendocino Coast Health Care District (LAFCo File No. D-2019-01)

Consideration of an application initiated by landowner petition to detach approximately 35,000 acres from the Mendocino Coast Health Care District (MCHCD)/District. RECOMMENDED ACTIONS: (1) Continue the Public Hearing to the January 6, 2020 Commission meeting at 9 a.m., or as soon thereafter as the matter may be heard; or (2) Close the public hearing and direct staff to re-notice the application at a future date.

Chair Brown presented a brief history. On October 7, 2019 the Public Hearing was continued to November 4, 2019. The November Commission meeting was canceled due to the ongoing PG&E Public Safety Power Shutoffs and the Public Hearing was re-noticed for the meeting today. Chair Brown explained the procedure for the Public Hearing process. Commissioners McCowen and Ward both announced that they were not present at the October 7, 2019 Commission meeting and they watched the portion of the October meeting video recording related to the Weger Detachment.

Chair Brown opened the Public Hearing at 9:20 a.m.

EO Hinman presented the staff report and noted that the information and testimony presented at the October 7, 2019 Public Hearing carried forward to the re-noticed Public Hearing today. EO Hinman presented that as it became clear that the application was generating controversy, LAFCo staff reviewed project processing with LAFCo Counsel, and Counsel advised that the application must proceed through the tax share agreement process (RTC Section 99)

before the Public Hearing process can continue. EO Hinman explained that the tax share agreement process has been initiated and the County Auditor-Controller's office has completed the initial calculation of tax share subject to the agreement process. EO Hinman provided an update that she participated in two conference calls with the District and was informed that the District Board of Directors unanimously voted to oppose the application. EO Hinman also noted that there is correspondence from the District's Attorney included in the agenda packet on page 33, and the applicant provided a hard copy written response to that letter to the Commissioners at the meeting. EO Hinman recommended that the Public Hearing be continued to allow time for the County to complete the tax share agreement process.

Chair Brown noted the limited meetings remaining in 2019 for the Board of Supervisors to consider a tax share agreement and encouraged staff to attempt to confirm today with the County Auditor-Controller's office the estimated timing for completing the tax calculations.

Commissioners Ward and McCowen questioned whether continuing the hearing to January would present timing issues for the applicant related to the deadline for submitting a request to remove the Measure C parcel tax from the next fiscal year tax rolls. EO Hinman confirmed that this deadline has already passed.

Commissioner Gonzalez suggested continuing the hearing to February instead of January to allow more time for the tax share agreement process to be completed.

Chair Brown opened the Public Comment Period for the Public Hearing at 9:30 a.m. No one from the public indicated interest in providing testimony.

Commissioner McCowen raised a concern about the tax share agreement process resulting in additional costs and LAFCo Counsel noted that the current limited legal budget only allows Counsel to review agenda items upon request. Commissioner McCowen requested that Counsel review with staff whether we have properly complied with CEQA. Commissioner McCowen further suggested that one way to evaluate the District's assertion that a majority of voters in the proposed detachment area voted in favor of the Measure C parcel tax, would be for the Registrar of Voters to determine the number of registered voters in the proposed detachment area and whether they voted, not how they voted, for the Measure C parcel tax.

Commissioner Ward requested an update on a question from the October hearing regarding how property taxes would be redistributed if detachment was approved. EO Hinman responded that the property taxes the District was receiving would revert to the County and the Board of Supervisors would decide how to reallocate the funds based on the tax share agreement process. Commissioner Ward raised a question about the position of the Ukiah Hospital (Adventist Health Ukiah Valley) on whether the inland or coastal hospital better serves the proposed detachment area.

Chair Brown requested information on the financial impact of the application in the next staff report, including the percentage of revenue loss to the District from the proposed detachment. EO Hinman provided a brief summary from the October hearing and confirmed that the next staff report would include this information.

Commissioner Rosenberg inquired about CEQA compliance since the detachment does not propose a physical change to the environment. Legal Counsel confirmed that is why the General Rule Exemption was applied by staff, although the matter is under review.

Commissioner Ignacio inquired about whether all required Divisions of State Agencies were properly notified of the proposed detachment application. EO Hinman confirmed that distribution of the application was in compliance with the applicable laws.

Chair Brown invited the applicant to comment, especially on continuing the hearing to February. Landowner and Chief Petitioner for the application, Lisa Weger, expressed frustration with the District and urged the

Commissioners to read her response to the recent letter from the District's Attorney. Ms. Weger confirmed that she would prefer the hearing be continued to a later date if it allowed for action to be taken instead of potentially having to re-notice the hearing.

Chair Brown invited the District to comment. No one came forward.

Chair Brown called for a 10-minute break at 10:00 a.m. to allow staff time to confer with the County Auditor-Cottroller's Office regarding timing for the tax share agreement process.

TEN MINUTE BREAK (Video Time 54:20)

Chair Brown called the meeting back in session at 10:17 a.m. (Video Time 1:11:06)

Chair Brown requested a report back from EO Hinman. EO Hinman introduced Assistant Auditor-Controller Chamise Cubbison. Ms. Cubbison explained that the calculations for the tax share agreement process are complicated and require staff time because they must be created manually, and in addition the process requires notice be provided to local agencies potentially impacted. Ms. Cubbison estimated that the process might be completed mid-February; however, there is no guarantee. Discussion ensued with Legal Counsel regarding options for proceeding.

Chair Brown suspended the Public Hearing for today at 10:24 a.m.

Commissioner Ignacio made a motion to continue the Public Hearing to March 2, 2020. The motion was seconded by Commissioner Gonzalez. Legal Counsel confirmed that the continuance must include a time and location specific in addition to the date.

Commissioner Ignacio amended his motion to continue the Public Hearing to the Regular Commission meeting on March 2, 2020 at 9:30 a.m. in the Mendocino County Board of Supervisors Chambers. Commissioner Gonzalez agreed to second the amended motion. The motion passed unanimously by roll call vote.

Ayes: (7) Orth, McCowen, Ward, Gonzalez, Bazzani, Ignacio, Brown

The Public Hearing and the Public Comment remains open.

6. WORKSHOP ITEMS None (Video Time 1:20:43)

7. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

7a) Consideration of Application for Alternate Public Member (Video Time 1:22:35)

EO Hinman presented the item. EO Hinman explained that Commissioner Rosenberg's term will end December 31, 2019 and the term for the next Alternate Public Member will run January 1, 2020 through December 31, 2023. EO Hinman noted that after proper noticing, staff received one application for the Alternate Public Member from Mr. Richard Weinkle. EO Hinman reviewed the Mendocino LAFCo Policy which requires the selection of the Alternate Public Member to be subject to the affirmative vote of at least one of the members selected by each of the appointing authorities. Commissioner McCowen expressed interest in extending the notice soliciting applications for Alternate Public Member to generate a larger pool for consideration.

EO Hinman introduced Mr. Weinkle to the Commission. Mr. Weinkle summarized his experience relative to LAFCo.

Upon motion by Commissioner Orth and seconded by Commission Gonzalez, Mr. Weinkle was appointed as the Alternate Public Member by roll call vote.

Ayes: (6) Orth, Ward, Gonzalez, Bazzani, Ignacio, Brown

Nays: (1) McCowen

7b) Executive Officer Services Contractor Annual Evaluation (Video Time 1:29:10)

Chair Brown provided an overview of the process and timing for the Executive Officer Services Contractor annual evaluation, which will be held in closed session at the next regular meeting of the Commission.

8. INFORMATION/ REPORT ITEMS

8a) Work Plan, Current, and Future Proposals (Video Time: 01:33:10)

EO Hinman noted no changes to projects and reported the following updates to the work plan:

- A request for information has been sent to the Ukiah Valley Sanitation District and staff will follow up in the next couple of weeks.
- A response was received from Mendocino City Community Services District. The administrative draft of the MSR/SOI Update has been started.

8b) Correspondence None (Video Time 1:35:41)

8c) Executive Officer's Report (Video Time 1:35:47)

EO Hinman reported on the following:

- Commissioner request to add links and page numbers to the meeting agenda will be included in January.
- Staff worked with the State Controller's office regarding their request to assist with coordination with the Anderson Valley Cemetery District, and has been completed.
- A draft Audit is anticipated in mid-December, and staff will coordinate with the Treasurer.

8d) Committee Reports (Video Time 1:37:01)

Chair Brown reported that the Executive Committee met following the October Regular Meeting and discussed work plan status, current and future proposals.

8e) Commissioners Reports, Comments or Questions (Video Time: 1:37:48)

- Commissioners Ignacio and McCowen reported on their experiences at the CALAFCO Conference in November. As the Voting Delegate, Commissioner McCowen expressed Mendocino LAFCo's concerns to the CALAFCO Membership regarding the significant increase in dues and inequitable redistribution of dues structure. The new dues proposal passed. Discussion ensued regarding continuity of services by local agencies during the PG&E PSPS and wildfire incidents.

8f) CALAFCO Business and Legislation Report (Video Time: 1:56:24)

EO Hinman noted that the agenda packet includes a 2020 CALAFCO Calendar of Events and the current CALAFCO Legislative Update.

ADJOURNMENT

There being no further business, at 11:03 a.m. the meeting was adjourned. The next regular meeting is scheduled for Monday, January 6, 2020 at 9:00 a.m. in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah, California.

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<https://www.youtube.com/watch?v=AITV7xk5Oe0&list=PLraKTU7AyZLQSWrivynWsfVnleKBpgK-f&index=9&t=0s>

MENDOCINO Local Agency Formation Commission Staff Report

DATE: February 3, 2020
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: Financial Report and Claims for December 2019

RECOMMENDED ACTION

Ratify the December 2019 claims and financial report.

Name	Account Description	Amount	Total
Hinman & Associates Consulting, Inc.	5300 Basics Services	\$ 5,023.00	\$ 8,163.00
	6200 Bookkeeping	\$ 505.00	
	5600 Office Expenses	\$ 70.00	
	5300 RDA Oversight Board	\$ 525.00	
	7000 Work Plan	\$ 2,040.00	
	8020 Weger Application	\$ -	
	8021 RRFC Pre-Application	\$ -	
P. Scott Browne	6300 Legal Counsel-Monthly	\$ 600.00	\$ 600.00
Ukiah Valley Conf. Center	5502 Office space December	\$ 434.00	\$ 465.20
	5503 Work room	\$ 30.00	
	5603 Photocopy	\$ 1.20	
	5605 Postage	\$ -	
Newspapers	5900 Weger Application Dec Notices	\$ 498.48	\$ 498.48
Commissioner Reimbursement In-County Travel & Stipends	6740 Bazzani (December mtg)	\$ 50.00	\$ 196.28
	6740 Huff (absent)	\$ -	
	6740 Ignacio (December mtg)	\$ 95.12	
	6740 Lee (absent)	\$ -	
	6740 Orth (reminder sent 12/31)	\$ -	
Travel & Lodging Expenses	6740 Rosenberg (December mtg)	\$ 51.16	\$ 1,052.03
	6750 Ignacio (Conference)	\$ 968.43	
County of Mendocino	6750 Scott Browne (Conference)	\$ 83.60	\$ 181.11
	6000 Video (October)	\$ 181.11	
	6670 GIS	\$ -	
Total:			\$ 11,156.10

Deposits: \$50,000 (apportionment fees)

Attachments:

- Budget Track Spreadsheet
- Work Plan Cost Tracking
- Invoices: Hinman & Associates Consulting, P. Scott Browne

Please note that copies of all invoices, bank statements, and petty cash register were forwarded to Commission Treasurer.

Mendocino Local Agency Formation Commission
 FY 2019-20 Budget and Application Tracking

Acct #	Task	FY 19-20 Budget	1st Qtr Subtotals	October	Nov	Dec	2nd Qtr Subtotal	Year to Date	Remaining Budget	% of Budget Expended
EXPENSES										
5300	Basic Services - EO/Analyst/Clerk	\$72,060	\$13,977.00	\$9,300.00	\$4,161.00	\$5,023.00	\$18,484.00	\$32,986.00	\$39,074.00	46%
	Unfunded Mandates (RDA Oversight)	\$0				\$525.00	\$525.00			
5500	Rent	\$5,460	\$1,365.00	\$455.00	\$455.00	\$464.00	\$1,374.00	\$2,739.00	\$2,721.00	50%
5600	Office Expenses	\$2,700	\$450.20	\$73.30	\$269.51	\$71.20	\$414.01	\$864.21	\$1,835.79	32%
5700	Internet & Website Costs	\$1,300	\$1,152.52				\$0.00	\$1,152.52	\$147.48	89%
5900	Publication & Legal Notices	\$2,000	\$54.87	\$579.60		\$498.48	\$1,078.08	\$1,132.95	\$867.05	57%
6000	Televising Meetings	\$3,000	\$0.00	\$276.60		\$181.11	\$457.71	\$457.71	\$2,542.29	15%
6100	Audit Services	\$3,500	\$1,625.00				\$0.00	\$1,625.00	\$1,875.00	46%
6200	Bookkeeping	\$4,500	\$1,090.00	\$265.00	\$350.00	\$505.00	\$1,120.00	\$2,210.00	\$2,290.00	49%
6300	Legal Counsel (S Browne)	\$7,200	\$1,800.00	\$600.00	\$600.00	\$683.60	\$1,883.60	\$3,683.60	\$3,516.40	51%
6400	A-87 Costs County Services	\$428	\$0.00				\$0.00	\$0.00	\$428.00	0%
6500	Insurance - General Liability	\$1,100	\$0.00				\$0.00	\$0.00	\$1,100.00	0%
6600	Memberships (CALAFCO/CSDA)	\$2,750	\$1,075.00	\$1,446.00			\$1,446.00	\$2,521.00	\$229.00	92%
6670	GIS Contract with County	\$2,500	\$0.00	\$77.13			\$77.13	\$77.13	\$2,422.87	3%
6740	In-County Travel & Stipends	\$4,000	\$673.06	\$413.09		\$196.28	\$609.37	\$1,282.43	\$2,717.57	32%
6750	Travel & Lodging Expenses	\$3,500	\$0.00			\$968.43	\$968.43	\$968.43	\$2,531.57	28%
6800	Conferences (Registrations)	\$3,000	\$2,080.00				\$0.00	\$2,080.00	\$920.00	69%
7000	Work Plan (MSRs and SOIs)	\$41,250	\$1,309.00	\$0.00	\$68.00	\$2,040.00	\$2,108.00	\$3,417.00	\$37,833.00	8%
Monthly/ Year to Date Totals		\$160,248.00	\$26,651.65	\$13,485.72	\$5,903.51	\$11,156.10	\$30,545.33	\$57,196.98	\$103,051.02	36%
APPLICATIONS										
		BALANCE	1st Qtr Subtotals	October	Nov	Dec	2nd Qtr Subtotal	Year to Date	Remaining Budget	% of Budget Expended
A-2009-8001	Irish Beach WD Moores Annexation	\$-610.56	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$-610.56	
P-2014-8010	City of Ukiah Detachment of UVSD lands	\$1,532.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,532.75	
D-2019-1 (8020)	Weger Detachment from MCHD	\$6,697.00	\$5,740.00	\$796.15	\$1,377.00	\$0.00	\$2,173.15	\$7,913.15	\$-1,733.15	
P-2019-2 (8021)	RRFC Annexation Pre-Application	\$1,200.00	\$244.00	\$100.00	\$175.00		\$275.00	\$519.00	\$681.00	
Applications to Date Totals		\$7,619.19	\$5,984.00	\$896.15	\$1,552.00	\$0.00	\$2,448.15	\$8,432.15		
EXPENSES AND APPLICATION TOTALS			\$32,635.65	\$14,381.87	\$7,455.51	\$11,156.10	\$32,993.48	\$65,629.13		

County of Mendocino Account Balance \$ 1,582.80
 Operations (Checking) Account Balance \$ 86,975.49
 Legal Reserve Balance \$ 35,000.00
 Operations Reserve Balance \$ 55,399.32

from statement as of
 from statement as of per Quickbooks
 from statement as of 11/30/2019
 from statement as of 11/30/2019

Mendocino LAFCo
FY 2019-20 Estimated Work Plan Implementation Schedule and Cost Tracking
 December 2019

Disclaimer: The estimated schedule and costs for the Fiscal Year 2019-20 Work Plan are subject to change based on agency responsiveness and timely provision of requested information, complexity of issues, and public controversy. Each study is assumed to be exempt from CEQA; therefore, a separate cost estimate would be necessary for studies subject to a Negative Declaration or EIR. It is difficult to completely contain staff activities in a single fiscal year; therefore, completion of the studies listed below may roll over to the next fiscal year. This estimated work plan implementation schedule and cost tracking table will be prepared on a monthly basis to enhance communication and transparency.

Agency	Request for Information	Outreach	Admin Draft	Public Workshop	Public Hearing	Final Study	Cost Estimate	Cost to Date ⁽¹⁾
Ukiah Valley Sanitation District	In progress	Pending	Pending	TBD	TBD	TBD	\$20,000	\$1,020
County Service Area 3	In progress	Initiated	Pending	TBD	TBD	TBD	\$10,000	\$1,258
Mendocino City CSD	In progress	Initiated	Pending	TBD	TBD	TBD	\$11,250	\$391
Estimated Total							\$41,250	\$2,669

(1) The Cost to Date category accounts for all staff activities related to each study and is not limited to a specific fiscal year.



Hinman & Associates Consulting

PO Box 1251 | Cedar Ridge, CA 95924

(916) 813-0818

uhinman@comcast.net

Date December 31, 2019
To Mendocino LAFCo
Project Executive Officer Services
Work Period November 25 - December 31, 2019

Invoice No. 454
Invoice Total \$ 8,163.00

Account Description	Staff/Hours			Other (At Cost)	Totals
	Executive Officer \$100	Analyst \$68	Clerk \$40		
5300 Basic Services	31.75	3.50	40.25		\$ 5,023.00
RDA Oversight Board Election	5.25				\$ 525.00
5601 Office Supplies				\$ 70.00	\$ 70.00
Quickbooks Online Fee					
Office Supplies					
Postage					
6200 Bookkeeping	4.25		2.00		\$ 505.00
7000 Work Plan (MSR/SOI/Special Studies)					
MCCSD					\$ -
UVSD		11.50			\$ 782.00
CSA 3		18.50			\$ 1,258.00
8020 Weger MCHD Detachment Application					\$ -
8021 RRFC Pre-Application					\$ -
Totals	\$ 4,125.00	\$ 2,278.00	\$ 1,690.00	\$ 70.00	\$ 8,163.00

5300 Basic Services

Office hours and administrative tasks and Clerk duties. Website updates and postings. File research. Correspondence with Commissioners, public inquiries, etc. File research to respond to public inquiries. December 2nd agenda packet development and January 6th meeting cancellation notifications. Provided LAFCo information to new Alternate Public Member. Upon request, initiated RDA Oversight Board Special District Member nomination and election process to fill vacant seat.

6200 Bookkeeping

Prepared December claims. Entered claims into Quickbooks and prepared checks. Coordinated with Treasurer regarding claims. Reconciled Quickbooks. Coordinated with Zach Pehling regarding the audit; reviewed draft audit; send draft audit to Treasurer for review.

7000 Work Plan (Sphere of Influence Updates, Municipal Service Reviews, and Special Studies)

Outreach to UVSD and County for information related to MSR/SOI development. Research and development of Administrative Drafts.

8020 Weger MCHD Detachment Application

Prepared for Dec 2nd public hearing; follow up on Commission directed research. Coordinated with Ms. Weger, MCHCD, and County Auditor. Coordinated with Legal Counsel to address questions raised and to ensure accuracy of process.

8021 RRFC Pre-Application Request

Uma Hinman

From: Intuit QuickBooks Team <intuit@notifications.intuit.com>
Sent: Thursday, December 19, 2019 5:35 AM
To: eo@mendolafco.org
Subject: We received your QuickBooks subscription payment!



Payment success

Executive Officer, thank you for your payment.

Invoice number:
1000132799302
Invoice date: 12/19/2019
Total: \$70.00
Payment method: VISA ending
in

Sign in to QuickBooks where you can see your billing history and view, save, and print your invoice.

[View billing history](#)

Account details

Billed to: Mendocino LAFCo
Company ID ending:
Items on this invoice: QuickBooks Online Plus

(1) For subscriptions, your payment method on file will be automatically charged monthly/annually at the then-current list price until you cancel. If you have a discount it will apply to the then-current list price until it expires. To cancel your subscription at any time, go to [Account & Settings](#) and cancel the subscription. (2) For one-time services, your payment method on file will reflect the charge in the amount referenced in this invoice. Terms, conditions, pricing, features, service, and support options are subject to change without notice.

Law Office of P. Scott Browne

131 South Auburn Street
Grass Valley, CA 95945
5302724250

Tax ID: 68-0348904

12-15-2019

Mendocino LAFCo
200 South School St. Ste F
Ukiah, CA 95482

Invoice Number: 365

Invoice Period: 11-16-2019 - 12-15-2019

Payment due by the 15th of next month.

RE: Weger Detachment

Time Details

Date	Staff Member	Description	Hours
11-17-2019	PSB	Conference with Uma & Larkyn	1.85
11-21-2019	PSB	Revise staff report; Email to Uma	0.65
12-02-2019	PSB	Attend Commission meeting by phone	1.60
Total Fees			0.00

Time Summary

Staff Member	Hours
PSB	4.10

Total for this Invoice	0.00
Current Account Balance	0.00
Trust Balance	0.00
Total Amount to Pay	0.00

Project Statement of Account

As of 12-15-2019

Project	Invoices / Credits	Trust	Balance Due
Total Amount to Pay			0.00

Weger Detachment

Transactions

Date	Transaction	Applied	Invoice	Amount
12-15-2019	Invoice 365			0.00
			Balance	0.00

Open Invoices and Credits

Date	Transaction	Amount	Applied	Balance
------	-------------	--------	---------	---------

There are no open Invoices or Credits

Law Office of P. Scott Browne

131 South Auburn Street
Grass Valley, CA 95945
5302724250

Tax ID: 68-0348904

12-15-2019

Mendocino LAFCo
200 South School St. Ste F
Ukiah, CA 95482

Invoice Number: 364

Invoice Period: 11-16-2019 - 12-15-2019

Payment due by the 15th of next month.

RE: Mendocino LAFCo

Time Details

Date	Staff Member	Description	Hours
11-16-2019	PSB	Monthly Flat Rate of \$600.00, as agreed upon in Legal Representation Agreement	
11-18-2019	PSB	Return telephone call from Uma; Review emails; Send Evaluation Form; Review emails re: Meeting with MCHD	1.00
11-25-2019	PSB	Conference call with Mendocino HCD; Telephone call from Uma	0.60
12-03-2019	PSB	Review and respond to emails;	0.50
12-11-2019	PSB	Return telephone call from Uma	0.25
Total Fees			600.00

Time Summary

Staff Member	Hours
PSB	2.35

Expenses

Date	Staff Member	Expense	Amount
12-15-2019	WJC	Misc. CALAFCo Conference Hotel (Cost split evenly between all LAFCo clients)	83.60
Total Expenses			83.60

Total for this Invoice	683.60
Previous Invoice Balance	600.00

Payment - 1539 on 11-22-2019	(600.00)
Current Account Balance	683.60
Trust Balance	0.00
Total Amount to Pay	683.60

Project Statement of Account

As of 12-15-2019

Project	Invoices / Credits	Trust	Balance Due
Mendocino LAFCo	683.60		683.60
	Total Amount to Pay		683.60

Mendocino LAFCo

Transactions

Date	Transaction	Applied	Invoice	Amount
11-15-2019	Previous Balance			600.00
11-22-2019	Payment Received - Reference 1539			(600.00)
11-26-2019	Payment Applied	600.00	297	
12-09-2019	Payment Applied	600.00	337	
12-15-2019	Invoice 364			683.60
			Balance	683.60

Open Invoices and Credits

Date	Transaction	Amount	Applied	Balance
12-15-2019	Invoice 364	683.60		683.60
			Balance	683.60

MENDOCINO Local Agency Formation Commission Staff Report

DATE: February 3, 2020
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Financial Report and Claims for January 2020**

RECOMMENDED ACTION

Approve the January 2020 claims and financial report.

Name	Account Description	Amount	Total
Hinman & Associates Consulting, Inc.	5300 Basics Services	\$ 5,475.00	\$ 8,342.99
	6200 Bookkeeping	\$ 670.00	
	5600 Office Expenses	\$ 82.99	
	5300 RDA Oversight Board	\$ 415.00	
	7000 Work Plan	\$ 1,700.00	
	8020 Weger Application	\$ -	
P. Scott Browne	6300 Legal Counsel-Monthly	\$ 600.00	\$ 600.00
Ukiah Valley Conf. Center	5502 Office space	\$ 434.00	\$ 464.50
	5503 Work room	\$ 30.00	
	5603 Photocopy		
	5605 Postage	\$ 0.50	
Newspapers	5900 Publication and Legal Notices	\$ -	\$ -
Zach Pehling, CPA	6100 Audit Services	\$ 1,625.00	\$ 1,625.00
Commissioner Reimbursement In-County Travel & Stipends (January meeting cancelled)	6740 Bazzani	\$ -	\$ 79.00
	6740 Huff	\$ -	
	6740 Ignacio	\$ -	
	6740 Lee	\$ -	
	6740 Orth (December)	\$ 79.00	
Petty Cash	8020 Weger Public Notice list from Assessor	\$ 93.00	\$ 163.00
	5600 Office Expenses	\$ 28.00	
	5605 Postage	\$ 42.00	
Russian River Flood Control	8021 Pre-Application Deposit Refund	\$ 681.00	\$ 681.00
Total:			\$ 11,955.49

Deposits: Moores \$3,500

Attachments:

- Budget Track Spreadsheet
- Work Plan Cost Tracking
- Petty Cash Report
- Invoices: Hinman & Associates Consulting, P. Scott Browne, Zach Pehling

Please note that copies of all invoices, bank statements, and petty cash register were forwarded to the Commission Treasurer.

Mendocino Local Agency Formation Commission
 FY 2019-20 Budget and Application Tracking

Acct #	Task	FY 19-20 Budget	1st Qtr Subtotals	2nd Qtr Subtotal	January	February	March	3rd Qtr Subtotal	Year to Date	Remaining Budget	% of Budget Expended
EXPENSES											
5300	Basic Services - EO/Analyst/Clerk	\$72,060	\$13,977.00	\$18,484.00	\$5,475.00			\$5,475.00	\$38,876.00	\$33,184.00	54%
	Unfunded Mandates (RDA Oversight)	\$0		\$525.00	\$415.00			\$415.00			
5500	Rent	\$5,460	\$1,365.00	\$1,374.00	\$464.00			\$464.00	\$3,203.00	\$2,257.00	59%
5600	Office Expenses	\$2,700	\$450.20	\$414.01	\$153.49			\$153.49	\$1,017.70	\$1,682.30	38%
5700	Internet & Website Costs	\$1,300	\$1,152.52	\$0.00				\$0.00	\$1,152.52	\$147.48	89%
5900	Publication & Legal Notices	\$2,000	\$54.87	\$1,078.08				\$0.00	\$1,132.95	\$867.05	57%
6000	Televising Meetings	\$3,000	\$0.00	\$457.71				\$0.00	\$457.71	\$2,542.29	15%
6100	Audit Services	\$3,500	\$1,625.00	\$0.00	\$1,625.00			\$1,625.00	\$3,250.00	\$250.00	93%
6200	Bookkeeping	\$4,500	\$1,090.00	\$1,120.00	\$670.00			\$670.00	\$2,880.00	\$1,620.00	64%
6300	Legal Counsel (S Browne)	\$7,200	\$1,800.00	\$1,800.00	\$600.00			\$600.00	\$4,200.00	\$3,000.00	58%
6400	A-87 Costs County Services	\$428	\$0.00	\$0.00				\$0.00	\$0.00	\$428.00	0%
6500	Insurance - General Liability	\$1,100	\$0.00	\$0.00				\$0.00	\$0.00	\$1,100.00	0%
6600	Memberships (CALAFCO/CSDA)	\$2,750	\$1,075.00	\$1,446.00				\$0.00	\$2,521.00	\$229.00	92%
6670	GIS Contract with County	\$2,500	\$0.00	\$77.13				\$0.00	\$77.13	\$2,422.87	3%
6740	In-County Travel & Stipends	\$4,000	\$673.06	\$609.37	\$79.00			\$79.00	\$1,361.43	\$2,638.57	34%
6750	Travel & Lodging Expenses	\$3,500	\$0.00	\$1,052.03				\$0.00	\$1,052.03	\$2,447.97	30%
6800	Conferences (Registrations)	\$3,000	\$2,080.00	\$0.00				\$0.00	\$2,080.00	\$920.00	69%
7000	Work Plan (MSRs and SOIs)	\$41,250	\$1,309.00	\$2,108.00	\$1,700.00			\$1,700.00	\$5,117.00	\$36,133.00	12%
Monthly/ Year to Date Totals		\$160,248.00	\$26,651.65	\$30,545.33	\$11,181.49	\$0.00	\$0.00	\$11,181.49	\$68,378.47	\$91,869.53	43%
APPLICATIONS											
		BALANCE	1st Qtr Subtotals	2nd Qtr Subtotal	January	February	March	3rd Qtr Subtotal	Year to Date	Remaining Budget	Notes
A-2009-8001	Irish Beach WD Moores Annexation	\$2,889.44	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,889.44	
P-2014-8010	City of Ukiah Detachment of UVSD lands	\$1,532.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,532.75	
D-2019-1 (8020)	Weger Detachment from MCHD	\$6,697.00	\$5,647.00	\$2,173.15	\$93.00	\$0.00	\$0.00	\$0.00	\$7,913.15	\$-1,733.15	includes expenses from FY 2018-19
P-2019-2 (8021)	RRFC Annexation Pre-Application	\$1,200.00	\$244.00	\$275.00	\$681.00			\$681.00	\$1,200.00	\$0.00	\$681 refunded 01/20
Applications to Date Totals		\$11,119.19	\$5,891.00	\$2,448.15	\$774.00	\$0.00	\$0.00	\$774.00	\$9,113.15		
EXPENSES AND APPLICATION TOTALS			\$32,542.65	\$32,993.48	\$11,955.49	\$0.00	\$0.00	\$11,955.49	\$77,491.62		

ACCOUNT BALANCES

County of Mendocino Account Balance	\$ 1,582.80	from statement as of	1/15/2020
Operations (Checking) Account Balance	\$ 75,817.85	from Quickbooks as of	1/26/2019
Legal Reserve Balance	\$ 35,000.00	from statement as of	12/31/2019
Operations Reserve Balance	\$ 55,410.05	from statement as of	12/31/2019

Mendocino LAFCo
FY 2019-20 Estimated Work Plan Implementation Schedule and Cost Tracking
 January 2020

Disclaimer: The estimated schedule and costs for the Fiscal Year 2019-20 Work Plan are subject to change based on agency responsiveness and timely provision of requested information, complexity of issues, and public controversy. Each study is assumed to be exempt from CEQA; therefore, a separate cost estimate would be necessary for studies subject to a Negative Declaration or EIR. It is difficult to completely contain staff activities in a single fiscal year; therefore, completion of the studies listed below may roll over to the next fiscal year. This estimated work plan implementation schedule and cost tracking table will be prepared on a monthly basis to enhance communication and transparency.

Agency	Request for Information	Outreach	Admin Draft	Public Workshop	Public Hearing	Final Study	Cost Estimate	Cost to Date ⁽¹⁾
Ukiah Valley Sanitation District	In progress	Initiated	In progress	TBD	TBD	TBD	\$20,000	\$1,462
County Service Area 3	In progress	Initiated	In progress	TBD	TBD	TBD	\$10,000	\$2,516
Mendocino City CSD	In progress	In progress	In progress	TBD	TBD	TBD	\$11,250	\$391
Estimated Total							\$41,250	\$4,369

(1) The Cost to Date category accounts for all staff activities related to each study and is not limited to a specific fiscal year.



Hinman & Associates Consulting

PO Box 1251 | Cedar Ridge, CA 95924
 (916) 813-0818
 uhinman@comcast.net

Date January 26, 2020
To Mendocino LAFCo
Project Executive Officer Services
Work Period January 1 - January 26, 2020

Invoice No. 457
Invoice Total \$ 8,342.99

Account Description	Staff/Hours			Other (At Cost)	Totals
	Executive Officer \$100	Analyst \$68	Clerk \$40		
5300 Basic Services	39.50	1.25	36.00		\$ 5,475.00
RDA Oversight Board Election	3.75		1.00		\$ 415.00
5601 Office Supplies				\$ 82.99	\$ 82.99
Quickbooks Online Fee					
Office Supplies					
Postage					
6200 Bookkeeping	3.50		8.00		\$ 670.00
7000 Work Plan (MSR/SOI/Special Studies)					
MCCSD					\$ -
UVSD		6.50			\$ 442.00
CSA 3		18.50			\$ 1,258.00
8020 Weger MCHD Detachment Application					\$ -
Totals	\$ 4,675.00	\$ 1,785.00	\$ 1,800.00	\$ 82.99	\$ 8,342.99

5300 Basic Services

Office hours, administrative tasks and Clerk duties. Website updates and postings. File research. Communications with Commissioners, public inquiries, etc. File research to respond to public inquiries. January 22nd Executive Committee and February 3rd agenda packets. Provided LAFCo information to Commissioner Haschak. Completed RDA Oversight Board Special District Member nomination and election process to fill vacant seat. Meetings with City of Ukiah staff to discuss potential projects and SOI update.

6200 Bookkeeping

Prepared January claims. Entered claims into Quickbooks and prepared checks. Coordinated with Treasurer regarding claims. Reconciled Quickbooks. Coordinated with Zach Pehling and Treasurer regarding the FY 2018-19 audit.

7000 Work Plan (Sphere of Influence Updates, Municipal Service Reviews, and Special Studies)

Research and development of administrative draft MSR/SOI reports for UVSD and CSA 3.

8020 Weger MCHD Detachment Application

Uma Hinman

From: Intuit QuickBooks Team <intuit@notifications.intuit.com>
Sent: Sunday, January 19, 2020 10:11 AM
To: eo@mendolafco.org
Subject: We received your QuickBooks subscription payment!



Payment success

Executive Officer, thank you for your payment.

Invoice number:
1000136247203
Invoice date: 01/19/2020
Total: \$70.00
Payment method: VISA ending
in

Sign in to QuickBooks where you can see your billing history and view, save, and print your invoice.

[View billing history](#)

Account details

Billed to: Mendocino LAFCo
Company ID ending:
Items on this invoice: QuickBooks Online Plus

(1) For subscriptions, your payment method on file will be automatically charged monthly/annually at the then-current list price until you cancel. If you have a discount it will apply to the then-current list price until it expires. To cancel your subscription at any time, go to [Account & Settings](#) and cancel the subscription. (2) For one-time services, your payment method on file will reflect the charge in the amount referenced in this invoice. Terms, conditions, pricing, features, service, and support options are subject to change without notice.

Uma Hinman

From: Intuit 1099 Support Team <noreply@intuit.com>
Sent: Thursday, January 9, 2020 1:44 PM
To: eo@mendolafco.org
Subject: Credit Card Activity Report for Mendocino LAFCo from Intuit 1099 E-File Service

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Uma Hinman:

The following is a summary of Intuit 1099 E-File Service activity for your Visa Card account (number ending ...):

Date: 01/09/2020 Description: 1099+Service+Fee+for+2+new+forms+for+Mendocino+LAFCo Amount: \$12.99

Thank you for choosing Intuit 1099 E-File Service. We appreciate the opportunity to serve you.

Sincerely,

The Intuit 1099 E-File Service Support Team

IMPORTANT NOTICE: This notification is being sent to inform you of a critical matter concerning your current service, software or billing. Please note that if you previously opted out of receiving marketing materials from Intuit, you may continue to receive notifications similar to this communication. If you have any questions or comments about this email, please call us at (866) 729-2925. DO NOT REPLY to this email, this inbox is not monitored for replies.

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Intuit, Inc., Customer Communications 2800 E. Commerce Center Place, Tucson, AZ 85706.

Law Office of P. Scott Browne

131 South Auburn Street
Grass Valley, CA 95945
5302724250

Tax ID: 68-0348904

01-15-2020

Mendocino LAFCo
200 South School St. Ste F
Ukiah, CA 95482

Invoice Number: 373

Invoice Period: 12-16-2019 - 01-15-2020

Payment due by the 15th of next month.

RE: Mendocino LAFCo

Time Details

Date	Staff Member	Description	Hours
12-16-2019	PSB	Monthly Flat Rate of \$600.00, as agreed upon in Legal Representation Agreement	
01-06-2020	PSB	Telephone call from Martha re: CALAFCo staff workshop (Time split evenly between all LAFCo clients)	0.10
01-08-2020	PSB	Telephone call from Uma; Review and respond to emails	0.75
01-09-2020	PSB	Review email from Uma re: activities	0.25
01-13-2020	PSB	Review email from Uma re: MCHCD response	0.25
01-14-2020	PSB	Review email from Uma re: closed session; Respond; Telephone call from Uma	0.80
01-15-2020	PSB	Review and respond to email from Uma re: closed session	0.10
Total Fees			600.00

Time Summary

Staff Member	Hours
PSB	2.25

Total for this Invoice	600.00
Previous Invoice Balance	683.60
Payment - ck# 1544 on 01-13-2020	(683.60)

Current Account Balance	600.00
Trust Balance	0.00
Total Amount to Pay	600.00

Project Statement of Account

As of 01-15-2020

Project	Invoices / Credits	Trust	Balance Due
Mendocino LAFCo	600.00		600.00
	Total Amount to Pay		600.00

Mendocino LAFCo

Transactions

Date	Transaction	Applied	Invoice	Amount
12-15-2019	Previous Balance			683.60
01-13-2020	Payment Received - Reference ck# 1544			(683.60)
01-13-2020	Payment Applied	683.60	364	
01-15-2020	Invoice 373			600.00
			Balance	600.00

Open Invoices and Credits

Date	Transaction	Amount	Applied	Balance
01-15-2020	Invoice 373	600.00		600.00
			Balance	600.00

PNP CPA
13075 Oberwald Way
Truckee, CA 96161 US
zach@pehlingcpa.com

INVOICE

BILL TO
Mendocino LAFCo

INVOICE # 1008
DATE 01/11/2020
DUE DATE 01/11/2020
TERMS Due on receipt

DESCRIPTION	AMOUNT
Audit	1,625.00
<hr/> BALANCE DUE	
	\$1,625.00

LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY
FINANCIAL STATEMENTS
JUNE 30, 2019 and 2018

**LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY
FINANCIAL STATEMENTS
JUNE 30, 2018 & 2017**

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Mendocino Local Agency Formation Commission Management Discussion & Analysis of Fiscal Years Ending June 30, 2019 & 2018

1. Discussion of Basic Financial Statements

Mendocino Local Agency Formation Commission's (LAFCo) primary funding source for its annual budget is mandated by Government Code Section 56381. Section 56381 requires that the costs of LAFCo are to be paid in equal one-third shares by the agencies represented on the Commission; that is, the County pays one-third of the adopted budget, the four Cities pay one-third and the fifty Special Districts pay one-third. LAFCo does not receive its annual income directly; instead, an independent third party, the County Auditor, receives and holds the funds for LAFCo.

LAFCo's General Fund is its primary operating fund; it is used to account for most all transactions of the Commission. When application fees are received, a Project Fund will be developed for the income and expenditures associated with that particular Project.

The Commission also maintains a reserves account for holding funds for legal and operational contingencies. Commission policies specify a minimum legal reserve of \$35,000 and an operational reserve of 25% of the operational budget (Mendocino LAFCo Policy 5.1.5).

LAFCo has no other specialized funds such as enterprise funds, capital asset funds, debt payment funds, or other similar funds. Because of the size of its budget, the type of income, and the nature of the funding process mandated by Government Code Section 56381 and the keeping of the funds by the County Auditor, LAFCo has historically utilized a modified cash basis of accounting.

2. Comparative Financial Information

All services needed by LAFCo, including County services received by LAFCo, must be paid for from LAFCo's budget. This includes such services as staff, legal counsel, GIS, County surveyor, Auditor, (A-87 costs), Assessor and Recorder, engineering services, publications of legal notices, communications, website, insurance, the cost of annual audits, etc. These costs have been reflected in LAFCo's budget since Fiscal Year 2001-2002. Additionally, the costs of the Sphere of Influence/Municipal Service Review process as mandated by G.C. 56425 and 56430 have been reflected in LAFCo's budget.

For Fiscal Years 2011/2012, 2012/2013, 2013/2014 and 2014/2015 apportionment costs to the County, Cities, and Special Districts remained at \$45,000 each. For Fiscal Year 2015/2016 apportionment costs were lowered to \$41,667. In Fiscal Year 2016/2017, apportionment costs were again lowered to \$40,000 where they remained consistent for Fiscal Year 2017/2018. With excess reserves expended, apportionment costs were raised again to \$45,000 for Fiscal Year 2018/2019 so as to work back toward annual balancing of revenues and expenditures.

3. Condensed Financial Information

A summation of LAFCo's financial circumstances is provided in the below tables:

Statement of Net Position		
June 30, 2019 & 2018		
Assets	2019	2018
Cash	106,855	105,500
Accounts Receivable	611	611
Total Assets	107,466	106,111
Liabilities	11,860	9,127
Total Net Position	95,606	96,984
Statement of Activities		
June 30, 2019 & 2018		
	2019	2018
Program Expenses	144,131	157,456
Program Revenues	142,250	111,515
Net Program Income	(1,881)	(45,941)
General Revenue	502	465
Increase in Net Position	(1,380)	(45,475)
Net Position-July 1	96,984	142,460
Net Position-June 30	95,605	96,985

4. LAFCo's Overall Financial Position

The particular financial circumstances of LAFCo are different from most public agencies. LAFCo has no authority to tax, borrow or enter into capital projects. It does have the power to assess fees for applications and services provided. By law, fees can only be the actual, direct costs of providing the service, and cannot be used to fund the operating costs of LAFCo. The primary expenditures for the budget are paid by the participating agencies rather than from fees, taxes or assessments on property. LAFCo has no debt. Its primary monetary assets are its reserve funds. For Fiscal Year 2019/2018, reserve funds were as follows: General Reserves of \$90,377.

5. Analysis and Transactions of General Fund-LAFCo's Budget

Following is the adopted budget for Fiscal Year 2018/2019, which was adopted by the Commission in May 2018.

Commission's Final Budget Fiscal Year 2017/2018			
	Quick Books		Fiscal Year
Line #	Account #	Description	2018/2019
Revenue			
1	4000	LAFCo Apportionment Fees	\$ 135,000
2	4030	Application Filing Fees	-
3	4800	Miscellaneous	-
4	4910	Interest Income	120
5		Total	\$ 135,120
Use of Residual Cash			
6			
7		Total Income	\$
Expenses			
8	5300	Contract Services - Office & Staff	70,560
9	5500	Office Rent	5,360
10	5600	Office Expense	3,450
11	5700	Internet & Website Costs	1,300
12	5900	Publication & Legal Notices	2,000
13	6000	Televising Commission Meetings	3,000
14	6100	Audit Services	3,100
15	6200	Bookkeeping	4,000
16	6300	Legal Counsel	7,200
17	6400	A-87 Costs - County Services	0
18	6500	Insurance - General Liability	1,000
19	6600	Memberships (CALAFCO/CSDA)	2,300
20	6740	In-County Travel & Stipends	2,000
21	6750	Travel & Lodging	3,000
22	6800	Conferences (Registrations)	3,000
23	7000	Work Plan (MSRs and SOIs)	35,000
24	9000	Special District Training Support	500
25		Total Expenses before Application Fees	\$ 150,270
26	8000	Application Filing Fees	-
27		Total Expense	\$ 150,270
28		Fund Balance	\$ 11,186
29		General Reserves (Legal & Operational)	\$ 90,314

6. Analysis of Significant Budgetary Variations-Unspent Funds

Each year, since the beginning of the budget process under Cortese-Knox-Hertzberg (CKH), there have been unspent funds from the various line items. The Commission through its budget deliberations process has determined that money not spent in one budget year from various line items, is to be used in the next year's budget to increase reserves and as a Fund Balance Carryover to offset the forthcoming year's budget for G.C. 56425 & 56430 mandates.

Additionally, LAFCo Policies dictate maintenance of a reserve account. LAFCo Policy 5.1.5 *Reserves for Fiscal Stability, Cash Flow, and Contingencies* (Resolution No. 2018-19-06) states: *"Mendocino LAFCo will strive to maintain reserves for fiscal stability, unforeseen operating or capital needs, cash flow requirements, revenue source stability from revenue shortfalls, and unanticipated legal fees. The reserves consist of an Operating Reserve of 25 percent of the annual operating budget and a Legal Reserve of \$35,000 and are to be maintained in separate accounts."*

7. Description of Significant Capital Assets and Long-term Debt Activity

Except for a provision in CKH that allows the Board of Supervisors to lend temporary operational funds to the Commission, LAFCo has no authority to borrow or to develop capital projects. The Commission has no mortgages, leases, liens, short-term loans, long-term debt, or any other encumbrances. It owns no stocks, bonds, securities or other investments. It has no capital assets or capitalization programs. The Commission does have the authority to pursue grants to assist in its decision making, but has no grants at this time.

8. Discussion of Significant Changes in Conditions and Estimated Maintenance Expenses for Infrastructure Assets

The Commission owns no land, buildings or infrastructure. Other than normal office furniture, filing cabinets, telephone, computer, and printer, the Commission has no physical assets. Paper and electronic records or past actions and activities are maintained in the LAFCo office, and from the date of inception of LAFCo in 1963.

9. Currently Known Facts, Decisions or Conditions

There are no facts, decisions or conditions that are currently known that are expected to significantly alter LAFCo's future financial picture.

10. Additional Financial Information

This financial report is designed to provide LAFCo's participating agencies, members of the public, customers, and other interested parties with an overview of LAFCo's financial results and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact Mendocino LAFCo at 200 South School Street, Ukiah, CA 95482; 707-463-4470.



November 19, 2019

Mendocino LAFCO

Ukiah, CA

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Mendocino LAFCO as of and for the year-ended June 30, 2019, as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

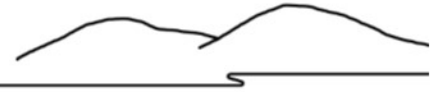
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America applicable to financial audits contained in Governmental Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that our audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mendocino LAFCO as of June 30, 2019, and the respective changes in financial position, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis information and Budget VS. Actual comparison be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with managements responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurances on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide an assurance.

Zach Pehling, CPA’s

LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY
STATEMENT OF NET POSITION
& GOVERNMENTAL FUNDS BALANCE SHEET
AS OF JUNE 30, 2019 & 2018

	Statement of Net Position			Statement of Net Position		
	General Fund	Adjustments Note 3	2019	General Fund	Adjustments Note 3	2018
<u>Assets</u>						
Cash - Note 2	\$ 106,855	\$ -	\$ 106,855	\$ 105,500	\$ -	\$ 105,500
Accounts Receivable	611	-	611	611	-	611
Total Assets	\$ 107,466	\$ -	\$ 107,466	\$ 106,111	\$ -	\$ 106,111
<u>Liabilities</u>						
Accounts Payable	10,328	-	10,328	7,594	-	7,594
Fees Received in Advance	1,533	-	1,533	1,533	-	1,533
Total Liabilities	\$ 11,861	\$ -	\$ 11,861	\$ 9,127	\$ -	\$ 9,127
<u>Fund Balance/Net Position</u>						
Fund Balances						
Reserved for Legal	35,000	(35,000)	-	50,000	(50,000)	-
Reserved for Operating Reserve	55,377	(55,377)	-	40,226	(40,226)	-
Unassigned	5,228	(5,228)	-	6,758	(6,758)	-
Total Fund Balance	\$ 95,605	\$ (95,605)	\$ -	\$ 96,984	\$ (96,984)	\$ -
Total Liabilities & Fund Balances	\$ 107,466	\$ (95,605)	\$ -	\$ 106,111	\$ (96,984)	\$ -
<u>Net Position</u>						
Unrestricted		\$ 95,605	\$ 95,605		\$ 96,984	\$ 96,984
Total Net Position		\$ 95,605	\$ 95,605		\$ 96,984	\$ 96,984

LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2019 & 2018

	2019	2018
<u>General Government - Planning</u>		
Insurance-General	\$ 1,076	\$ 894
Memberships	2,302	1,299
Audit Fees	3,100	3,100
Internet and Website Costs	1,153	25
Legal Counsel	7,218	7,200
Architect, Engineering and Planning Services	-	-
Professional Services	101,530	114,910
Rent	5,410	5,255
Office Expenses	1,603	1,955
Publication and Legal Notices	1,181	924
County Support Services (GIS)	2,767	3,272
Televising Commissioner Meetings	1,817	1,772
Bookkeeping-Financial	3,522	4,443
Professional Fees-Applications	2,017	1,500
Transportation and Travel Out of County	4,218	2,014
In-County Travel & Stipends	2,477	1,580
Miscellaneous Expense	2,740	7,313
Special District Training Support	-	-
	\$ 144,131	\$ 157,456
 <u>Program Revenues</u>		
Assessments	135,000	110,000
Application Fees & Reimbursements	7,250	1,515
	\$ 142,250	\$ 111,515
 Net Program Income	\$ (1,881)	\$ (45,941)
 <u>General Revenues</u>		
Interest Earnings	502	465
	\$ 502	\$ 465
 Increase in Net Position	\$ (1,380)	\$ (45,475)
 Net Position - July 1,	(45,475)	-
 Net Position - June 30,	\$ (46,855)	\$ (45,475)

The accompanying notes are an integral part of these financial statements.

Mendocino Local Agency Formation Commission
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2019 & 2018

Note 1 – Summary of Significant Accounting Policies

Organization

The Mendocino Local Agency Formation Commission's (LAFCo) primary operates under the rules and requirements of the Cortese-Knox-Hertzberg Local Government Act of 2000. This act is commonly referred to as C-K-H or AB 2838. This act is found in the Government Code beginning with Section 56000. However, this part of the Government Code does not comprise of all the requirements of laws that LAFCo must meet. Other elements of the law such as the Public Resources Code, Guidelines to California Environmental Quality Act (CEQA), Revenue and Taxation Code, Election Code, Brown Act, case decisions, state and local policies and the policies and procedures of LAFCo also affect the decision making responsibilities of LAFCo. However, the primary controlling authority of LAFCo is the Government Code beginning with Section 56000 and LAFCo's policies which implement the law.

Accounting Policies

The Commission's accounting and reporting policies conform to the generally accepted accounting principles as applicable to state and local governments. The following is a summary of the more significant policies.

Basis of Presentation

The Statement of Net Position and Statement of Activities display information about the reporting of the Commission as a whole.

The Commission is comprised of only one fund, the General Fund. The General Fund is the primary operating fund of the Commission and is always classified as a major fund. It is used to account for all activities. The Commission maintains two bank accounts to manage the Fund: a checking account with Savings Bank of Mendocino County and a reserves account with Westamerica Bank in Ukiah, CA. The reserves are set aside for legal and operational contingencies; policies are established for both.

Basis of Accounting

Statement of Net Position and Statement of Activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, asset and liabilities resulting from an exchange are recognized when the exchange takes place.

When an expense is incurred for the purpose for which both restricted and unrestricted net assets are available, the Commission's policy is to apply restricted net assets first.

In the General Fund Financial Statements, government funds are presented on the modified accrual basis of accounting. Under this method, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectable within the current period or within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recorded when due.

When an expense is incurred for the purpose for which either committed, assigned or unassigned net assets are available, the Commission's policy is to apply committed or assigned net asset first.

Budget

The Commission is required to adopt an annual budget for the Commission's general operations each fiscal year. The annual budget for the general fund is prepared in accordance with the basis of accounting utilized by the Commission. The budget is amended from time-to-time as needed and is approved by the Commissioners with each amendment.

Deposits and Investments

It is the Commission's policy for deposits and investments to either be insured by the FDIC or collateralized. The Commission's deposits and investments are categorized to give an indication of the level of risk assumed by the Commission as of June 30, 2019 and 2018. The categories are described as follows:

- Category 1 Insured, registered or collateralized, with securities held by the entity or its agent in the entity's name.

- Category 2 Uninsured and unregistered or collateralized, with securities held by the counter party's trust department or agent in the entity's name.

- Category 3 Uninsured and unregistered, or uncollateralized, with securities held by the counter party, or its trust department or agent but not held in the entity's name.

Deposits and Investments as of June 30, 2019 and 2018 consist of Category 1 type only.

State law requires uninsured deposits of public agencies to be secured by certain state approved investment securities. The Commission's deposits are secured as part of an undivided collateral pool covering all public deposits with the financial institution. The market value of the pool must be equal to at least 110% of the total public deposits held by the financial institutions.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets

and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Risk Management

The Commission is exposed to various risks of loss related to torts, theft to, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Commission carries insurance for all risks. Settled claims resulting from these risks have not exceeded insurance coverages in the past three years.

Equity Classifications – Government-wide Statements

Equity is classified as net position and displayed as follows:

- a. Invested in capital assets, net of related debt – consists of capital assets net of accumulated depreciation and reduced by outstanding liabilities used for acquisition, construction or improvement of these assets.
- b. Unrestricted net position – All other net assets that do not meet the definition of “Investment in capital assets, net of unrelated debt”.

Equity Classifications – Fund Statements

Government fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned or unassigned.

Note 2 – Cash

The Commission maintains an account with Savings Bank of Mendocino County used for issuing checks for the payment of general operating expenses. The County of Mendocino collects the Apportionment Fees from the County, Cities and Special Districts and holds those funds in an account with the County Auditor. When sufficient funds are collected (Apportionment Fees), LAFCo will then transfer funds into the checking account at Savings Bank of Mendocino County. Cash on deposit in the County of Mendocino’s treasury is a pooled money investment account similar to a money market account. The funds deposited with the County, until transferred, are invested in accordance with Sections 53601 and 53635 of the California Government Code that specify the authorized investments that an investment pool can purchase.

The County’s investment policy as of July 7, 1997 prohibits the following: reverse repurchase agreements, collateralized mortgage securities, futures or options, lend securities or security with a stated or potential maturity longer than five years. Interest earnings recorded by the Commission for these funds for the fiscal year ended June 30, 2019 and 2018 were \$502 and \$465, respectively. The County of Mendocino issues a separate comprehensive annual financial report. Copies of the County of Mendocino’s annual financial report may be obtained from the County of Mendocino’s Auditor-Controller’s office, 501 Low Gap Road, Room 1080, Ukiah, CA 95482.

The Commission's deposits with County Treasury have a risk category of "uncategorized" which represents investments in pools where the Commission's investments are not evidenced by specific identifiable securities.

The Commission also maintains an account with Westamerica Bank used for holding reserve funds for legal and operational contingencies. Commission policies specify a minimum legal reserve of \$35,000 and an operational reserve of 25% of the operational budget.

Note 3 – Reconciliation to Statement of Net Position

There are no differences in the amounts reported for government activities in the Statement of Net Position.

Note 4 – Accounts Receivable

On an accrual basis, Revenues are recognized in the fiscal year in which the services are billed.

Note 5 – Accounts Payable

On an accrual basis, expenses are recognized in the fiscal year in which the goods or services are received.

Note 6 – Fees Received in Advance

On an accrual basis, Revenues are recognized in the fiscal year in which the services are provided. Some fees are received by the Commission in advance of performing the requested services and are therefore carried as a liability until the work has been completed and the revenues earned.

Note 7 – Joint Powers Agreement

The Commission participates in a joint venture under a joint agreement (JPA) with the Special District Risk Management Authority (SDRMA). The relationship between the Commission and the JPA is such that is not a component unit of the Commission and the JPA is not a component unit of the Commission for financial reporting purposes.

The JPA's purpose is to jointly fund and develop programs to provide comprehensive and economical funding of property, workers compensation and employers liability coverage's for bodily injury by accident or by disease, including resulting from death, arising out of and in the course of an employee's employment with the Commission. This program is provided through collective self-insurance; the purchase of insurance coverage's; or a combination thereof. Copies of SDRMA annual financial reports may be obtained from their executive office at 1112 I Street #300, Sacramento, CA 95814.

Note 8 – Risk Management

The Commission is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets, errors and omissions; injuries to employees; and natural disasters. During 2018/2019 the

Commission contracted insurance for liability, property, crime damage, and employee and director insurance.

Note 9 – Contingencies

As of June 30, 2019, the Commission did not have any pending litigation or potential nondisclosed liabilities that management believes would have a material effect on the financial statements.

Note 10 – Subsequent Events

Subsequent events are those events or transactions that occur subsequent to the effective date of the financial statements, but prior to the issuance of the final reports, which may have a material effect on the financial statement or disclosures therein.

There are no subsequent events that have occurred that meet the above definition.

SUPPLEMENTAL INFORMATION

LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY
BUDGETARY COMPARISONS SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted	Amounts	Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Beginning Budgetary Fund Balance	\$ 96,984	\$ 96,984	\$ 96,984	\$ -
Resources (Inflows)				
Assessments	\$ 135,000	\$ 135,000	\$ 135,000	-
Fees & Reimbursements	-	-	7,250	7,250
Miscellaneous	-	-	-	-
Interest Earnings	120	120	502	382
Total Resources	\$ 135,120	\$ 135,120	\$ 142,752	7,632
Charges (Outflows)				
Insurance-General	1,000	1,000	1,076	(76)
Memberships	2,300	2,300	2,302	(2)
Audit Services	3,100	3,100	3,100	-
Bookkeeping	4,000	4,000	3,522	478
Internet and Website Costs	1,300	1,300	1,153	147
Legal Counsel	7,200	7,200	7,218	(18)
Basic Services (Contract)	70,560	70,560	72,017	(1,457)
Office Rent	5,360	5,360	5,410	(50)
Office Expenses	3,450	3,450	1,603	1,847
Publication & Legal Notices	2,000	2,000	1,181	819
Televising Commission Meetings	3,000	3,000	1,817	1,183
A-87 Costs-County Services	-	-	-	-
In-County Travel & Stipends	2,000	2,000	2,477	(477)
Travel & Lodging	3,000	3,000	4,218	(1,218)
Conferences (Registrations)	3,000	3,000	2,600	400
Work Plan (MSR and SOI)	35,000	35,000	29,514	5,487
Contract Services-GIS Services	3,500	3,500	2,767	733
Misc Expenses (Special District Training Support, bank Applications	500	500	140	360
	-	-	2,017	
Total Charges	\$ 150,270	\$ 150,270	\$ 144,131	\$ 8,156
Ending Budgetary Net Position	\$ 81,834	\$ 81,834	\$ 95,605	

The accompanying notes are an integral part of these financial statements.

MENDOCINO
Local Agency Formation Commission
Staff Report

DATE: February 3, 2020
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: Legal Counsel Contract Amendment

STAFF RECOMMENDATION

The Commission consider the Executive Committee’s recommendation and:

- a) Approve the proposed contract Amendment No. 2 with P. Scott Browne, Attorney at Law, and direct the Chair to sign the contract; or
- b) Provide direction to staff.

BACKGROUND

Special projects may occasionally be designated by the Commission for complex projects that require increased staff participation. Similar to a Pre-Application Review request, the Mendocino LAFCo Fee Schedule includes a special studies fee, to be reimbursed at cost by the agency/entity identified.

Attorney P. Scott Browne’s office has proposed an amendment (Amendment No. 2) to its August 2014 contract with Mendocino LAFCo to include a clause providing for reimbursement at cost for Commission designated “special projects.” The proposed contract amendment includes the following revised language under the “Compensation” section of the contract:

Client further agrees that where the Commission has designated a project as a “Special Project” and approved staff work on a special project or program for additional compensation, Attorney may bill for his work on the special project, in addition to the regular monthly payment. Such billing shall be at the rate of \$250 per hour. Such hourly rate for Special Projects may be adjusted from time to time with Commission approval. Such special project billing by Attorney shall be subject to the approval for payment by the Executive Officer, Chair of the Commission and/or the Commission, as they shall determine.

The amendment will provide a means for Legal Counsel involvement in special projects without impacting the current contract and associated budget.

Attachment: Proposed Contract Amendment

**MENDOCINO LOCAL AGENCY FORMATION COMMISSION
LEGAL REPRESENTATION AGREEMENT**

AMENDMENT NO. 2

This Amendment, dated as of February 3, 2020, is by and between the Mendocino Local Agency Formation Commission, hereinafter referred to as "COMMISSION", and P. Scott Browne, Attorney at Law (hereinafter, "CONTRACTOR").

WITNESSETH

WHEREAS, pursuant to Government Code Section 56375(k) COMMISSION may contract for professional or consulting services; and,

WHEREAS, COMMISSION entered into contract for professional services with CONTRACTOR on August 6, 2014 to provide general legal advice to the COMMISSION and to represent the COMMISSION in connection with litigation and administrative proceedings; and

WHEREAS, CONTRACTOR has requested an amendment to the August 6, 2014 Legal Representation contract; and

WHEREAS, CONTRACTOR agrees to the following amendment to Compensation as were contained in the Legal Representation Agreement dated August 6, 2014.

Add the following language to Section 1 – A COMPENSATION::

Client further agrees that where the Commission has designated a project as a "Special Project" and approved staff work on a special project or program for additional compensation, Attorney may bill for his work on the special project, in addition to the regular monthly payment. Such billing shall be at the rate of \$250 per hour. Such hourly rate for Special Projects may be adjusted from time to time with Commission approval. Such special project billing by Attorney shall be subject to the approval for payment by the Executive Officer, Chair of the Commission and/or the Commission, as they shall determine.

Except as specifically set forth herein, all remaining terms and conditions of the Legal Representation Agreement dated August 6, 2014 as amended, shall remain in full force and effect.

NOW, THEREFORE it is agreed that COMMISSION does hereby amend the Agreement with CONTRACTOR as listed above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

LAFCo

CONTRACTOR

Chairperson

P. Scott Browne, Contractor

MENDOCINO
Local Agency Formation Commission
Staff Report

DATE: February 3, 2020
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Sustainable Agricultural Lands Program Grant**

RECOMMENDATION

Informational.

BACKGROUND

Together with the Committee partners, the County of Mendocino Department of Agriculture submitted a grant proposal for the Mendocino County Sustainable Agricultural Lands Conservation Program in September 2019, requesting a total of \$208,600. The project, which has been approved for award, will facilitate the implementation of the strategies identified in the Mendocino County Sustainable Agricultural Lands Strategy 2017 (Ag Lands Strategy). The goal of the Ag Lands Strategy is to protect agricultural lands from conversion to non-agricultural uses, create a sustainable and resilient agricultural community, and promote climate beneficial farming practices. The grant project will assist the County of Mendocino and its project partners in achieving this goal by moving forward with key action items recommended in the Ag Lands Strategy and by building community support for a growth management program that acknowledges the value of important agricultural land and includes reasonable urban growth boundaries.

Project objectives include:

- 1) Develop an agricultural component for a Mendocino County Climate Action Plan.
- 2) Expand the Carbon Farm Planning Program and local Soil Health Initiative.
- 3) Increase participation in Williamson Act and Conservation Easement programs.
- 4) Increase communication with diverse stakeholders regarding Ag Land Strategy objectives.

The Mendocino County Sustainable Agricultural Lands Conservation (SALC) Program Grant aligns with two of LAFCo's primary objectives: preservation of agricultural lands and open spaces, and the promotion of orderly growth and discouragement of urban sprawl. LAFCo is required to address these issues when updating or amending spheres of influence and for annexations into cities or municipal service districts. Participation would be beneficial in implementing LAFCo's *Agricultural and Open Space Land* policies, and proactive in preparing for development pressures within the County, particularly the Ukiah Valley.

LAFCo's Role

LAFCo's primary role in the SALC grant project will be as follows (additional detail in the attachments):

- Lead for Objective 4: Increase communication with stakeholders regarding the coalescence of agricultural land conservation and sustainable housing development
- Attend monthly MCSALC meetings (Task 12)
- Organize and convene stakeholder meetings to explain Ag. Lands Strategy and participate in meetings discussing zoning and housing (Task 13)
- Distribute project-related educational materials (Task 16)

LAFCo's budget for the tasks is \$14,200 over two years. Of that total, \$4,000 is a match funding requirement of in-kind services, which will be accounted for through tracking of staff time on typical tasks that have a related component. For example, planning efforts in the Ukiah Valley that are related to spheres of influence and agricultural lands, review of applications that affect agricultural lands, etc.

Project Status

The project is one of six statewide planning projects that was approved for award in December 2019. The Mendocino SALC grant team met in mid-January to discuss the grant project, main tasks and assignments. Next steps will be to establish the grant agreement and initiate the two-year project.

Attachments: 1) Stakeholder Actions and Tasks Summary Table
2) Mendocino SALC Work Plan

MENDOCINO Local Agency Formation Commission Staff Report

DATE: February 3, 2020
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Mid-Year Budget Review for FY 2019-20**

RECOMMENDATION

Receive and file report.

MID-YEAR BUDGET REVIEW

Mid-year budget reviews are intended to review expenses and revenues half-way through a budget year to help determine if any adjustments need to be made in order to keep within an adopted budget. This budget review will also assist staff in developing the next fiscal year budget and provide information to the member agencies regarding the likely cost of their contribution to LAFCo for their next budget year (2020-21), which many of the jurisdictions will start work on shortly. The budget status does not indicate any shortfalls and no adjustments are recommended at this time.

The FY 2018-19 draft audit has been prepared by Zach Pehling, CPA. Staff and the Treasurer have reviewed the draft audit and it has been included in the February 3rd Regular Commission meeting agenda packet.

Overview of Mid-Year Budget

The mid-year budget review is an opportunity to review itemized operating expenses and make adjustments as necessary. Staff has prepared the attached multi-year budget comparison. Notes to the budget review to date:

- As shown in Attachment 1, the Commission adopted a FY 2018/19 budget of \$160,248. The following table summarizes the adopted budget, the current expenditure totals and percent of budget expended as of December 31, 2019. The Work Plan includes three MSR/SOI reports. Subconsultants are assisting with two of the reports. The other report is being prepared by staff. The bulk of the Work Plan will be conducted over the next five months.

Mid-Year Expense Summary	Adopted	Mid-Year Total	% of total
Staffing Total	72,060	32,986	46
Services and Supplies Total	46,938	20,794	44
Work Plan Total	41,250	3,417	8
Expense Total	160,248	57,197	36

- Revenues received to date include \$134,550 in apportionment fees. Revenues projected for this budget included apportionment and funds as follows:
 - \$45,000 each for Cities/County/Special Districts; a total of \$135,000
 - \$25,248 from reserves

3. Expenses as of December 31, 2019 were \$57,197, generally related to Basic Services/Staffing and office operations.
 - Basic Services/Staffing
 - Approximately 92% remaining in Work Plan budget to complete 3 MSR/SOI Updates
4. Reserves are at \$90,400 as of December 31, 2019.
 - \$35,000 for legal reserves; consistent with policy
 - \$55,400 for operational reserves; policy dictates 25% of operational budget (\$40,062)

Work Plan Status

Staff time to date on MSR/SOI updates has largely focused on coordinating with affected agencies to assure that information presented to the Commission accurately reflects the agency’s services and functions, and also contains an appropriate level of detail/analysis to make the required determinations. Addressing these issues ensures that LAFCo records for each agency are organized and correct with miscellaneous issues identified and addressed. Staff has continued to focus on establishing and/or updating spheres of influence (SOIs) per Cortese-Knox-Hertzberg statutes.

Difficulties in keeping the work plan progressing on schedule has primarily been related to application workload, which are prioritized. Staff has solicited information from each of the agencies identified for FY 2019-20 and continues to outreach to agencies and work to keep the Work Plan moving forward.

Progress on the Work Plan is summarized below.

Remaining Work Plan Tasks 2019-20	Budget	Status (% complete)
Mendocino City CSD	10,000	65
Community Service Area 3	10,000	15
Ukiah Valley Sanitation District	21,250	10

The Mendocino City CSD is progressing well. Hinman & Associates Consulting, Inc. has contracted with a subconsultant to prepare the administrative draft, which we anticipate receiving in early February. We will review the administrative draft with the District shortly thereafter, and hope to have a public workshop in March or April, depending on District needs.

Community Service Area 3 is also in progress. Staff is researching and preparing the administrative draft. Staff has reached out to the County Counsel’s office to obtain additional background information for the report.

The Ukiah Valley Sanitation District report is in the research phase. Hinman & Associates Consulting, Inc. is in the process of contracting with a subconsultant to assist with preparation of the report. A request for information was sent to the District in early December; no response has been received as of yet.

Staffing efforts in first half of FY 2019-20

The first part of this FY has been busy with responding to inquiries and researching issues brought forward by special districts and landowners. Additionally, in December LAFCo was notified of a special district vacancy on the Countywide Redevelopment Agency Oversight Committee, for which a nomination and selection process was undertaken and completed in January 2020.

- RDA Oversight Committee Special District Selection – mandated, unfunded
- Weger Detachment from the Mendocino Coast Health Care District
- Coordination with the City of Ukiah regarding its General Plan Update and Sphere of Influence
- Millview County Water District/Masonite property annexation discussions
- Sustainable Agricultural Lands Committee meetings and grant proposal participation

Anticipated Tasks for Remainder of FY 2019-20

- Work Plan completion
- Weger application for detachment from the Mendocino Coast Health Care District
- Moores application for annexation to the Irish Beach Water District
- Continued participation in the City of Ukiah General Plan update, Sphere discussions, and proposals
- Sustainable Agricultural Lands Committee meetings and grant proposal participation

Attachments: Adopted FY 2019-20
Mid-Year Budget Review Spreadsheet

Mendocino Local Agency Formation Commission
Final Budget FY 2019-2020
Resolution No. 18-19-09

ACCOUNT #	DESCRIPTION	FY 2018-19 Adopted	FY 2019-20 Adopted
REVENUE			
	<i>Anticipated Cash Balance</i>		\$ -
4000	LAFCO Apportionment Fees	\$ 135,000	\$ 135,000
4100	Service Charges		
4800	Miscellaneous		
4910	Interest Income	\$ 120	\$ 350
	Revenue Total	\$ 135,120	\$ 135,350
EXPENSES			
5300	Basic Services	\$ 70,560	\$ 72,060
5500	Rent	\$ 5,360	\$ 5,460
5600	Office Expenses	\$ 3,450	\$ 2,700
5700	Internet & Website Costs	\$ 1,300	\$ 1,300
5900	Publication and Legal Notices	\$ 2,000	\$ 2,000
6000	Televising Meetings	\$ 3,000	\$ 3,000
6100	Audit Services	\$ 3,100	\$ 3,500
6200	Bookkeeping	\$ 4,000	\$ 4,500
6300	Legal Counsel	\$ 7,200	\$ 7,200
6400	A-87 Costs County Services	\$ -	\$ 428
6500	Insurance-General Liability	\$ 1,000	\$ 1,100
6600	Memberships (CALAFCO/CSDA)	\$ 2,300	\$ 2,750
6670	GIS Contract with County (Counsel training, IT support)	\$ 3,500	\$ 2,500
6740	In-County Travel & Stipends	\$ 2,000	\$ 4,000
6750	Travel & Lodging Expense	\$ 3,000	\$ 3,500
6800	Conferences (Registrations)	\$ 3,000	\$ 3,000
7000	Work Plan (MSRs and SOIs)	\$ 35,000	\$ 41,250
9000	Special District Training Support	\$ 500	
	Operating Expense Total	\$ 150,270	\$ 160,248
	REVENUE/EXPENSE DIFFERENCE	\$ (15,150)	\$ (24,898)
	<i>(Negative balance indicates use of fund balance and/or reserves)</i>		
	Reserves Total		\$ 90,361
	<i>(As of April 2019)</i>		

Acct #	Task	FY 19-20 Budget	Year to Date	Remaining Budget	% of Budget Expended
EXPENSES					
5300	Basic Services - EO/Analyst/Clerk	\$72,060	\$32,986.00	\$39,074.00	46%
	Unfunded Mandates (RDA Oversight)	\$0			
5500	Rent	\$5,460	\$2,739.00	\$2,721.00	50%
5600	Office Expenses	\$2,700	\$864.21	\$1,835.79	32%
5700	Internet & Website Costs	\$1,300	\$1,152.52	\$147.48	89%
5900	Publication & Legal Notices	\$2,000	\$1,132.95	\$867.05	57%
6000	Televising Meetings	\$3,000	\$457.71	\$2,542.29	15%
6100	Audit Services	\$3,500	\$1,625.00	\$1,875.00	46%
6200	Bookkeeping	\$4,500	\$2,210.00	\$2,290.00	49%
6300	Legal Counsel (S Browne)	\$7,200	\$3,600.00	\$3,600.00	50%
6400	A-87 Costs County Services	\$428	\$0.00	\$428.00	0%
6500	Insurance - General Liability	\$1,100	\$0.00	\$1,100.00	0%
6600	Memberships (CALAFCO/CSDA)	\$2,750	\$2,521.00	\$229.00	92%
6670	GIS Contract with County	\$2,500	\$77.13	\$2,422.87	3%
6740	In-County Travel & Stipends	\$4,000	\$1,282.43	\$2,717.57	32%
6750	Travel & Lodging Expenses	\$3,500	\$1,052.03	\$2,447.97	30%
6800	Conferences (Registrations)	\$3,000	\$2,080.00	\$920.00	69%
7000	Work Plan (MSRs and SOIs)	\$41,250	\$3,417.00	\$37,833.00	8%
Monthly/ Year to Date Totals		\$160,248.00	\$57,196.98	\$103,051.02	36%

MENDOCINO
Local Agency Formation Commission
Staff Report

DATE: February 3, 2020
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Redevelopment Agency Oversight Board Special District Selection**

RECOMMENDATION

Receive report and file.

BACKGROUND

On July 1, 2018, more than 400 Redevelopment Agency (RDA) Oversight Boards were consolidated into one per county (and five in Los Angeles County). Each county's Independent Special Districts Selection Committee is granted the authority to appoint one special district representative to that county's respective RDA Oversight Board. In December 2019, LAFCo staff received a notice from the County of Mendocino of the special district member vacancy.

The LAFCo Executive Officer is responsible for calling and giving written notice of meetings of the Independent Special District Selection Committee, at which a representative may be appointed to the Countywide RDA Oversight Board. (Government Code Section 56332(b)). As in Mendocino LAFCo's case, if the Independent Special District Selection Committee has determined to conduct the Committee's business by mail or if the Executive Officer determines that a meeting of the Special District Selection Committee is not feasible, the Executive Officer shall conduct the business of the Committee by mail per Government Code Section 56332(f).

Special district eligibility is outlined in Health and Safety Code Section 34179(j)(3), which stipulates that a representative from a special district that receives property tax residual from the Redevelopment Property Tax Trust Fund (RPTTF) should be appointed. Twelve special districts are eligible under the criteria:

- Calpella County Water District
- Cemetery District of the Redwoods
- Fort Bragg Rural Fire Protection District
- Little Lake Fire Protection District
- Mendocino Coast Health Care District
- Mendocino Coast Recreation District
- Noyo Harbor District
- Redwood Valley-Calpella Fire District
- Russian River Cemetery District
- Russian River Flood Control and Water Conservation Improvement District
- Ukiah Valley Fire Protection District
- Ukiah Valley Sanitation District

Staff mailed an announcement letter and nomination packet to each of the eligible districts via certified mail on December 10, 2019. The deadline for nominations was January 14, 2020; one nomination was received for the regular seat. Per the code, in the event only one nomination is received, that nominee is automatically selected and no election process is required. The special district representative to the Countywide RDA Oversight Board is Mr. Pete Bushby, Ukiah Valley Fire Protection District.

Attachment: Announcement of RDA Oversight Board Special District Representative Selection

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolafo.org | Web: www.mendolafo.org

COMMISSIONERS

Carre Brown, Chair
County Board of Supervisors

Tony Orth, Vice Chair
Brooktrails Township CSD

Gerald Ward, Treasurer
Public Member

Gerardo Gonzalez
Willits City Council

John Huff
Mendocino Coast Recreation
and Park District

Scott Ignacio
Point Arena City Council

John McCowen
County Board of Supervisors

Jenifer Bazzani, Alternate
Ukiah Valley Fire District

Will Lee, Alternate
Fort Bragg City Council

Richard Weinkle, Alternate
Public Member

John Haschak, Alternate
County Board of Supervisors

STAFF

Executive Officer
Uma Hinman

Analyst
Larkyn Feiler

Commission Clerk
Kristen Meadows

Counsel
Scott Browne

REGULAR MEETINGS

First Monday of each month
at 9:00 AM in the
Mendocino County
Board of Supervisors
Chambers
501 Low Gap Road, Ukiah

January 17, 2020

To: Eligible Special Districts of Mendocino County
From: Uma Hinman, Executive Officer

Subject: RESULTS – Countywide Redevelopment Agency Oversight Board Selection of Special District Representative

A request for nominations was sent to eligible independent special districts on December 10, 2019, which provided the opportunity to nominate candidates to fill a regular special district member seat on the consolidated Countywide Redevelopment Agency (RDA) Oversight Board. The nomination period ended on January 14, 2020. One nomination was received: Pete Bushby, Ukiah Valley Fire Protection District. Pursuant to Government Code Section 56332(c)(2), the candidate is deemed appointed and no election is necessary.

Mr. Bushby will be seated on Countywide RDA Oversight Board at an upcoming meeting, to be determined.

Please contact LAFCo at (707) 463-4470 if you have questions regarding the Special District Representative selection process. You may contact Lloyd Weer, Mendocino County Auditor-Controller, at (707) 234-6860 with questions regarding the Countywide RDA Oversight Board.

MENDOCINO Local Agency Formation Commission

Staff Report

MEETING February 3, 2020
TO Mendocino Local Agency Formation Commission
FROM Uma Hinman, Executive Officer
SUBJECT **Status of Applications, Proposals, and Work Plan**

RECOMMENDATION

Informational report.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCos) with regulatory and planning duties to coordinate the logical formation and development of local government agencies. This includes approving or disapproving proposals for reorganizations (i.e., annexations, detachments, dissolutions, etc.), activation of latent powers, sphere of influence amendments, and outside service agreements.

APPLICATIONS

Following is a summary of active and future proposals.

Active Proposals

There are currently two (2) active proposals.

Weger Mendocino Coast Health Care District Detachment Application Review

Ms. Weger submitted an application for detachment by petition of landowners of approximately 35,983 acres making up the eastern portion of the Mendocino Coast Health Care District. Public hearings were held on October 7, 2019 and December 2, 2019, and continued to March 2, 2020 for the County to complete the Revenue and Tax Code Section 99 requirements.

Moore's Annexation to Irish Beach Water District (IBWD)

The application to annex a parcel of approximately 16.8 acres directly north of the IBWD into the District has been on-hold since 2015 pending completion of a concurrent processing of a Local Coastal Plan (LCP) amendment and rezone. The amendment/rezone was denied by the Mendocino County Board of Supervisors in March 2019. However, a new LCP amendment and rezone was submitted to the County by the applicant in late 2019. In April staff sent a letter (dated April 16, 2019) to Mr. Moore's requesting a revised description of the project (based on the denial of the LCP amendment) and a payment to cover the outstanding balance of \$610 as well as a deposit to initiate the application. The applicant has submitted a deposit.

Applications On-Hold

There is currently one (1) application on hold. Any updates available are noted below in addition to the date of last activity.

City of Ukiah Detachment of Ukiah Valley Sanitation District (UVSD) Served Areas

The application by the City of Ukiah to detach UVSD served areas from the City was deemed incomplete in December 2014. The City has requested the application remain on hold; there remains a balance of \$1,532 held in LAFCo's account.

Future Proposals

Following is a summary of potential new proposals to the Commission in the near future:

Anderson Valley CSD Proposed Activation of Latent Powers to Provide Water/Sewer Services

The Anderson Valley CSD has obtained two state planning grants to prepare a feasibility study and CEQA review for wastewater and water treatment plants and infrastructure to serve the community area of Boonville. Public workshops and a CEQA document are in process. The AVCSO has provided periodic updates to LAFCo staff.

Millview County Water District Proposed Annexation of Masonite Properties

A Pre-Application Review for the proposed annexation of the Masonite properties into the Millview County Water District (MCWD) was completed in September 2017. An application for the annexation is anticipated in the coming months.

WORK PLAN

Local policy directs the Commission to annually adopt a Work Plan for purposes of providing a comprehensive overview of municipal service reviews and sphere of influence reports over the course of the fiscal year. This report provides an update on progress made in terms of accomplishing the activities scheduled in the Work Plan. This report also serves to inform the Commission of any changes in circumstances or priorities.

Fiscal Year 2019-20 Work Plan

County Service Area (CSA) No. 3

Staff has initiated the project with County staff and started collecting documentation for the CSA 3 MSR/SOI report. The Administrative Draft is in process. This will be the first MSR/SOI report for the CSA.

Mendocino City Community Services District

The District has responded to the Request for Information (RFI) and the Administrative Draft MSR/SOI is in process. We anticipate an Administrative Draft by mid-February.

Ukiah Valley Sanitation District (UVSD)

The Request for Information (RFI) has been sent to the District and staff is collecting documentation for the MSR/SOI report. The Administrative Draft MSR/SOI is in process.

BOARD OF DIRECTORS MEETING STAFF REPORT

13 December, 2019

Agenda Item No. 12 2019 CALAFCO Survey Results

Prepared By: Martha Poyatos, Deputy Executive Officer

Date: 13 December, 2019

RECOMMENDATION

1. Receive and file report.

DISCUSSION

The CALAFCO membership indicated some time ago an interest in surveying its membership concerning basic operational and organizational data. Topics of interest included: commission structure, staffing and compensation, budgets, facilities, legal counsel representation, individual county demographics, project work load, and number of agencies regulated, among others.

Since then, five surveys have been conducted in 2006, 2009, 2012, 2015 and 2019. Initial surveys were designed with Microsoft Excel and required each member LAFCo to fill in the blanks with their agency specific data. These early surveys were labor intensive and resulted in much subjectivity and varying degrees of data being provided making it difficult to easily compare data. In 2015 we changed the approach to the survey in order to garner greater participation. The survey was changed to use Survey Monkey, offer a range of answers and a limited number of questions. Over the past few years we have polled LAFCo staff to determine what data is important to them and the 2019 survey was designed with that feedback. Our approach seems to work as the 2015 and 2019 surveys netted significantly higher responses.

It's worth noting that the traditional biennial survey was not conducted in 2017. Instead we used that time to gather critical data for the pursuit of LAFCo funding and to support our testimony to the Little Hoover Commission.

The 2019 CALAFCO Survey, with responses from 53 LAFCos, is attached for review. Below is a summary of the survey followed by some observations from CALAFCO Staff:

Staffing/Independence

1. Twenty (20) years after LAFCo's gained the right to be independent agencies, staffing is a substantially mixed bag: LAFCo as direct employees (36%), county employees (23%), contract employees (30%) and hybrid (11%).
2. Over 39% of the 53 LAFCos that responded noted that staff is hired directly by the LAFCo. Thirty (30) LAFCos (over 56% of respondents) indicated they operate with full independence (although not hired directly by the commission), taking direction only from the commission.

The remaining 2 LAFCOs (under 4%) noted being partially or fully directed by another agency, presumably their home county.

3. 83% of LAFCO's have fewer than 4 staff, 38% less than 2 staff.
4. LAFCO's remain split 50/50 on special district representation.
5. A large percentage (62%) of LAFCO's contract with private legal counsel while 38% have legal counsel provided by other means (i.e.: via contract with another agency).

Budgets

6. 52% of LAFCO's have a budget greater than \$400,000, but 14% remain under \$50,000.
7. 63% of LAFCO's indicate their budget allows them to meet statutory functions, however, 37% cannot meet all statutory functions with the budget provided.
8. 48% of LAFCO's increase budgets when justified and 52% do not.

Miscellaneous

9. 75% of counties have less than 10 cities and 75% have more than 26 special districts.
10. 46% of LAFCO's process fewer than 5 proposals in the past year, 88% fewer than 15 per year.
11. 75% of LAFCO's have not been involved in litigation over the past three years.
12. 29% of LAFCOs have conducted less than 5 MSR/SOI updates in the past 5 years: 40% have conducted 6-15 updates in the past 5 years; 8% have done 16-25 and 23% indicated doing more than 26 MSR/SOI updates in the past 5 years.
13. 94% of LAFCO's report the general public not aware of LAFCO functions or responsibilities, but 92% of LAFCO's encourage their staff to do public outreach.

CALAFCO

14. 71% of LAFCO's view CALAFCO as helpful; 25% view CALAFCO as somewhat helpful but admit to not availing to the opportunity of using CALAFCO as a resource; and 4% do not benefit in any significant way from CALAFCO.
15. Legislative efforts, the listserve, and workshops/conferences are most utilized CALAFCO services (90%+) with the website useful to 81%. All other services garnered less than 50% interest
16. 33% of LAFCO's have interest in volunteering commissioners or staff for CALAFCO purposes without conditions; 8% are interested but cannot afford to do so; 36% may be interested and 23% are not interested.

When asked what resources can be added or updated on the CALAFCO website, responses were:

- Example policies from other LAFCOs (69%)
- Updates to LAFCo Law page with recent court cases (73%)
- Updates to LAFCo forms (75%)

- Remove old content, check all links, summary of legislative report, LAFCo procedures guides, examples of best practices MSRs, plans for service, etc.

Some broad, generalized observations from the survey:

Overall the survey should be helpful to individual LAFCos in benchmarking and to CALAFCO in responding to inquiries from the Legislature and determining which services to add or expand.

While this year's survey showed slight improvements for LAFCos in some areas, CALAFCO should remain concerned about the lack of sufficient budgets to meet statutory requirements, the percentage of LAFCos not conducting MSRs and the number of LAFCos not utilizing CALAFCO as a resource.

One area of service the Board may wish to consider is the creation of public communication tools to assist member LAFCos in improving communicating the mission of LAFCo and enhancing the public's awareness at the local level. Another is prioritizing updates to the CALAFCO website so it can be a more effective resource for our members.

ATTACHMENTS

12a - Summary Survey Results

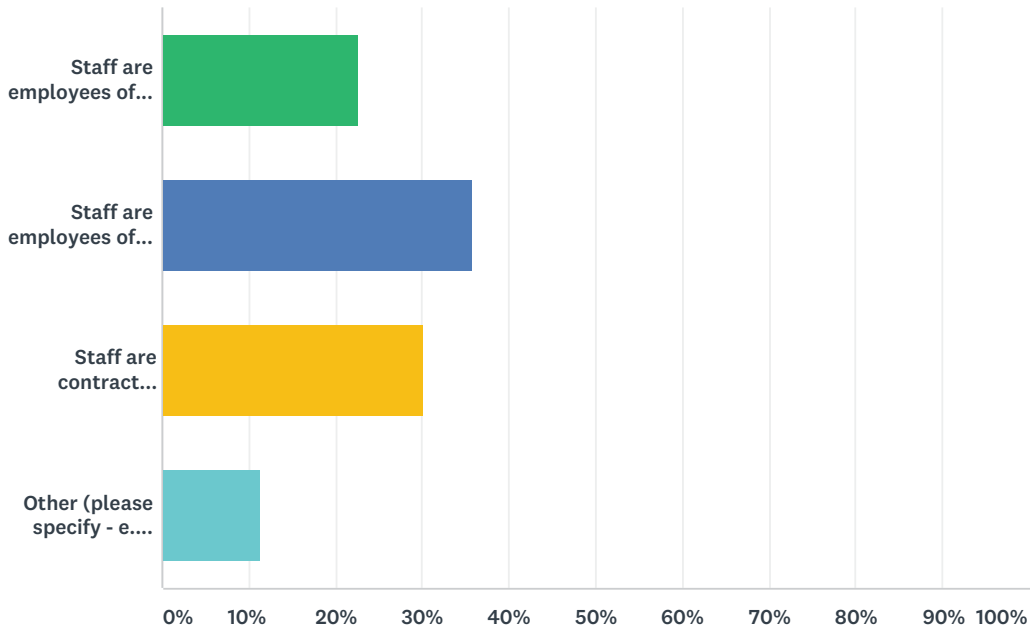
Q1 Your LAFCO Information

Answered: 53 Skipped: 0

ANSWER CHOICES	RESPONSES	
Name of Staff Completing Survey	100.00%	53
Agency	100.00%	53
Address	0.00%	0
Address 2	0.00%	0
County	100.00%	53
State/Province	0.00%	0
ZIP/Postal Code	0.00%	0
Country	0.00%	0
Email Address	100.00%	53
Phone Number	100.00%	53

Q2 What model is your LAFCO?

Answered: 53 Skipped: 0

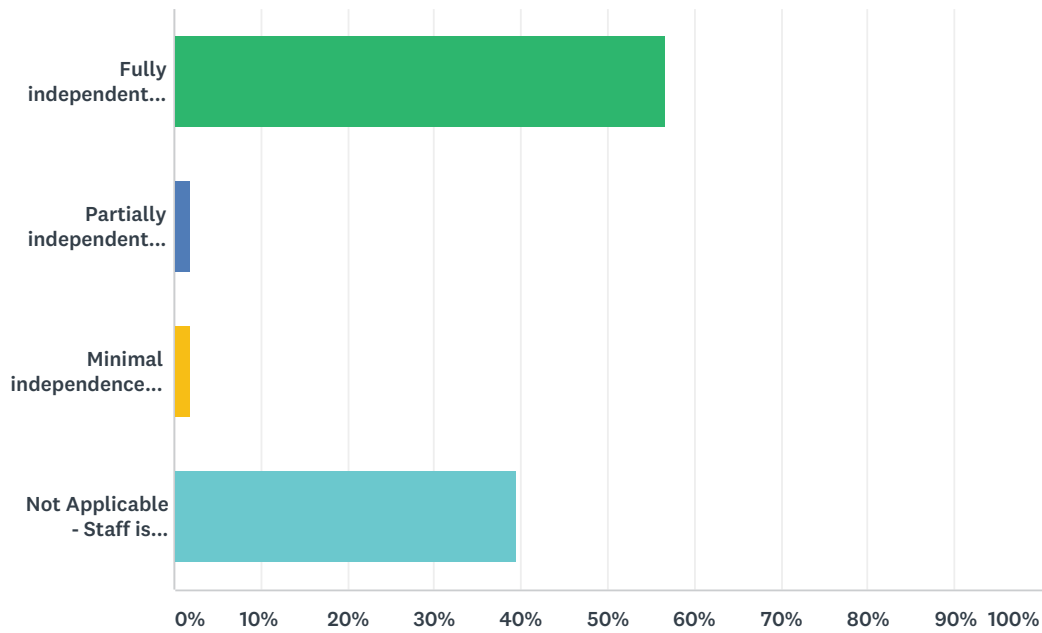


ANSWER CHOICES	RESPONSES	
Staff are employees of the County	22.64%	12
Staff are employees of LAFCO	35.85%	19
Staff are contract consultants	30.19%	16
Other (please specify - e.g. hybrid - Contract EO and staff employees)	11.32%	6
TOTAL		53

Other responses: EO is contractor and clerk-analyst is an employee, County Clerk the ex officio Executive Director of LAFCo, EO by contract and clerk and counsel by County, Contract EO and staff are County employees, County is staff but with a MOU, Staff are employees of LAFCo but get benefits through County

Q3 If staff are not LAFCO employees, what level of independent decision making best describes your LAFCO?

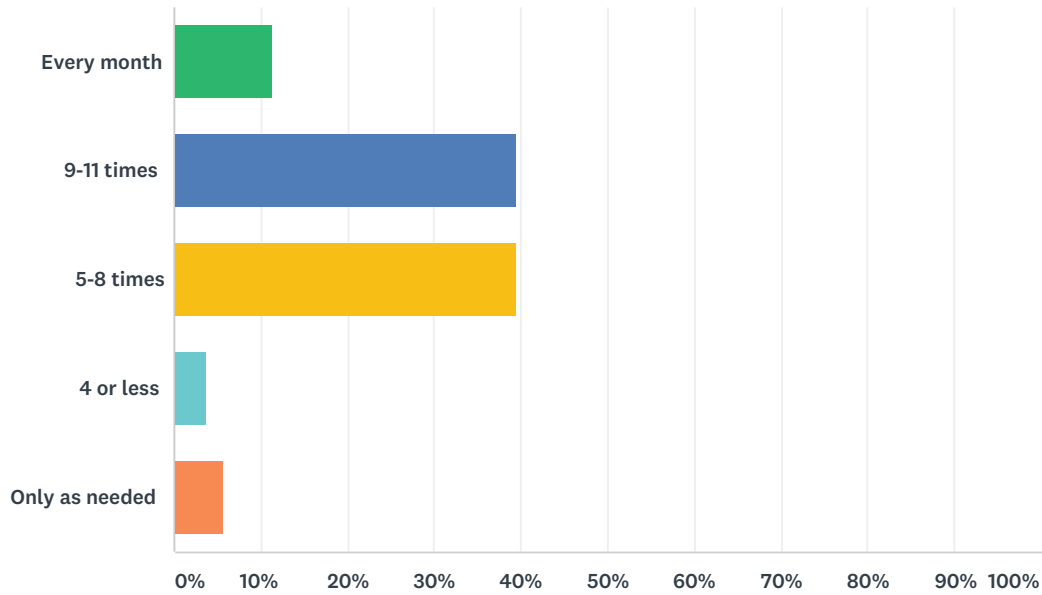
Answered: 53 Skipped: 0



ANSWER CHOICES	RESPONSES	
Fully independent taking direction only from the commission	56.60%	30
Partially independent with some influence/direction from other staff/agency	1.89%	1
Minimal independence with most or all directions/influence coming from other staff/agency	1.89%	1
Not Applicable - Staff is directly hired by LAFCO	39.62%	21
TOTAL		53

Q4 How many times a year does your LAFCO have regular meetings?

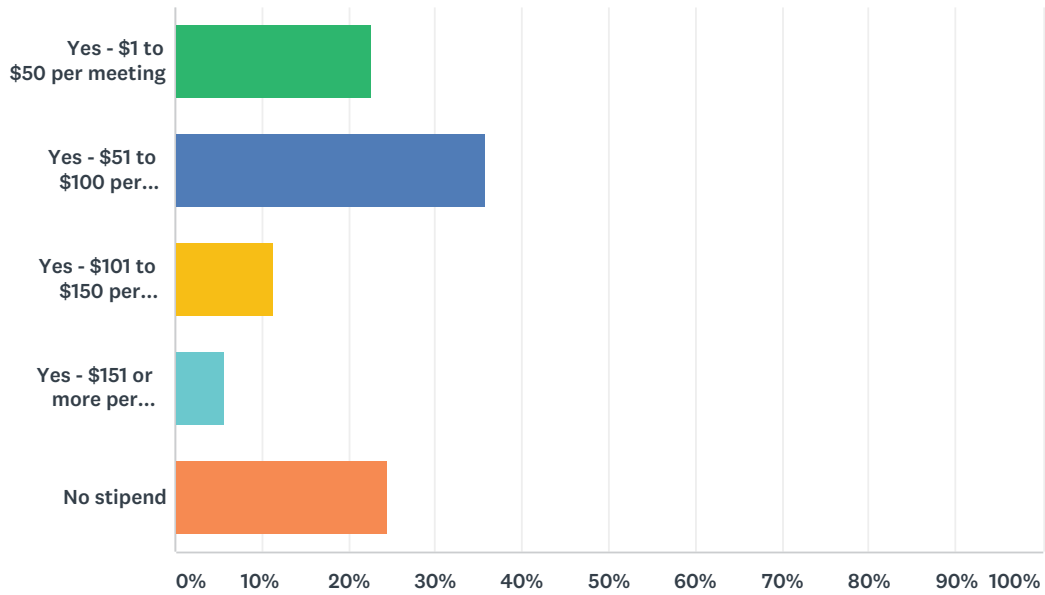
Answered: 53 Skipped: 0



ANSWER CHOICES	RESPONSES	
Every month	11.32%	6
9-11 times	39.62%	21
5-8 times	39.62%	21
4 or less	3.77%	2
Only as needed	5.66%	3
TOTAL		53

Q5 Do your LAFCO Commissioners receive a stipend?

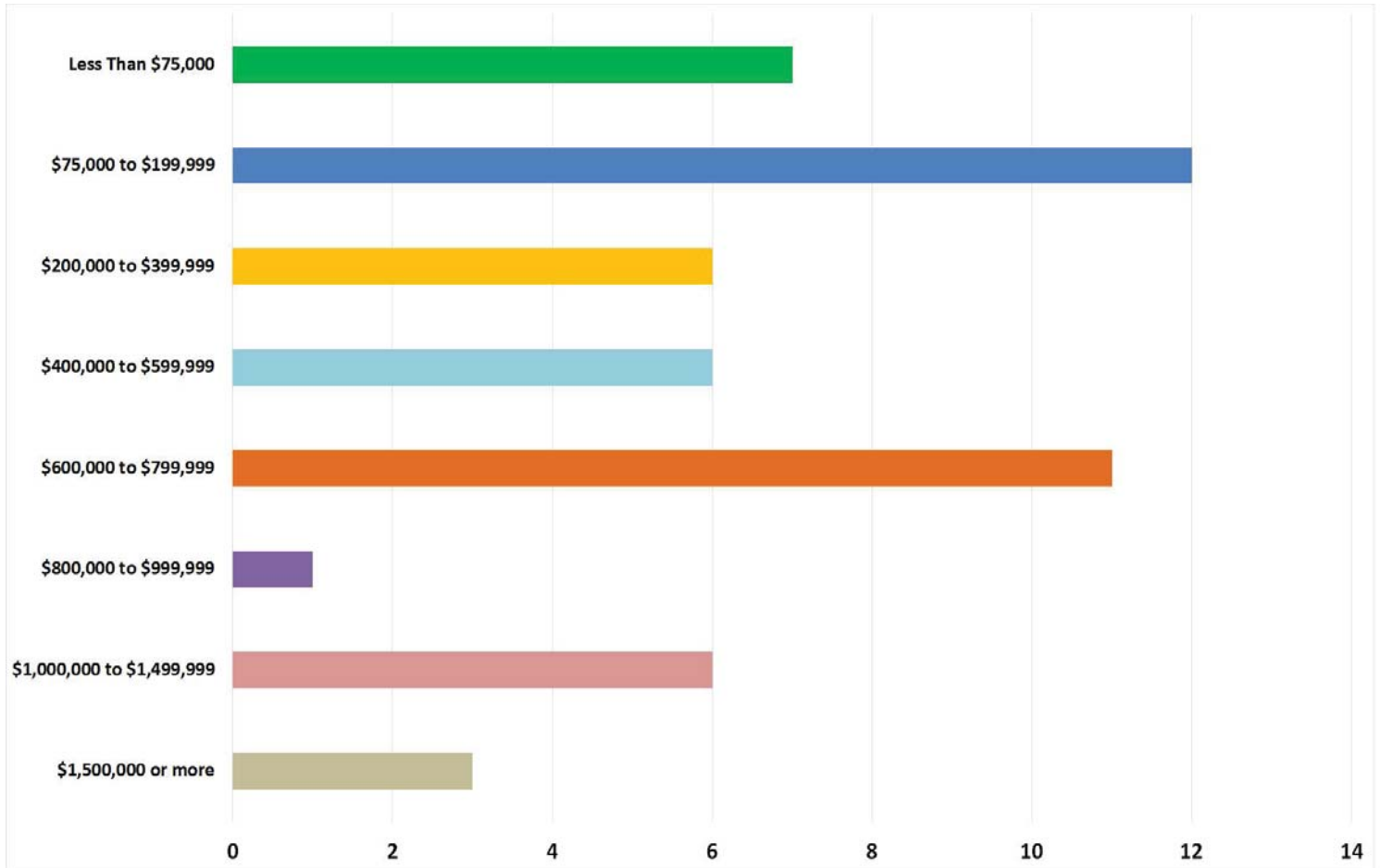
Answered: 53 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes - \$1 to \$50 per meeting	22.64%	12
Yes - \$51 to \$100 per meeting	35.85%	19
Yes - \$101 to \$150 per meeting	11.32%	6
Yes - \$151 or more per meeting	5.66%	3
No stipend	24.53%	13
TOTAL		53

Q6 What is your LAFCO's Budget for 2019-20?

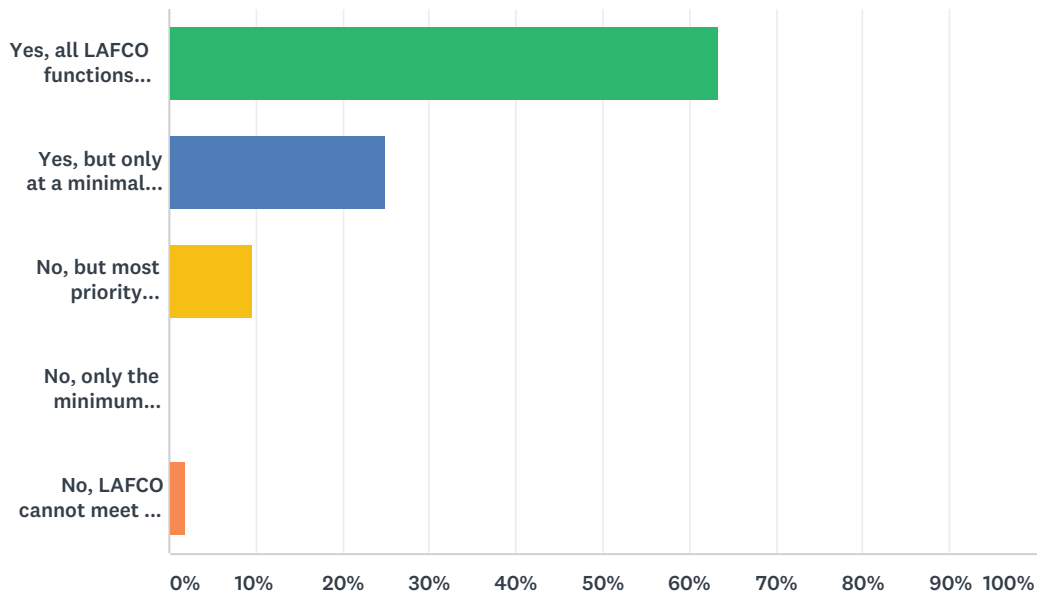
Answered: 52 Skipped: 1



Budget	Responses	
Less Than \$75,000	13.46%	7
\$75,000 to \$199,999	23.08%	12
\$200,000 to \$399,999	11.54%	6
\$400,000 to \$599,999	11.54%	6
\$600,000 to \$799,999	21.15%	11
\$800,000 to \$999,999	1.92%	1
\$1,000,000 to \$1,499,999	11.54%	6
\$1,500,000 or more	5.77%	3
Total		52

Q7 Does your budget allow your LAFCO to meet its statutory responsibilities?

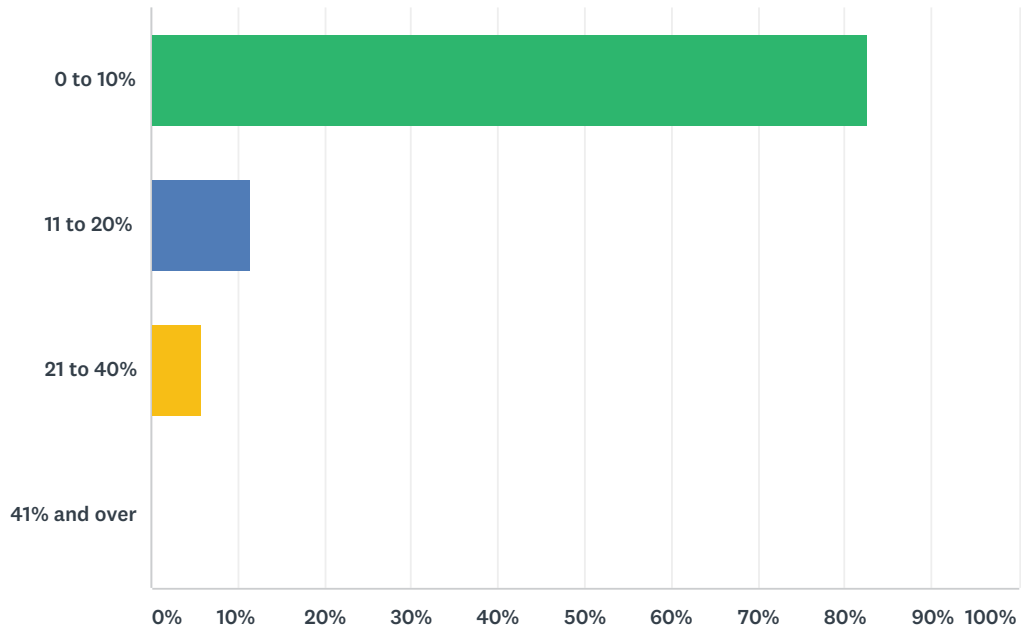
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes, all LAFCO functions adequately funded	63.46%	33
Yes, but only at a minimal level	25.00%	13
No, but most priority responsibilities are adequately met	9.62%	5
No, only the minimum functions are met	0.00%	0
No, LAFCO cannot meet its minimum responsibilities	1.92%	1
TOTAL		52

Q8 Budget: Percent of revenues from application fees?

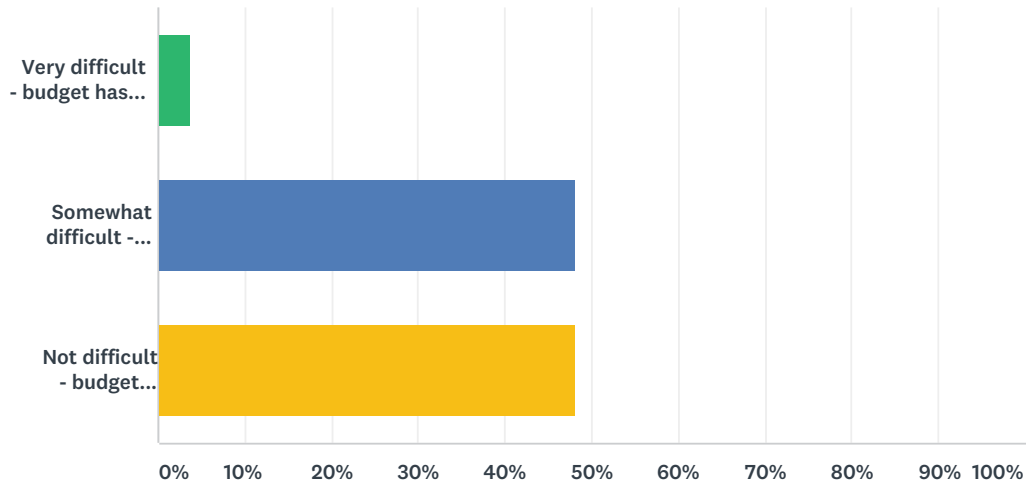
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0 to 10%	82.69%	43
11 to 20%	11.54%	6
21 to 40%	5.77%	3
41% and over	0.00%	0
TOTAL		52

Q9 How difficult is it to maintain annual funding levels or seek increases?

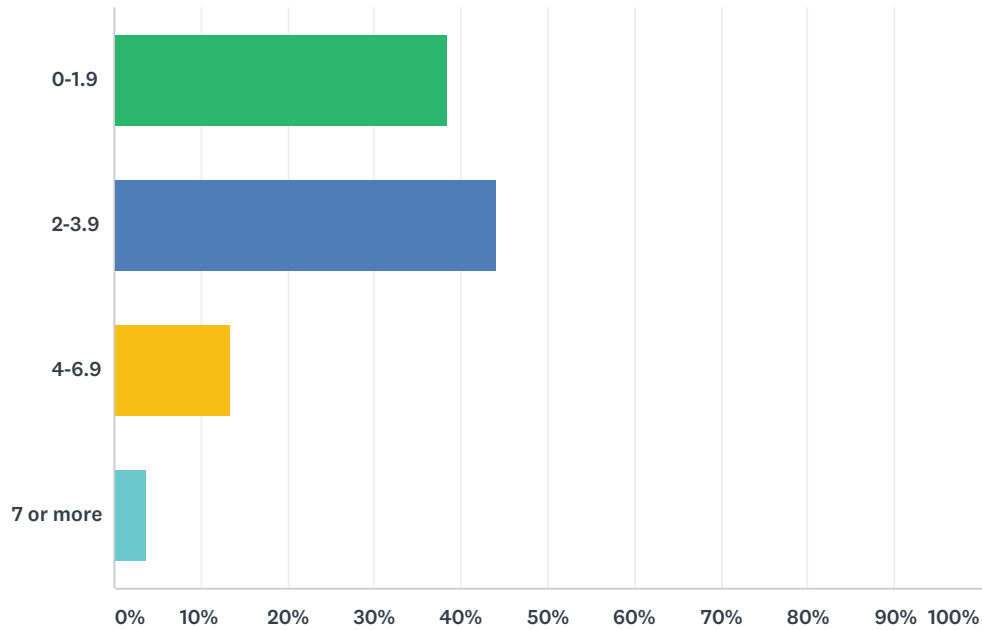
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Very difficult - budget has been regularly reduced	3.85%	2
Somewhat difficult - budget has been regulary maintained flat	48.08%	25
Not difficult - budget increases approved when justified	48.08%	25
TOTAL		52

Q10 How many staff in your office?

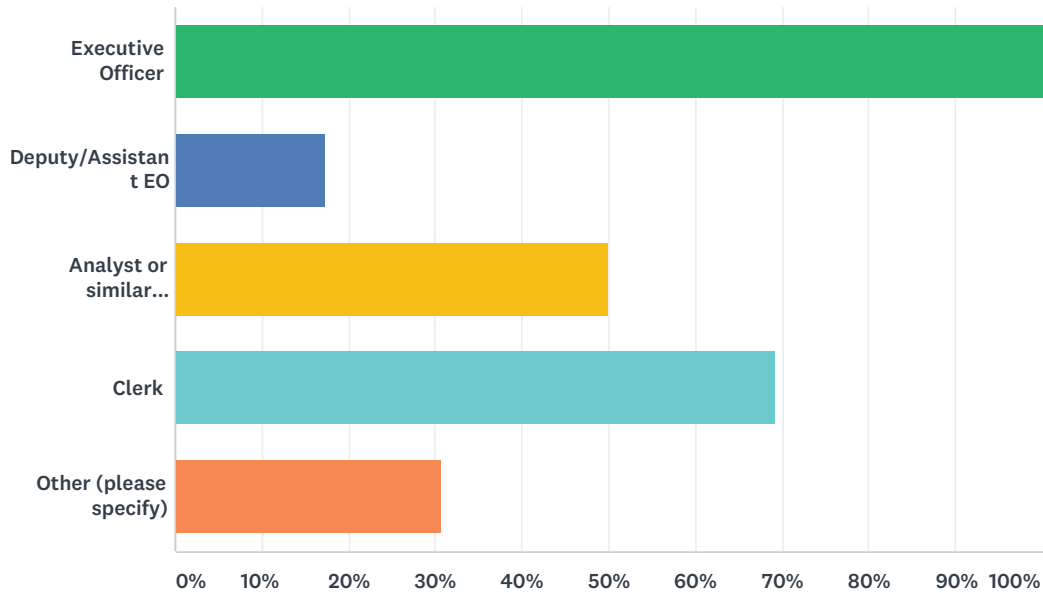
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-1.9	38.46%	20
2-3.9	44.23%	23
4-6.9	13.46%	7
7 or more	3.85%	2
TOTAL		52

Q11 Please mark the classification of employees at your LAFCO (Check all that apply)

Answered: 52 Skipped: 1

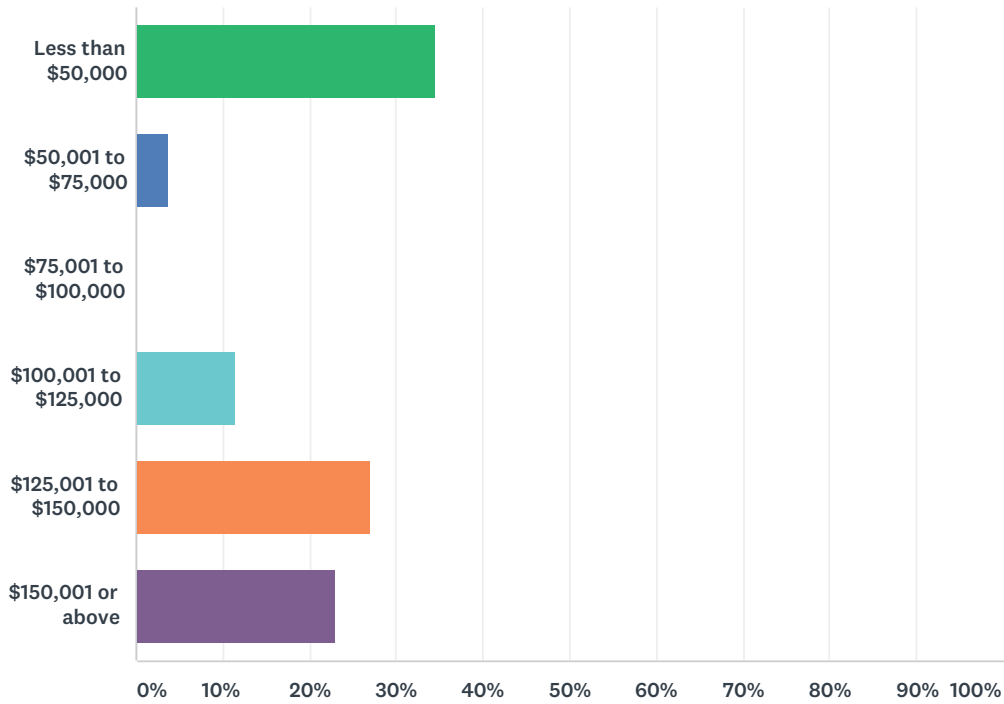


ANSWER CHOICES	RESPONSES	
Executive Officer	100.00%	52
Deputy/Assistant EO	17.31%	9
Analyst or similar position	50.00%	26
Clerk	69.23%	36
Other (please specify)	30.77%	16
Total Respondents: 52		

Other responses: Clerk/Administrator, Counsel, Senior Advisor, Manager, Service Specialist for MSRs, Secretary, Accountant, Project Manager, Admin Assistant, Finance Analyst, Accounting Tech/Office Assistant, Intern, Principal Analyst, Senior Analyst, Assistant Clerk to the Commission, Administrative Assistant, Executive Assistant, Administrative Aide, Chief Policy Analyst

Q12 Salaries: Executive Officer

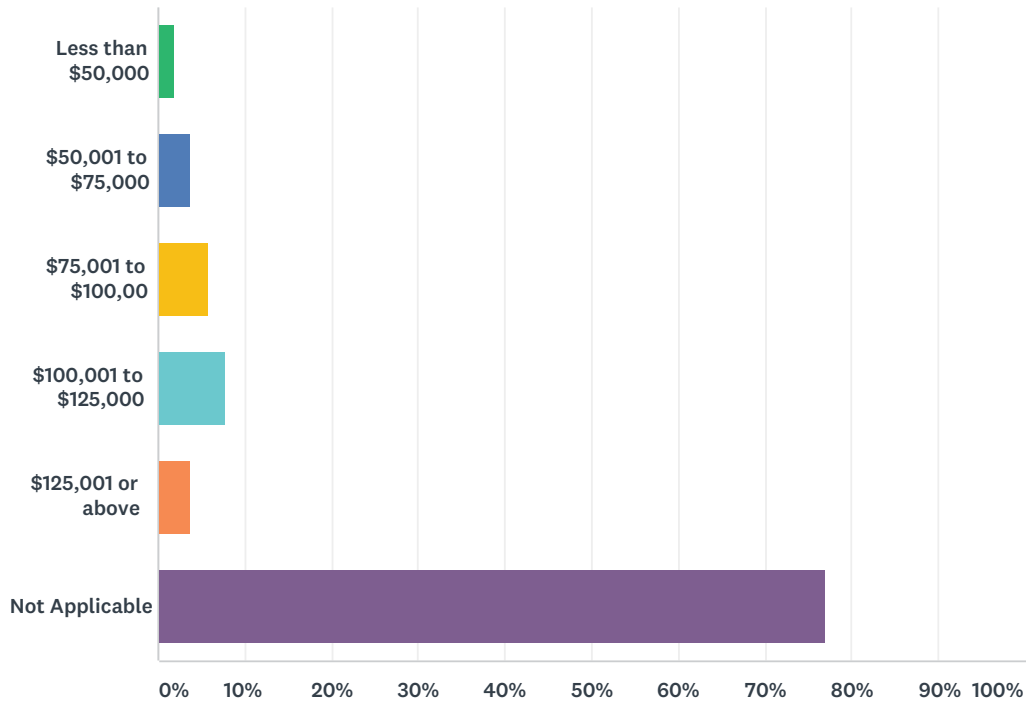
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Less than \$50,000	34.62%	18
\$50,001 to \$75,000	3.85%	2
\$75,001 to \$100,000	0.00%	0
\$100,001 to \$125,000	11.54%	6
\$125,001 to \$150,000	26.92%	14
\$150,001 or above	23.08%	12
TOTAL		52

Q13 Salaries: Deputy/Assistant Executive Officer

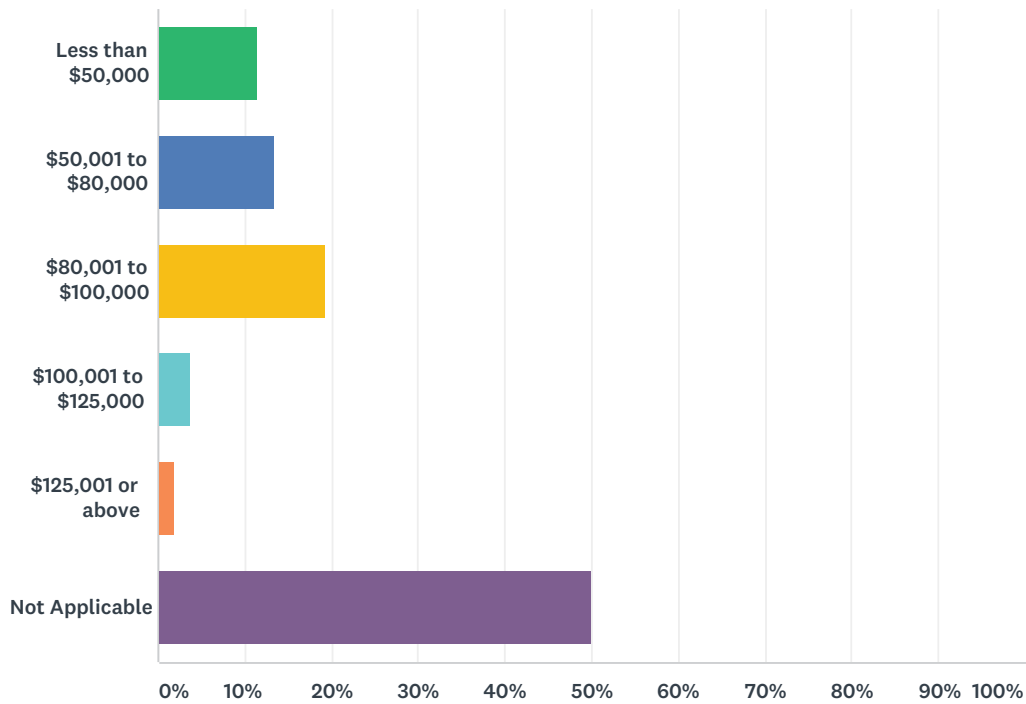
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Less than \$50,000	1.92%	1
\$50,001 to \$75,000	3.85%	2
\$75,001 to \$100,00	5.77%	3
\$100,001 to \$125,000	7.69%	4
\$125,001 or above	3.85%	2
Not Applicable	76.92%	40
TOTAL		52

Q14 Salaries: Analyst (or similar position such as planner. Average multiple positions to one range)

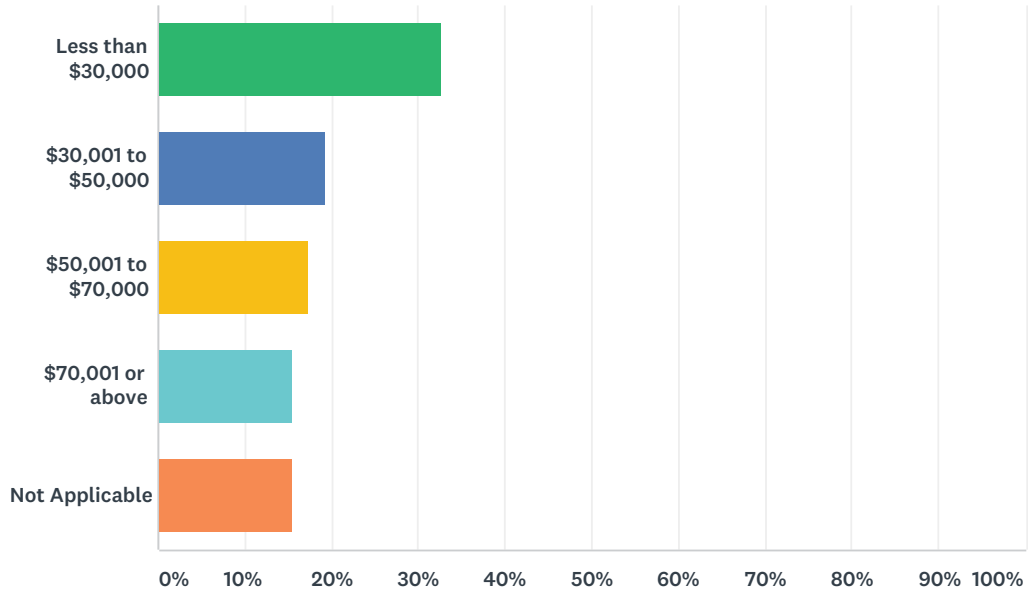
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Less than \$50,000	11.54%	6
\$50,001 to \$80,000	13.46%	7
\$80,001 to \$100,000	19.23%	10
\$100,001 to \$125,000	3.85%	2
\$125,001 or above	1.92%	1
Not Applicable	50.00%	26
TOTAL		52

Q15 Salaries: Clerk

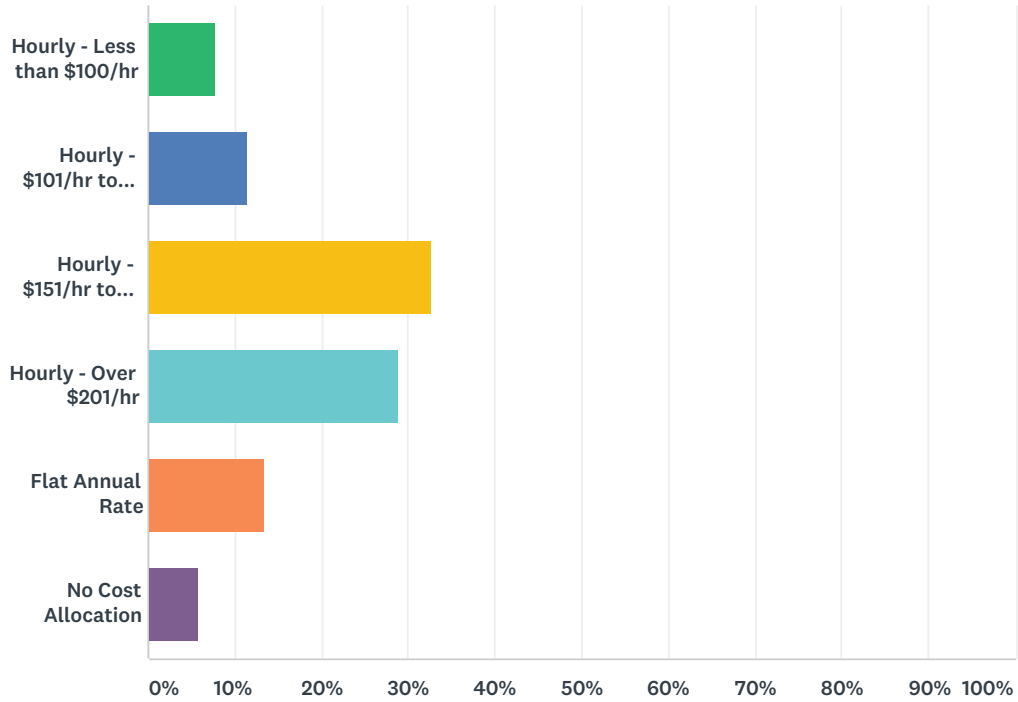
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Less than \$30,000	32.69%	17
\$30,001 to \$50,000	19.23%	10
\$50,001 to \$70,000	17.31%	9
\$70,001 or above	15.38%	8
Not Applicable	15.38%	8
TOTAL		52

Q16 Compensation: Legal Counsel

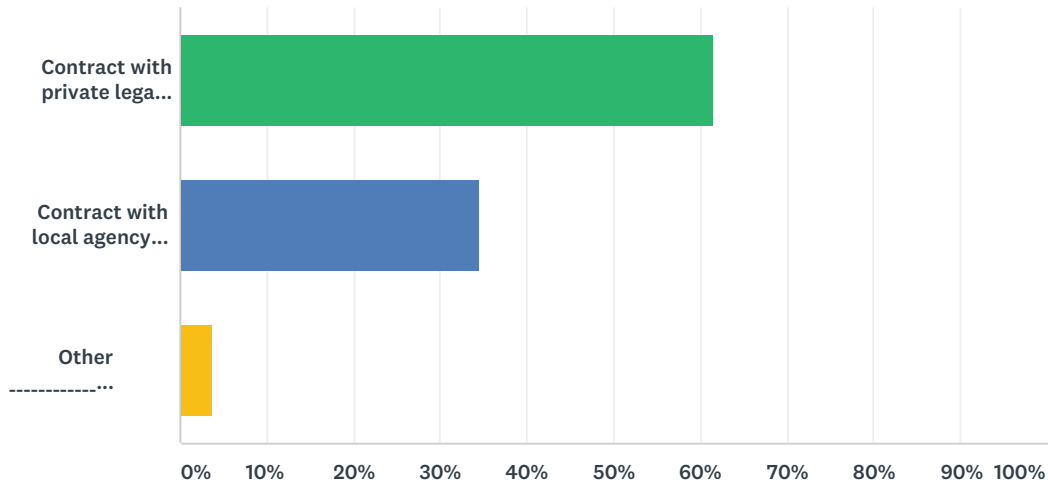
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES
Hourly - Less than \$100/hr	7.69% 4
Hourly - \$101/hr to \$150/hr	11.54% 6
Hourly - \$151/hr to \$200/hr	32.69% 17
Hourly - Over \$201/hr	28.85% 15
Flat Annual Rate	13.46% 7
No Cost Allocation	5.77% 3
TOTAL	52

Q17 How is legal counsel provided?

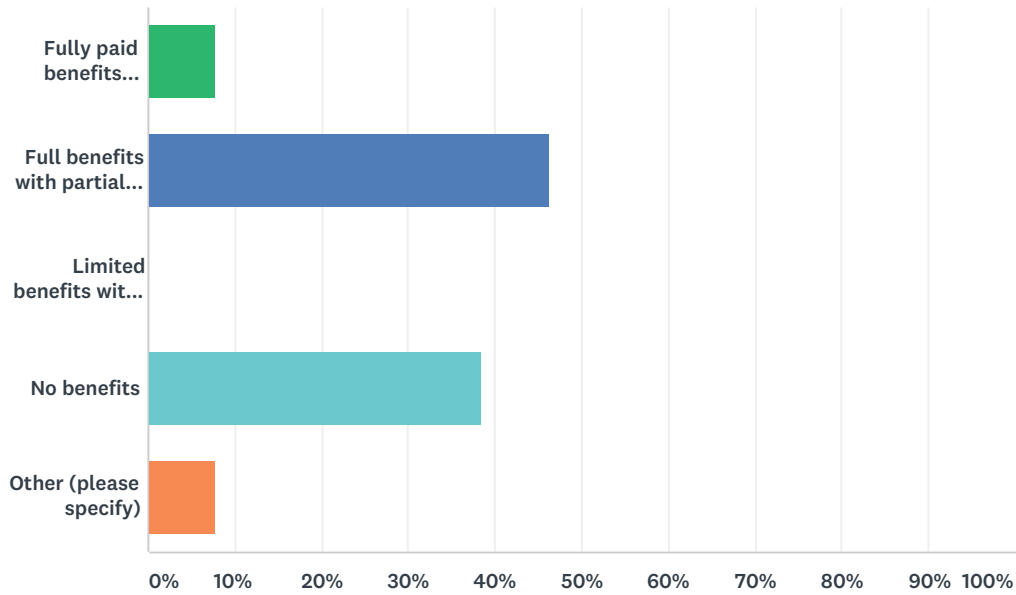
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Contract with private legal counsel	61.54%	32
Contract with local agency for legal counsel	34.62%	18
Other _____	3.85%	2
TOTAL		52

Q18 What level of benefits does your LAFCO offer?

Answered: 52 Skipped: 1

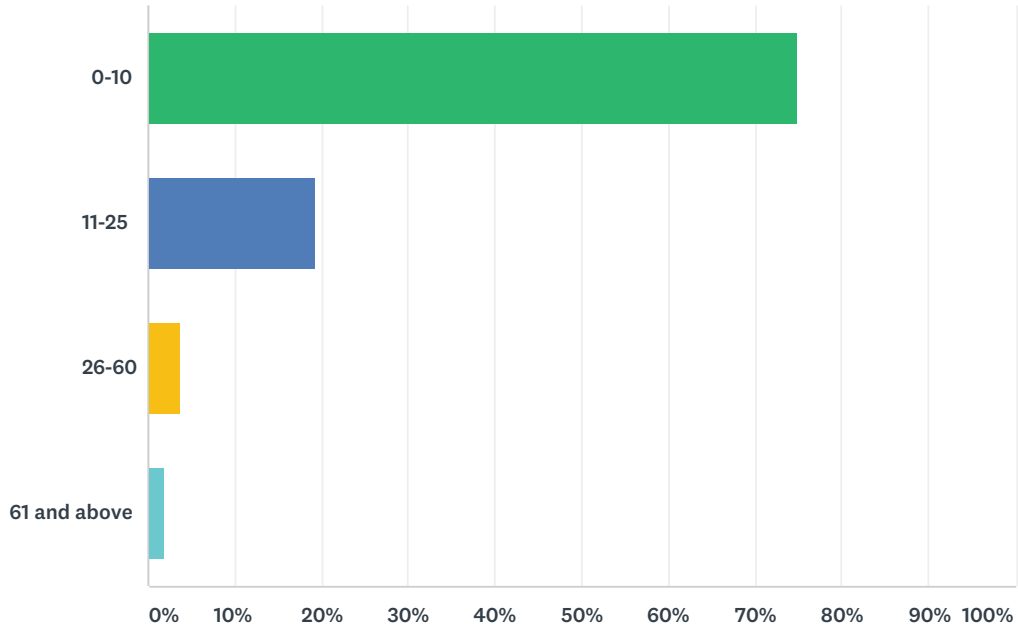


ANSWER CHOICES	RESPONSES	
Fully paid benefits including health, vision, dental, retirement plans (No employee contributions required)	7.69%	4
Full benefits with partial employee contributions	46.15%	24
Limited benefits with shared contributions	0.00%	0
No benefits	38.46%	20
Other (please specify)	7.69%	4
TOTAL		52

Other responses: Contract, no benefits, ex officio Executive Director, benefits with varying levels of contributions dependent upon date of hire

Q19 Number of Cities?

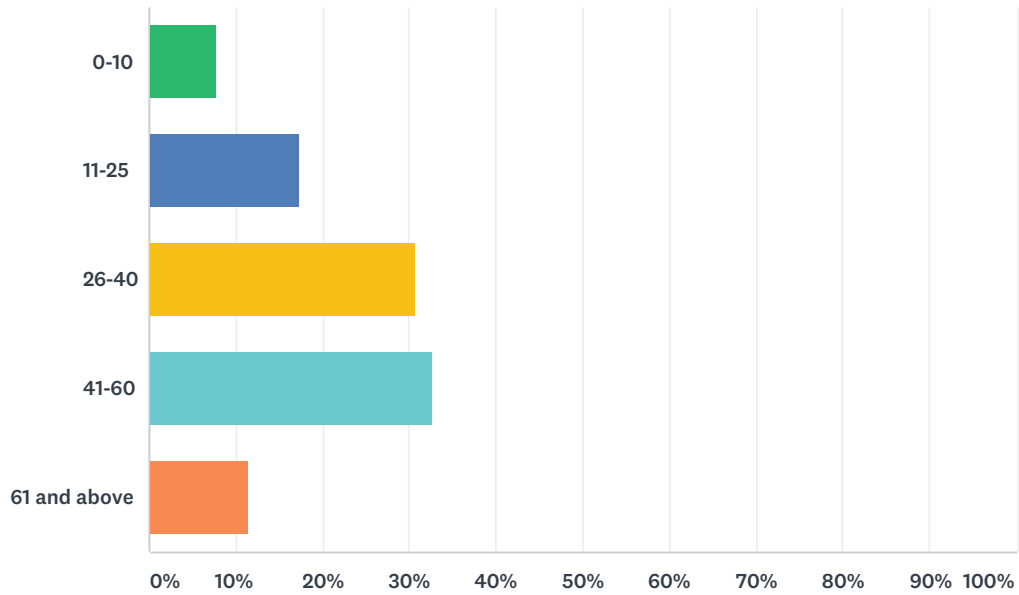
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-10	75.00%	39
11-25	19.23%	10
26-60	3.85%	2
61 and above	1.92%	1
TOTAL		52

Q20 Number of Independent Special Districts?

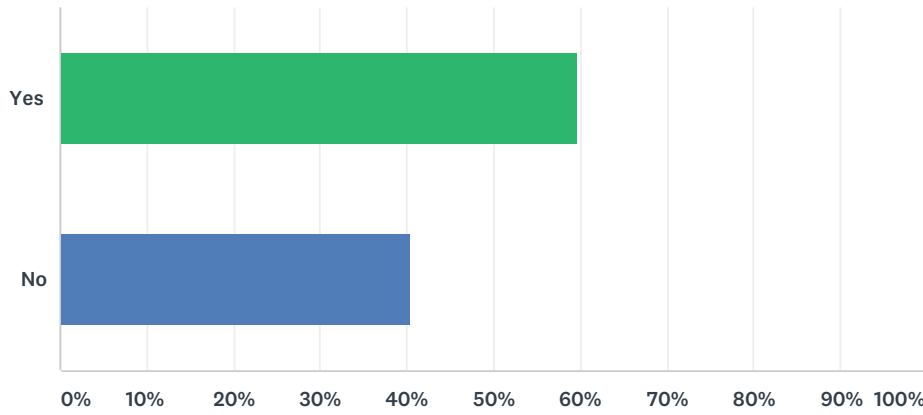
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-10	7.69%	4
11-25	17.31%	9
26-40	30.77%	16
41-60	32.69%	17
61 and above	11.54%	6
TOTAL		52

Q21 Does your LAFCO have special district representation?

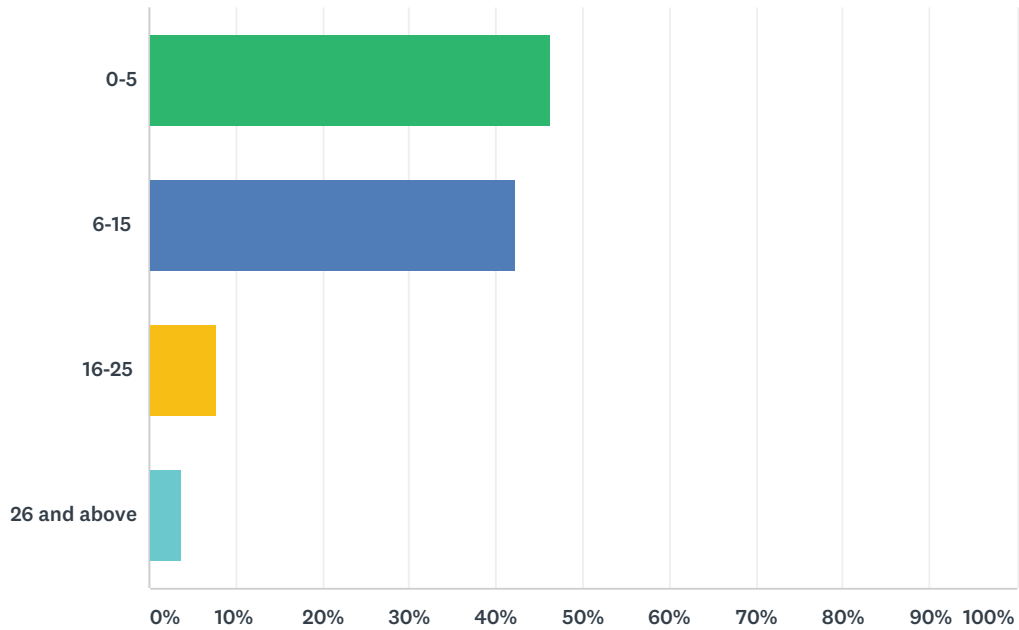
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes	59.62%	31
No	40.38%	21
TOTAL		52

Q22 Number of Proposals processed in the last year?

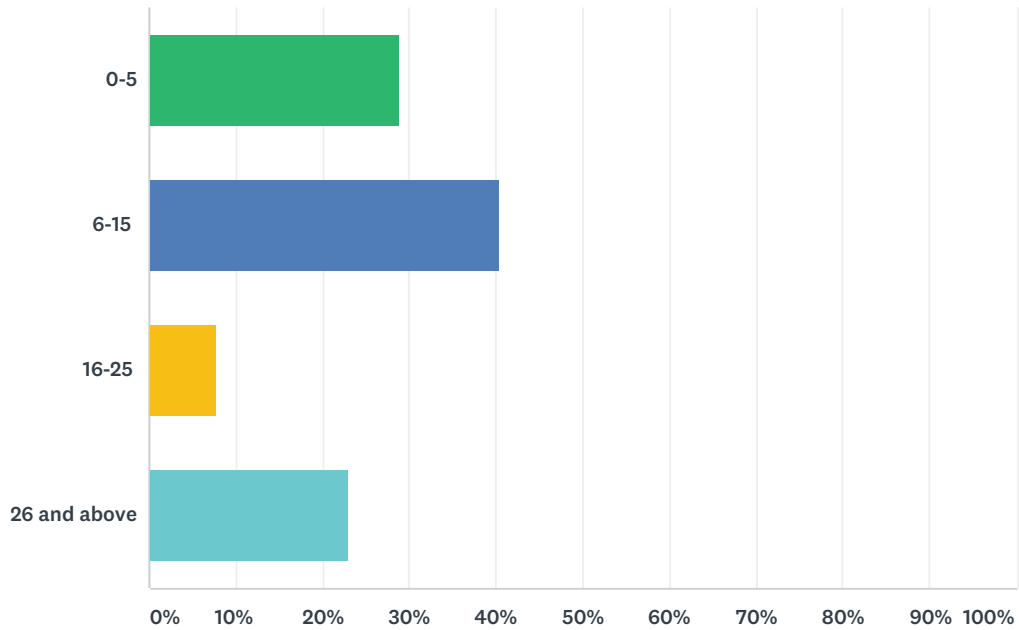
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-5	46.15%	24
6-15	42.31%	22
16-25	7.69%	4
26 and above	3.85%	2
TOTAL		52

Q23 Number of SOI/MSR Updates completed in the last five years?

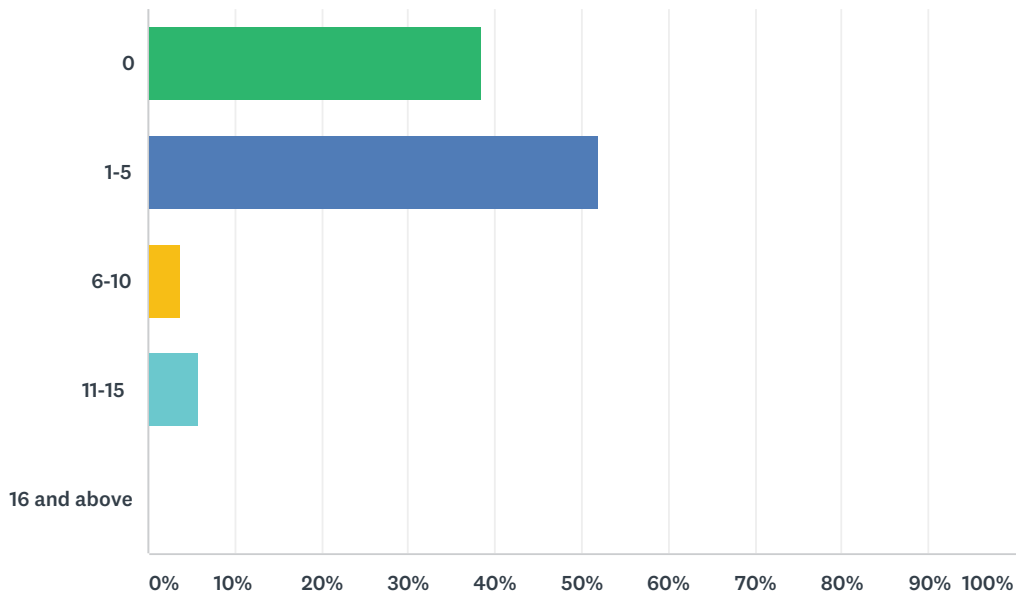
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-5	28.85%	15
6-15	40.38%	21
16-25	7.69%	4
26 and above	23.08%	12
TOTAL		52

Q24 How many Service Extension Agreements (GC56133) have you processed in the last year?

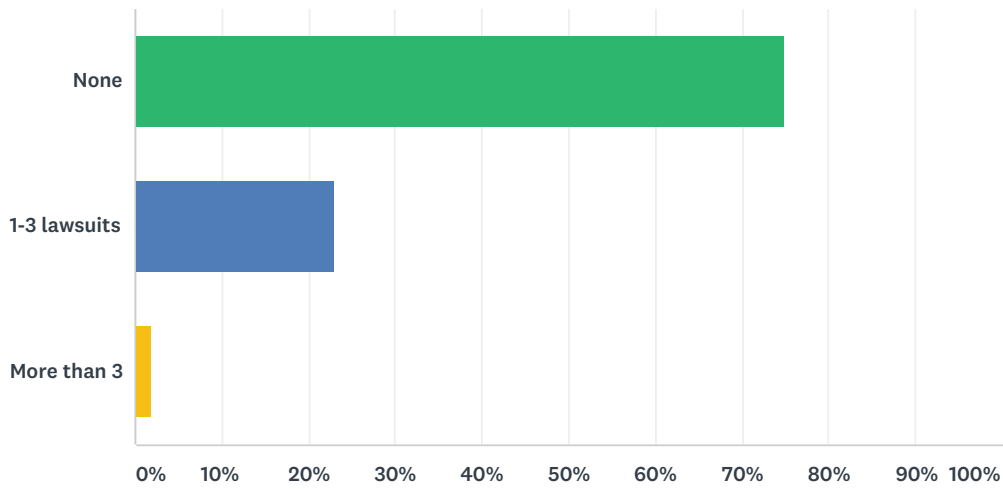
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0	38.46%	20
1-5	51.92%	27
6-10	3.85%	2
11-15	5.77%	3
16 and above	0.00%	0
TOTAL		52

Q25 How many lawsuits has your LAFCO been involved in over the past 3 years?

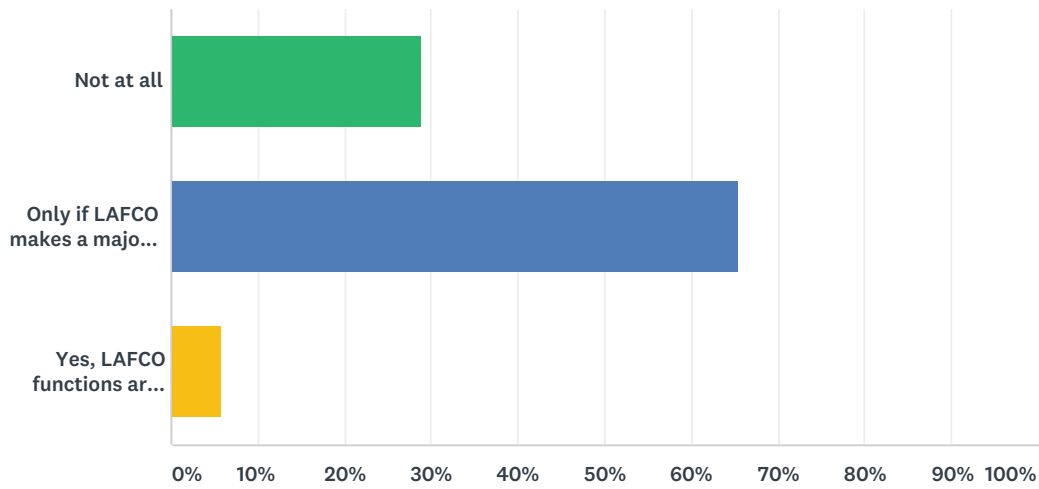
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
None	75.00%	39
1-3 lawsuits	23.08%	12
More than 3	1.92%	1
TOTAL		52

Q26 Does the general public understand what LAFCO does in your county?

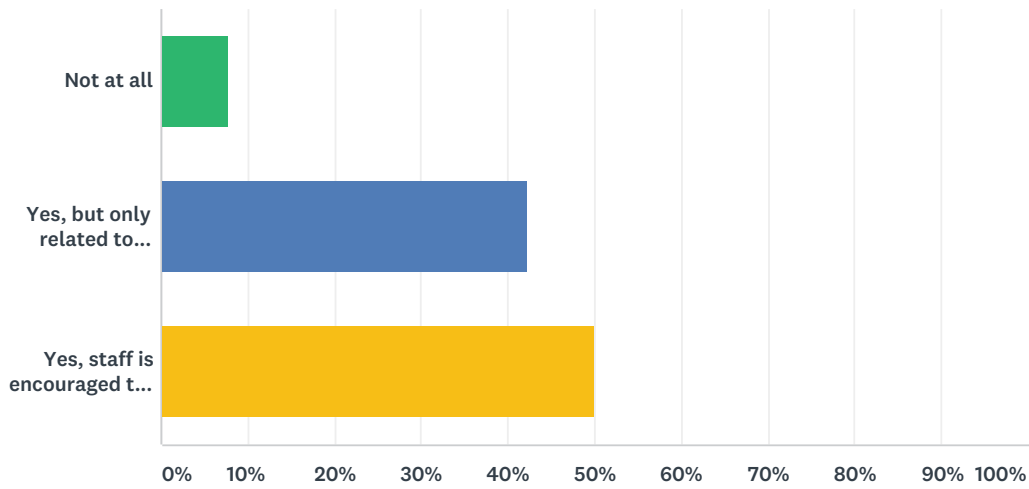
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES
Not at all	28.85% 15
Only if LAFCO makes a major decision	65.38% 34
Yes, LAFCO functions are routinely reported in the local media	5.77% 3
TOTAL	52

Q27 Does your commission encourage outreach with the public, news media and other local agencies?

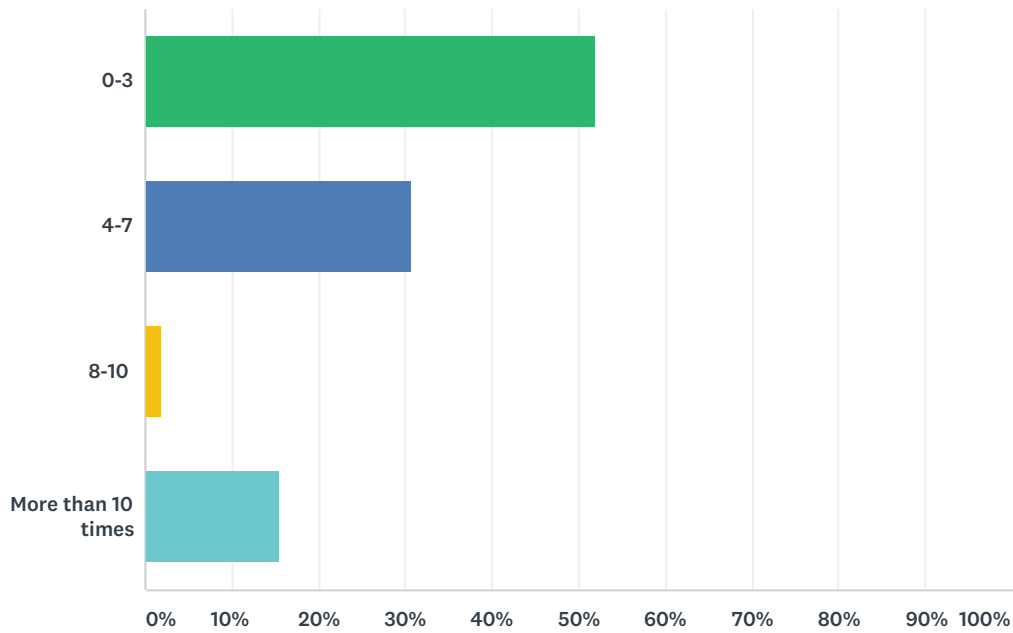
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Not at all	7.69%	4
Yes, but only related to required noticing for specific projects	42.31%	22
Yes, staff is encouraged to speak at public forums, to the media and other local agencies	50.00%	26
TOTAL		52

Q28 How often has your LAFCO been featured/mentioned in a local news story either TV, print or web in the past two years?

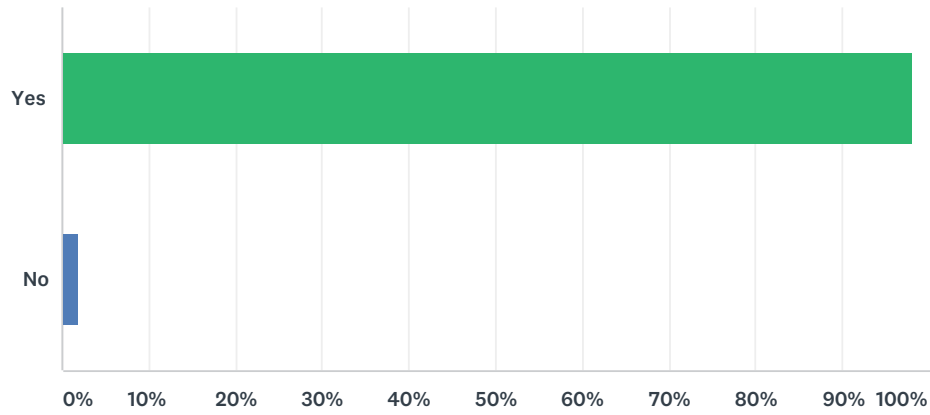
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-3	51.92%	27
4-7	30.77%	16
8-10	1.92%	1
More than 10 times	15.38%	8
TOTAL		52

Q29 Does your LAFCO have a website?

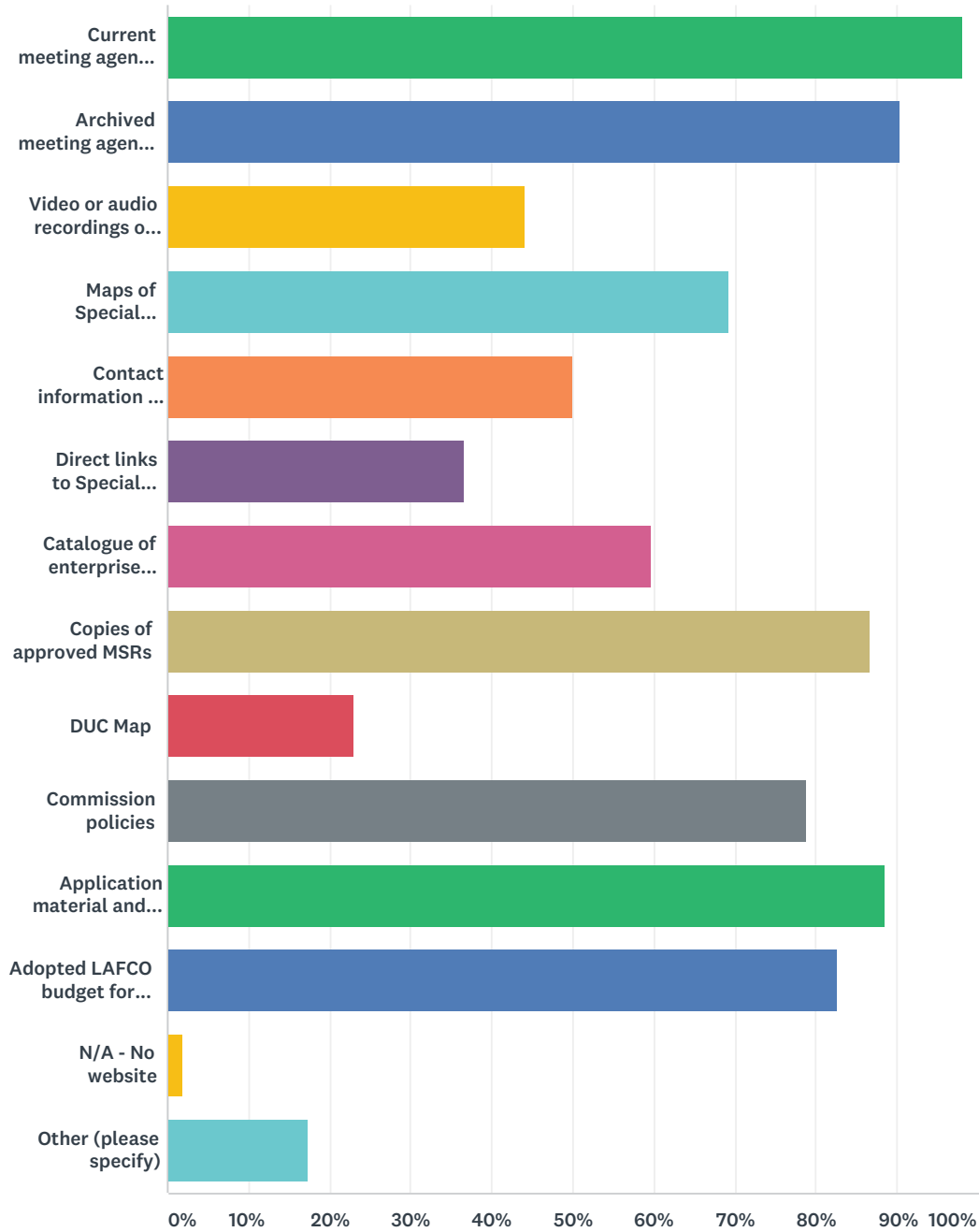
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes	98.08%	51
No	1.92%	1
TOTAL		52

Q30 If yes, what type of information is provided on the website?

Answered: 52 Skipped: 1



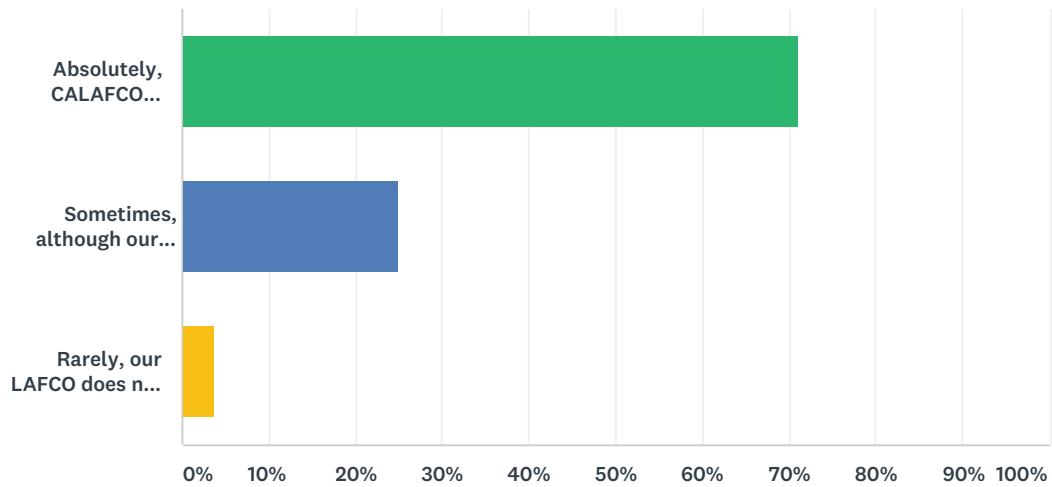
ANSWER CHOICES	RESPONSES	
Current meeting agenda packets and minutes	98.08%	51
Archived meeting agenda packets and minutes	90.38%	47
Video or audio recordings of meeting	44.23%	23
Maps of Special District and City SOIs	69.23%	36
Contact information for Special Districts and Cities	50.00%	26

Direct links to Special Districts and Cities websites	36.54%	19
Catalogue of enterprise systems (SB 272)	59.62%	31
Copies of approved MSRs	86.54%	45
DUC Map	23.08%	12
Commission policies	78.85%	41
Application material and fees	88.46%	46
Adopted LAFCO budget for current FY	82.69%	43
N/A - No website	1.92%	1
Other (please specify)	17.31%	9
Total Respondents: 52		

Other responses: Current project information, links to county website, link to city websites, audits and other special studies not related to MSRs, link to DUC map. creating a digital library, Twitter feed for news updates

Q31 Does your LAFCO view the functions/roles of CALAFCO to be helpful and appropriate?

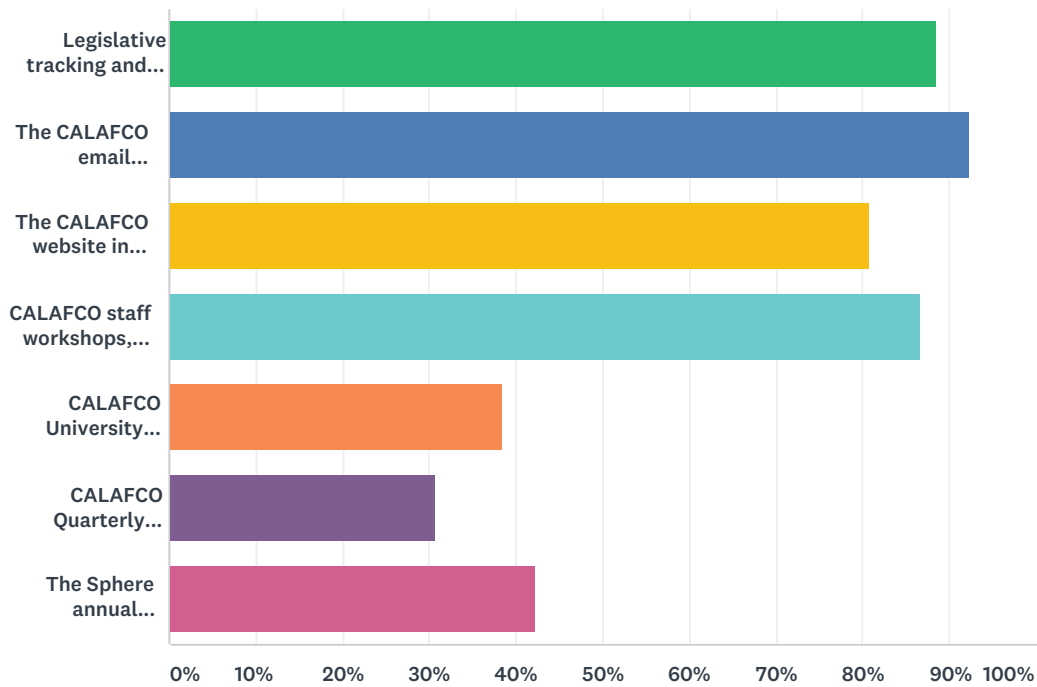
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Absolutely, CALAFCO provides many useful tools and functions	71.15%	37
Sometimes, although our LAFCO does not avail itself of all CALAFCO opportunities	25.00%	13
Rarely, our LAFCO does not benefit in any significant way from CALAFCO participation	3.85%	2
TOTAL		52

Q32 Please identify the CALAFCO tools, functions or actions most useful to your LAFCO. (Check all that apply)

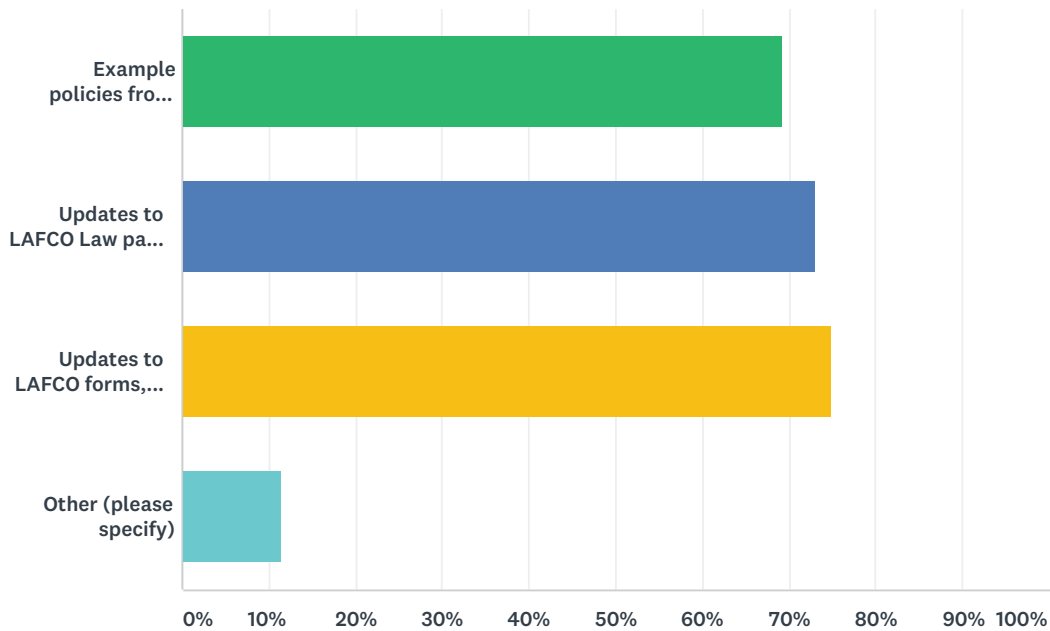
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Legislative tracking and the work of the legislative committee	88.46%	46
The CALAFCO email "listserve" for staff, EO's, analysts, and legal counsel	92.31%	48
The CALAFCO website in general and its various contents like white papers and information updates	80.77%	42
CALAFCO staff workshops, annual conferences	86.54%	45
CALAFCO University courses	38.46%	20
CALAFCO Quarterly Reports	30.77%	16
The Sphere annual newsletter	42.31%	22
Total Respondents: 52		

Q33 What resources could be added or updated to the CALAFCO website (Check all that apply)

Answered: 52 Skipped: 1

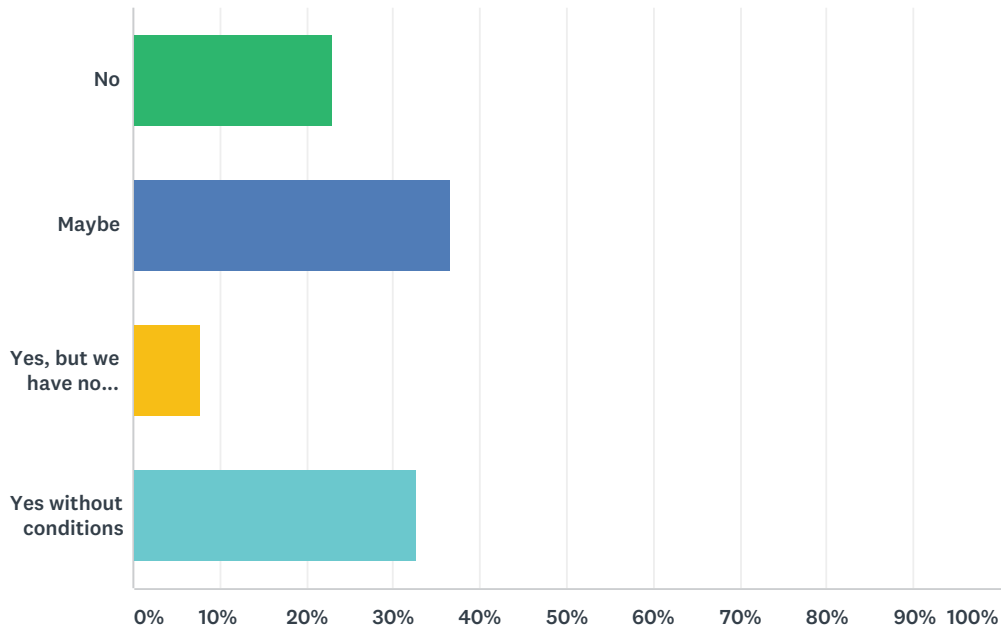


ANSWER CHOICES	RESPONSES	
Example policies from other LAFCOs	69.23%	36
Updates to LAFCO Law page with recent court cases	73.08%	38
Updates to LAFCO forms, such as certificate of filing or certification of completion	75.00%	39
Other (please specify)	11.54%	6
Total Respondents: 52		

Other responses: CALAFCO website needs to be updated for the removal of old content and adding of new content, need to check that all links on the website work and link to pages that have updated information, high grade examples of MSRs, plans for services, and outside service agreements, LAFCO procedures guide similar to the one from San Diego LAFCO, quick view or summary of legislative report for CALAFCO bills

Q34 Does your LAFCO have interest in having staff or commissioners serve in a CALAFCO role such as on the Board of Directors or volunteer staff?

Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
No	23.08%	12
Maybe	36.54%	19
Yes, but we have no resources to do so	7.69%	4
Yes without conditions	32.69%	17
TOTAL		52

CALAFCO Daily Legislative Report as of Wednesday, January 29, 2020

1

AB 315 (Garcia, Cristina D) Local government: lobbying associations: expenditure of public funds.

Current Text: Amended: 1/6/2020 [html](#) [pdf](#)

Introduced: 1/30/2019

Last Amended: 1/6/2020

Status: 1/24/2020-Failed Deadline pursuant to Rule 61(b)(2). (Last location was L. GOV. on 1/6/2020)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law authorizes the legislative body of a local agency, defined as a county, city, or city and county, or a district, defined broadly to include other political subdivisions or public corporations in the state other than the state or a county, city and county, or city, to attend the Legislature and the Congress of the United States, and any committees thereof, and to present information regarding legislation that the legislative body or the district deems to be beneficial or detrimental to the local agency or the district. Current law also authorizes the legislative body of a local agency or a district to enter into an association for these purposes and specifies that the cost and expense incident to the legislative body's or district's membership in the association and the activities of the association are proper charges against the local agencies or districts comprising the association. This bill, with respect to moneys paid to or otherwise received by an association from a local agency or district member of the association, would prohibit an association of local agencies or districts from expending those moneys for any purpose other than the above-described activities and educational activities.

Position: Oppose

CALAFCO Comments: As gut and amended, this bill will have significant impact to CALAFCO in the uses of member LAFCo and certain Associate Member dues being limited to only direct educational activities or lobbying efforts (this means all administrative efforts not related to these two things including all travel not related to education or lobbying or public education campaign regarding LAFCo will have to cease).

CALAFCO joined a coalition of stakeholders to oppose the bill ahead of the January 15 hearing date in ALGC which was cancelled by the author.

AB 1253 (Rivas, Robert D) Local agency formation commissions: grant program.

Current Text: Introduced: 2/21/2019 [html](#) [pdf](#)

Introduced: 2/21/2019

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was GOV. & F. on 6/6/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

This bill would require the Strategic Growth Council, until July 31, 2025, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating and completing the dissolution of districts listed as inactive, the payment of costs associated with a study of the services provided within a county by a public agency to a disadvantaged community, as defined, and for other specified purposes, including the initiation of an action, as defined, that is limited to service providers serving a disadvantaged community and is based on determinations found in the study, as approved by the commission. The bill would specify application submission, reimbursement, and reporting requirements for a local agency formation commission to receive grants pursuant to the bill. The bill would require the council, after consulting with the California Association of Local Agency Formation Commissions, to develop and adopt guidelines, timelines, and application and reporting criteria for development and implementation of the program, as specified, and would exempt these guidelines, timelines, and criteria from the rulemaking provisions of the Administrative Procedure Act. The bill would make

the grant program subject to an appropriation for the program in the annual Budget Act, and would repeal these provisions on January 1, 2026. This bill contains other existing laws.

Attachments:

- [LAFCo Support Letter Template](#)
- [CALAFCO Support letter Feb 2016](#)

Position: Sponsor

Subject: Disadvantaged Communities, LAFCo Administration, Municipal Services, Special District Consolidations

CALAFCO Comments: This is a CALAFCO sponsored bill following up on the recommendation of the Little Hoover Commission report of 2017 for the Legislature to provide LAFCos one-time grant funding for in-depth studies of potential reorganization of local service providers. Last year, the Governor vetoed AB 2258 - this is the same bill. The Strategic Growth Council (SGC) will administer the grant program. Grant funds will be used specifically for conducting special studies to identify and support opportunities to create greater efficiencies in the provision of municipal services; to potentially initiate actions based on those studies that remove or reduce local costs thus incentivizing local agencies to work with the LAFCo in developing and implementing reorganization plans; and the dissolution of inactive districts (pursuant to SB 448, Wieckowski, 2017). The grant program would sunset on July 31, 2024.

The bill also changes the protest threshold for LAFCo initiated actions, solely for the purposes of actions funded pursuant to this new section. It allows LAFCo to order the dissolution of a district (outside of the ones identified by the SCO) pursuant to Section 11221 of the Elections code, which is a tiered approach based on registered voters in the affected territory (from 30% down to 10% depending).

The focus is on service providers serving disadvantaged communities. The bill also requires LAFCo pay back grant funds in their entirety if the study is not completed within two years and requires the SGC to give preference to LAFCOs whose decisions have been aligned with the goals of sustainable communities strategies.

We were unsuccessful in getting the \$1.5 M into the budget so the author has decided to make this a 2-year bill and try again in the next budget in a budget trailer bill.

[AB 1389](#) (Eggman D) Special districts: change of organization: mitigation of revenue loss.

Current Text: Introduced: 2/22/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Status: 1/24/2020-Failed Deadline pursuant to Rule 61(b)(2). (Last location was 2 YEAR on 5/3/2019)

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would authorize the commission to propose, as part of the review and approval of a proposal for the establishment of new or different functions or class of services, or the divestiture of the power to provide particular functions or class of services, within all or part of the jurisdictional boundaries of a special district, that the special district, to mitigate any loss of property taxes, franchise fees, and other revenues to any other affected local agency, provide payments to the affected local agency from the revenue derived from the proposed exercise of new or different functions or classes of service.

Position: Watch

Subject: CKH General Procedures

CALAFCO Comments: This bill allows LAFCo, when approving a proposal for new or different functions or class of service for a special district, to propose the district provide payments to any affected local agency for taxes, fees or any other revenue that may have been lost as a result of the new service being provided.

[AB 1751](#) (Chiu D) Water and sewer system corporations: consolidation of service.

Current Text: Amended: 7/5/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Last Amended: 7/5/2019

Status: 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/12/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf.	Enrolled	Vetoed	Chaptered

1st House	2nd House	Conc.		
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Summary:

The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board related responsibilities and duties. Current law authorizes the state board to order consolidation of public water systems where a public water system or state small water system serving a disadvantaged community consistently fails to provide an adequate supply of safe drinking water, as provided. This bill, the Consolidation for Safe Drinking Water Act of 2019, would authorize a water or sewer system corporation to file an application and obtain approval from the commission through an order authorizing the water or sewer system corporation to consolidate with a public water system or state small water system that has fewer than 3,300 service connections and serves a disadvantaged community, or to implement rates for the subsumed water system.

Position: Watch

Subject: Water

CALAFCO Comments: This bill would authorize a water or sewer system corporation to file an application and obtain approval from the PUC through an order authorizing the water or sewer system corporation to consolidate with a public water system or state small water system that has fewer than 3,300 service connections and serves a disadvantaged community, or to implement rates for the subsumed water system. The bill would require the commission to approve or deny the app. Unless the commission designates a different procedure because it determines a consolidation warrants a more comprehensive review, the bill would authorize a water or sewer system corporation to instead file an advice letter and obtain approval from the commission through a resolution authorizing the water or sewer system corporation to consolidate with a public water system or state small water system that has fewer than 3,300 service connections and serves a disadvantaged community, or to implement rates for the subsumed water system.

SB 272 (Morrell R) Fire Protection District Law of 1987.

Current Text: Amended: 4/4/2019 [html](#) [pdf](#)

Introduced: 2/13/2019

Last Amended: 4/4/2019

Status: 1/24/2020-Failed Deadline pursuant to Rule 61(b)(2). (Last location was 2 YEAR on 5/3/2019)

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Fire Protection District Law of 1987 provides that whenever a district board determines that it is in the public interest to provide different services, to provide different levels of service, or to raise additional revenues within specific areas of the district, it may form one or more service zones by adopting a resolution that includes specified information, fixing the date, time, and place for public hearing on the formation of the zone, publishing notice, as specified, hearing and considering any protests to the formation of the zone at the hearing, and, at the conclusion of the hearing, adopting a resolution ordering the formation of the zone. If a resolution adopted after the public hearing would substantially expand the provision of services outside of an existing service zone and the extension of service would result in those persons in the expanded area paying charges for the expansion of services, this bill would provide that the resolution does not become effective unless approved by a majority of the voters within the expanded service area.

Position: Watch

CALAFCO Comments: As amended, the bill amends the Health & Safety code regarding the formation of zones within a fire protection district by requiring the district hold an election, regardless of the protest level, if the district wants to substantially expand (as defined in the bill) services outside the zone. This is unrelated to 56133. CALAFCO will retain a Watch position.

SB 414 (Caballero D) Small System Water Authority Act of 2019.

Current Text: Amended: 6/25/2019 [html](#) [pdf](#)

Introduced: 2/20/2019

Last Amended: 6/25/2019

Status: 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/21/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would create the Small System Water Authority Act of 2019 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2020, would require the state board to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people, and are not in compliance, for the period from July 1, 2018, through December 31, 2019, with one or more state or federal primary drinking water standard maximum contaminant levels, as specified.

Position: Support

Subject: Water

CALAFCO Comments: This bill is very similar to AB 2050 (Caballero) from 2018. Several changes have been made. This bill is sponsored by Eastern Municipal Water District and the CA Municipal Utilities Assoc. The intent is to give the State Water Resources Control Board (SWRCB) authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public water authority. The focus is on non contiguous systems. The SWRCB already has the authority to mandate consolidation of these systems, this will add the authority to mandate dissolution and formation of a new public agency.

LAFCo will be responsible for dissolving any state mandated public agency dissolution, and the formation of the new water authority. The SWRCB's appointed Administrator will act as the applicant on behalf of the state. LAFCo will have ability to approve with modifications the application, and the new agency will have to report to the LAFCo annually for the first 3 years.

2

AB 213 (Reyes D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Introduced: 1/15/2019 [html](#) [pdf](#)

Introduced: 1/15/2019

Status: 8/30/2019-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/19/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would, for the 2019–20 fiscal year, require the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount in the 2018–19 fiscal year, the product of that sum and the percentage change in gross taxable assessed valuation within the jurisdiction of that entity between the 2018–19 fiscal year to the 2018–19 fiscal year, and the product of the amount of specified motor vehicle license fee revenues that the Controller allocated to the applicable city in July 2010 and 1.17.

Attachments:

[CALAFCO Support Letter](#)

Position: Support

Subject: Tax Allocation

CALAFCO Comments: Sponsored by the League, this bill will reinstate ERAF funding for inhabited annexations. This bill is the same as AB 2268 (Reyes) from 2018.

AB 818 (Cooley D) Local government finance: vehicle license fee adjustment amounts.

Current Text: Introduced: 2/20/2019 [html](#) [pdf](#)

Introduced: 2/20/2019

Status: 1/24/2020-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 4/3/2019)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current property tax law, for the 2006–07 fiscal year, and for each fiscal year thereafter, requires the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount for the prior fiscal year, if specified provisions did not apply, and the product of the amount

as so described and the percentage change from the prior fiscal year in the gross taxable valuation within the jurisdiction of the entity. Current law establishes a separate vehicle license fee adjustment amount for a city that was incorporated after January 1, 2004, and on or before January 1, 2012. This bill would establish a separate vehicle license fee adjustment amount for a city incorporating after January 1, 2012, including an additional separate vehicle license fee adjustment amount for the first fiscal year of incorporation and for the next 4 fiscal years thereafter.

Attachments:

- [LAFCo Support letter template](#)
- [CALAFCO Support March 2019](#)

Position: Support

Subject: Financial Viability of Agencies

CALAFCO Comments: Sponsored by the League, this bill will reinstate ERAF funding for cities incorporating after 2018. This is the same bill as AB 2491 from 2018.

[AB 1304](#) (Waldron R) Water supply contract: Native American tribes.

Current Text: Amended: 5/6/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Last Amended: 5/6/2019

Status: 7/12/2019-Failed Deadline pursuant to Rule 61(a)(11). (Last location was N.R. & W. on 5/29/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law provides for the establishment and operations of various water districts. This bill would specifically authorize a water district, as defined, to enter into a contract with a Native American tribe to receive water deliveries from an infrastructure project on tribal lands. The bill would repeal its provisions on January 1, 2025.

Position: Watch

Subject: Municipal Services, Water

CALAFCO Comments: This bill amends the water code to allow a Native American tribe to sell/deliver water to a water district (as defined in the water code section 20200). The bill sunsets on January 1, 2025.

[AB 134](#) (Bloom D) Safe Drinking Water Restoration.

Current Text: Amended: 5/20/2019 [html](#) [pdf](#)

Introduced: 12/5/2018

Last Amended: 5/20/2019

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was E.Q. on 6/12/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the State Water Resources Control Board to report to the Legislature by July 1, 2025, on its progress in restoring safe drinking water to all California communities and to create an internet website that provides data transparency for all of the board's activities described in this measure. The bill would require the board to develop metrics to measure the efficacy of the fund in ensuring safe and affordable drinking water for all Californians.

Position: Watch

Subject: Water

[AB 1053](#) (Dahle R) Fallen Leaf Lake Community Service District.

Current Text: Amended: 3/25/2019 [html](#) [pdf](#)

Introduced: 2/21/2019

Last Amended: 3/25/2019

Status: 7/12/2019-Failed Deadline pursuant to Rule 61(a)(11). (Last location was GOV. & F. on 5/22/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would prohibit, on and after January 1, 2020, the Fallen Leaf Lake Community Services District from providing any services or facilities except fire protection, including medical response and emergency services, and parks and recreation services or facilities.

Position: Watch

CALAFCO Comments: CALAFCO will watch this bill to determine if the outcome of the State Audit on this district will have an impact on all CSDs.

[AB 1457](#) (Reyes D) Omnitrans Transit District.

Current Text: Amended: 5/24/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Last Amended: 5/24/2019

Status: 7/10/2019-Failed Deadline pursuant to Rule 61(a)(10). (Last location was GOV. & F. on 6/25/2019)(May be acted upon Jan 2020)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would create the Omnitrans Transit District in the County of San Bernardino. The bill would provide that the jurisdiction of the district would initially include the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa, and specified portions of the unincorporated areas of the County of San Bernardino. The bill would authorize other cities in the County of San Bernardino to subsequently join the district.

Attachments:

[CALAFCO Oppose unless amended letter April 2019](#)

Position: Neutral

CALAFCO Comments: This is a special act district formation. The bill takes what is currently a JPA and transforms it into a special district. CALAFCO has been working with the author and sponsor on amendments and the May 24 version addresses the vast majority of concerns. CALAFCO continues to work with the author and sponsor on minor technical amendments.

[SB 654](#) (Moorlach R) Local government: planning.

Current Text: Introduced: 2/22/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Status: 3/14/2019-Referred to Com. on RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, makes certain findings and declarations relating to local government organizations, including, among other things, the encouragement of orderly growth and development, and the logical formation and modification of the boundaries of local agencies, as specified. This bill would make nonsubstantive changes to these findings and declarations.

Position: Watch

CALAFCO Comments: This is a spot bill. The author indicates he has no plans to use this for LAFCo law.

[SB 799](#) (Dodd D) Local agency services: contracts: Counties of Napa and San Bernardino.

Current Text: Introduced: 1/7/2020 [html](#) [pdf](#)

Introduced: 1/7/2020

Status: 1/15/2020-Referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 establishes a pilot program under which the commissions in the Counties of Napa and San Bernardino, upon making specified determinations at a noticed public hearing, may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to

support existing or planned uses involving public or private properties, as provided. Current law repeals this pilot program as of January 1, 2021. This bill would delete the January 1, 2021, repeal date with regard to the pilot program, thereby continuing its operation indefinitely.

Position: Watch

Subject: CKH General Procedures

CALAFCO Comments: Originally created as a pilot program for San Bernardino and Napa LAFcos in 56133.5, the program is set to sunset January 1, 2021. This bill seeks to eliminate that sunset.

Total Measures: 14

Total Tracking Forms: 14

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