

Colusa Local Agency Formation Commission

Special Meeting Agenda

Thursday – April 2, 2020

3:00 PM

Welcome to the Colusa LAFCo special meeting. This special meeting has the same agenda as, and supersedes, the regular meeting previously scheduled for the same time and date. The meeting is re-noticed as a special meeting to allow Commissioners and the public to participate in the meeting via teleconference.

This Meeting will be via Teleconference (conference call) only due to the COVID-19 virus. Many items will be continued until the June 4th 2020 meeting.

You may use your phone for this conference call and no computer is required. There will be no video.

The DIAL IN NUMBER is (978) 990-5000 and the ACCESS CODE is 658749# at 3:00 PM

If you have any problems dialing in call LAFCo at (530) 458-0593

Items may be considered at any time during the meeting. All items are listed in accordance with the Ralph M. Brown Act. Members of the public are encouraged to participate in this teleconference meeting. You may listen to the meeting by dialing the teleconference numbers below.

This meeting is being agendized to allow staff and the public to participate via teleconference, pursuant to the Governor's Executive Order N-29-20 dated March 17, 2020. Executive Order N-29-20 authorizes local legislative bodies to hold public meeting via teleconference and to make public meetings accessible to telephonically to all members of the public and staff in effort to observe Social Distancing Recommendations.

1. Call to Order/Roll Call

Commissioners

Denise Carter (County)
John Loudon (Chair, County)
Brandon Ash (Public)
Greg Ponciano (Colusa, City)

Sajit Singh, (Williams, City)

Alternates

Merced Corona (County Alternate)
Tom Reische (City Alternate)
Mary Winters, (Public Member Alternate)

Staff

John Benoit, Executive Officer
P. Scott Browne, Legal Counsel
Lora Ceccon, Clerk to the Commissio

2. Consider Minutes from February 6, 2020

- a. *Consider approving the February 6, 2020 LAFCo minutes*

3. Public Comment

This is the time for the public to address the Commission on any matter not on the agenda. Testimony related to an item on the agenda should be presented at the time that item is considered

4. Consent Agenda

- a. *Payment of claims for the month of February 2020 and March 2020*

5. Correspondence:

6. Consider Agreement with the City of Williams to provide financial services for Colusa LAFCo commencing on July 1, 2020

- a. *Receive Executive Officer's report*
- b. *Approve agreement between the City of Williams and LAFCo to provide financial services for \$3,000.00 per year commencing on July 1, 2020.*
- c. *Adopt Resolution 2020-0002 requesting the City of Williams to establish a LAFCo fund including revenue and expenditure accounts*
- d. *Resolution 2020-0003 authorizing the release of LAFCo funds held by the County Treasury to the City of Williams for deposit into the LAFCo Account.*
- e. *Authorize Chair to sign letter regarding the release of LAFCo Funds to be sent to the County Auditor upon final approval of an agreement between LAFCo and the City of Williams.*

Public Hearings:

7. Consider the FY 2020-2021 Proposed LAFCo Budget

- a) *Consider Resolution 2020-0001 adopting a proposed FY 2020-2021 LAFCo Budget*

8. Consideration of LAFCo's Policies and Procedures Update 2020.

- a) *Continue item to the June 4th, 2020 LAFCo meeting*

9. Workshop regarding the Fire and EMS service review for fire agencies in Colusa County

- a) *Continue this workshop until the June 4th, 2020 Colusa LAFCo meeting*

10. Executive Officer's Report:

700 Forms due April 1, 2020. File with the County Clerk's office
Colusa LAFCO
April 2, 2020

11. Commissioner Reports - Discussion

This item is placed on the agenda for Commissioners to discuss items and issues of concern to their constituency, LAFCO, and legislative matters

12. Next Colusa LAFCo meeting: June 4, 2020

Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority Government Code Section 56325.1

Pursuant to Government Code Section 54954.2, Commission members may make a brief announcement or report on activities. Commission members may also provide a reference to staff or other resources for factual information, request staff to report back to the Commission at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

Public Comment

Members of the public may address the Commission on items not appearing on the agenda, as well as any item that does appear on the agenda, subject to the following restrictions:

- Items not appearing on the agenda must be of interest to the public and within the Commission's subject matter jurisdiction.
- No action shall be taken on items not appearing on the agenda unless otherwise authorized by Government Code Section 54954.2 (known as the Brown Act, or California Open Meeting Law).
- The total amount of time allotted for receiving public comment may be limited to 15 minutes.
- Any individual's testimony may be limited to 5 minutes. Time to address the Commission will be allocated on the basis of the number of requests received.

Public Hearings

Members of the public may address the Commission on any item appearing on the agenda as a Public Hearing. The Commission may limit any person's input to 5 minutes. Written statements may be submitted in lieu of or to supplement oral statements made during a public hearing.

Agenda Materials

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda are available for review for public inspection in the Colusa County Clerk's office located at the Colusa County Courthouse 546 Jay Street, Colusa CA. [such documents are also available on the Colusa LAFCO website as noted below to the extent practicable and subject to staff's ability to post the documents prior to the meeting].

Accessibility

An interpreter for the hearing-impaired may be made available upon request to the Executive Officer 72 hours before a meeting. The location of this meeting is wheelchair-accessible.

Disclosure & Disqualification Requirements

Pursuant to Government Code Sections 56100.1, 56300(b), 56700.1, and 81000 et seq., and Colusa LAFCO's Policies and Procedures for the Disclosure of Contributions and Expenditures in Support of and Opposition to Proposals, any person or combination of persons who directly or indirectly contribute \$1000 or more or expend \$1000 or more in support of or opposition to a change of organization or reorganization that has been submitted to Colusa LAFCO must comply with the disclosure requirements approved by Colusa LAFCO. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Colusa County Elections Department 546 Jay Street, Colusa, CA 95932. (530) 458-0500

A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

Contact LAFCO Staff LAFCO staff may be contacted at (530) 458-0593 or by mail at Colusa LAFCO P.O. Box 2694, Granite Bay Ca 95746 or by email at lafco@countyofcolusa.com or j.benoit4@icloud.com

Webpage Reports, agendas, minutes and general information about LAFCO are available on the LAFCO Webpage at www.colusalafco.org

LOCAL AGENCY FORMATION COMMISSION
COLUSA COUNTY
MINUTES OF MEETING
February 6, 2020

PRESENT:

JOHN LOUDON, Chair, County Member
BRANDON ASH, Public Member
DENISE CARTER, County Member
SAJIT SINGH, City Member

ALSO PRESENT:

JOHN BENOIT, Ex. Officer
MARSHA BURCH, Legal
MARY WINTERS, Public Alt.
MERCED CORONA, Co. Alt.
LORA CECCON, Clerk

1. Call to Order/Roll Call

The meeting was called to order at 3:03 p.m. There was a quorum present.

2. Consider Minutes from December 19, 2019

On motion of B. Ash, second by D. Carter, the commission approved the meeting minutes of December 19, 2019; motion carried by roll call vote.

3. Public Comment - None

4. Consent Agenda

On motion of D. Carter, second by S. Singh, the commission approved claims for the months of December, 2019 and January 2020; motion carried by roll call vote.

5. Correspondence – John stated that the City of Colusa is currently working on their housing element, the county will begin working on theirs this year, and the City of Williams has completed their housing element.

6. Presentation and Discussion with Robert Zunino, County Auditor regarding A-87 (Cost Plan), and payments for county services

Robert Zunino, County Auditor-Controller provided a power point presentation on the purpose of a cost allocation plan. John asked about a fixed cost for Lafco rather than A-87. Mr. Zunino responded that he would consider it. John suggested an option of going with a city. B. Ash suggested that if Lafco goes outside the county, an independent audit should be considered. The county does not audit Lafco. John stated that if we went with a city, that wouldn't be necessary. Lafco is paying approximately \$50 per check. More discussion followed. John suggested that the budget committee could come up with some options to consider. Also, an audit could cost anywhere from \$15,000 - \$20,000.

7. Appoint Budget Committee for FY 2020-2021 LAFCo Budget

M. Winters and D. Carter were officially appointed to the Budget Committee for FY 2020-2021.

D. Carter asked if Lafco should be concerned about AB5. M. Burch responded that she does not believe so. John and S. Browne are on top of the issue. There will be a session on it at the staff workshop. M. Burch stated that she expects many more exemptions. She will talk with S. Browne about AB5.

8. Workshop #2 regarding LAFCo's Policies and Procedures Update 2020

John continued the review of LAFCo's policies and procedures from page 19, 2.16. John completed the review stating that this process was primarily to clean up the policies and procedures.

9. Authorize Staff to attend the Calafco Annual Staff Workshop on March 24-27, 2020 in Orange County

On motion of D. Carter, second by B. Ash, the commission authorized staff to attend the Calafco Annual Staff Workshop on March 24-27, 2020 in Orange County; motion carried by roll call vote.

10. Executive Officer's Report

Colusa County Fire District's Service Review and Sphere – draft is out; copies will be sent for comments

700 Forms due April 1, 2020 – file with clerk

City Member Alternate to rotate to an appointee from the City of Colusa – Application forms – small districts, when they do a change of organization, are failing to notify landowners, so John will amend the application form so that people are notified

11. Commissioner Reports – Discussion – J. Loudon provided an update on the ambulance issue.

12. Next Colusa LAFCo meeting: March 5, 2020

March meeting cancelled; next meeting April 2, 2020

Meeting adjourned 4:25 p.m.

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Colusa Local Agency Formation Commission

CLAIMS

For February and March 2020

Authorize payment of the following claims:

FY 2019-2020 EXPENSES:

Claims for February and March 2020:

Mar 2, 2020	Staff Svcs and Exp. – Feb 2020	\$ 7,087.88
1.16-20-2.15.20	Legal Svcs. P. Scott Browne	\$ 2,000.00
Feb 7, 2020	Frontier Phone #102302-8	\$ 47.65
April 1, 2020	Staff Svcs. And Exp – March 2020	\$ 5,236.78
2.16.19-3.15.20	Legal Svcs. P. Scott Browne	\$ 2,000.00
Mar 7, 2020	Frontier Ph #5304580593	\$ 46.77

TOTAL: \$ 16,419.08

DATED: April 2, 2020

APPROVED: April 2, 2020

John Loudon, Chair
Colusa Local Agency Formation Commission

Attest:

John Benoit
Executive Officer

Colusa LAFCO

Shadow Accounting
2019-2020

EXPENSE	Executive Off. Cont 53180	Clerical Support 53180	Workers Comp 51035	Atty Contract 53180	Insurance 53100	Office Supplies 53170	Postage 53171	Copies 53170	Membership: 53150
CALAFCO Dues 19-20	\$48,000.00	\$3,657.00	\$50.00	\$24,000.00	\$1,783.00	\$375.00	\$500.00	\$750.00	\$1,712.00
SDRMA Insurance 19-20					-\$1,698.00				-\$1,075.00
Staff Servicess June 2019	-\$4,000.00	-\$175.00					-\$55.30	-\$49.90	
Frontier Phone June 7, 2019									
Browne Legal Svcs 5.16.2019-6.15.2019				-\$2,000.00					
Staff Svcs July 2019	-\$4,000.00					-\$10.00	-\$1.42		
Browne Legal Svcs 6.16.19 - 7.15.19				-\$2,000.00					
Frontier PH July 7, 2019									
Calafco Reg and Mobile Workshop									
JB Staff Svcs August 2019	-\$4,000.00	-\$175.00					-\$1.22	-\$68.80	
Frontier ph Aug 7, 2019									
Browne Legal Svcs 7.16.19 - 8.15.19				-\$2,000.00					
JB Staff Svcs Sept 2019	-\$4,000.00					-\$15.00			
Frontier Ph Sept 7, 2019									
Browne Legal Svcs 8.16.19-9.15.19				-\$2,000.00					
JB staff Svcs Oct 2019	-\$4,000.00	-\$175.00					-\$2.05	-\$18.00	
Front Ph Oct 7, 2019									
CSDA Dues 2020									-\$500.00
Browne Legal Svcs 9.16.19-10.15.19				-\$2,000.00					
Denise Carter Conf. Reimbursement									
John Loudon CalafcoConf Reimb									
Browne Legal Svcs 10.16.19-11.15.19				-\$2,000.00					
Front Ph Nov 7, 2019									
JB Staff Svcs Nov 2019	-\$4,000.00	-\$175.00					-\$0.50	-\$5.00	
A-87 County overhead costs									
JB Staff Svcs Dec 2019	-\$4,000.00	-\$175.00					-\$1.00	-\$17.00	
Browne Lgl Svcs 11.16.19-12.15.19				-\$2,000.00					
JB Staff Svcs January 2020	-\$4,000.00					-\$33.90	-\$0.70	-\$5.00	
Browne Legal Svs 12.16.19-1.15.20				-\$2,000.00					
Frontier ph Jan 7, 2020									
JB Staff Svcs February 2020	-\$4,000.00	-\$175.00					-\$0.70	-\$83.40	
Browne Legal Svs 2.16.20-2.15.20				-\$2,000.00					
Frontier PH 2.7.20									
JB Staff Svcs. March 2020	-\$4,000.00							-\$15.00	
Browne Legal Svcs 2.16.15 - 3.15.20				-\$2,000.00					
Frontier Ph 3.7.20									
Total Expended in FY 18-19	-\$40,000.00	-\$1,050.00	\$0.00	-\$20,000.00	-\$1,698.00	-\$58.90	-\$62.89	-\$262.10	-\$1,575.00
Total Remaining in FY 18-19	\$8,000.00	\$2,607.00	\$50.00	\$4,000.00	\$85.00	\$316.10	\$437.11	\$487.90	\$137.00

**AGREEMENT BETWEEN THE CITY OF WILLIAMS AND
THE COLUSA LOCAL AGENCY FORMATION COMMISSION FOR CITY
FINANCE SERVICES**

This agreement is made and entered into this _____ day of April 2020, by and between the City of Williams, hereinafter referred to as CITY, and the Colusa Local Agency Formation Commission (LAFCO), hereinafter referred to as LAFCO.

WITNESSETH

WHEREAS, Local Agency Formation Commissions have been created under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et. seq. of the Government Code, as independent agencies, with the power to adopt expenditure and travel policies, as necessary, to carry out their functions; and

WHEREAS, the conduct of the COLUSA Local Agency Formation Commission is governed by Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, sections 56000 et. seq.; and

WHEREAS, the Commission adopts and manages an annual budget including revenues and expenditures; and

WHEREAS, the LAFCO Executive Officer is responsible for managing the day-to-day business of the Commission and for directing expenditures for that purpose within the guidelines established by the adopted budget; and

WHEREAS, the Commission has adopted written expenditure and travel policies distinct from those of the City of Williams; and

WHEREAS, LAFCO is in need of accounting, financial review and general financial services; and

WHEREAS, LAFCO has determined it is in its best interest to contract with the City of Williams for said services; and

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

SECTION 1
LAFCO's RESPONSIBILITIES:

- 1.1 The City has agreed to charge LAFCO Three Thousand (\$3,000.00) per year for banking, financial and accounting services performed by the City.
- 1.2 LAFCO will provide warrant processing information as required as part of the City's normal operating procedures, except to the extent modified by LAFCO's own policies.

SECTION 2
CITY'S RESPONSIBILITIES

City shall provide the following:

2.1 City Finance Department

- (a) Assist the Executive Officer in managing LAFCO's day to day accounting and financial functions.
- (b) Process expenditure and travel expense requests in accordance with LAFCO's adopted finance and expenditure and budget policies. The LAFCO Commission, or the LAFCO Executive Officer or his designee will approve all invoices to be paid by the City of Williams in advance of their processing.
- (c) Maintain all LAFCO funds in separate fund accounts and invest them in the Local Agency Investment Fund (LAIF) on behalf of LAFCO.
- (d) Timely process all warrant requests within fifteen business days of submittal and provide LAFCO with a monthly financial statement detailing all expenditures and income and fund balances not later than 45 days after the end of each month.
- (e) City shall hold funds for LAFCO under this agreement as a fiduciary and title to those funds shall not shift to the City while they are held for LAFCO and City shall release all LAFCO funds upon request, without right of set-off.

SECTION 3
TERM

This Agreement shall commence July 1, 2020 and continue until terminated upon sixty (60) days written notice by either party. It is agreed that an annual review and adjustment of the fees for the services provided for in this agreement will be conducted prior to budget adoption each fiscal year.

SECTION 4
STANDARD OF SERVICES

City represents that it is specially trained, licensed, experienced and competent to perform all the services, responsibilities and duties specified herein and that such services, responsibilities and duties shall be performed in a manner according to generally accepted practices.

SECTION 5
INDEMNIFICATION

Each party shall be responsible for its own acts and omissions and any and all claims, liabilities, injuries, suits and demands and expenses of all kinds that may arise out of any alleged negligence and/or intentional acts caused or alleged to have been caused by said party, its employees, commissioners, agents or subcontractors, in the performance or omission of any act or responsibility of said party under this agreement. The City will be liable only for acts of gross negligence, willful misconduct or criminal activity on the part of the City's employees engaged in fulfilling the terms of this Agreement.

SECTION 6
EMPLOYEES OF THE CITY

- (a) It is specifically understood and agreed that in the performance of this Agreement, City's employees providing services herein are and shall remain employees of the City, and shall not be deemed to be an employee, agent, or servant of LAFCO or the County of Colusa. City shall continue to provide workers compensation coverage for the City employees providing services herein.
- (b) City is, and shall at all times remain as to LAFCO, a wholly independent contractor. Neither LAFCO nor any of its agents shall have control over the conduct of City or any of City's employees, except as set forth in this Agreement. City shall not represent that it is, or that any of its agents or employees are, in any manner employees of LAFCO. However, the City will be acting as a limited agent on behalf of LAFCO to perform this Agreement.

SECTION 7
MODIFICATION

This Agreement may only be modified by a written amendment hereto, executed by all parties.

SECTION 8
NON-DISCRIMINATION IN EMPLOYMENT

In the performance of the work authorized under this Agreement, City shall not unlawfully discriminate against any qualified worker because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40) or any other unlawful basis.

SECTION 9
ATTORNEY'S FEES AND COSTS

If any action at law or inequity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable and actual attorney's fees, costs in addition to any other relief to which such party may be entitled.

SECTION 10
SEVERABILITY

If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

SECTION 11
NOTICES

All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party:

LAFCO:	Executive Officer
	Colusa LAFCO
	P.O. Box 2694
	Granite Bay, CA. 95746

City: Frank Kennedy, City Manager
City of Williams
P.O. Box 310
Williams, CA 95987

SECTION 12
ADDITIONAL PROVISIONS

(a) **Governing Law; Integration.** This Agreement shall be governed by the laws of the State of California. It constitutes the entire agreement between the parties regarding its subject matter. This Agreement supersedes all proposals, oral and written and all negotiations, conversations or discussions heretofore and between the parties related to the subject matter of this Agreement.

(b) **Records and Inspections.** City shall maintain full and accurate records with respect to all matters covered under this Agreement in the same manner and for the same duration as it maintains records of its own financial activities. LAFCO shall have the right to access and examine such records, without charge, during normal business hours. LAFCO shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

Executed at the City of Williams, County of COLUSA California, on the day and year first written above.

Colusa LAFCO

City of Williams

John Loudon, LAFCO Chair

Alfred Sellers, Jr., Mayor

ATTEST:

ATTEST:

John Benoit, LAFCO Executive Officer

Frank Kennedy, City Manager

ATTEST:

Mariana Pineda, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

P. Scott Browne, LAFCO Counsel

Anne Siprelle, City Attorney

Colusa Local Agency Formation Commission

Resolution 2020-0002
of the
Colusa Local Agency Formation Commission
In Colusa County, California

*Resolution of Colusa Local Agency Formation Commission
Requesting the City of Williams establish LAFCO fund including revenue and
expenditure accounts*

WHEREAS, Local Agency Formation Commissions have been created under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et. seq. of the Government Code, as independent agencies, with the power to adopt expenditure and travel policies, as necessary, to carry out their functions, (§56334); and

WHEREAS, the conduct of the Colusa Local Agency Formation Commission is governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, sections 56000 et. seq.; and

WHEREAS, The Commission desires the LAFCO funds be maintained with the City; and

WHEREAS, the LAFCO Executive Officer is responsible for managing the day-to-day business of the Commission and for directing expenditures for that purpose within the guidelines established by LAFCO policy; and

WHEREAS, the Commission has adopted written finance, expenditure and travel policies distinct from those of the County of Colusa and the City of Williams as well as all other agencies within Colusa County; and

WHEREAS, this Resolution shall become effective upon adoption thereby requesting the City to establish a LAFCO fund and expenditure and revenue accounts for LAFCO.

NOW, THEREFORE, the Colusa Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. LAFCO requests the City's share of the operating costs of LAFCO be deposited into a restricted account held by the City of Williams on behalf of LAFCO in which the LAFCO shall receive interest.
2. Colusa LAFCO hereby requests the City establish a LAFCO Restricted Fund with expenditure and revenue accounts. Expenditures shall comply with LAFCO's adopted travel and expenditure policies.
3. LAFCO will request release all LAFCO funds held on behalf of LAFCO in the County of Colusa's treasury at this time.

Colusa Local Agency Formation Commission

4. LAFCO shall consider the deposit or transfer of City funds into a City LAFCO restricted fund as the City having complied with the required apportionment in Gov. Code Section 56381.

The foregoing resolution was offered at a Regular Meeting of the Colusa LOCAL AGENCY FORMATION COMMISSION on the 2nd day of April 2020 and adopted by the following vote of the Commission:

AYES:

NOES:

ABSTAIN:

ABSENT:

John Loudon, Chair or Vice Chair
Colusa Local Agency Formation Commission

ATTEST:

John Benoit, LAFCO Executive Officer
Colusa LOCAL AGENCY FORMATION COMMISSION

Colusa Local Agency Formation Commission

Resolution 2020-0003
of the

Colusa Local Agency Formation Commission

Colusa County, California

*Resolution of the Colusa Local Agency Formation Commission
Authorizing the release of LAFCO funds held by the County of Colusa Treasury to the
City of Williams for deposit into the City's LAFCO Account*

WHEREAS, Local Agency Formation Commissions have been created under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et. seq. of the Government Code, as independent agencies, with the power to adopt expenditure and travel policies, as necessary, to carry out their functions, (§56334); and

WHEREAS, the conduct of the Colusa Local Agency Formation Commission is governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, sections 56000 et. seq.; and

WHEREAS, the LAFCO Executive Officer is responsible for managing the day-to-day business of the Commission and for directing expenditures for that purpose within the guidelines established by LAFCO policy; and

WHEREAS, the Commission has adopted written finance, expenditure and travel policies distinct from those of the County of Colusa and all other agencies within Colusa County; and

WHEREAS, on April 1st, 2020, Colusa LAFCO passed Resolution 2020-0002 requesting the City of Williams to establish a LAFCO revenue and expenditure fund.

WHEREAS, this Resolution shall become effective on July 1, 2017.

NOW, THEREFORE, the Colusa Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. Colusa LAFCO hereby requests the release of all LAFCO funds from the County of Colusa Treasury effective July 1, 2020 or after processing of LAFCO's May 2020 claims to be approved in early June 2020, whichever is later and a check or electronic transmittal of all remaining LAFCO funds currently on deposit with Colusa County to be released to the City of Williams for deposit into the City's LAFCO Account.
2. The transfer of funds shall not change the County Auditor's statutory mandatory duty to follow and implement the provisions of the Cortese-Knox Local Government Reorganization Act of 2000, as amended; in particular, Section 56381 with respect to collecting LAFCO funds from agencies tax revenue as well

Colusa Local Agency Formation Commission

as any other provision relating to actions before LAFCO shall not be affected by this resolution.

3. The City of Williams shall transfer its share of the costs of LAFCO into the City's LAFCO account on an annual basis and shall promptly notify the Colusa County Auditor-Controller of this action.
4. Colusa County shall not retain any LAFCO funds or portion of LAFCO funds without specific permission from the Local Agency Formation Commission.
5. Colusa County shall apportion interest received on LAFCO funds from the County Treasury to the date of the transfer of funds to the City and release any interest payments to the City of Williams for deposit into the City's LAFCO Account.

The foregoing resolution was adopted at a Regular Meeting of the COLUSA LOCAL AGENCY FORMATION COMMISSION on the 2nd of April 2020, by the following vote of the Commission:

AYES:

NOES:

ABSTAIN:

ABSENT:

John Loudon, Chair or Vice-Chair
Colusa Local Agency Formation Commission

ATTEST:

John Benoit, LAFCO Executive
COLUSA LOCAL AGENCY FORMATION COMMISSION

Colusa Local Agency Formation Commission

April 2, 2020

Robert Zunio, Colusa County Auditor
County of Colusa
546, Jay Street, Suite 202
Colusa, CA 95932

RE: Release of LAFCO funds from the County

Dear Mr. Zunio,

Attached is a fully executed agreement between Colusa LAFCO and the City of Williams regarding banking and financial services effective July 1, 2020 and LAFCO Resolution 2020-0003 authorizing the release of LAFCO funds from the County Treasury. As authorized by the Commission, the Commission is requesting release of all LAFCO funds from County Treasury (fund 04060) after your processing of the LAFCO claims for May 2020, which will be approved either by the Commission or its chair in early June 2020. We assume interest received on LAFCO funds will be apportioned at a later date. Please release all remaining LAFCO funds to the City of Williams, P.O. Box 310 Williams, CA 95987 attn: Rex Greenbaum, Finance Director and provide a closing balance sheet to our Executive Officer at Colusa LAFCO, P.O. Box 2694 Granite Bay, CA 95746.

Sincerely,

John Loudon
Chair, Colusa Local Agency Formation Commission.

Enclosures:

7

COLUSA LOCAL AGENCY FORMATION COMMISSION

MEMORANDUM

April 2, 2020

To: Local Agency Formation Commission Commissioners
From: John Benoit, Executive Officer
RE: Proposed Budget for FY 2020-2021
Attachment: Budget Resolution 2019-0002

Since the passage of AB-2838 in 2000, LAFCO has become independent (as a result of legislative mandate) from the County. Before, operational costs of LAFCO were entirely paid by the County including costs staff time, legal services, miscellaneous office expenses, and insurance. The Legislature took the recommendation of the Commission on Local Governance for the 21st Century and concluded that LAFCO costs were to be paid by both the City and County and LAFCOs were to become entirely independent and by Special Districts if seated on LAFCO. In the latter case costs are to be split in equal thirds. Many costs have become more apparent since LAFCO is independent. Although in Colusa County LAFCO remains in the County's A-87 program, LAFCO's participation in this program is limited to accounting/auditing/financial services.

Since 2001 the legislature has given the Commission discretion over it's own budget including Legal Services (Attorney), Executive Officer Services, Office Expenses, and the amount of funds allocated for MSR's and SOI's.

In the attached sheet, I have provided a "Proposed" budget based on the costs to provide LAFCO in light of various mandates. The Budget Committee has reviewed the proposed budget. This budget relies on carryover to be balanced.

The overall goal of this budget is to conduct LAFCO business in a proactive manner involving the Community and to meet the overall requirements of the Cortese-Knox-Hertzberg Act at a reasonable cost.

Municipal Service Reviews and Sphere of Influence updates continue in the upcoming year. Colusa LAFCO as most other LAFCO's is updating its service reviews and sphere updates, as necessary. To perform these updates Colusa LAFCO has set forth a policy to incrementally complete the MSR/SOI reports and updates without the need for substantial additional special funding.

Hopefully, the County will continue developing a comprehensive mapping and update system since this data has been received. There are several data layers required for LAFCO. Most importantly is the District Boundary Layer and the Sphere of Influence Layer, which should be prepared by LAFCO, who oversees boundaries in Colusa County. Other layers of importance to LAFCO include, roads, parcels, land use, zoning, flooding, agricultural capability, for example. Over the years, staff has encountered numerous errors in district mapping upon comparing original boundary descriptions with maps being used by county departments.

This year LAFCO has began scanning all its files. The files have been purged and need to be scanned into electronic format. These files are not very accessible to the public and in the event of records requests it becomes very expensive to comply. Electronic copies will be much easier to work with and can be accessible to the public. There are about 15-20 boxes of entire files that need to be scanned electronically. This effort will continue into the next fiscal year.

SUMMARY OF PROPOSED EXPENSES:

Note: Most budgets remain essentially the same as the previous year with a few minor exceptions.

1. **The CALAFCO Dues have been increased from \$1077.00 to \$1,319, as voted on by its membership at the annual CALAFCO meeting. CSDA membership remains at \$500.00 therefore, the total for the membership category is \$1,819.00**
2. **For A-87, LAFCO budgeted \$2,666.00 in FY 18-19 and 19-20. The actual cost has been determined to be \$9,485.00 leaving a shortage of \$6,819.00. A-87 costs are ultimately determined by the Board of Supervisors, based upon its operational and overhead costs. This year the LAFCo budget Committee is recommending an agreement with the City of Williams for \$3,000.00. This is \$6,485 less than if LAFCo were to remain with the County. The agreements for service is included in the April 1, 2020 LAFCo packet. Should the City and LAFCO not agree the amount for A-87 Administrative Fees will need to be raised by \$6,485 for this year to \$9,485.00.**
3. **LAFCo has not been informed of any increase from the Special Districts Risk Management Authority at this time the amount budgeted is the same as last year at \$1,783.00.**
4. **There will be no increase in the Reserve Fund this year.**

Transportation/Travel & Training The committee recommending \$6,500 combined for these two items, a substantial reduction from years past. This represents funding for 3 or 4 commissioners to attend the annual conference in Monterey. Estimated costs for each Commissioner to attend the Calafco Annual Conference (October 21-23, 2020) in Monterey is approximately \$1,500 per person including transportation, lodging for 3 nights (\$600 + taxes and fees) and conference registration (\$520) and mileage from Colusa to Monterey (460 miles RT \$265.00) plus misc. costs \$100.00. The justification for this expense is LAFCO Commissioners need to be informed decision makers. Commissioners need the tools to carry out their statutory responsibilities in a responsible manner. Training and interaction with Commissioners from other LAFCO's will assist those Commissioners in attendance to bring back ideas to be shared with the remainder of the Commission. Training is necessary to remain informed of changes in LAFCO law and procedures. This item also includes funds for a portion of Staff's expense to represent Colusa LAFCO at CALAFCO Activities.

Note: A decision as to the actual number of Commissioners anticipating attendance at the conference is needed before the final budget is approved.

Worker's Comp: Approximately \$50.00 is needed to cover the costs of Worker's comp for the Public Member and Public Member alternate.

Executive Officer - Staff Services The Committee is recommending \$48,000 for this item. This is the same as for the previous sixteen years. This translates to an average of \$4,000 per month for LAFCO administrative activities. Since the LAFCO set-up work is completed, costs of administering the MSR's and SOI's and environmental reviews for the SOI's will be included (unless an Environmental Impact Report is required necessitating an independent consultant). Notwithstanding a very complex reorganization (application), controversial service review, sphere of influence or incorporation project for Colusa LAFCO, this amount should cover LAFCO administration and potentially may allow time to work on the Municipal Services Reviews and Sphere Studies if project activity is lower than expected thereby possibly resulting in a larger rollover to the next fiscal year in those line-item budgets.

Note: project related cost overruns relating to an application would normally be fee supported if an augmentation is needed in this category as well as office expenses. A project proponent will pay all project related costs including legal costs.

Clerical Support: The Committee is recommending \$3,657 for clerk or clerical services. A LAFCO Clerk is necessary to record meetings to produce an accurate record and provide other miscellaneous duties. Assistance is needed in production and distribution of packets and miscellaneous analyst duties.

Webhosting: Budgeting in this category has been eliminated since staff manages the LAFCO webpage. Website costs (URL Registration, for example) are paid from the office expense category.

Legal Services The Committee is recommending \$24,000 for this item. Since LAFCO has become independent, separate LAFCO Counsel is necessary to represent LAFCO's interest. This cost is fixed rate for normal legal services. LAFCO Counsel is needed to provide legal direction at meetings of the Commission and to protect LAFCO's interests where required. Project related legal costs would be billed to the project proponent through LAFCO's fee structure. Should the Commission wish to amend Counsel's contract, the contract information is as follows.

Liability Insurance: LAFCO is required to have insurance as an independent agency. Seven years ago, the Board of Supervisors made a final determination that LAFCO should have independent insurance. Therefore, LAFCO's bought insurance through the SDRMA. This year's cost is estimated at this time to be \$1,783.00.

Office Supplies This item covers copy costs, postage, and misc. office supplies. Expenses for FY 2020-2021 are expected to remain the same for postage, copies and office expenses at \$2,375.00. The Committee is recommending a minimal budget remain to cover expenses related to MSR's and SOI studies and to process additional

projects. Copy and Postage expenses for MSR's and SOI's are included in this line-item budget.

Memberships As a condition of having SDRMA Insurance, a \$500.00 membership fee is required in the CSDA. In FY 2020-2021 the CALAFCO membership cost is \$1319.00

Legal Notices/Publications The Committee is recommending \$750.00 for this item. Legal notices are required by state law and must be prepared for Municipal Service Reviews and Sphere of Influence Updates, all public hearings before the Commission and protest hearings. Public hearing notices are required for many LAFCO actions. Cost overruns in this category will be fee supported.

Communications The Committee is recommending \$1,400 to cover communications. This amount will provide phone access to LAFCO by agencies and the public.

Special Projects: This line item is reserved for one-time projects requested by the Commission or staff. The LAFCO files need to be categorized and scanned into electronic format. This is a special one time project with the goal to minimize the amount space for retained files per LAFCO's record retention policy and to scan all the files for easy accessibility. Staff will begin the process of categorizing and scanning the files immediately in accordance with LAFCO's adopted records retention policy. The estimated amount to perform this function next year is \$5,000.00.

Sphere of Influence Updates and Municipal Service Reviews The Committee is recommending a budget of \$32,000, to cover the costs of working on Municipal Service Reviews and Spheres of Influence in accordance with the adopted work program as well as \$5,000.00 to cover the costs of G.I.S. Mapping.

Note: Given budgetary and time constraints, this work most likely will have to be completed by staff over several years. The use of consultants will require budget estimates significantly higher than stated. In addition, staff will have to review the consultant's work to ensure accuracy. It has been the experience of many LAFCO's that the Executive Officer has to re-write work prepared by consultants adding even more cost.

Contingency The Contingency fund for FY 2020-2021 is proposed to remain at \$10,000 and the reserve fund to be \$60,000. The justification of the General Reserve is to provide LAFCO with the funds necessary to initiate projects in accordance with its Bylaws and Policies for which funding does not exist. If, for some reason, LAFCO were to have a cost overrun or unanticipated expenses such as litigation during the fiscal year, LAFCO would have to formally request a loan from the Board of Supervisors. The Board of Supervisors has no obligation to fund such a loan.

Colusa County A-87 Estimated A-87 costs include costs for the County Treasurer/Technology/Auditor's functions. The County's cost requirement next year is not known at this time and varies significantly. The County's A-87 program allocates costs among county departments from two years ago. Estimated costs based on the

County's figure is estimated to be \$9,485.00 at this time. Should an agreement between the City of Williams and LAFCo be achieved then the amount shall be reduced to \$3,000.00 which is in the proposed budget. Should no agreement is reached \$9,485.00 will need to be budgeted during the final budget in June.

SUMMARY OF ANTICIPATED FEE DEPOSITS AND INTEREST

LAFCO may need to increase appropriations in various budgets if unanticipated revenue is realized through project applications. In the past, LAFCO has estimated the revenue for fee deposits and interest. The fee deposits do not become revenue until actual work is completed. Based on the amount of revenue received in a prior fiscal year, there may be reductions in City-County contributions the following year. This has been the case for the past three years.

CARRYOVER

This year LAFCO will not expend its entire budget. LAFCO has relied upon carryover to fund the next year's budget. An estimated unexpended general reserve and unexpended funds of approximately \$93,181.00. Most of this amount will be dedicated to maintaining the General Reserve and Contingency Funds.

WORK PROGRAM:

For FY 2020-2021 (see MSR and SOI status Spreadsheet)

1. Process LAFCo Applications as they are received.
2. Revise and Update LAFCo's Policies, Standards and Procedures (should be complete)
3. Review Cemetery Districts (Last Reviewed in 2007)
4. Review Park and Recreation Districts last reviewed in 2011

COSTS TO CITIES AND COUNTY:

The proposed cost to the Cities and the County is proposed to be \$105,688.00. Should an agreement not be reached with the City of Williams for LAFCo finances the proposed cost will be \$111,688.00. Other than the CALAFCo dues (a \$298 increase) and the A-87 costs debt from FY 2019-2020 of \$6,819.00 there are no other increases in the budget other than \$334 in financial processing costs should an agreement be made with the City of Williams.

RECOMMENDATION

1. Consider the above budget justification report, discuss and amend report and (or) the proposed budget as necessary.
2. Adopt LAFCO Resolution 2020-0001 approving a proposed budget for FY 2020-2021.

Resolution 2020-0001
of the
Colusa Local Agency Formation Commission
Colusa County, California

A Resolution of Colusa LAFCO Adopting a Proposed Budget for 2020-2021

WHEREAS, Colusa LAFCO is required by Government Code Section 56381(a) to adopt annually, following a noticed public hearing, a proposed budget by May 1st and a final budget by June 15th; and,

WHEREAS, the Commission has prepared a proposed budget for public review; and,

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified by law for adoption of the proposed budget and upon the date, time and place specified in said notice of hearing, the Commission heard, discussed and considered all oral and written testimony submitted including, but not limited to, the approved budget priorities for Fiscal Year 2020-2021 and the Executive Officer's report and recommendations; and

WHEREAS, the Commission has considered the attached Budget in light of the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000;

NOW THEREFORE, the Colusa Local Agency Formation Commission does hereby determine, resolve, and order the following:

1. That Colusa LAFCO hereby adopts the attached proposed 2020-2021 proposed budget (see Exhibit A).
2. Directs the Executive Officer to transmit the proposed budget to the Auditor and all parties specified in Government Code Section 56381 (a) as promptly as possible.

PASSED AND ADOPTED by the Colusa Local Agency Formation Commission at a special meeting of said Commission held on April 2, 2020 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 2nd day of April 2020.

John Loudon, Chair
Colusa LAFCO

Attest:

John Benoit, Executive Officer
Colusa LAFCO

REV, CATEGORICAL and CARRYOVER ESTIMATES	FINAL 2017-2018 Budget	FINAL 2018-2019 Budget	FINAL 2019-2020 Budget	PROPOSED 2020-2021 Budget
466920 City and County Contributions	\$ (92,555.00) \$	93,542.00 \$	93,542.00 \$	(105,203.00)
10100 Carryover Prior-Year	\$ 103,000.00 \$	(95,000.00) \$	(100,000.00) \$	(93,181.00)
Categoricals				
466920 Processing Fees	\$	(5,000.00) \$	(5,000.00) \$	(5,000.00)
441900 Interest	\$	(1,200.00) \$	(1,200.00) \$	(1,200.00)
TOTAL REVENUE AND CARRYOVER EST.	\$ 10,445.00 \$	(101,200.00) \$	(106,200.00) \$	(204,584.00)

EXPENDITURES

51035 Workers Comp	\$ 50.00 \$	50.00 \$	50.00 \$	50.00 \$
53180 Executive Officer Contract	\$ 48,000.00 \$	48,000.00 \$	48,000.00 \$	48,000.00 \$
53180 Clerical Support	\$ 3,657.00 \$	3,657.00 \$	3,657.00 \$	3,657.00 \$
53180 Legal Services (attorney contract)	\$ 24,000.00 \$	24,000.00 \$	24,000.00 \$	24,000.00 \$
53100 Liability Insurance	\$ 1,741.50 \$	1,818.00 \$	1,783.00 \$	1,783.00 \$
53170 Office Supplies	\$ 375.00 \$	375.00 \$	375.00 \$	375.00 \$
53171 Postage	\$ 500.00 \$	500.00 \$	500.00 \$	500.00 \$
53170 Copies	\$ 1,500.00 \$	1,500.00 \$	750.00 \$	750.00 \$
53150 Memberships	\$ 899.00 \$	926.00 \$	1,712.00 \$	1,819.00 \$
53250 Transportation and Travel	\$ 4,000.00 \$	4,000.00 \$	4,000.00 \$	4,000.00 \$
1002.5 Training	\$ 2,500.00 \$	2,500.00 \$	2,500.00 \$	2,500.00 \$
53190 Legal Notices and Publications	\$ 1,500.00 \$	1,500.00 \$	750.00 \$	750.00 \$
53060 Communications	\$ 1,250.00 \$	1,250.00 \$	1,400.00 \$	1,400.00 \$
53180 Special Projects -File Scanning	\$ 7,500.00 \$	5,000.00 \$	5,000.00 \$	5,000.00 \$
8062.5 Sphere of Influence Updates	\$ 15,000.00 \$	16,000.00 \$	16,000.00 \$	16,000.00 \$
53180 Municipal Service Reviews	\$ 16,000.00 \$	16,000.00 \$	16,000.00 \$	16,000.00 \$
53180 Mapping and Scanning	\$ 5,000.00 \$	5,000.00 \$	5,000.00 \$	5,000.00 \$
53229 A-87/Administration Fees	\$ 2,092.00 \$	2,666.00 \$	2,666.00 \$	3,000.00 \$
TOTAL EXPENDITURE BUDGET	\$ 135,564.50 \$	134,742.00 \$	134,143.00 \$	134,584.00

59400 CONTINGENCY	\$ 10,000.00 \$	10,000.00 \$	10,000.00 \$	10,000.00
RESERVE FUND	\$ 50,000.00 \$	50,000.00 \$	60,000.00 \$	60,000.00
TOTAL Funds needed for expenditures-Cont and Reserv	\$ 195,564.50 \$	194,742.00 \$	204,143.00 \$	204,584.00
FY 16-17 Estimated Revenue, Interest & Carryover	\$ (103,000.00) \$	(101,200.00) \$	(106,200.00) \$	(99,381.00)
Amount to be apportioned to the Cities and the County	\$ 92,564.50 \$	93,542.00 \$	97,943.00 \$	105,203.00