

Colusa Local Agency Formation Commission

Regular Meeting Agenda

Thursday – May 3, 2018

3:00 PM

**Board of Supervisors Chambers
546 Jay Street
Colusa, CA.**

1. Call to Order/Roll Call

Commissioners

Brandon Ash (Chair, Public)
Denise Carter (Vice-Chair County)
John Loudon (County)
Tom Reische (Colusa, City)
Alfred Sellers, (Williams, City)

Alternates

Kent Boes (County Alternate)
Roberto Mendoza (City Alternate)
Mary Winters , (Public Member Alternate)

Staff

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

2. Consider Minutes from March 1, 2018

a. Consider approval of the March 1, 2018

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 March and April 2018

5. Correspondence:

Public Hearing:

6. Proposed 2018-2019 LAFCo Budget

- a. Conduct a public hearing regarding the proposed 2018-2019 LAFCo Budget*
- b. Consider Resolution 2018-0003 adopting a Proposed Budget for FY 2018-2019.*

7. **Discussion of the Calafco Annual Staff workshop held in Marin County April 11-13, 2018**

a. *Discuss and adopt work program for FY 2018-2019*

8. **Letters of Support for AB 3254 and AB 2258**

- a. **AB 3254 Calafco Omnibus Bill**
- b. **AB 2258 Special Funding for LAFcos**

9. **Executive Officer's Report:**

- a. *GCID Detachment – June 7th 2018 Hearing*
- b. *Reclamation Districts MSR and SOI – June 7th Workshop*
- c. *700 Forms due April 2, 2018*
- d. *P3 Water Summit*

10. **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

11. **Adjourn to the next regular meeting 3:00 pm on June 7, 2018**

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.org or johnbenoit@surewest.net or by Fax (916) 797-7631

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

LOCAL AGENCY FORMATION COMMISSION
COLUSA COUNTY
MINUTES OF MEETING
March 1, 2018

PRESENT:

JOHN LOUDON, County Member
ALFRED SELLERS, JR., City Member
TOM REISCHE, City Member
BRANDON ASH, Chair, Public
DENISE CARTER, County Member

ALSO PRESENT:

LORA CECCON, Clerk
JOHN BENOIT, Ex. Officer
P. SCOTT BROWNE, Legal

1. **Call to Order/Roll Call**

The meeting was called to order at 3:02 p.m. There was a quorum present.

2. **Consider Minutes for January 4, 2018**

Shelly Murphy, Colusa County Water District, provided a clarification of paragraph 4, page 2, stating that Mr. Grillo pays an assessment because he has pipelines and services available to him. This would give him the opportunity to transfer if he chose to; however, he has never done so.

On motion of J. Loudon, second by A. Sellers Jr., the commission approved the minutes for January 4, 2018 with the clarification noted above, motion carried by roll call vote.

3. **Public Comment – None**

4. **Consent Agenda**

On motion of D. Carter, second by J. Loudon, the commission approved claims for the month of January 2018, motion carried by roll call vote.

5. **Correspondence:** John received a letter from the insurance carrier stating that there will be an increase of 6%.

6. **LAFCo File 2017-0001 CCWD Cleanup Reorganization (continued): The Colusa County Water District (CCWD) is requesting an annexation of 1,607.39 acres more or less of territory currently receiving CCWD water and detachment of 4,998.56 acres more or less of territory that has never received CCWD water.**

John has prepared a memo that includes three additional terms and conditions to be considered for the revised Resolution. Included with the memo, is a letter of response from David R.E. Aladjem, Attorney for the Colusa County Water District responding to Attorney, Paul Minasian's letter, and a draft agreement

entitled “Agreement of Landowner waiving the benefits of and claims of credits for groundwater recharge and groundwater storage arising from deliveries of and use of reclamation water within Colusa County Water District”.

Shelly Murphy, CCWD, stated that she does not see a need for landowners to sign a document (Agreement of Landowner Waiving Rights). This is simply a clean-up; there is a net zero effect on lands involved. She has documentation of what is owed by some landowners, and a letter ready to mail out. Everyone involved has been notified.

Mr. Minasian, Attorney for Pete Peterson, discussed the need for landowners to sign an agreement waiving benefits. He stated that, if they want to detach from the district, they should waive any benefits to claim re-charge that occurred in the past and will occur in the future to groundwater. If they don’t sign, they don’t detach. He doesn’t believe that you can approve under CEQA without that condition.

More discussion followed.

D. Carter feels that the agreement is too lengthy. There should be a shorter agreement for the landowners to sign. Mr. Minasian suggested having S. Browne modify the agreement, but it needs to be recorded. Scott will work on a one page agreement.

In addition to the revisions as outlined in the Executive Officer’s memo, the following amendments will be made to Resolution 2017-0006;

- The following preface will be added to #19, 20 and 21 of the Resolution, “Prior to filing the Certificate of Completion.”
- 21a will be added to the Resolution and shall read as follows:
Prior to filing the certificate of completion, all owners wishing to detach shall sign and record a brief Notice of Waiver of Benefits and Claims of Credits for Groundwater Recharge and Groundwater Storage Arising from the Deliveries of and Use of Reclamation Water within the Colusa County Water District. The form to be prepared by LAFCo Counsel working with counsel for the Water District.
- Number 16 of the Resolution shall be revised to read as follows: The Commission hereby finds that the Reorganization is exempt from environmental review pursuant to Categorical Exemption 15319 in that all properties involved are fully developed as farms and that there are no unusual circumstances that would prevent the exemption from being utilized. The properties being detached were not receiving district water before that detachment and that will not change after detachment. In addition the impact of the detachment on future groundwater determinations whether under SGMA or by groundwater adjudication are too speculative to allow environmental evaluation at this time.

On motion of D. Carter, second by J. Loudon, the Commission approved Resolution 2017-0006, a resolution making determinations and approving the annexation of 1,607.39 acres more or less to the Colusa County Water District and detachment of 4,998.56 acres more or less from the Colusa County Water District to include revisions as noted above; motion carried by roll call vote. (5-0-0)

7. Colusa Mosquito Abatement District Service Review and Sphere of Influence

John advised the commission that Dave Whitesell could not make today's meeting. He stated that the district is operating well; there are no outstanding issues. The staff recommends adoption of Resolution 2018-0001 and Resolution 2018-0002.

On motion of T. Reische, second by J. Loudon, the Commission approved Resolution 2018-0001, adopting a Municipal Service Review and Resolution 2018-0002, adopting a Sphere of Influence for the Colusa Mosquito Abatement District; motion carried by roll call vote. (5-0-0)

8. Work Program for FY 2018-2019

John reviewed the schedule for the update of MSRs and SOIs. A short discussion followed.

The three priorities for FY 2018-2019 are cemeteries, recreation departments and fire departments.

9. Executive Officer's Report:

- a. GCID Detachment – Willows - ongoing**
- b. Upcoming MSRs: Reclamation Districts**
- c. 700 Forms due April 2, 2018 – file with the County Clerk's Office**

10. Commissioner Reports - Discussion

**11. 4:35 p.m. - Closed Session: Employee Performance Evaluation
March 2017-March 2018
Title: LAFCo Executive Officer**

12. 4:45 p.m. - Report from Closed Session – The Commission conducted an evaluation of the LAFCo Executive Officer.

Adjourn to the next regular meeting in April 5, 2018

The meeting was adjourned at 4:47 p.m.

Colusa Local Agency Formation Commission

CLAIMS

For March & April 2018

Authorize payment of the following claims:

FY 2017-2018 EXPENSES:

April 1, 2018	Staff Svcs and Expenses – Mar 2018	\$ 5,195.57
Mar 7, 2018	Frontier Phone Mar 7, 2018	\$ 36.82
2.16.18- 3.15.2018	Legal Services P. Scott Browne	\$ 2,000.00
TOTAL	March 2018	\$ 7,232.39
8.16.17	Appeal Dem MPUD SOI and MSr	\$ 68.27
April 7, 2018	Front Phone April 7, 2018	\$ 37.75
April 9, 2018	Pioneer Review Prop 18-19 Budget	\$ 30.00
3.16.18-4.15.18	Browne Legal	\$ 2,000.00
4.15.18	Browne Calafco Workshop Exp. Share	\$ 224.65
May 1, 2018	Staff Svcs and Expenses April 2018	\$ 4,056.85
May 1, 2018	MSR and SOI Reclam-Feb, Mar and April	\$ 7,920.00
May 1, 2018	Staff 1/7 share of Calafco Staff Workshop	\$ 83.50
TOTAL:	April 2018	\$ 14,421.02
	A-87 Costs July-March	\$ 2,016.00
	LAFCo Share of County Software	\$ 42.02
	Worker's Comp 7.1.17-2.2.18	\$ 33.36
TOTAL:	County Costs	\$ 2,091.38
DATED:	May 3, 2018	
APPROVED:	May 3, 2018	

Brandon Ash, Chair or Denise Carter, Vice-Chair
Colusa Local Agency Formation Commission

Attest:

John Benoit
Executive Officer

Colusa LAFCO

Shadow Accounting
2017-2018

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 17-18	48000.00	3657.00	50.00	24000.00	1741.00	375.00	500.00	1500.00	899.00
SDRMA Insurance 17-18					-1715.00				
Staff Servicess June 2017	-4000.00	-175.00				-57.61	-9.87	-46.40	
Frontier Phone June 7, 2017									
Browne Legal Svcs 5.16.2017-6.15.2018				-1750.00					
Browne Legal Svcs 6.16.2017-7.15.2017				-2000.00					
Staff Svcs July 2017	-4000.00					-43.35		-10.00	
Frontier Ph July 7, 2017									
Calafco Conf reg Carter, Bergson & Loudon									
Staff Svcs August 2017	-4000.00	-175.00							
Browne Ending 8.15.17							-11.48	-135.86	
Front Ph Aug 7, 2017				-2000.00					
Appeal De. Final 17-18 Budget notice									
Revenue 2017-0001 CCWD Reorganization									
Staff Svcs September 2017	-4000.00	-175.00							
Browne Ending 9.15.17							-8.96	-89.60	
Bergson Airline Reimb Conference				-2000.00					
Frontier Phone Sept 7, 2017									
Front Phone Long Distance									
Staff Svcs October 2017	-4000.00								
Browne ending 10.15.17							-9.80	-37.10	
Front Phone Oct 7, 2017				-2000.00					
Staff Svcs. November 2017	-4000.00	-175.00							
Browne Legal ending 11.15.17							-17.15	-34.50	
Frontier Phone Nov 7, 2017				-2000.00					
Carter Conf. Reimbursement Calafco									
Loudon Conf. Reimbursement Calafco									
Bergson Conf. Reimburse Calafco									
Front Ph Dec 7, 2017									
Browne Ending 12.15.17									
Staff Svcs December 2018	-4000.00	-175.00		-2000.00					
Staff Svcs Jan 2018	-4000.00	-175.00				-25.00	-5.60	-56.60	
Front Ph Jan 7, 2018							-2.80	-10.80	
Browne ending 1.15.18									
Colusa Pioneer CMAD SOI & MSR				-2000.00					
Staff Svcs February 2018	-4000.00								
Browne ending 2.15.18							-83.90		
Frontier phone Feb 7, 2018				-2000.00					
Worker's Comp 7/1/17-2/2/18			-33.36						
Indirect Overhead costs County A-87									
County Software portion									
Browne Ending 3.15.18						-42.02			
Staff Svcs March 2018	-4000.00	-175.00		-2000.00					
Front PH Mar 7, 2018							-6.39	-37.30	
Appeal Dem MPUD SOI and MSR								-36.82	
Front Ph April 7, 2018									
Pioneer Review Prop 18-19 Budget									
Browne Legal ending 4.15.18				-2000.00					
Browne Calafco Staff Wkshp Share									
Staff Svcs and Exp April 2018	-4000.00								
MSR and SOI Reclam - Levee Dists									
Staff 1/7 share Calafco Staff Wkshp									
Total Expended in FY 16-17	-44000.00	-1225.00	-33.36	-21750.00	-1715.00	-251.88	-72.05	-494.98	-899.00
Total Remaining in FY 16-17	4000.00	2432.00	16.64	2250.00	26.00	123.12	427.95	1005.02	0.00

COLUSA LOCAL AGENCY FORMATION COMMISSION**MEMORANDUM**

May 3, 2018

To: Local Agency Formation Commission Commissioners

From: John Benoit, Executive Officer

RE: Proposed Budget for FY 2018-2019

Attachment: Budget Resolution 2018-0003 (Exhibit A)

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. LAFCO pays an administration fee for central services, which therefore excludes it from the County's A-87 plan for LAFCO. Interest to offset county costs is lower than in past years.

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. Last year, LAFCO raised its contribution from the Cities and County to maintain a \$50,000 reserve fund.

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 have not completed the reviews and SOI updates due to budget concerns. This situation has increased due to the economy. To perform these updates Colusa LAFCO has set forth a policy to incrementally complete the MSR/SOI reports 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. 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 need to be purged and 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 files that need to be purged and 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 \$899.00 to \$926.00, a 2.9 % increase. For A-87, LAFCo budgeted \$2,093 in FY 17-18 and the actual cost will be \$3,020.00. A-87 costs are ultimately determined by the Board of Supervisors, based upon its operational and overhead costs.**
- 2. Based on County preliminary determination, the amount of A-87 to be paid by LAFCo in FY 18-19 is proposed to be \$2,666.00, this figure may change as the county prepares its final calculations.**
- 3. The Special Districts Risk Management Authority has indicated there will be a 6% increase in insurance this year so the amount budgeted is to be increased to \$1,818.00. This year there was a 10% increase.**

Transportation/Travel & Training The committee recommending \$7,500 combined for these two items, a substantial reduction from years past. This represents funding for 3 or 4 commissioners to attend the annual conference. Estimated costs for each Commissioner to attend the Calafco Annual Conference on October 3-5 at the Tenaya Lodge near Yosemite is approximately \$1,500 each including transportation, lodging, and conference registration. 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. This category also includes \$500 for a membership to the California Special District's Association. Six 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 to be \$1,818.00 including the CSDA membership.

Office Supplies This item covers copy costs, postage, and misc. office supplies. Expenses for FY 2018-2019 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. This amount is included under liability

insurance costs above. In FY 2018-2019 the only membership cost in this category would be for CALAFCo at \$926.

Note: A decision as to the actual number of Commissioners anticipating attendance at the conference is needed as soon as possible. Last year three Commissioners attended the annual conference in San Diego. This budget includes enough funds for up to 4 Commissioners to attend the Annual Conference and to pay for a portion of staff expenses to attend the Annual Conference and staff workshop. This category also includes funds for incidental mileage expenses related to LAFCO operations.

Legal Notices/Publications The Committee is recommending \$1,500 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 \$1,250 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 2018-2019 is proposed to be \$10,000 and the reserve fund to be \$50,000. 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. It takes a 4/5 vote of the Commission to use funds from the contingency and general reserve.

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 \$2,666.00.

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 \$95,000.00. Most of this amount will be dedicated to maintaining the General Reserve and Contingency Funds.

The amount to be apportioned between the Cities and the County had remained around the same since FY 2012-2013 to meet the \$50,000 funding goal for the reserve. The reserve balance has been met and the amount of City and County funding should be around \$93,542 this year unless the Commission feels it is necessary to increase the Contingency Fund.

RECOMMENDATION

1. Consider the above budget justification report, discuss and amend report and (or) the proposed budget as necessary.
2. Adopt LAFCO Resolution 2018-0003 approving a proposed budget for FY 2018-2019.

Resolution 2018-0003
of the
Colusa Local Agency Formation Commission
Colusa County, California

A Resolution of Colusa LAFCO Adopting a Proposed Budget for 2018-2019

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 2018-2019 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 2018-2019 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 May 3, 2018 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 3rd day of May, 2018.

Brandon Ash, Chair
Colusa LAFCO

Attest:

John Benoit, Executive Officer
Colusa LAFCO

EXHIBIT "A"
PROPOSED 2018-2019 Budget 04060

REV. CATEGORICAL and CARRYOVER ESTIMATES	2015-2016 Budget	2016-2017 Budget	Actual 16-17 Expenditures	FINAL 2017-2018 Budget	Actual 17-18 Exp. To May 1, 2018	PROPOSED 2018-2019 Budget
466920 City and County Contributions	\$ (100,000.00)	\$ (92,555.00)		\$ (92,555.00)	\$ (92,555.00)	\$ 93,542.00
10100 Carryover Prior-Year	\$ (80,000.00)	\$ (94,091.00)		\$ 103,000.00	\$ 126,746.92	\$ (96,000.00)
Contingency (Restriction to Fund Balance)						
Categoricals						
466920 Processing Fees	\$ (5,000.00)	\$ (5,000.00)				\$ (5,000.00)
Municipal Service Review Fees						
City of Colusa SOLMSR	\$ (1,069.00)	\$ (1,069.00)			\$ 1,140.53	\$ (1,200.00)
441900 Interest	\$ (186,069.00)	\$ (192,715.00)		\$ 10,445.00		\$ (101,200.00)
A-87 Adjustment						
TOTAL REVENUE AND CARRYOVER EST.						

EXPENDITURES

51035 Workers Comp	\$ 50.00	\$ 50.00	\$ 37.53	\$ 50.00	\$ 33.36	\$ 50.00
53180 Executive Officer Contract	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00	\$ 44,000.00	\$ 48,000.00
53180 Clerical Support	\$ 2,100.00	\$ 2,100.00	\$ 1,255.00	\$ 3,657.00	\$ 1,295.00	\$ 3,657.00
53180 Legal Services (attorney contract)	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 24,000.00	\$ 21,750.00	\$ 24,000.00
53100 Liability Insurance	\$ 1,705.00	\$ 1,705.00	\$ 1,624.60	\$ 1,741.50	\$ 1,715.00	\$ 1,818.00
53170 Office Supplies	\$ 375.00	\$ 375.00	\$ 144.22	\$ 375.00	\$ 251.88	\$ 375.00
53171 Postage	\$ 500.00	\$ 500.00	\$ 98.32	\$ 500.00	\$ 72.05	\$ 500.00
53150 Memberships	\$ 2,000.00	\$ 2,000.00	\$ 466.03	\$ 1,800.00	\$ 484.98	\$ 1,800.00
53250 Transportation and Travel	\$ 785.00	\$ 840.00	\$ 640.00	\$ 899.00	\$ 899.00	\$ 926.00
1002.5 Training	\$ 2,000.00	\$ 2,000.00	\$ 2,928.89	\$ 4,000.00	\$ 3,384.51	\$ 4,000.00
53190 Legal Notices and Publications	\$ 2,000.00	\$ 2,000.00	\$ 1,246.91	\$ 2,500.00	\$ 1,631.37	\$ 2,500.00
53060 Communications	\$ 1,500.00	\$ 1,500.00	\$ 425.75	\$ 1,500.00	\$ 268.81	\$ 1,500.00
53180 Special Projects - File Scanning	\$ 1,100.00	\$ 1,100.00	\$ 899.75	\$ 1,250.00	\$ 899.65	\$ 1,250.00
8062.5 Sphere of Influence Updates	\$ 15,000.00	\$ 15,000.00	\$ 1,762.50	\$ 7,500.00	\$ 1,012.50	\$ 5,000.00
53180 Municipal Service Reviews	\$ 10,000.00	\$ 10,000.00	\$ 8,697.00	\$ 15,000.00	\$ 13,325.00	\$ 16,000.00
53180 Mapping	\$ 10,000.00	\$ 10,000.00	\$ 912.00	\$ 5,000.00	\$ 12,955.60	\$ 16,000.00
53229 A-87 Administration Fees	\$ 2,954.00	\$ 2,045.00	\$ 1,522.25	\$ 2,092.00	\$ 1,127.50	\$ 5,000.00
TOTAL EXPENDITURE BUDGET	\$ 126,069.00	\$ 132,715.00	\$ 92,160.75	\$ 135,564.50	\$ 107,061.21	\$ 134,742.00
59400 CONTINGENCY	\$ 10,000.00	\$ 10,000.00	\$ -	\$ 10,000.00	\$ 30.00	\$ 10,000.00
RESERVE FUND	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	\$ 30.00	\$ 50,000.00
TOTAL Funds needed for expenditures-Cont and Reserv	\$ 186,069.00	\$ 192,715.00	\$ -	\$ 195,564.50	\$ 137,121.21	\$ 194,742.00
FY 16-17 Estimated Revenue, Interest & Carryover				\$ (103,000.00)		\$ (101,200.00)
Amount to be apportioned to the Cities and the County	\$ 100,000.00	\$ 92,555.00	\$ 92,564.50	\$ 92,564.50	\$ 92,564.50	\$ 93,542.00

COLUSA LOCAL AGENCY FORMATION COMMISSION

April 10, 2018

Honorable Cecilia Aguiar-Curry, Chair
Assembly Local Government Committee
California State Assembly
State Capitol, Room 5144
Sacramento, CA 95814

RE: **SUPPORT of AB 3254: Local Government Committee Omnibus Bill**

Dear Chair Aguiar-Curry:

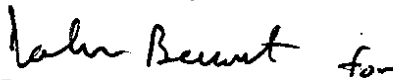
The Colusa Local Agency Formation Commission (LAFCo) is pleased to support the Assembly Local Government Committee Bill **AB 3254**, which makes technical, non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act).

This annual bill includes technical changes to the Act, which governs the work of LAFCos. These changes are necessary as Commissions implement the Act and small inconsistencies are found or clarifications are needed to make the law as unambiguous as possible. **AB 3254** currently makes minor technical corrections to language used in the Act.

Colusa LAFCo is grateful to your Committee and staff, and the members of the California Association of Local Agency Formation Commissions (CALAFCO) Legislative Committee, all of whom worked diligently on this language to ensure there are no substantive changes while creating a significant increase in the clarity of the Act for all stakeholders.

This legislation helps insure the Cortese-Knox-Hertzberg Act remains a vital and practical law that is consistently applied around the state. We appreciate your Committee's authorship and your support of the mission of LAFCos. Please feel free to contact me should you have any questions about our support of **AB 3254**.

Yours sincerely,



Brandon Ash,
Chair, Colusa LAFCo

- cc: Members, Assembly Local Government Committee
- Debbie Michel, Chief Consultant, Assembly Local Government Committee
- William Weber, Consultant, Assembly Republican Caucus
- Pamela Miller, Executive Director, CALAFCO

c/o John Benoit, Executive Officer P.O.Box 2694 Granite Bay, California 95746 - ph. (530) 458-0593 email: lafco@countyofcolusa.org

COLUSA LOCAL AGENCY FORMATION COMMISSION

April 10, 2018

The Honorable Anna Caballero
California State Assembly
State Capital Room 5158
Sacramento, CA 95814

Subject: *Support of AB 2258 (as amended March 15, 2018)*

Dear Assemblymember Caballero:

The Colusa Local Agency Formation Commission (LAFCo) is pleased to join the California Association of Local Agency Formation Commissions (CALAFCO) in support for **Assembly Bill 2258**. Sponsored by CALAFCO, the bill establishes a funding program to provide grants to LAFCos for conducting in-depth studies and analyses of local government agencies and services for the purposes of creating improved efficiencies in the delivery of local government services and completing the dissolution of inactive special districts. The grant program would be administered by the Strategic Growth Council and sunset on December 31, 2023.

The Legislature established LAFCos in 1963 to encourage the orderly formation of local government agencies. Since that time, the regulatory role and responsibilities of LAFCos has substantially increased without additional funding. Operating in all 58 California counties, LAFCos are responsible for meeting important statutory directives to maintain orderly boundaries and seek greater efficiencies in delivering local services, and yet these directives often times cannot be met under current funding mechanisms. As a result, much needed LAFCo activities are sometimes delayed or rejected.

In August 2017, the Little Hoover Commission published a report on special districts and their oversight by LAFCos, which contained several recommendations directly related to LAFCo. One recommendation was for the Legislature to provide one-time grant funding to pay for specified LAFCo activities, particularly to incentivize LAFCos or smaller special districts to develop and implement dissolution or consolidation plans with timelines for expected outcomes.

In recent years Colusa LAFCo has reviewed several independent special districts and found many are not able to maintain traditional service levels for several reasons. This bill will provide funding to help LAFCo with the funding to pursue consolidations or other types of changes of organization and the ability to provide technical assistance.

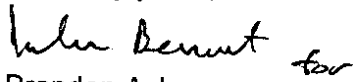
By establishing this one-time grant funding, **AB 2258** provides an additional tool for LAFCos to conduct detailed studies and implement greater efficiencies in delivering local

c/o John Benoit, Executive Officer P.O.Box 2694 Granite Bay, California 95746 - ph.
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services based on local circumstances and conditions. For these reasons, Colusa LAFCo is pleased to support **AB 2258**.

Thank you for authoring this important piece of legislation. Please feel free to contact me should you have any questions about Colusa LAFCo's position.

Sincerely yours,

Handwritten signature of Brandon Ash in cursive, followed by the word "for" in a smaller, less legible script.

Brandon Ash
Chair, Colusa LAFCo

Cc: Members, Assembly Local Government Committee
Debbie Michel, Chief Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO