

Colusa Local Agency Formation Commission

Regular Meeting Agenda

Thursday – November 1, 2018

3:00 PM

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

1. Call to Order/Roll Call

Commissioners

Denise Carter (Chair, County)
John Loudon (Vice-Chair, County)
Brandon Ash (Public)
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 Cecon, Clerk to the Commission

2. Consider Minutes from Sept 6, 2018

a. The September 6, 2018 LAFCo minutes will be available at the next meeting.

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 September and August 2018

5. Correspondence:

6. Discussion regarding LAFCo's Finance Policies.

7. Hold General Discussion regarding LAFCo's Jurisdiction and Districts subject to LAFCo's review - "definition of a district" and "change of organization"

8. Hold Discussion regarding the CALAFCo Annual Conference – Oct 2-5, 2018

9. Executive Officer's Report:

- a) *Fire and EMS MSR and SOI*
- b) *Policies Update*
- c) *AB 2258 (vetoed LAFCo Funding), SB 606 (water), AB 1668 (water), AB 2019 (Healthcare Districts), & SB 929 (websites for Districts)*

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. Next Colusa LAFCo meeting: December 6, 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 j.benoit4@icloud.com

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

Colusa Local Agency Formation Commission

CLAIMS

For September & October 2018

Authorize payment of the following claims:

FY 2018-2019 EXPENSES:

Oct 1, 2018	Staff Svcs and Expenses – Sept 2018	\$ 5,426.00
Oct 1, 2018	Frontier Phone Sept 7, 2018	\$ 37.70
8.16.18- 9.15.2018	Legal Services P. Scott Browne	\$ 2,000.00
Nov 1, 2018	Staff Svcs and Expenses – Oct 2018	\$ 4,274.96
Nov 1, 2018	Calafco Conf 1/5 share \$185.80 & 1 night lodging for Mary Winters at 194.25 Calafco	\$ 380.05
Nov 1, 2018	Calafco Conf Reimb Mary Winters	\$ 538.68
Nov 1, 2015	Calafco Conf Reimb John Loudon	\$ 966.38
Nov 1, 2018	Frontier Ph Oct 7, 2018	\$ 38.67
Oct 1, 2018	CSDA Membership Renewal for 2019	\$ 500.00
9.16.18-10.10.18	Legal Svcs P. Scott Browne	\$ 2,000.00
TOTAL:		\$ 15,982.44

DATED: Nov 1, 2018

APPROVED: Nov 1, 2018

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

Attest:

John Benoit
Executive Officer

Shadow Accounting
2018-2019

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
	48000.00	3657.00	50.00	24000.00	1818.00	375.00	500.00	1500.00	926.00
CALAFCO Dues 18-19									53150
SDRMA Insurance 18-19					-1698.00				-925.00
Staff Servicess June 2018	-4000.00	-175.00					-12.64	-101.60	
Frontier Phone June 7, 2018									
Browne Legal Svcs 5.16.2018-6.15.2018				-2000.00					
Conf. Registration Reische & Loudon									
Staff Svcs July 2018	-4000.00						-3.09	-10.00	
Front ph July 7, 2018									
Browne Legal Svcs 6.15 -7.16, 2018				-2000.00					
Staff Svcs August 2018	-4000.00	-200.00					-2.60	-13.80	
Browne legal 7.16.18 to 8.15.18				-2000.00					
Pioneer Rev. notice MSR-Soi Levee, Rec									
Front ph Aug 7, 2018									
Browne Legl 8.16-18 to 9.15.18				-2000.00					
Front Ph Sept 7, 18									
Staff Svcs September 18	-4000.00	-175.00							-5.00
Staff Svcs October 2018	-4000.00	-200.00							-10.00
Calafco Conf. Reimb Mary Winters									
Calafco Conf. Reimb John Loudon									
Browne Legal 9.16.18-10.15.18				-2000.00					
Front Phone Oct 7, 2018									
CSDA Dues for 2019 Membership					-500.00				

Total Expended in FY 18-19	-20000.00	-750.00	0.00	-10000.00	-2198.00	0.00	-18.33	-140.40	-925.00
Total Remaining in FY 18-19	28000.00	2907.00	50.00	14000.00	-380.00	375.00	481.67	1359.60	1.00

Exhibit "A"

**Colusa LAFCO
Finance and Expenditure Policies**

A Bylaw Amendment replacing Section 3.3 "Budgeting Policies" with new Section 3.3 "LAFCo Finance Policies".

3.3. Finance Policies

General

Unless otherwise determined by the Commission, the Commission as a whole shall serve as the LAFCO Budget Committee. The Executive Officer shall prepare and submit to the Commission a draft budget for review not later than the April meeting of the Commission. As required under Section 56381, the Commission shall then hold a noticed public hearing on the budget at the April Meeting and adopt a preliminary budget at that meeting. The Commission shall adopt its final budget after noticed public hearing at the May or June meeting. When the Commission has finalized the budget, the Executive Officer shall promptly send it to the County, the Cities of Williams and Colusa as provided by the LAFCO Act, Section 56381.

The Commission may at any time and at its own discretion modify its approved budget.

3.3.1. Budgeting Policies

- a. LAFCO shall adopt a work program for the next fiscal year prior to its adoption of the proposed budget. The work program shall set forth the proposed actions, studies, reports and administrative objectives for the coming year. The work program shall be developed considering the following factors:
 - i. Statutory requirements for preparation of Municipal Service Reviews and Updates to Sphere Plans.
 - ii. Anticipated Projects.
 - iii. Efficient delivery of LAFCO services to the community.

- b. LAFCO's budget for the next fiscal year shall normally be set at a level that allows the agency to complete the essential tasks of the approved work program. If the Commission determines that it cannot reasonably require funding at the level necessary to fund the work program, the Commission shall eliminate or modify items in the work program to reflect the reductions in funding prior to approval of the reduced budget. The proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or

program costs will nevertheless allow the Commission to fulfill its purposes and programs as required by the LAFCO Act. (§56381)

- c. Where feasible, LAFCO shall re-budget carryover from the prior fiscal year or a portion of its carryover funds to reduce costs to the funding agencies. The Commission shall establish a reserve account and direct the Executive Officer to deposit 20% of any unallocated rollover into said reserve account up to \$100,000 once the final rollover (carryover from previous budgets) is determined. Alternatively, LAFCO may wish to use carryover monies to fund a General Reserve Fund. Appropriations and expenditures from the General Reserve Fund shall require Commission approval.

3. Contingency Reserve

The annual budget shall include a contingency reserve (i.e., 10% of budget) as determined by the Commission during the budget process. Funds budgeted in the contingency reserve may be used or transferred to any other expense account as authorized in the monthly commission warrant or claims form and approved by the Chair or Vice-Chair for the months the Commission does not meet otherwise by the full Commission.

4. Budget Adjustments

The Executive Officer may make adjustments to its budget at any time during the fiscal year, as he or she deems appropriate.

3.3.2. Business & Travel Expenses Policy

LAFCO will reimburse reasonable business travel expenses incurred by its officers and employees while on assignments away from the normal work location. The Executive Officer is hereby delegated the authority to authorize business travel for other LAFCO officers and employees, provided funds are allocated for such purpose in a budget approved or otherwise authorized by the Commission. All staff business travel must be approved in advance by the Executive Officer.

When approved, the costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by LAFCO. Expenses are expected to be reasonable amounts and must comply with Government Code §53232.2.

Expenses that generally will be reimbursed include the following:

- a. Airfare or train fare for travel in coach or economy class or the lowest available fare. Mileage expenses shall not exceed the reasonable costs of air or train fare, as applicable.
- b. Car rental fees, only for compact or mid-sized cars.
- c. Fares for shuttle or airport bus service, where available; costs of public transportation for other ground travel.
- d. Taxi fares, Uber, Lyft or other service, only when there is no other less expensive alternative.
- e. Cost of standard accommodations in hotels, motels, or similar lodgings using the government or conference rate when available.
- f. Meal allowances include the per diem amount as provided for in IRS guidelines as referenced in GC 53232.2 (c). A higher amount may be reimbursed as long as an itemized receipt is provided.
- g. No alcoholic beverages will be reimbursed anytime including with the cost of meals.
- h. Charges for telephone calls, internet, fax, and similar services shall be allowed during travel provided these charges are required for business purposes.
- i. Additional expenses arising from such non-business travel are not LAFCO's expenses.
- j. Mileage reimbursement shall be at the current rate established by the Internal Revenue Service at the time the mileage expense is incurred.
- k. A LAFCO officer or employee involved in an accident while traveling on business must promptly report the incident to the Executive Officer.
- l. When travel is completed, claims shall be submitted for reimbursement within 60 days or prior to the conclusion of the Fiscal Year in which the expenses were incurred. Claims must be accompanied by receipts for all expenses, with the exception of per diem amounts for meals under paragraph f above.

3.3.3. Expenditure Policy

- a. All documents relating to reimbursements of expenditures shall be available for review at the LAFCO office. All back-up billing information in the possession of the Commission shall be available.
- b. The LAFCO Executive Officer is responsible for managing the day-to-day business of the Commission and for making or authorizing expenditures for that purpose within the authority conferred by the adopted budget. This responsibility shall also include the power to approve contracts of up to \$5,000.00 on behalf of the Commission. The Executive Officer shall obtain the concurrence of the Chair and consult with LAFCO Counsel prior to entering into any contract outside the usual course of Commission business, including contracts for legal, consulting, or other professional services. Staff shall promptly notify the members of the Commission regarding contracts made on the Commission's behalf.
- c. Expenses, Travel and (or) contract payments to the Executive Officer shall be approved by the LAFCO Chair or Vice-Chair.
- d. Members and Alternate Members may be reimbursed, consistent with an amount as determined from time to time by the Commission, for reasonable and necessary expenses incurred for meeting attendance. Each member and alternate member in attendance at any Commission meeting may also receive a per-meeting stipend as established by the Commission. LAFCO shall inform the applicable County/City Finance Office of changes to meeting stipend rates for proper pay out.

3.3.4. General Finance Policy

- a. These expenditure and travel policies are not intended to conflict with or modify LAFCO's duties and obligations under the LAFCO Act or with Government Code §53232 et seq.
- b. So long as another agency such as the County is handling LAFCO financial transactions, amendments to bylaws, Fee Resolutions, Policies, Standards and Procedures or any other adopted finance related LAFCO policy pertaining to finances shall be transmitted to the appropriate financial office upon adoption. Any dispute or disagreement between a LAFCO officer or employee and the City or County Finance agency regarding reimbursement or payment of any claim shall be referred to the Commission for final determination. A minute order reporting the Commission's action shall be transmitted to the applicable finance office. The LAFCO Commission Claim form as approved by the Commission or signed by the LAFCO Chair for months when the Commission does not meet or lacks a quorum shall constitute the Commission's final determination for any expenditures and payment of the amount of the claims shall be deemed ordered.
- e. LAFCO shall follow the budget process contained in the LAFCO Act and these adopted Finance Policies.
- f. The Commission hereby authorizes the LAFCO Executive Officer or their designee to sign any and all financial claims for the LAFCO account submitted to the City or County serving as LAFCO's banker in accordance with the above

policies. The Commission further authorizes the Executive Officer and Clerk to the Commission to sign any signature authorization forms required by the City or County Administration Departments, as may be the case, to implement the authority granted by this policy.

g. Commission Travel

- i. All conference travel shall be as established in the annual LAFCO budget as appropriate for LAFCO, unless otherwise amended.
- ii. Members and alternate members will be reimbursed for reasonable meal and travel expenses as stated above in compliance with the most recent IRS guidelines.
- iii. On occasions when a Commission meeting must be recessed for a meal break or when a meal is served at a meeting, members and alternate members shall be reimbursed for reasonable meal expenses.

h. Recognition by the Commission - Nominal amounts may be expended for the purchase of plaques or certificates of appreciation for those to whom such expressions are deemed to be appropriate by the Commission.

3.3.5. Fixed Assets Policy

1. LAFCO adopts a fixed assets capitalization policy with a useful life of 5 years or more and a value at purchase of \$5,000, or greater, per item.
2. It is LAFCO's policy to capitalize fixed assets. LAFCO will maintain an inventory of fixed assets, including equipment and furniture. The inventory will be maintained by staff and will be updated annually at the close of the fiscal year. Fixed assets are depreciated using the straight-line method over the estimated useful life of each asset.
3. An asset become obsolete when it is no longer operable, has been replaced, or is no longer available for use. A list of obsolete assets is provided to the Commission annually in conjunction with the audit and obsolete assets are removed from the capital assets list thereafter.
4. The Commission shall review and approve a list of any fixed assets to be declared surplus property. The Commission may dispose of surplus property by making the property available for donation to any non-profit or other agency listed or authorized by either the State of California or Colusa County or its districts or cities to receive surplus property

donations. The Commission may dispose of surplus property through a negotiated contract with an auction company or in any other manner that the Commission or Executive Officer determines to be reasonable. Costs of assets sold or retired (and related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement.

terminated because of a majority written protest, rejection by voters in an election, or the expiration of time prior to completion of proceedings pursuant to Section 57001 or a court order.



"Change of organization"

56021. "Change of organization" means any of the following:

- (a) A city incorporation.
- (b) A district formation.
- (c) An annexation to a city.
- (d) An annexation to a district.
- (e) A detachment from a city.
- (f) A detachment from a district.
- (g) A disincorporation of a city.
- (h) A district dissolution.
- (i) A consolidation of cities.
- (j) A consolidation of special districts.
- (k) A merger of a city and a district.
- (l) Establishment of a subsidiary district.
- (m) The exercise of new or different functions or classes of services, or divestiture of the power to provide particular functions or classes of services, within all or part of the jurisdictional boundaries of a special district as provided in Article 1.5 (commencing with Section 56824.10) of Chapter 5 of Part 3 of this division).

"City"

56023. "City" means any incorporated chartered or general law city, including any city the name of which includes the word "town."

"City council"

56024. "City council" means the legislative body or governing board of a city.

"City officer"

56025. "City officer" means the mayor or a member of the city council.

"Clerk"

56026. "Clerk" means the clerk or secretary of a commission, county, city, or district, or the clerk or secretary of the legislative body of a county, city, or district. Where the office of county clerk is separate from the office of the clerk of the board of supervisors, "clerk" means the clerk of the board of supervisors. Where the office of county clerk is separate from the office of the registrar of voters, "clerk" means the registrar of voters with respect to all duties pertaining to the conduct of elections and the county clerk with respect to all other duties.

"Disincorporation"

56034. "Disincorporation" means the dissolution, extinguishment, or termination of the existence of a city and the cessation of its corporate powers, except for the purpose of winding up the affairs of the city.

"Dissolution"

56035. "Dissolution" means the disincorporation, extinguishment, or termination of the existence of a district and the cessation of all its corporate powers, except as the commission may otherwise provide pursuant to Section 56886 or for the purpose of winding up the affairs of the district.



"District" or "special district"

56036. (a) "District" or "special district" are synonymous and mean an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries and in areas outside district boundaries when authorized by the commission pursuant to Section 56133.

(b) "District" or "special district" includes a county service area, but excludes all of the following:

- (1) The state.
- (2) A county.
- (3) A city.
- (4) A school district or a community college district.
- (5) An assessment district or special assessment district.
- (6) An improvement district.
- (7) A community facilities district formed pursuant to the Mello-Roos Community Facilities Act of 1982, (Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5).
- (8) A permanent road division formed pursuant to Article 3 (commencing with Section 1160) of Chapter 4 of Division 2 of the Streets and Highways Code.
- (9) An air pollution control district or an air quality maintenance district.
- (10) A zone of any special district.



**Change of organization;
principal act**

56036.5. (a) For the purposes of Chapter 1 (commencing with Section 57000) to Chapter 7 (commencing with Section 57176), inclusive, of Part 4 or Part 5 (commencing with Section 57300), for each of the following entities proceedings for a change of organization shall be conducted pursuant to the principal act authorizing the establishment of that district:

- (1) A unified or union high school library district.
- (2) A bridge and highway district.
- (3) A joint highway district.
- (4) A transit or rapid transit district.

- (5) A metropolitan water district.
- (6) A separation of grade district.
- (7) For other districts, where the principal act provides, the procedures in the principal act shall supersede the procedures set forth in this division.

✓ **Non-districts**

56036.6. (a) For the purposes of Chapter 1 (commencing with Section 57000) to Chapter 7 (commencing with Section 57176), inclusive, of Part 4 or Part 5 (commencing with Section 57300), none of the following entities is a "district" or "special district" if the commission of the principal county determines, in accordance with Section 56127 and 56128, that the entity is not a "district" or "special district":

- (1) A flood control district.
- (2) A flood control and floodwater conservation district.
- (3) A flood control and water conservation district.
- (4) A conservation district.
- (5) A water conservation district.
- (6) A water replenishment district.
- (7) The Orange County Water District.
- (8) A California water storage district.
- (9) A water agency.
- (10) A county water authority or a water authority.

(b) If the commission determines that an entity described in this section is not a "district" or "special district," any proceedings pursuant to Part 4 (commencing with Section 57000) for a change of organization involving the entity shall be conducted pursuant to the principal act authorizing the establishment of that entity.

56037. [Repealed by Stats. 2011, Ch. 300]

"Divestiture of power"

56037.2. "Divestiture of power" means the termination of the power and authority to provide particular functions or classes of services within all or part of the jurisdictional boundaries of a special district.

"Elections official"

56037.5. "Elections official" shall have the same meaning as in Section 320 of the Elections Code.

"Executive officer"

56038. "Executive officer" means the person appointed by a commission pursuant to Section 56384.

"Feasible"

56038.5. "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, legal, social, and technological factors.