

****AGENDA****

AMADOR LOCAL AGENCY FORMATION COMMISSION

**6:00 P.M. – THURSDAY MARCH 21, 2019
810 COURT STREET, JACKSON
BOARD OF SUPERVISORS CHAMBERS**

Please Note: All LAFCO meetings are recorded. Anyone who wishes to address the Commission must speak from the podium and should print their name on the Meeting Speaker list, which is located on the podium.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the LAFCO staff, at (209) 418-9377, by e-mail to amador.lafco@gmail.com. Requests must be made as early as possible, and at least two business days before the start of the meeting.

Meeting Materials are available for Public Review at the LAFCO desk, located at the County Planning Department, 810 Court Street, Jackson, and posted on the Amador LAFCO website.

- 1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL**
- 3. APPROVAL OF AGENDA FOR**
- 4. APPROVAL OF THE MINUTES OF FEBRUARY 21, 2019**
- 5. APPROVAL OF CLAIMS TO MARCH 21, 2019**
- 6. PUBLIC FORUM –PUBLIC COMMENT**

Any person may address the Commission on any subject within the jurisdiction of LAFCO which is not on the agenda. No action may be taken at this meeting. There is a five (5) minute limit.

- 7. ADOPT/AFFIRM THE SPHERE OF INFLUENCE FOR PINE GROVE COMMUNITY SERVICES DISTRICT; RESOLUTION #2019-07, LAFCO PROJECT #309 (public hearing)**

Commission will review and affirm the current Pine Grove Community Service District and adopt Resolution #2019-067 making determinations and affirming the sphere without change.

- 8. REPORT AND UPDATE – JACKSON VALLEY FIRE PROTECTION DISTRICT**

Follow up discussion with district board members regarding issues identified in the 2018 Municipal Services Review

- 9. ADOPTION OF PROPOSED BUDGET FOR FISCAL YEAR 2019-20 (public hearing)**

The Commission will consider the staff draft proposed budget, make any desired changes, direct staff to transmit the proposed budget to agencies and set the hearing for adoption of the final budget for May 16, 2019.

10. OTHER BUSINESS, REPORTS

- a. Correspondence – CALAFCO dues increase memo
- b. Commissioner Announcements
- c. Executive Officer's Report
- d. Project Status update

11. ADJOURNMENT

Note: The April meeting will be canceled. The next regular LAFCO meeting is scheduled for May 16, 2019.



Roseanne Chamberlain
Executive Officer

All persons are invited to testify and submit written comments to the Commission. If you challenge a LAFCO action in court you may be limited to issues raised at the public hearing or submitted as written comments prior to the close of the public hearing. All written materials received by staff 48 hours before the hearing will be distributed to the Commission. If you wish to submit written material at the hearing, please supply 10 copies.

NOTE: State law requires that a participant in LAFCO proceedings who has a financial interest in the decision and who has made a campaign contribution to any Commissioner in the past year must disclose the contribution. If you are affected, please notify commission staff before the hearing.

**PLEASE DO NOT REMOVE POSTING BEFORE:
MARCH 22, 2019**

AMADOR LAFCO

LOCAL AGENCY FORMATION COMMISSION

810 COURT STREET ♦ JACKSON, CA 95642 ♦ (209) 223-6380



DRAFT

MINUTES

February 21, 2019

This meeting was available via live audio streaming and was digitally recorded.

1. **Call to Order, Pledge of Allegiance & Roll Call**

The February 21, 2019, meeting of the Amador Local Agency Formation Commission (LAFCO), held at the County Administration Center, 810 Court Street, Jackson, California, was called to order by Chairman Crew at 6:04 p.m.

2. **Roll Call**

Members Present:

Pat Crew, Chairman
Dominic Atlan, City Member
Tim Murphy, City Member
Jim Vinciguerra, Public Member
Brian Oneto, County Member
(Jon Colburn, City Alternate)

Staff Present:

Roseanne Chamberlain, Executive Officer
Nancy Mees, Clerk to the Commission

3. **Approval of Agenda for February 21, 2019**

Motion: It was moved by Commissioner Oneto, seconded by Commissioner Vinciguerra, and carried unanimously to approve the agenda as submitted.

4. **Approval of the Minutes of January 17, 2019**

Motion: It was moved by Commissioner Atlan, seconded by Commissioner Oneto, and carried unanimously to approve the Minutes for January 17, 2019, as submitted.

5. **Approval of Claims to February 21, 2019**

Commissioner Oneto asked what the “Staff Workshop” item on the Approval of Claims is. Executive Officer Chamberlain responded that it is the annual CALFACO training event that is specifically for staff, i.e., everyone other than Commissioners. She added that because fewer Commissioners had attended the annual CALAFCO General Conference than had been budgeted for, there is still sufficient funding in the conferences budget item for this conference.

Motion: It was moved by Commissioner Oneto, seconded by Commissioner Atlan, and carried unanimously to approve the Approval of Claims – Meeting Final, as submitted.

6. **Public Forum – Public Comment**

There was no public comment.

7. **Amendment and Adoption of a Zero Sphere of Influence for County Service Area #3, LAFCO Project #310; Resolution #2019-04 (public hearing)**

Executive Officer Chamberlain reviewed the items in the packet, and stated that this district is inactive. It was formed as a financing vehicle for repayment of bond indebtedness, which is now complete. Nothing has occurred in the district since 2017. Ms. Chamberlain explained that LAFCO has the power to dissolve an inactive district.

Ms. Chamberlain recommended that the Commission adopt a zero sphere of influence for CSA #3, adopt the Determinations set forth in Exhibit A, and to direct staff to file a Notice of Exemption.

Chairman Crew opened the Public Hearing. There was no public comment.

Motion: It was moved by Commissioner Vinciguerra, seconded by Commissioner Atlan, and carried unanimously to close the Public Hearing.

Motion: It was moved by Commissioner Oneto, seconded by Commissioner Vinciguerra, and carried unanimously to approve Resolution #2019-04 as presented, with directions to staff.

8. **Initiation of Dissolution of County Service Area #3; LAFCO Project #303; Resolution #2019-05**

Executive Officer Chamberlain stated that, now that CSA #3 has a zero sphere of influence, the dissolution can be initiated. The next step will be to notify the appropriate agencies for comment.

Motion: It was moved by Commissioner Oneto, seconded by Commissioner Murphy, and carried unanimously to approve Resolution 2019-05 as presented.

9. **Final Municipal Service Review (MSR) 2019 Update, Pine Grove Community Service District; LAFCO Project #307; Resolution #2019-06 (public hearing, continued from January 17, 2019)**

Chairman Crew reopened the Public Hearing.

Executive Officer Chamberlain reviewed the items in the packet. She explained that the new map that had been distributed as a handout is believed to show the final boundaries of this district, but that two small areas are still being verified. She added that the Sphere of Influence will appear on a future agenda, and the map accompanying that will have the final verified boundaries.

Ms. Chamberlain reported that the only comments received came from Pine Grove CSD, and they were minor corrections. She stated that Lori Arnberg, the district's General Manager, had hoped to attend the meeting, but was ill and sent her apologies.

Chairman Crew asked if the map affected this resolution, and Ms. Chamberlain responded that it did not. She stated that she will be meeting with the district board to finalize what their preferred sphere of influence will be.

There was no public comment.

Motion: It was moved by Commissioner Atlan, seconded by Commissioner Oneto, and carried unanimously to close the Public Hearing.

Commissioner Atlan had a question about some parcels that appear to be noncontiguous. Ms. Chamberlain explained why the parcels appear that way, and added that, unlike city boundaries, community service districts are not required to have all parcels contiguous. She stated that there are some parcels being served water that are actually outside the boundaries, and they will need to be annexed, especially if the district applies for Disadvantaged Unincorporated Community grant funding.

Motion: It was moved by Commissioner Murphy, seconded by Commissioner Vinciguerra, and carried unanimously to approve Resolution #2019-06 as presented.

10. Expiring Term of Public Member; Reappointment of Incumbent or Direction to Staff

Chairman Crew asked if the Commission had advertised this position in the past. Executive Officer Chamberlain replied that the position of Alternate Public Member had been advertised, but that since she has been with Amador LAFCO, the practice has been to allow the incumbent to be reappointed if that person desired to continue in the position.

Motion: It was moved by Commissioner Atlan, seconded by Commissioner Oneto, and carried unanimously to appointment Commissioner Vinciguerra to another four-year term.

11. Mid-Year Budget Report

Executive Officer Chamberlain thanked Clerk Mees for preparing the Mid-Year Budget Summary and Memo, and explained an inadvertent mis-ordering of the pages in the packet.

Ms. Chamberlain reported that the budget is in good shape at mid-year due to little need for legal services and to receiving mapping work from ACTC without charge. She added that the invoice for the River Pines annexation will go out soon, which will produce some revenue.

Chairman Crew asked what the current amount in the legal contingency fund is. Ms. Chamberlain replied that she believed it was somewhere around \$60-70,000, but neither she nor Clerk Mees could remember the exact amount, and said that figure would be emailed to the Commissioners after the meeting. Chairman Crew added that his recollection was that LAFCO was trying to reach an amount of \$100,000, and once that figure was attained, that annual transfer could be used for operations instead.

12. Other Business, Reports

a. Correspondence – none.

b. Commissioner Announcements – Commissioner Vinciguerra stated that he recalled that during the discussion of the Jackson Valley Fire Protection District at the January meeting, there had been a request that the fire chief and board be invited to attend the February Commission meeting. Ms. Chamberlain apologized and responded that it had been unclear to her that there had been a specific staff direction to that effect. Commissioner Atlan suggested

they be given 60 days to prepare, but Ms. Chamberlain pointed out that there will be no April Commission meeting. The Commission therefore directed, by consensus, that the fire chief and board be invited to the March meeting to give a status report.

Chairman Crew welcomed Commissioner Colburn to the board as City Alternate.

- c. Executive Officer's Report – Ms. Chamberlain reported she is meeting with County Planning on a Mitigated Negative Declaration they had prepared, but which did not include LAFCO. Therefore, the comment period on the Neg Dec has been extended so LAFCO can comment.

Ms. Chamberlain is also meeting with the General Manager at Amador Water Agency regarding their upcoming MSR and Sphere of Influence review.

Ms. Chamberlain has been in communication with the Grand Jury at their request regarding one of the special districts. This will be taking some of her time from other projects.

She has also been working with Ms. Engle on extensive mapping work regarding Pine Grove CSD.

The Certificate of Completion is being finished for River Pines PUD, and will be recorded and distributed next week.

Lastly, LAFCO has been working with Supervisor Axe and Ridgewood Acres CSD in their effort to privatize their road maintenance so they can dissolve the CSD.

- d. Legislation Report – Ms. Chamberlain reported that none of the chaptered legislation reviewed in the packet will negatively affect Amador County. She briefly explained several of the bills discussed in the packet.

13. Adjournment

The next regular LAFCO meeting is scheduled for March 21, 2019. Chairman Crew adjourned the meeting at 6:43 p.m.

Pat Crew, Presiding Officer
LOCAL AGENCY FORMATION COMMISSION

ATTEST: _____
Nancy Mees, Clerk to the Commission

APPROVAL OF CLAIMS - PACKET DRAFT

AGENDA OF March 21, 2019

APPROVAL OF CLAIMS TO

March 21, 2019

Agenda Item 5

<u>VENDOR</u>	<u>DESCRIPTION</u>	<u>INV.DATE</u>	<u>AMOUNT</u>
R Chamberlain 2/19/2019-3/19/2019	Consulting Services Labor	3/21/2019 estimate	\$ 2,750.00
	Expense Total, (mileage, PO Box)	3/21/2019 estimate	\$ 480.00
N Mees 2/19/2019-3/20/2019	Clerical & Admin Labor	3/21/2019 estimate	\$ 840.00
	Expenses		\$ 32.75
W Chamberlain	Legal Consulting Services	3/21/2019 estimate	\$ 135.00
Amador Ledger	Public notice for March 21, 2019		\$ 82.20
CALAFCO	2019-20 Annual Dues	3/21/2019	\$ 1,075.00
LAFCO Board	Meeting Stipends (Maximum of 5 @ \$50.00)		\$ 250.00
	TOTAL		\$ 5,644.95

**** Note: Denotes any invoices paid prior to Commission Approval, per Policy 2.3.7**

CHAIR:

Presiding Officer

ATTEST:

Nancy Mees
CLERK TO THE COMMISSION

AGENDA ITEMS # 7

TO: ALL COMMISSIONERS, ALTERNATES
FROM: ROSEANNE CHAMBERLAIN, EXECUTIVE OFFICER
SUBJECT: ADOPT/AFFIRM THE SPHERE OF INFLUENCE FOR PINE GROVE COMMUNITY SERVICES DISTRICT
RESOLUTION #2019-07, LAFCO PROJECT #309
EXECUTIVE OFFICER'S REPORT AND RECOMMENDATION
DATE: MEETING MARCH 21, 2019

DESCRIPTION & BACKGROUND

Government Code requires the commission to adopt and update as needed, the spheres of influence of each district and city every five years. The Pine Grove Community Services District (PGCWD) sphere of influence was adopted in 2010, affirmed in 2014 (Resolution #2014-20). It includes all the parcels within the district and those where the district has extended water service or made commitments to serve years ago. The district may pursue grant funding for system repair and the need for the district to annex additional lands within its sphere has become more timely.

The 2018 Municipal Services Review (MSR) review for Pine Grove Community Services District updated the status of PGCSO and was reviewed by the commission in February 2019. Determinations regarding the district were made in Resolution #2019-02. Those determinations are consistent with affirming the existing sphere of influence and encouraging the district to annex the properties where service has been extended. On February 27, 2019, the district board decided to request that LAFCO affirm the current sphere of influence at this time and understands that they can request a sphere amendment in the future.

The analysis and complete profile for the district is contained in the 2019 Municipal Services Review and is made a part of the record of this action by reference.

CEQA

LAFCO is the lead agency for the project. The Executive Officer has reviewed the proposal and determined that it is categorically exempt from the provisions of the California Environmental Quality Act (CEQA), Section 15061(b)(3) of the Public Resources Code, in that there is no change in services or service demand and no possibility that the project could have a negative effect on the environment (Notice of Exemption attached).

RECOMMENDATIONS

Staff recommends that the Commission take the following actions:

1. Hold the public hearing and determine whether the previously adopted sphere of influence should be affirmed unchanged for Pine Grove Community Services District.
2. Find that the project is exempt from the provisions of CEQA pursuant to Section 15061(b)(3) and direct staff to prepare a Notice of Exemption pursuant the California Code of Regulations.
3. Adopt Resolution #2019-07, making determinations and affirming the existing sphere of influence of the Pine Grove Community Services District.
4. Direct staff to complete the necessary filings and transmittals as required by law.

Attachments: Resolution #2019-07
Exhibit A: Map
Exhibit B: Determinations
Notice of Exemption

AMADOR LAFCO

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LOCAL AGENCY FORMATION COMMISSION

RESOLUTION MAKING DETERMINATIONS, ADOPTING/REAFFIRMING THE SPHERE OF INFLUENCE FOR THE PINE GROVE COMMUNITY SERVICES DISTRICT

LAFCO RESOLUTION NUMBER 2019-07

WHEREAS, pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act, commencing with §56000, et seq. of the Government Code, and specifically in accordance with §56425; and

WHEREAS, a municipal services review update has been completed and was found by LAFCO to be adequate and complete on January 17, 2019; and

WHEREAS, the functions and classes of services provided by the Pine Grove Community Services District are water supply, retail domestic and irrigation distribution services and parks as described in the Municipal Services Review; and

WHEREAS, water service is currently provided to some customers outside the boundaries of the district and the Board of Directors of the Pine Grove Community Services District intends to complete annexation of those parcels currently receiving service in the future; and

WHEREAS, at the times and in the form and manner required by law, the Executive Officer has given notice of the hearing by this Commission; and

WHEREAS, upon the date, time and place specified in said notice of hearing and in any order or orders containing such hearing, the Commission has received, heard, discussed and considered all oral and written testimony related to the Sphere of Influence, including but not limited to comments, objections, the Executive Officer's written and oral report and recommendation, the environmental document and determination, plans for providing service, and previously adopted spheres of influence;

NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED AND ORDERED as follows:

1. The adoption of the Sphere of Influence for the Pine Grove Community Services District without change is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) in that there is no possibility that the action taken by the Commission may have a significant effect on the environment.
2. The Sphere of Influence of the Pine Grove Community Services District is determined and approved as shown on the attached map marked "Exhibit A", and includes all territory within the Districts boundaries, plus parcels outside the boundaries currently receiving service and additional areas where services will likely be provided in the future.
3. Determinations with respect to the Sphere of Influence for the Pine Grove Community

AMADOR LAFCO

DRAFT

LOCAL AGENCY FORMATION COMMISSION

Services District are set forth and described in the attached "Exhibit B" and are incorporated herein by this reference.

4. The Executive Officer is hereby directed to file a Notice of Exemption in compliance with the California Environmental Quality Act and local ordinances implementing the same.

The foregoing resolution was duly passed and adopted by the Local Agency Formation Commission of the County of Amador at a regular meeting thereof, held on the 21st day of March, 2019, by the following vote:

AYES:

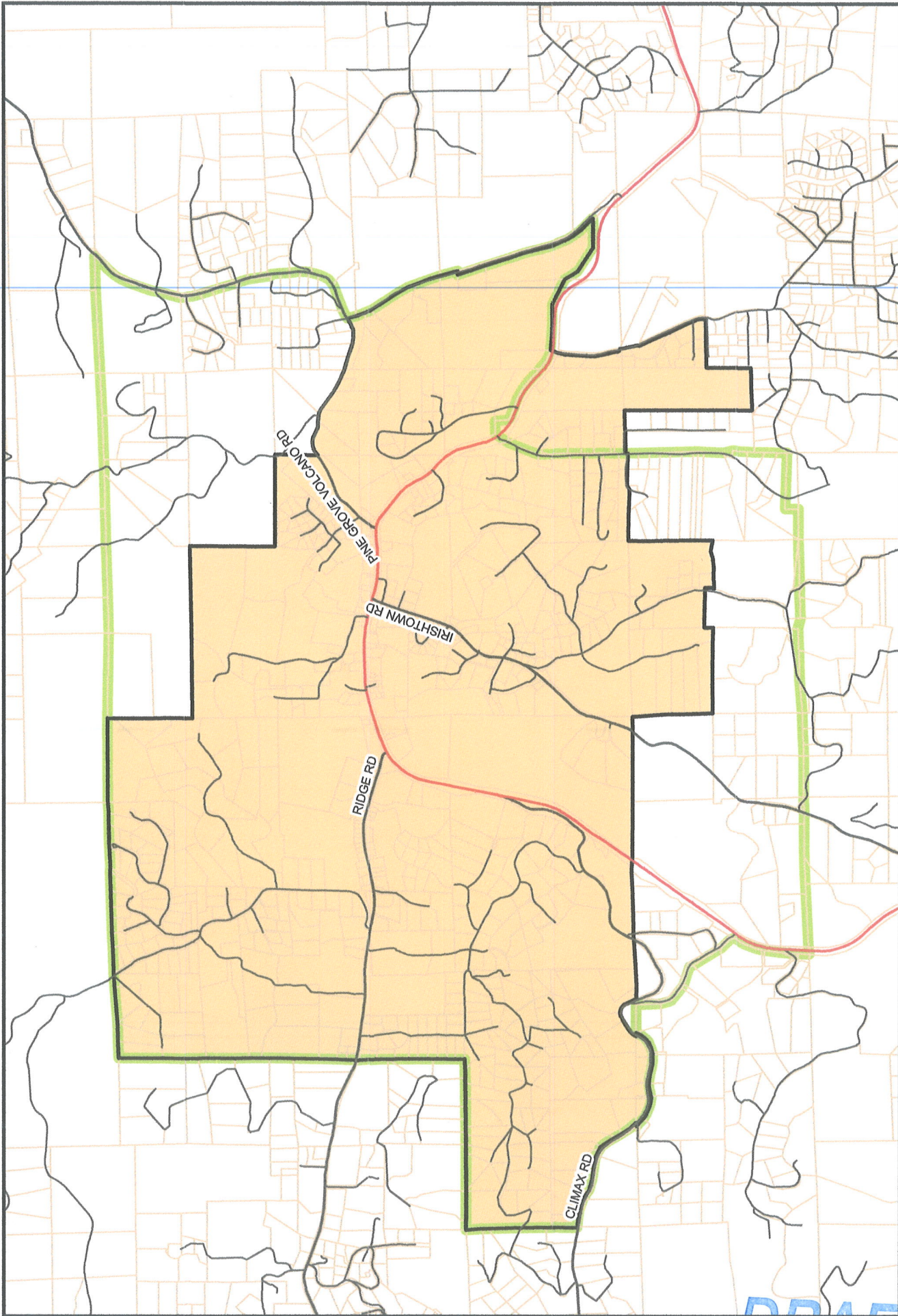
NOES:

ABSENT:

Presiding Officer
Patrick Crew, Chairman

ATTEST:

Nancy Mees, Clerk to the Commission
Amador Local Agency Formation Commission
Amador County, California



Sphere of Influence for the
Pine Grove Community Services District



Map created June 3, 2010 for Amador LAFCO by the Amador County GIS D
 810 Court Street, Jackson CA 95842 (209) 223-6881

The County of Amador assumes no responsibility arising from use of this information. THE MAPS AND ASSOCIATED DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, expressed or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Do not make any business decisions based on this data before validating your decision with the appropriate County Office.

N

0 500 1,000 Feet

- Parcel Boundary
- Sphere of Influence
- Historic Sphere of Influence

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LOCAL AGENCY FORMATION COMMISSION

Exhibit B TO LAFCO RESOLUTION NO. 2019-07

RESOLUTION MAKING DETERMINATIONS AND ADOPTING A SPHERE OF INFLUENCE FOR THE PINE GROVE COMMUNITY SERVICES DISTRICT

1. No changes to the present and planned land uses in and around the Pine Grove Community Services District are anticipated within the planning horizon of this sphere of influence, including agricultural and open space lands. Existing parcels receiving service and where service commitments have been made by the district, are within the sphere and are noted as appropriate for annexation in the future when service is needed.
2. Some growth may be likely in the future; the physical limitations of the topography and distribution system and uncertainties regarding future capital improvements as described in the Municipal Services Review do not support an expansion of the existing sphere at this time.
2. No changes in the present and probable need for public facilities and services in and around the Pine Grove Community Services District are anticipated within the planning horizon of this sphere of influence.
3. The Commission recognizes that the present capacity of public facilities and the adequacy of public services that the Pine Grove Community Services District provides, or is authorized to provide, are adequate within the current service area.
4. The Commission recognizes that the Pine Grove Community Services District is a community of social and economic interest represented by the district Board of Directors. The commission acknowledges that the district intends to complete the annexation of parcels outside district boundaries which are currently receiving service at some time in the foreseeable future.
5. While the commission recognizes that the Pine Grove Community Services District currently provides service outside its boundaries and these lands are included in the sphere of influence, no change in service or new service may be extended to these areas without review under Government Code Section 56133 or completion of annexation proceedings.

AMADOR LAFCO
LOCAL AGENCY FORMATION COMMISSION

DRAFT

Notice of Exemption

TO: _____ Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814
 County Clerk
County of Amador

FROM: Public Agency:
Amador LAFCO
810 Court Street, Jackson, 95642
Contact: 209-418-9377
amador.lafco@gmail.com

Project Title: Affirm the Existing Sphere of Influence for Pine Grove Community Services District (PGCSD)

Project Location - Specific: State Route 88 and Ridge Rd., Community of Pine Grove

Project Location - City: _____ NA _____ **Project Location - County:** _____ Amador _____

Description of Project: Affirm the current spheres of influence for PGCSD

Name of Public Agency Approving Project: Amador LAFCO

Name of Person or Agency Carrying out Project: Amador LAFCO

Exempt Status: (check one)

- Ministerial
- Declared Emergency
- Categorical Exemption** Section 15061(b)(3)
- Statutory Exemptions. State code number:**

Reasons why project is exempt: Section 15061(b)(3) of the Public Resources Code, in that there is no change in services or service demand and no possibility that the project could have a negative effect on the environment

Signature: _____ **Date:** 3/21/19 **Title:** _____ Executive Officer

Signed by Lead Agency Date received for filing at OPR: _____
 Signed by Applicant

POSTED ON:

AGENDA ITEM # 9

TO: ALL COMMISSIONERS, ALTERNATES
FROM: NANCY MEES, COMMISSION CLERK & ROSEANNE CHAMBERLAIN, EXECUTIVE OFFICER
SUBJECT: PROPOSED FISCAL YEAR BUDGET 2019-20
DATE: MEETING OF MARCH 21, 2019

BACKGROUND & SUMMARY:

Government Code §56381 provides that the Commission shall annually adopt a proposed budget at a public hearing no later than May 1. The proposed budget is then transmitted to the county, cities, districts and others. The statutes specify that the final budget shall be no less than the previous year unless the Commission makes certain findings. The staff recommended proposed budget for 2019-20 is more than the previous year's budget appropriation.

LAFCO staff projects a Fund Balance of \$40,109 (actual general fund 2/26/19 of \$73,010 less projected expenses to year end of \$32,901). The fund balance was calculated conservatively to ensure we have sufficient revenue to reach the end of the fiscal year.

The Municipal Services Review (MSR) work continues in 2019-20 by in-house staff.

Staff recommends that \$72,000 in cost savings and general reserves be carried forward to reduce agency payments. The transfer-in from fund balance and general reserves is decreased by \$6,000 from last year due to extra cost involved in staff work on the Municipal Services Review. Although the use of staff decreases the overall cost of preparing the MSRs, it is still project work that is not reimbursed as is normal project work.

Over the last nine years, LAFCO has successfully kept the agency payments relatively low and level, avoiding increases in the recession years by cost containment and prudently using reserves. The agency cost share will have to be increased slightly this year by \$7,464 due to increased costs, including performance of an audit. It has been five years since the last audit, so it is now time to have another one performed.

WORK PLAN

The 19-20 Proposed Budget includes the following work plan:

- Prepare Municipal Service Review updates for agencies in-house using LAFCO staff, in lieu of contracting with more costly consultants.
 - Continue to process applications expediently and accurately.
 - Continue to adopt, update and/or affirm the spheres of influence for all agencies as the Municipal Service Reviews are completed.
 - Continue boundary research and verification for districts, including GIS mapping, corrections and changes with state agencies, census bureau, and local entities.
-
- Continue to create and post to the website reliable GIS maps for all LAFCO agencies .
 - Continue to update the LAFCO website to enhance public access and reduce staff time for public inquiries .
 - Continue to shift administration work to trained support staff to decrease cost of the Executive Officer.
 - Write clear procedures for remaining LAFCO processes.
 - Continue to purge files, organize and create digital back up of hard copy project files.
 - Continue to assist special districts and others with operational and organizational assistance, including dissolution of inactive districts.
 - Continue to assist County and City staff with research and support.

The budget provides funding for 10 LAFCO meetings as in prior years. Project applications have remained steady in 2018. Staff expects more projects going forward, including municipal service reviews, and meetings will be held as needed to ensure timely hearing of applications. If more than 10 meetings are needed, project fees and operating contingency is sufficient for the costs.

Three commissioners and staff are budgeted to attend the CALAFCO annual conference in Sacramento County (October 30-31). If additional commissioners are available to attend, money would be available to cover the expense from operating contingency.

No funding is committed to staff attending the CALAFCO staff workshop. Historically, staff only attended when conference funds remained after the annual conference. The commission may wish to consider increasing the conference line item for participation at the staff workshop.

Limited legal services are funded with \$9,000 as in prior years. The legal defense reserve is fully funded with \$10,000 added this year to our current balance of \$62,140 legal reserve balance.

REVENUES AVAILABLE AND FUND BALANCES

The year-end fund balance calculations are attached and are based on account balances as of February 26, 2018. A final fund balance will only be known after the close of the fiscal year. Fund Balance projections are shown on the attached spreadsheet.

POLICY DIRECTION & ASSUMPTIONS

The staff proposed budget is based on policy directions given in past years as follows:

- Use fund balance and general reserves to offset and reduce the agencies' cost share
- Provide for a general reserve to help even out the cities' and county's cost for LAFCO over future years. This year general reserves and fund balance will offset the cost of the Municipal Services Review work instead of shifting that cost bump to the funding agencies.
- Provide an operating contingency and general reserve for emergencies or extraordinary work.
- Augment the Legal Defense Fund (101738) with \$10,000 to bring the total from about \$62K to \$72K.
- Allow everyone who is available to attend the CALAFCO annual conference for training.

A long-range planning session is not included in this budget. If the commission is willing, long range planning could improve the financial effectiveness of LAFCO.

PLANNED BUDGET SCHEDULE:

The LAFCO budget process has four steps: adoption of a proposed budget, distribution to agencies, second hearing for adoption of final budget, formal transmittal of final budget to the agencies and to the Auditor for apportionment. Unless the Commission directs otherwise, I will follow the successful process used each year since 2007, as shown below.

- Adopt of the proposed budget on March 21, 2019
- Transmit the proposed budget to agencies the week of March 25th and post to the LAFCO Web site
- Review by the cities, counties, public
- Adopt the final budget on May 16th (the April meeting will be cancelled)
- Transmit the Final Budget to Auditor and Agencies the week following adoption as required by state law.

EXECUTIVE OFFICER'S RECOMMENDATIONS:

1. Review, make any desired changes, and approve a Proposed Budget for Fiscal Year 2019-20.

2. Approve the proposed work plan and give additional direction to staff as needed.
3. Direct staff to transmit the budget materials to cities, districts and others as specified in Government Code Section 56381.
4. Direct staff to schedule adoption of the final budget.

Attachments: Staff Draft Proposed Budget
Calculation of Projected Fund Balance

**Amador LAFCO - Proposed Budget
FY 2019-20**

Budget Code	Expense Category	Approved 18-19	Proposed 19-20	Difference
Revenues				from Prior Year
44100	Interest	\$1,700	\$2,200	\$500
46930	Project Fees	\$25,000	\$25,000	\$0
	From General Fund Balance	\$78,000	\$72,000	-\$6,000
Subtotal Non-Agency Revenues		\$104,700	\$99,200	-\$5,500
45640	Agency Cost Share	\$57,126	\$64,590	\$7,464
Revenue Subtotal		\$161,826	\$163,790	\$1,964.00
Operating Expense				
50310	FICA (stipends)	\$50	\$50	\$0
50400	Emp Insurance	\$150	\$150	\$0
51200	Communications	\$600	\$600	\$0
51504	Liability Insurance	\$3,000	\$3,010	\$10
52000	Membership	\$925	\$1,075	\$150
52200	Office Expense (total)	\$1,015	\$1,015	\$0
	Postage	160	160	0
	Supplies	325	325	0
	Printing/copies 52205	480	480	0
	Publications, Ref Maps	50	50	0
52300	Prof & Spec Serv Total	\$122,112	\$123,500	\$1,388
	Legal Services	11,612	9,000	-2,612
	Executive Officer	38,000	38,000	0
	Project Support	25,000	25,000	0
	Clerical/Support	15,000	15,000	0
	Meeting Exp/Stipend	2,500	2,500	0
	Audit	0	4,000	4,000
	GIS, mapping	10,000	10,000	0
	Other County Services (Inc. Rent)	2,000	2,000	0
	MSR	18,000	18,000	0
52300(1017)	Legal Defense Reserve	\$10,000	\$10,000	\$0
52400	Public Notice	\$1,000	\$1,000	\$0
52900	Mileage/travel	\$3,000	\$3,000	\$0
52910	Conf/Mtgs (includes travel)	\$5,500	\$5,500	\$0
Operating Expense Sub-total		\$147,352	\$148,900	\$1,548
59500	Operating Contingency	\$14,474	\$14,890	\$416
Total Budget Appropriation		\$161,826	\$163,790	\$1,964

**Amador LAFCO - Fund Balance Projection
FY 2018-19 for FY 2019-20 Budget
Based on Actuals As of February 26, 2019**

Budget Code	Expense Category	Budget 2018-19	Actual rev/exp as of 2/26/19	Projected Total rev/exp to year end	Projected Year End/Difference from Budget	Projected Add'l cost/revenue
Revenues						
44100	Interest	\$1,700	\$1,786	\$2,679	\$979	\$893
46930	Project Fees	\$25,000	\$317	\$4,317	-\$20,683	\$4,000
	From Fund Balance	\$78,000	\$78,000	\$78,000	\$0	
Subtotal Non-Agency Revenues		\$104,700	\$80,103	\$84,996	-\$19,704	\$4,893
45640	Agency Cost Share	\$57,126	\$57,126	\$57,126	\$0	
Revenue Subtotal		\$161,826	\$137,229	\$142,122		
Operating Expense						
50310	FICA (stipends)	\$50	\$18	\$27	\$23	\$9
50400	Emp Insurance	\$150	\$46	\$69	\$81	\$23
51200	Communications	\$600	\$362	\$543	\$57	\$181
51504	Liability Insurance	\$3,000	\$3,005	\$3,005	-\$5	\$0
51760	Maint.-Programs	\$0	\$136	\$204	-\$204	\$68
52000	Membership	\$925	\$925	\$925	\$0	\$0
52200	Office Expense	\$1,015	\$355	\$532	\$483	\$177
52300	Prof & Spec Serv Total	\$122,112	\$20,255	\$49,855	\$72,257	\$29,600
	Legal Defense Reserve	\$10,000	\$10,000	\$10,000	\$0	\$0
52400	Public Notice	\$1,000	\$462	\$693	\$307	\$231
52900	Mileage/travel	\$3,000	\$1,222	\$1,833	\$1,167	\$611
52910	Conf/Mtgs (includes tr	\$5,500	\$1,856	\$2,782	\$2,718	\$926
Operating Expense Sub-total		\$147,352	\$38,642	\$70,468	\$76,884	\$31,826
59500	Operating Contingency	\$14,474	\$0	\$1,075	\$13,399	\$1,075
Expense Subtotals		\$161,826	\$38,642	\$71,543	\$90,283.00	\$32,901

Projected Year End Actual Revenues	\$142,122
Less Projected Actual Expenses	\$71,543
Projected Fund Balance/Budget Calculation	\$70,579

<i>Fund Balance/Balance Sheet By Fund as of 2/26/19</i>		
101739	LAFCO General Fund	\$73,010
101737	LAFCO Project Fund (includes general reserve)	\$42,894
Projected Fund Balance All Accounts		\$115,904

101738	Legal Defense Fund	\$62,140
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March 6, 2019

TO: Member LAFCos

Dear Member LAFCos:

Over the last several years the CALAFCO Board of Directors has continued to develop member services to meet the changing needs of LAFCo commissioners, staff and stakeholders. Over its 48-year existence, CALAFCO has matured from a volunteer organization to a professional educational organization.

At the CALAFCO Annual Meeting in Yosemite last fall, the Board explained that additional revenues must be raised to close the ongoing structural deficit, which the association has operated with since its inception. As many of you heard, CALAFCO has had an unhealthy reliance on Conference revenue to balance the budget which is not a sound fiscal practice. Approximately \$69,000 in additional revenue is needed next fiscal year just to close the structural deficit. Failing to close this deficit jeopardizes CALAFCO's ability to maintain the existing level of services provided.

During the regional roundtables at the 2018 Conference, members provided the Board valuable feedback about the structural deficit and the dues structure. At the Board's recent strategic planning workshop and meeting, they deliberated at length about these two matters. It is clear the current dues structure no longer reflects the diversity of our membership and our structural deficit continues to grow as core revenue does not meet operational expenses.

During the recent Board strategic planning workshop, the Board-appointed ad hoc financial committee (who have been meeting for more than a year) presented the Board several options to close the deficit and offered a recommendation. After long (almost half-day) discussion, followed by another round of discussions at the Board meeting the next day, the Board made two critical decisions.

The first decision is a short-term action strategy to close the structural deficit. The Board unanimously approved a one-time cost sharing option to close the structural deficit. This option will take effect FY 2019-20. The cost sharing option includes a 16.25% dues increase to all member LAFCos, which will generate an additional \$33,452. The other \$35,591 necessary to close the structural deficit will be covered by using a substantial portion of the net profit received from the 2018 Annual Conference.

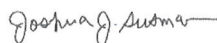
Just as important, the Board is committed to a long-term strategy of revising the current dues structure into a more sustainable and equitable model. As a result, the Board directed the ad hoc finance committee to bring a proposal to the Board at their May 10 meeting for a new dues structure to move the organization forward. This new dues structure will use the current FY 2018-19 dues as the baseline (rather than the increased dues for next FY).

A new dues structure requires the approval of the membership as it is a change in the Bylaws. It is the intention of the Board to place this item on the agenda for membership approval at the October 31, 2019 Annual Membership Business Meeting. Once the draft proposal is approved at its May 10 meeting, the Board will distribute the draft dues structure to the membership with ample time for review and discussion before the Annual Membership Business Meeting.

We understand raising dues at any time is a difficult proposition. Our work at CALAFCO strives to support the success and meet the needs of all member LAFCos, large and small. We are committed to continually enhancing the services of CALAFCO and fulfilling our mandate "to assist member LAFCos with educational and technical resources that otherwise would not be available." We hope you will agree when we discuss this at our annual membership meeting at this year's Conference.

We and the rest of the Board are available to answer any questions you may have. You are encouraged to seek out the feedback of your regional Board members.

On behalf of the CALAFCO Board of Directors,

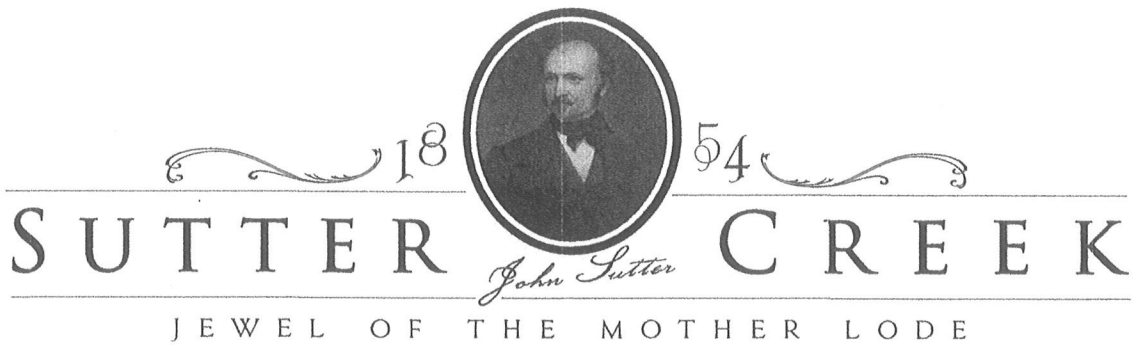
A handwritten signature in black ink that reads "Joshua J. Susman".

Josh Susman
Chair of the Board

A handwritten signature in black ink that reads "Pamela Miller".

Pamela Miller
Executive Director

Cc: CALAFCO Board of Directors
enclosures



January 29, 2019

Nancy Mees
Clerk to the Commission
Amador LAFCO
810 Court Street
Jackson, CA 95642

RE Township 4 Memorial District

A recent easement request of the City exposed the existence of said Township 4 Memorial District as the owner of record of APN 018-180-020 which is the City of Sutter Creek City Hall parcel and parking lot. The County Recorder has advised this District has no elected officials and it is assumed no longer in existence.

Has LAFO abandoned this District: Can you advise on what action, if any, the City should take to eliminate this property ownership issue?

Thank you for your attention to this request.

Roark Weber, Associate City Engineer

cc: City Manager
City Clerk

AMADOR LAFCO



LOCAL AGENCY FORMATION COMMISSION

P.O. BOX 22-1292 ♦ SACRAMENTO, CA 95822
810 COURT STREET ♦ JACKSON, CA 95642-95334 ♦ (209) 418-9377

February 22, 2019

Roark Weber, Associate City Engineer
City of Sutter Creek
18 Main Street
Sutter Creek, CA 95685

RE: Township 4 Memorial District Ownership of APN 018-180-020

Upon receipt of your letter regarding APN 018-180-020 and Township 4 Memorial District, I did some research and found that the District was dissolved in 1966, per LAFCO Resolution #66-3. Current law provides that all real property of a dissolved district is vested in the “successor” for the purpose of winding up the affairs of the district (Gov. Code §57452). Which agency becomes the “successor” depends upon whether the district was located entirely within a city, entirely in the county, or a combination of the two. (Gov. Code §57451). We do not have a map or description of the District, but our guess is that it probably included territory in both the city and some portion of the county. (The original formation documents may be on file at County Elections or the Board of Supervisors .)

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The above code sections became law in 1985, however. At the time of the dissolution action by LAFCO, old Government Code §56503 provided that the successor had the power to exchange, sell or otherwise dispose of all real property of the dissolved district for purposes of winding up the affairs of the district. The successor was determined in much the same way as under the current code section cited above (old Gov. Code §56501). From our research, it appears that LAFCO did not designate a successor for the dissolution of Township 4 Memorial District. And if a successor was appointed at some point, the parcel in question apparently was not dealt with as it is still owned by the defunct District.

Research further shows that the Board of Supervisor passed Resolution 1 in 1966, and the only item it specifies in that action is as follows:

“City Council has agreed to maintain the building and protect the veteran’s (sic) usage of the building.”

The building referred to may or may not involve the parcel in discussion and the resolution does not deal with the underlying property itself, as ownership remains in the now defunct district. The LAFCO resolution which followed, Resolution 66-3, does not specify a successor or discuss any real property either.

LAFCO’s suggestion would therefore be to contact the legal counsel for both the City of Sutter

Creek and the County to review and assess what should happen next with respect to clearing up title and ownership of the parcel in question.

Please let us know if LAFCO can be of any further help.

Sincerely,



Nancy Mees
Clerk to the Commission
Amador LAFCO

Cc: Roseanne Chamberlain, Executive Officer, LAFCO
City Manager, City of Sutter Creek
City Clerk, City of Sutter Creek