

**Lake Local Agency Formation Commission**

**Regular Meeting Agenda**

**Wednesday March 20, 2024 -- 9:30 am**

**City of Lakeport** – City Council Chambers

225 Park Street Lakeport, California

Website: [www.lakelafco.org](http://www.lakelafco.org)

***“Lake LAFCo oversees orderly development and protects natural resources and agricultural lands”***

***Zoom meeting for public:*** LAFCo has decided to make public meetings accessible telephonically or otherwise electronically to all members of the public. Members of the public are encouraged to observe and participate in the teleconference.

*The complete agenda, including backup materials and materials related to items on this Agenda submitted to the Commission after distribution of the Agenda Packet, is available for public inspection on the Lake LAFCo website. Agenda materials are also available on the Lake LAFCO website at [www.lakelafco.org](http://www.lakelafco.org)*

Topic: Lake LAFCo

Time: Mar 20, 2024 09:30 AM Pacific Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/87483200728?pwd=UmFpMXlRMFZHSnl1bFFkNmpGRDFOUT09>

Meeting ID: 874 8320 0728

Passcode: 679021

---

One tap mobile

+16694449171,,87483200728#,,,,\*679021# US

+16699006833,,87483200728#,,,,\*679021# US (San Jose)

***“Lake LAFCo oversees orderly development and protects natural resources and agricultural lands”***

**Commissioners**

Dirk Slooten, (City)  
Stan Archacki, (Special Dist.)  
Jim Scholz (Special District)  
Ed Robey, (Public Member)  
Moke Simon, (County)  
Bruno Sabatier, Chair (County)  
Stacey Mattina, Vice Chair (City)

**Commission Alternate Members**

Vacant (Spec. District Alternate)  
Suzanne Lyons (Public Alternate)  
Michael Green (County Alternate)  
Russ Perdock (City Alternate)

**Staff**

John Benoit, Executive Officer  
P. Scott Browne, Legal Counsel  
Kathleen Moran, Clerk-Analyst

- 1. Call to Order – Roll Call**
- 2. Approval of Minutes – October 4, 2023 minutes**
  - a. *Approve October 4, 2023 minutes*

**3. Public Comment.**

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

**4. Consent Agenda**

- a. *Review and authorize payment of expenses for October, November and December 2023.*

**PUBLIC HEARING:**

**5. Fiscal Year 2024-2025 Lake LAFCo Proposed Budget**

- a. *Conduct public hearing and consider LAFCo Resolution 2024-0003 adopting a proposed budget for FY 2024-2025*

**CLOSED SESSION:**

**6. Closed Session: Personnel Matters (Section 54957(b) (1) Review and Disussion of Candidtes for Executive Officer.**

*a. The Commission will review materials received to date from interested candidates for the Executive Officer position and will interview some candidates. Direction will be given to Staff.*

**7. Report out of Closed Session**

**OTHER ITEMS:**

**8. Executive Officer' s report.**

*700 forms due April 1<sup>st</sup>  
Calafco Annual Conference Teneya Lodge Fish Camp Oct 16-18, 2024  
Upper Lake MSR and SOI and Annexation Proposal  
Fire and EMS Service Review and Sphere of Influence Update*

**9. LAFCo Counsel's report**

**10. Commissioner Reports**

*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 LAFCO's next regular meeting: Wednesday May 15, 2024 - 9:30 AM in Clearlake**

*The Commission may take action upon any item listed on the agenda. Unless otherwise noted, items may be taken up at any time during the meeting.*



**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.**

Public Comment

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

- 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 area available for review for public inspection at the City of Lakeport and City of Clearlake Community Development Departments office located at City Hall in Lakeport and Clearlake [such documents are also available on the Lake 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

Any person or group of persons acting in concert who directly or indirectly contribute \$1,000 or more in support of or in opposition to a change of organization or reorganization that has been submitted to Lake LAFCO must comply with the disclosure requirements of the Political Reform Act of 1974 applicable to local initiative measures to be submitted to the electorate. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals; they may be reviewed at Government Code §§56700.1 and 81000 *et seq.* Additional information about the requirements pertaining to local initiative measures to be presented to the electorate can be obtained by calling the Fair Political Practices Commission at (916) 322-5660.

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 (707) 592-7528 or by mail at Lake LAFCO c/o John Benoit, Executive Officer P.O. Box 2694, Granite Bay, CA 95746 or by email at [j.benoit4@icloud.com](mailto:j.benoit4@icloud.com). Agenda packets are located on the Lake LAFCo Webpage at [www.lakelafco.org](http://www.lakelafco.org)

# 2

**Lake Local Agency Formation Commission**

**Regular Meeting Minutes**

**Wednesday January 17, 2024 -- 9:30 am**

**City of Clearlake** – City Council Chambers

14050 Olympic Dr. Clearlake, California

Commissioners present:

Dirk Slooten, (City)

Jim Scholz (Special District)

Ed Robey, (Public Member)

Moke Simon, (County)

Bruno Sabatier Chair (County)

Stan Archacki, (Special Dist.)

Stacey Mattina Vice Chair (City)

**Staff**

John Benoit, Executive Officer

P. Scott Browne, Legal Counsel

1. **Call to Order at 9:37 AM – Roll Call**
2. **Approval of Minutes – Oct 4, 2023 minutes**

Upon motion of Commissioner Mattina and seconded by Commissioner Robey the October 4, 2023 minutes were unanimously approved by 7-0-0 vote

3. **Public Comment.**  
No public input was given

4. **Consent Agenda**  
Upon motion of Commissioner Robey and seconded by Commissioner Slooten the payment of expenses for October, November and December 2023 were unanimously approved by a 7-0-0 vote.

**Public Hearing:**

5. **LAFCo file 2023-0002 Dam Road Annexation to the Konocti County Water District**

Executive Officer Benoit presented the Executive Officer's Report regarding this 108.76-acre annexation to the Konocti County Water District located in the South eastern area of the City of Clearlake. Chair Sabatier opened and closed the public hearing. Frank Costner of the Konocti County Water District was present.

Commissioner Robey moved and the motion was seconded by Commissioner Slooten which was approved by a 7-0 vote of the Commission.

**Action Items:**

**6. Consider Amendment to Resolutions 2001-01 and 2023-0009 clarifying the number of Board Members for the Lake County Fire Protection District**

The Executive Officer's report was presented and the Commission adopted Resolution 2024-0002 approving a modification clarifying the number of Board Members appointed or elected to the Lake County FPD. The motion was made by Commissioner Robey and seconded by Commissioner Mattina and unanimously approved by a 7-0-0 vote

**7. A workshop regarding the Upper Lake County Water District's Service Review**

Executive Officer Benoit distributed the report and summarized its key points. The Service Review and the Sphere of Influence will be considered upon completion of the Environmental Documentation and response to comments.

**8. Calafco Conference review**

The Conference was attended by the Executive Officer and two Commissioners who discussed various items presented. Of importance was a panel on Gov. Code 56133 and that districts were self certifying extraterritorial extensions of services without LAFCo approval.

**9. Adopt Regular Meeting Schedule for 2024**

Upon motion of Commissioner Mattina and seconded by Commissioner Slooten the regular meeting schedule was adopted by a unanimous vote of 7-0.

**10. Retirement of Executive Officer effective around the conclusion of the 2023-2024 Fiscal Year.**

A discussion was held regarding the Executive Officer's retirement. A recruitment Committee was established consisting of Commissioner's Slooten, Mattina and Sabatier. The draft request for proposals was reviewed without comment.

**OTHER ITEMS:**

**11. Executive Officer' s report.**

- a. 700 forms are due April 1<sup>st</sup>.

**12. LAFCo Counsel's report**

Scott Browne discussed the proposed "Government Accountability Act" which will be on the Ballot in 2014. This act will tighten up loopholes in Proposition 218. Of importance to LAFCo this bill will address geographic extensions of taxes which is routinely done with annexations of territory to districts and cities. Instead of applying previously authorized taxes to annexed areas, the taxes will be subject to Proposition 218 and a specific vote will be required.

**13. Commissioner Reports**

Commissioner Simon spoke of the Brambles proposed golf course project at Hidden Valley Lake

**14. At 10:40 am the meeting was adjourned to LAFCO's next meeting which to take place on Wednesday March 20, 2024 - 9:30 AM in Lakeport**

# Lake Local Agency Formation Commission

# 4

## CLAIMS

January and February 2024

### Expenses for FY 2023-2024:

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
12.16.23 - 1.15.24	Browne Legal	\$ 2,046.43
Jan 17, 24	Meeting Stipend	\$ 700.00
Feb 1, 2024	Staff Svcs Jan 2024	\$ 7,652.63
1.16.2024 - 2.15.24	Browne Legal	\$ 2,046.43
March 1, 2024	Staff Svcs February 2024	\$ 5,101.33
Jan 31, 2024	RB CLO KCWD Dam Road Annex	\$ 279.61
Feb 28, 2024	RB CLO Proposed 24-25 Budget	\$ 112.39
	TOTAL:	\$ 17,238.82

DATED: March 20, 2024

APPROVED: March 20, 2024

\_\_\_\_\_  
Bruno Sabatier, Chair or Stacey Mattina Vice-Chair  
Lake Local Agency Formation Commission

Attest:

\_\_\_\_\_  
John Benoit  
Executive Officer







LAKE LOCAL AGENCY FORMATION COMMISSION

ITEM 5

MEMORANDUM

March 20, 2024

**TO:** Local Agency Formation Commission  
**FROM:** John Benoit, Executive Officer  
**RE:** Proposed Budget for FY 2024-2025

**Attachment:** LAFCo resolution 2024-0003 adopting a proposed 2024-2025 LAFCO Budget

**Work Program for 2024-2025**

**Direct Projects – Projected**

1. Small and medium reorganizations - For the 2024-2025 fiscal year staff anticipates two or three small and medium reorganizations (i.e., annexations and detachments involving districts). For example changes to the boundaries of the, Upper Lake Co W.D. Costs include working with agencies and (or) individuals prior to application submittal, legal counsel, staff time, public inquiries, public hearing requirements including noticing (300 ft from site –voters and landowners), preparation of notices, staff reports and resolutions, LAFCO protest requirements (public noticing), incidental travel, office supplies (copying), webpage posting, seeking comment from county departments (assessor, clerk and auditor), and general accounting.

Significant Municipal Annexations – None are expected at this time in 2024-2025

2. District Consolidations – Staff has heard of no district consolidations at this time although with the passage of additional requirements stated in SB 244 and other legislation consolidations may occur.
3. Dissolution of Districts – At this time, LAFCo has had no further inquiries about the dissolution of Special Districts with the exception of changes necessitated by SB - 244.

**Administrative Projects and Operational Provisions**

Ongoing administrative activities include:

**Budget Development and Control**

Budget development and control is currently handled by the Executive Officer. During the year, day-to-day administrative tasks (e.g., invoicing, and bill paying) are provided by the Executive Officer. LAFCo works with City and County offices on these issues.

Preparation of the budget and budget justification documents and resolutions are included in these activities. Legal advice when needed is required regarding expenditure requests. The

Budget Justification Report

Lake LAFCO

March 20, 2024

preparation of claim forms for both the Commission and the City of Clearlake finance office is included to ensure proper control. Public inquires regarding expenditures and expenditure priorities are handled by the Executive Officer. Incidental office supplies and communication resources are needed to perform this function.

Special administrative projects such as coordinating agreements i.e. agreements for the provision of insurance or responding to a Commission directive or minute order and Proposal Requests. Insurance is estimated to be about the same next year since LAFCO has had no claims.

### **Communications**

This budget includes conducting annual organizational LAFCO workshops. This should occur at a separate meeting with the Commission and staff and should be part of the Commissions annual work program.

LAFCO needs to continue communication efforts with the County, Cities and Districts. The budget includes a session with these entities as well as an appearance at various meetings. One of the legislative intents of LAFCO is to serve as a neutral party or “legislature’s watchdog” with regards to organizational issues. The budget for these activities includes preparation and meeting with staff and boards and incidental office supplies, legal advice, travel and communication.

Conduct project-oriented workshops, as appropriate. This activity may occur this year regarding the role of LAFCO may be required.

Work with potential applicants seeking reorganization. This activity requires research and meeting with project proponents to determine approaches to solving service issues. This activity is time consuming. Costs include legal, staff time, incidental travel, office supplies and communication resources. An example is to discuss LAFCO with the grand jury to assist them in their role and taking correct action.

Responding to public inquires. Public inquires regarding service issues are common involving a member of the public who is in need of a service or has a question about a service. This ongoing activity includes legal, staff time and communication resources. The LAFCO webpage provides an outlet for LAFCO information. Responding to the public is necessary for informing individuals of LAFCO requirements to facilitate the process. There is no one else who will provide the public with correct and unbiased information about LAFCO. This may cause substantial cost savings for the public by having correct information to make business decisions.

**Brown Act, Public Records Act and Political Reform Act compliance**. Staff and legal time is required to comply with these laws. Including noticing, Form 700's, public records disclosure, citizen's inquires, general compliance and written responses to records request. These are an ever increasing amount of state laws and must be followed.

**Grand Jury**. LAFCo staff has met with the Grand Jury twice this year, which involved information requests and conversations with members. This activity is anticipated to continuously occur.

**Calafco Dues.** The Calafco Executive Membership voted for a rate increase this year for members. Calafco dues will be decreased from \$2,145.90 to \$2,196.00 an increase of \$50.10.

**Environmental Reviews:** CEQA is required for all LAFCO discretionary projects. Applicants pay direct project costs; Spheres of Influence are LAFCO's responsibility. LAFCO will be a lead agency in this respect. LAFCO is also required and should want to comment on Environmental Reviews from various agencies. These costs include legal, communication, advertising, staff time. It is estimated the cost of this activity will be significant including required fees to pay Fish and Wildlife. This item is necessary to promote better customer service and comply with the CEQA law and CKH act with regard to the role of a responsible agency. Development requiring reorganization will take much longer if LAFCO is not involved in this process as well as cost project applicants significantly more amounts of money. LAFCo Staff has commented on several CEQA reviews this year.

### **Public Education**

Utilize media and speaking opportunities and submit articles about LAFCO to journals and newspapers. This activity is fairly minimal. However, there is a cost of staff time and office supplies to perform this function.

Submit press releases on substantive actions; encourage agencies to request regular LAFCO meeting agendas and update agencies on LAFCO Commission membership.

These activities are important to inform the public and agencies about LAFCO. Numerous inquiries come from citizens needing one service or another. These activities promote better customer service for all agencies by informing the public about what is going on with regards to LAFCO.

### **Resource Development**

Monitor new and proposed relevant legislation. Although LAFCO relies on CALAFCO for this activity, it is important that new legislation reflects our needs. This activity involves communication, staff time, and legal time. Legislation of importance to Lake LAFCO impacts budget process and permit processes.

### **Special Reports and Projects for the Commission**

The CKH act and the Commission's bylaws allow the Commission to undertake special projects. Special projects may include being involved in a General Plan update, assisting in the development agriculture conservation policies, being involved in water planning throughout the County, serving as a neutral party with regards to service issues, assisting the public and agencies with LAFCO applications and processes, developing annexation strategies for cities or districts and (or) any other proactive activity of benefit to the citizens and agencies as deemed necessary by the Commission.

### **Commissioner Development – CALAFCO Conference**

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.

### **Municipal Service Reviews and Sphere of Influence Updates**

#### **Cortese-Knox-Hertzberg (§ 56430)**

LAFCO must update all spheres of influence every 5 years, as necessary and must prepare a review of each municipal service before or in conjunction with a sphere of influence update.

The purpose of a MSR is to support preparation and update of Spheres of Influence, in accordance with the provisions of the Cortese-Knox-Hertzberg Act. The objective of a Municipal Service Review (MSR) is to develop recommendations that will promote more efficient and higher quality service patterns; identify areas for service improvement; and assess the adequacy of service provision as it relates to determination of appropriate sphere boundaries based on a specific growth period and a realistic growth rate adopted for that period.

For a MSR to be of value, the Commission needs to review services comprehensively, on a service-by-service basis within logical sub-regions, given consistent and specific target growth periods and a realistic estimate of growth adopted for that period.

Reviews are largely based on information provided to LAFCO by the districts and (or) city or county. A new procedure to be used is for staff to meet twice with district Board of Directors during the data discovery phase and to review a draft prior to the MSR going to the LAFCO Commission.

A service review is required prior to preparing a Sphere of Influence Update. The Sphere of Influence is LAFCO's planning document for the ultimate service boundary for a service provider. Prior to adopting a Sphere of Influence Map and Sphere Policies, the Commission must make determinations based on supporting evidence with regard to the following:

- a. "The present and planned land uses in the area.
- b. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence (for fire, domestic water and wastewater districts).
- c. The present and probable need for public facilities and services in the area.
- d. The present capacity of public facilities and adequacy of public services, which the agency provides or is, authorized to provide.
- e. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency."

In the past the cost figures assumed performing these studies were prepared by the Executive Officer. The Executive Officer oversees the process. This component costs include legal costs, copying, mileage, postage, meetings and incidental administrative costs related to a project.

Municipal Service Review and Sphere of Influence and adoption dates are below:

## LAKE LAFCO MSR AND SPHERE ADOPTION DATES

SPECIAL DISTRICT - CITY	MSR Completed	SOI Completed
City of Clearlake	May 20, 2015	May 20, 2015
City of Lakeport	July 18, 2012	Oct 14 2015
Glenbrook Cemetery District	Sept 15 2021	Sept 15, 2021
Hartley Cemetery District	Sept 15 2021	Sept 15, 2021
Kelseyville Cemetery District	Sept 15 2021	Sept 15, 2021
Lower Lake Cemetery District	Sept 15 2021	Sept 15, 2021
Middletown Cemetery District	Sept 15 2021	Sept 15, 2021
Upper Lake Cemetery District	Sept 15 2021	Sept 15 2021
CSA #2 Spring Valley Lakes	Dec 17 2008	Dec 17 2009
CSA #6 Finley	Dec 17 2008	Dec 17 2009
CSA #7 Bonanza Springs	Dissolved	Dissolved
CSA #13 Kono Tayee	Dec 17 2008	Dec 17 2009
CSA #16 Paradise Valley	Dec 17 2008	Dec 17 2009
CSA # 18 Starview Cobb	Dissolved	Dissolved
CSA #20 Soda Bay	Dec 17 2008	Dec 17 2009
CSA #22 Mt. Hannah	Dissolved	Dissolved
CSA #23 Konocti Bay	Dec 17 2008	Dec 17 2009
CSA #21 North Lakeport	Feb 18 2009	Feb 18 2009
Lighting Districts	Nov 20, 2019	Nov 20, 2019
Hidden Valley Lake CSD	Sept 20, 2017	Sept 17, 2017
Anderson Springs CSD	Feb 17, 2010	Feb 17, 2010
Butler-Keys CSD	Feb 17 2010	Feb 17 2010
Kelseyville Fire Protection District	July 15, 2015	July 15, 2015
Lake Pillsbury Fire Protection District	July 15, 2015	July 15, 2015
Lakeport Fire Protection District	July 15, 2015	July 15, 2015
Lake County Fire Protection District	July 15, 2015	July 15, 2015
Northshore Fire Protection District	July 15, 2015	July 15, 2015
South Lake County Fire Protection District	July 15, 2015	July 15, 2015
Redbud Healthcare District	Mar 21 2012	Mar 21 2012
Scotts Valley Water Conservation District Lake County Resource	July 16, 2014	July 16, 2014

Conservation District Lake County Sanitation District	Nov 17 2010	Nov 17 2010
Lake County Vector Control District	Sept 9, 2016 Dissolved	Sept 9, 2016 Dissolved
Reclamation District #2070		
Adams Springs Water District	Dissolved	Dissolved
Buckingham Park County Water	Sept 15 2010	Sept 15 2010
Callayomi Co. Water District	July 17, 2013	July 17, 2013
Clearlake Oaks County Water District	July 17, 2013	July 17, 2013
Kelseyville County Waterworks District #3	March 20 2019	March 20, 2019
Konociti County Water District	Nov 17, 2021	Nov 17, 2021
Lower Lake County Waterworks District No 1	May 17, 2023	May 17, 2023
Cobb Area County Water District	March 21, 2018	March 21, 2018
Upper Lake County Water District	UPDATING	UPDATING
Villa Blue Estates Water District		
Lake County Watershed Protection District	Dec 18 2014	May 18 2016

For the 2024-2025 budget year, I suggest the following work schedule to either complete or initiate the following:

1. **Continue with the Service Review and SOI update for the Upper Lake County Water District and Fire Protection and EMS agencies**
2. **Process Applications and special projects.**

The total cost of many of the above projects and activities may exceed the actual budget amount to be requested especially in light of increasing expectations regarding MSR Content. It is unlikely the above activities will be funded by private parties. The Commission may wish to circulate Requests for Proposals for various service reviews and Sphere of Influence updates, for example, the Upper Lake Water District. Most likely, the cost would increase significantly. The costs of a MSR are directly related to the content expectations of the Commission. Not all of the recommendations will be completed during the upcoming fiscal year given the budget allocated.



## Budget Justification Report

Since the passage of AB-2838 in 2000, LAFCO has become independent from the County. Operational costs of LAFCO were entirely paid by the County including staff time, legal services, miscellaneous office expenses, and insurance. The Legislature took the recommendation of the Commission on Local Governance for the 21<sup>st</sup> century and concluded that LAFCO costs were to be paid by both the City and County and LAFCO's were to become independent. Many costs are more apparent since LAFCO's costs are separated from a larger agency.

**The overall goal of this budget is to conduct LAFCO business publicly in a proactive independent manner involving the Community to meet the overall requirements of the Cortese-Knox-Hertzberg Act given the financial resources LAFCo has.**

### **SUMMARY OF PROPOSED EXPENSES:**

**Commissioner Stipends** A Commissioner Stipend includes time for the meeting and mileage and related expenses. The monthly stipend is \$100.00 per Commissioner and Alternate in attendance. Staff estimates there will be 6 meetings in 2024-2025 and a budget is needed for 11 commissioners at \$100.00 each per meeting. Assuming the Commission will have 6 meetings this upcoming year, this budget is recommended to be \$6,600. In the event project activity requires additional meetings, any additional cost can be attributed directly to a specific project.

**Office Supplies** This category includes supplies needed by commissioners and the LAFCO Clerk for meetings. Most of these supplies are included in the Office Stipend for staff. This item is for the LAFCo Clerk to have adequate supplies for her duties. This budget remains the same as last year at \$250.00.

**Memberships** It is important LAFCO remain in its statewide professional organization as does the County and the Cities and participate in LAFCO issues of common concern for the benefit of Lake LAFCO and its agencies. Dues for CALAFCO for rural LAFCO's this year (2024-2025) will rise from \$2,145.00 to \$2,196.00.

**Books and Periodicals** I am recommending \$200 for this budget. This budget is in place in the event the Commission would be required to purchase LAFCo Law books or any other periodical necessary for LAFCo's operation.

**Legal Services** I am recommending this budget be changed from \$24,580.65 to \$25,637.62 (a .4.3% increase in the Employment Cost Index - Dec 2022 – Dec 2023) for this item. This represents a flat rate retainer for Counsel from \$2,048.38 to \$2,136.46 per month. Since LAFCO has become independent, separate LAFCO Counsel is necessary to represent LAFCO's interest as a neutral party. I rely on Counsel during months we don't have meetings as much as for months we do. LAFCO Counsel is needed to provide legal direction at meetings of the Commission and to protect LAFCO's interests when required. Project related legal costs are to be billed to the project proponent through LAFCO's fee structure. Other LAFCO's have Counsel in attendance at their meetings. Based on my experience with the exception of workshops, it is important to have Counsel attend LAFCO meetings. I recommend this continue to be the practice in Lake LAFCO. In the event of Litigation, additional appropriations will become necessary.

**Clerk Services** I am recommending \$4,460.29 for clerk services assuming up to 8 meetings will occur in the next fiscal year. A new LAFCO Clerk is necessary to record meetings to produce an accurate record and provide other miscellaneous duties. In the event project activity requires additional work, additional cost would be attributed directly to a specific project.

**Office Expenses:** This category includes ongoing communication, Internet, copies and reproductions, computers, software, toner, and maintenance of equipment, mileage for LAFCO related business, phone and fax, postage, paper and misc. office supplies and insurance costs. An additional Supplies budget is in place for miscellaneous supplies needed by the Clerk. The amount is proposed to remain the same at \$7,200.00 which is \$600.00 per month. This amount changed two years ago.

**Executive Officer - Staff Services** This item funds ongoing LAFCO general administrative, pre-project planning with districts/cities/county, Brown and Public Record's Act compliance, CKH Act compliance and updates, public outreach, responding to Grand Jury complaints and inquiries, letters from the public, and inquires from the county/cities/special districts/state, working on the MSR's and SOI's and financial and accounting duties, as required, commenting on land use plans and specific projects and processing LAFCO applications and inquiries and representing Lake LAFCO at CALAFCO events. This would provide a continuing maintenance of effort and presence of LAFCO in Lake County. The budget for this category is recommended to be \$76,392.50 from \$54,067.61 this year. This represents a 4.3% increase in the Employment Cost Index and a \$20,000 increase for transition services. It is anticipated additional appropriations will be funded through additional fee costs as approved by the Commission in November 2022 as based on the Employment Cost Index for the 4.3% increase. Use of the CPI may not be a valid basis for personal costs increases. As previously mentioned, included in the above is \$20,000 for transition services for the first six months of FY 2024-2025 at the established hourly rate. This is to cover previous Executive Officer services for orientation and training of the new Executive Officer. The Commission may also wish the previous Executive Officer work on various carryover projects for example the So. Lakeport Annexation.

A job description was requested in previous years. The following represents the tasks performed by the Executive Officer:

- Administrative duties; including development, oversight, and review of an annual work plan; assignment of work activities, projects and programs; monitoring work flow and the day to day business of the Commission; personnel management, including oversight of consultants; preparation and management of contracts, subject to the review of the Commission.
- Scheduling and preparing for regular and special meetings of the Commission, including preparation and timely transmittal of the meeting agenda and related reports and recommendations, and presentation of the reports at the meetings.
- Update Policies and Procedures, Spheres of Influence, MSR's, office files, etc.
- Processes applications for city and district formation, annexation, reorganization, consolidation, detachments, and extension of services by contract.
- Prepares notices, filings, agreements, and reports consistent with the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

- ❑ Preparing special reports and studies to the Commission as mandated by statute, such as municipal services reviews and spheres of influence.
- ❑ Preparation of the LAFCO budget, including preparation and implementation of the budget, forecasting revenue and expenses, and identifying and recommending alternatives for implementation of the budget subject to the review of the Commission, as well as scheduling and noticing all budget hearings and communication. Administration of the adopted LAFCO budget by maintaining budget controls, records, files, and making timely payments of claims and deposits of revenues.
- ❑ Planning, assigning, and coordinating the work of support staff.
- ❑ Outreach and Liaison Duties: includes representing the Commission before public and private policy making agencies and community groups, coordinating the LAFCO processes with discretionary actions of other agencies. Facilitates workshops and attends meetings as directed by the Commission to understand community concerns so LAFCO policies, municipal service reviews, and spheres of influence reflect the needs and desires of the community.
- ❑ Prepare necessary California Environmental Quality Act (CEQA) documents (Notices of Exemption, Initial Studies, Negative Declarations, and Mitigation Monitoring Plans) for those actions in which Lake LAFCO is the lead agency. Reviews and prepares comments on CEQA documents prepared by other agencies which affect the responsibilities of the Commission.
- ❑ Monitoring new and proposed State and local legislation that pertains to LAFCO, and preparing reports to the Commission that includes a recommendation of support or opposition to proposed legislation. Actively participates in related organizations, such as the California Association of LAFCO's and professional associations.
- ❑ Coordinating with LAFCO Counsel on legal issues and other matters that may require an oral or written interpretation or opinion from legal counsel.
- ❑ At the direction of the Commission, representing LAFCO before other local governmental agencies, at community meetings, at Calafco, and at other public forums.

**Legal Notices/Publications** I am recommending \$1,400.00 for this item due to rising costs. Notices are required by state law for most projects 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 most all LAFCO actions including MSR's and SOI's. Cost overruns in this category will be fee supported through a budget augmentation.

**Transportation/Training** I am recommending \$ 5,500.00 for training and \$3,050.00 for travel expense. This amount will provide for four commissioners to attend the Calafco Annual Conference in at the Teneya Lodge near Yosemite. The Cost is estimated to be \$2,000.00 per Commissioner to attend the CALAFCo conference on October 16<sup>th</sup> to the 18<sup>th</sup>, 2024. If the Commission wishes to send more than 5 Commissioners to the CALAFCo conference, this amount would need to be increased. Estimated costs for Lodging for 3 nights will be \$754

(lodging, resort fees and tax) and Registration \$700 to \$800, an optional banquet Wednesday evening of \$97.00 and mileage and Mobile Workshop costs.

This item also includes funds for a portion of Staff's expense to represent Lake 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. This budget includes enough funds for four Commissioners and a portion of Staff costs to attend the Annual Conference. This budget includes a portion of staff costs for attendance at the annual staff workshop and provide monies for incidental mileage expenses related to LAFCO operations.

**Municipal Service Reviews** I am recommending \$21,000 for the costs to continue preparation of Municipal Service Reviews for the upcoming fiscal year.

**Sphere of Influence Updates:** Sphere of Influence Updates include the Spheres of Influence for MSR's and SOI's in the amount of \$20,000.

**Contingency and Reserve** If LAFCO has a cost overrun or unanticipated expense during the fiscal year. I am recommending a contingency fund of \$10,000 this year, the same amount as last year. Likewise, per Commission directive, the general reserve will brought up an \$10,000 additional to \$100,000 per commission directive.

**Insurance:** LAFCO is required to have insurance as an independent agency. The CSAC EIA has indicated the Board of Supervisors must approve LAFCO being covered under CSAC's program. The Lake Board of Supervisors has an agreement that LAFCO could be covered under the County's insurance program. \$1,400.00 is in the budget for this purpose.

**Records Retention and Mapping:** I am recommending \$6,000.00 for this activity, for both mapping of district boundaries and for MSR's and sphere of influence updates. Several scenarios could be required for Sphere of Influence updates. Development of an electronic map book for all agencies is also necessary. All maps will be in GIS format compatible with the Cities and the County. This category also includes continuing with creating electronic LAFCO records and misc. clerk services.

**Webpage Maintenance:** AB 2838 requires LAFCOs to have a webpage. We no longer have a webpage maintained by County staff. LAFCo staff has taken a more pro-active role in the website and the amount to be budgeted should be \$150.00 to cover service costs.

**City Finance:** The Agreement between the City and LAFCO is \$2,500 for this service.

**Carryover:** The carryover is expected to be \$140,000.00 this year, which includes the contingency fund of \$10,000 and \$100,000 for the reserve fund. The last three years, the Commission expressed a desire to increase the reserve fund to \$100,000.00 and is doing so by adding \$10,000.00 each year.

**Upper Lake MSR and Annexation** This is a State funded activity expenditures and revenue are estimated to be \$24,500.00.

**Anticipated Revenue** I am recommending anticipated miscellaneous revenue of \$10,000. LAFCO may increase its appropriations in various budgets if unanticipated revenue is realized.

Should there be less than \$10,000 in revenue, other categories will need to be reduced to make up for the shortfall in an expenditure category.

**Amount to be apportioned per government Code Section 56381:**

The amount to be apportioned between the Cities, the Districts and the County is proposed to be 144,936.41, which is slightly less than this year, which was, \$149,504.45.

**RECOMMENDATION**

1. Conduct Public Hearing.
2. Consider the above budget justification report, discuss and amend report and (or) the proposed budget as necessary.

**Adopt LAFCo Resolution 2024-0003 approving a proposed budget for fiscal year 2024-2025.**

**Resolution 2024-0003**

**of the**

**Lake Local Agency Formation Commission**

*Resolution of Lake Local Agency Formation Commission Adopting*

*a Proposed Budget for 2024-2025*

WHEREAS, Lake LAFCO is required by Government Code Section 56381(a) to adopt annually, following a noticed public hearing, a proposed budget by May 1<sup>st</sup> and a final budget by June 15<sup>th</sup>; 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 2024-2025 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 Lake Local Agency Formation Commission does hereby determine, resolve, and order the following:

1. That Lake LAFCO hereby adopts the attached proposed 2024-2025 proposed budget (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 Lake Local Agency Formation Commission at a regular meeting of said Commission held on March 20, 2024 by the following roll call vote:

AYES: -

NOES: -

ABSTENTIONS: -

ABSENT: -

Signed and approved by me after its passage this 20th day of March, 2024.

\_\_\_\_\_  
Bruno Sabatier, Chair or Stacey Mattina, Vice-Chair  
Lake LAFCO

Attest:

\_\_\_\_\_  
John Benoit, Executive Officer  
Lake LAFCO

Exhibit A - Proposed Budget  
 F.Y. 2024-2025  
 Lake LAFCo  
 March 20, 2024

BUDGET: 419-5020

LAFCo Resolution 2024-0003

A	B		C		D		E		F	
	2021-2022	2022-2023	2023-2024	2023-2024	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025
Expenditure Classification	FINAL BUDGET	Final BUDGET	FINA. BUDGET	FINA. BUDGET	Expans of Jan 31, 2024	PROP BUDGET				
4										
5										
6										
7										
8										
9	500.101 COMMISSIONERS STIPEND	\$5,280.00	\$6,600.00	\$6,600.00	\$2,000.00	\$6,600.00	\$6,600.00	\$6,600.00		\$6,600.00
10	600.235 SUPPLIES	\$250.00	\$250.00	\$250.00		\$250.00	\$250.00	\$250.00		\$250.00
11	700.451 MEMBERSHIPS	\$1,989.00	\$1,982.00	\$2,145.90		\$2,145.90	\$2,145.90	\$2,145.90		\$2,145.90
12	700.450 BOOKS AND PERIODICALS	\$200.00	\$200.00	\$200.00		\$200.00	\$200.00	\$200.00		\$200.00
13	750.564 ATTORNEY CONTRACTS	\$22,044.00	\$23,454.82	\$24,580.65		\$24,580.65	\$24,580.65	\$24,580.65		\$24,580.65
14	750.560 Lafo Clerk Svcs.	\$4,000.00	\$4,256.00	\$4,460.29		\$4,460.29	\$4,460.29	\$4,460.29		\$4,460.29
15	750.560 Office Expenses	\$7,000.00	\$7,200.00	\$7,200.00		\$7,200.00	\$7,200.00	\$7,200.00		\$7,200.00
16	750.560 Staff Off. Svcs	\$48,488.00	\$51,591.23	\$54,067.61		\$54,067.61	\$54,067.61	\$54,067.61		\$54,067.61
17	750.564 LEGAL NOTICES/PUBLICATIONS	\$1,400.00	\$1,400.00	\$1,400.00		\$1,400.00	\$1,400.00	\$1,400.00		\$1,400.00
18	700.453 TRANS AND TRAVEL (CALAFCO)	\$5,500.00	\$5,500.00	\$5,500.00		\$5,500.00	\$5,500.00	\$5,500.00		\$5,500.00
19	700.453 CONF REGISTRATION	\$2,500.00	\$2,500.00	\$2,500.00		\$2,500.00	\$2,500.00	\$2,500.00		\$2,500.00
20	960.995 - INSURANCE	\$1,400.00	\$1,400.00	\$1,400.00		\$1,400.00	\$1,400.00	\$1,400.00		\$1,400.00
21	750.560 Records Retention and Mapping.	\$6,000.00	\$6,000.00	\$6,000.00		\$6,000.00	\$6,000.00	\$6,000.00		\$6,000.00
22	750.560 Web Page	\$150.00	\$150.00	\$150.00		\$150.00	\$150.00	\$150.00		\$150.00
23	750.560 AUDITOR/CITY-Agreement	\$2,500.00	\$2,500.00	\$2,500.00		\$2,500.00	\$2,500.00	\$2,500.00		\$2,500.00
24	750.560 Spheres of Influence	\$20,000.00	\$20,000.00	\$20,000.00		\$20,000.00	\$20,000.00	\$20,000.00		\$20,000.00
25	750.560 Municipal Service Reviews	\$21,000.00	\$21,000.00	\$21,000.00		\$21,000.00	\$21,000.00	\$21,000.00		\$21,000.00
26	750.560 Special and Complex projects Upper Lake MTBE	\$15,000.00	\$24,500.00	\$24,500.00		\$24,500.00	\$24,500.00	\$24,500.00		\$24,500.00
27	<b>Total General Services and Supplies Expenditures</b>	\$164,601.00	\$180,484.05	\$160,504.45		\$160,504.45	\$160,504.45	\$160,504.45		\$208,436.41
28										
29	999.999 Contingency	\$10,000.00	\$10,000.00	\$10,000.00		\$10,000.00	\$10,000.00	\$10,000.00		\$10,000.00
30	405.692 General Reserve	\$70,000.00	\$80,000.00	\$90,000.00		\$90,000.00	\$90,000.00	\$90,000.00		\$100,000.00
31										
32	<b>TOTAL Expenditure Budget &amp; contingency &amp; reserve</b>	\$244,601.00	\$270,484.05	\$260,504.45		\$260,504.45	\$260,504.45	\$260,504.45		\$318,436.41
33										
34	Est Carryover Balance July 1, 2023	-\$100,000.00	-\$101,000.00	-\$101,000.00		-\$101,000.00	-\$101,000.00	-\$101,000.00		-\$140,000.00
35	404.30 Est. OTHER REVENUE	-\$10,000.00	-\$10,000.00	-\$10,000.00		-\$10,000.00	-\$10,000.00	-\$10,000.00		-\$10,000.00
36	Special Project Revenue - Upper Lake MTBE		-\$24,500.00							-\$24,500.00
37	419.420-710 Interest Income									\$1,000.00
38	<b>Total exp less anticipated carryover and revenues</b>	-\$110,000.00	-\$134,984.05	-\$149,504.45		-\$149,504.45	-\$149,504.45	-\$149,504.45		-\$144,936.41
39										
40										
41	<b>419-404-888 City/County and Ind. Spec District Contrib</b>	\$134,601.00	\$134,984.05	\$149,504.45		\$149,504.45	\$149,734.80	\$149,734.80		\$144,936.41
42										
43										
44										
45	0000 General Reserve	\$70,000.00	\$80,000.00	\$90,000.00		\$90,000.00	\$90,000.00	\$90,000.00		\$100,000.00