



LOCAL AGENCY FORMATION COMMISSION

Dave Braun, Executive Officer

200 W. 4th Street, Suite 3100, Madera, CA 93637
www.maderacounty.com/government/madera-lafco
(559) 675-7821

* SPECIAL NOTICE REGARDING PUBLIC PARTICIPATION DUE TO COVID-19*

Given the current Shelter-in-Place Order covering the State of California and the Social Distance Guidelines issued by Federal, State, and Local Authorities, LAFCO is implementing the following changes for attendance and public comment at all L A F C O meetings until notified otherwise. **The meeting chambers will not be open to the public.**

The LAFCO meeting will be accessible via live-streaming online to all members of the public at:

<http://maderacountyca.igq2.com/Citizens/Default.aspx>

EMAIL COMMENTS

If you wish to address any item on the agenda, please submit comments to Dave Braun, LAFCO Executive Officer by email at David.braun@maderacounty.com. Written comments will be accepted up until the conclusion of the public hearing.

AGENDA

Madera County Government Center
Supervisors' Chambers
200 W. 4th Street, 1st Floor
Madera, CA 93637

LAFCo Meeting
Wednesday, May 13, 2020
11:00 a.m.

Commissioner Andrew Medellin, Chair (City)
Commissioner Max Rodriguez, Chair Pro Tem (County)

Commissioner Waseem Ahmed (City)
Commissioner Tom Wheeler (County)
Commissioner J. Carol Graham (Public)

Commissioner Steve Montes (City Alternate)
Commissioner Laura Young (Public Alternate)
Commissioner Brett Frazier (County Alternate)

Dave Braun, Executive Officer
Candie Fleming, Clerk

Doug Nelson, Legal Counsel

1. Call to Order and Roll Call

2. Pledge of Allegiance
3. Public Comments

Any person wishing to address the Commission on a subject within the jurisdiction of the Madera LAFCo, but not appearing on the agenda may do so by email at David.braun@maderacounty.com (please keep your comments to three minutes).

PUBLIC HEARING

4. Proposed 2020-21 Fiscal Year Budget/Schedule of Fees and Charges

Staff will present the proposed budget and schedule of fees for the Fiscal Year of 2020-21.

RECOMMENDATION: Approve Proposed Budget/Schedule of Fees

DISCUSSION ITEMS

5. Commissioners Reports
6. Executive Officer Reports
 - Bass Lake-North Fork MSR
7. Adjournment

(The next meeting will be in June, at a date to be determined)

The Political Reform Act prohibits a person appointed to the Local Agency Formation Commission from accepting gifts of more than \$390.00 within the preceding 12 months from parties, participants, or their agents while a proceeding is pending before LAFCO and for three months following the decision. LAFCO commissioners who receive such contributions are required to disqualify themselves from participating in the proceedings. Both commissioners and contributors who are parties to the proceeding are required to disclose the contributions received or made. Persons with disabilities may receive aid, modifications, or accommodations for participating in the proceeding of the Madera Local Agency Formation Commission by contacting the Madera LAFCO Clerk or the Executive Officer at (559) 675-7821. Please provide advance notification so that specific arrangements can be made.



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DATE: May 13, 2020 **ITEM #4**

TO: LAFCO Commissioners

FROM: *DB*
Dave Braun, Executive Officer

SUBJECT: Proposed 2020-21 Fiscal Year Budget & Schedule of Fees

PROPOSAL

The proposed budget and fee schedule for fiscal year 2020-20201 (Exhibit A).

BACKGROUND

Pursuant to Government Code Section 56381, the Commission must adopt a proposed budget by May 1, 2020, and a final budget by June 15, 2020, after consideration at a noticed public hearing. Due to the Covid-19 Pandemic the proposed budget was not approved by May 1, 2020, but it is staff's intent to have the Proposed and Final Budgets approved by June 15, 2020. The statute further requires that the budget must at least 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." After a careful review of our agency's budget, staff has proposed a budget that is a slight decrease from the previous year. Staff believes it is consistent with workload estimates anticipated for the upcoming fiscal year.

The 2020-2021 Budget proposes two decreases to the previous year's budget. There is a small decrease from the previous year's budget (\$11) to cover the cost of the CALAFCO membership. The 2019-2020 Budget included \$44,991 for outside consultants. This was mainly intended for the completion of the Bass Lake/North Fork MSR and possibly the start of a second MSR. Staff anticipates that the Bass Lake/North Fork MSR will be completed by the end of the 2019-2020 Fiscal Year or shortly thereafter as permitted by Covid-19. Staff intends to conduct two additional MSRs in the 2020-2021 Fiscal Year, however, these MSRs should be much smaller and less costly than the Bass Lake/North Fork MSR. The Proposed 2020-2021 Budget includes \$40,000 for outside consultants to complete these MSRs, which represents a reduction of \$4,991 from the previous year for this category.

The proposed 2020-2021 budget would include the anticipated carryover amount of \$47,348.41 in the Operating Fund; however, it currently does not propose to include any of the funds in the Reserve Fund. It is noted that the anticipated balance in the Operating Fund at the beginning of the 2020-2021 Fiscal Year represents a decrease from the anticipated balance in the fund at the beginning of the 2019-2020 Fiscal Year. As a result, the contributions from the County and Cities has been increased from last year.

The LAFCO Reserve Fund is an account intended to be utilized for litigation and studies. However, LAFCO Policy 1.89 does not limit its use to those two matters. With our current situation as related to Covid-19, it appears that City and County Budgets may be severely impacted for the 2020-2021 Fiscal Year. As a result, it may be appropriate to utilize the Reserve Fund to help fund the budget and thereby reduce the County and Cities' obligation. The Reserve Fund is projected to contain approximately \$100,000 at the beginning of the 2020-2021 Fiscal Year.

In previous years, the Commission has annually made small increases to the fee schedule in order to keep pace with inflation. This past year the consumer price index was 2.5% through January 2020. Therefore, staff is proposing an adjustment in all fees, which would increase the basic application fee from \$2,497 to \$2,559.

ANALYSIS

The proposed budget reflects a decrease in the overall operating budget. This is due largely to an adjustment to costs for outside consultants. Workload estimates are expected to be similar to last fiscal year. Staff is anticipating a low level of applications that will be paid for by the applicants, with an estimate of four applications.

The individual line items which changed from last year's budget are discussed below.

REVENUES:

77090-XXX The majority of the revenue for the FY 2020-2021 budget will come from the LAFCO Operating Fund and from Madera County and the Cities of Madera and Chowchilla. Revenue may also come from the LAFCO Reserve Fund.

77030-662713 Staff estimates approximately four (4) applications.

EXPENDITURES:

77030-721489 Reflects anticipated costs to complete two relatively small MSRs.
Outside consultants

77030-721100 CALAFCO membership decreased from \$3261 last year to \$3250 for
Memberships the 2020-21 Fiscal Year

This budget shows a decrease of approximately 3.5% compared to last year's budget.

RECOMMENDATION

Staff recommends that the Commission:

1. Approve the preliminary budget for Fiscal Year 2020/2021 (Exhibit A) and approve a 2.5 percent increase in the fee schedule (Exhibit B) in accordance with the increase in the consumer price index.

ATTACHMENTS

Exhibit A - Proposed Budget FY 2020/2021

Exhibit B - Proposed Fee Schedule

S:\Shared\Planning's share drive\Main LAFCo Shared File\Budgets\2020-2021 Budget\2020-2021 Prelim Budget Staff Report.docx

**MADERA LOCAL AGENCY FORMATION COMMISSION
FINAL BUDGET FISCAL YEAR 2020-2021**

Exhibit A

Funding Sources								
Line Item Number	Name	Description	Budget FY 2019-2020	Through April 2020	Projected to End of Year	Budget FY 2020-21	Increase & (Decreases)	
Reserve Fund								
77030-XXXXXX	LAFCO Agency Fund	Agency Fund Balance	97,947.17	99,452.95	100,000.00	100,000.00		
Fund Balance		Beginning Fund balance	Beginning Fund Balance	81,754.30	54,121.90	54,121.90	47,348.41	(34,405.89)
Revenues								
77030-640100	Interest Income	Money earned as a result of accrued interest on fund	1,000.00	1,300.71	1,600.00	1,906.94	906.94	
77030-659XXX	Contribution to LAFCO - Madera County	Percentage of contribution (50%)	32,304.75	32,304.75	32,304.75	38,666.96	6,362.21	
77030-659XXX	Contribution to LAFCO - City of Madera	Percentage of contribution (40.17%)	25,882.57	25,882.57	25,882.57	31,065.03	5,182.46	
77030-659XXX	Contribution to LAFCO - City of Chowchilla	Percentage of contribution (9.83%)	6,422.19	6,422.19	6,422.19	7,601.92	1,179.73	
77030-662713	LAFCO Filing Fees	Fees collected to offset some of the costs of processing applications and other services.	9,325.00	6,249.00	12,000.00	9,325.00		
		Total Revenues	74,934.51	72,159.22	78,209.51	88,565.85	13,631.34	
Appropriations								
77030-750125	OP TRNS OUT - LAFCO AGENCY FUND	Transfers from LAFCO Agency Fund				0.00		
		TOTAL REVENUES, TRANSFERS AND BEGINNING FUND BALANCE	156,688.81	126,281.12	132,331.41	135,914.26	42,507.47	
		TOTAL FINANCING AVAILABLE	254,635.98	225,734.07	232,331.41	235,914.26	42,913.48	
Expenditures								
	Name	Description						
Salaries and Employee Benefits								
77030-710102	Permanant Salaries		0.00	0.00	0	0.00		
77030-710103	Temporary Salaries	Executive Officer, Clerk, and Commissioner Stipends	45,000.00	30,534.06	38,000.00	45,000.00		
77030-710203	CO OASDHI Contributions (Social Security)		2,600.00	1,893.11	2,213	2,600.00		
77030-710204	CO MEDICARE Contribution		600.00	442.75	512	600.00		
77030-710400	CO WKRS COMP Insurance		165.00	165.00	165	165.00		
		Total Salaries & Employee Benefits	48,365.00	33,034.92	40,890.00	48,365.00		
Refunds and Overpayments								
77030-721206	s	Refund of Withdrawn applications	0.00	0	0.00	0.00		
		Total Refunds and Overpayments	0.00	0.00	0.00	0.00		
Services and Supplies								
77030-720300	Communications Services (Telephone)	Billed based on 10% of the Charges to the Planning Dept.	400.00	0.00	162.00	400.00		
77030-720604	Liability Insurance	Premium Payment for Risk Management Pool	100.00	0.00	100.00	100.00		
77030-721100	Memberships (CALAFCO)	Annual membership fees	3,261.00	3,261.00	3,261.00	3,250.00	(11.00)	
77030-721302	Postage	Costs are based on anticipated usage.	2,500.00	1,453.18	1,550.00	2,500.00		
	Professional and Specialized Services	Based on the breakout below						
77030-721486	Planning Department	Charges for actual services.	2,000.00	964.49	1,060.00	2,000.00		
77030-721403	Audit/Accounting Services (County)	Charges for actual services.	2,000.00	695.52	750.00	2,000.00		
77030-721436	Attorney and Other Legal Fees (County)	Charges for actual services.	10,500.00	1,354.59	1,550.00	10,500.00		
77030-721461	Engineering Services (County Engineering)	Charges for actual services.	1,000.00	0.00	0.00	1,000.00		
77030-721487	Assessor's Office	Charges for actual services.	1,000.00	298.05	450.00	1,000.00		
77030-721488	Elections Office	Charges for actual services.	500.00	144.14	200.00	500.00		
77030-721489	Outside Consultants	Charges for actual services.	44,991.00	20,116.10	21,000.00	40,000.00	(4,991.00)	
77030-721426	Software Maintenance and Modification	Ongoing upkeep of software versions and misc.	1,000.00	0.00	50.00	1,000.00		
77030-721500	Publications and Legal Notices	Charges for actual services.	2,000.00	458.84	1,000.00	2,000.00		
77030-721601	Rent/Lease Co Cars	Charges for actual services.	1,000.00	0.00	0.00	1,000.00		
77030-721700	Rents and Leases - Building Space	Lump sum amount billed monthly	6,000.00	5,000.00	6,000.00	6,000.00		
77030-722000	Transportation/ Travel/	Conferences Training and associated costs	8,050.00	4,660.01	4,660.01	8,050.00		
77030-721300	Office Supplies	Charges for actual cost and prorated share of common materials	2,400.00	1,046.68	1,100.00	2,400.00		
77030-722100	Utilities (water, sewer, electric, etc.)	Lump sum amount billed monthly	1,200.00	1,000.00	1,200.00	1,200.00		
77030-740300	Fixed Assets	Filing Cabinets	0.00	0.00	0.00	0.00		
77030-722005	Reimburse Employee Cars (& Commissioners)	Reimbursement for Staff and Commissioners' use of private vehicles for LAFCO Business	1,000.00	0.00	0.00	1,000.00		
		Total Services & Supplies	90,902.00	40,452.60	44,093.00	85,900.00	(5,002.00)	
Contingency								
77030-780100	Appropriation for Contingencies	Contingency	1,649.26	0.00	0.00	1,649.26		
		TOTAL APPROPRIATIONS	140,916.26	73,487.52	84,983.00	135,914.26	(5,002.00)	
		TOTAL FINANCING RESOURCES	156,688.81	126,281.12	132,331.41	135,914.26	(20,774.55)	
		ENDING FUND BALANCE	15,772.55	52,793.60	47,348.41	0.00	(15,772.55)	



EXHIBIT B

200 West 4th Street, Suite 31
Madera, CA 93637
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LOCAL AGENCY FORMATION COMMISSION

Dave Braun, Executive Officer

MADERA LOCAL AGENCY FORMATION COMMISSION

SCHEDULE OF FEES AND CHARGES

(Effective July 1, 2020)

In accordance with Government Code Sections 56383, the Madera LAFCo has discretion to establish a schedule of fees for the costs of proceedings. The schedule of fees shall not exceed the estimated reasonable cost of providing the service and shall be imposed pursuant to Government Code Section 66016.

It is the policy of the LAFCo not to accept a resolution or petition application for a change of organization, reorganization, or sphere of influence amendment until all applicable processing and/or petition checking fees have been deposited with the Executive Officer.

With respect to studies of special district changes of organization or reorganization performed at the request of an individual or entity, it is the policy of the Commission that the individual or entity that requests the changes of organization or reorganization shall be responsible for payment of the applicable fee at the time of application.

It is the policy of the LAFCo that any processing or petition checking fees are mandatory and non-refundable unless specifically waived by a majority vote of the Commission.

In addition to the LAFCo fees and charges, there are in some cases State of California Fish and Game Fees and fees which are applicable in order to formally record an approved application with the State Board of Equalization.

PAYABLE AT TIME OF FILING OF LAFCO APPLICATION

A. LAFCO APPLICATION /PROCESSING FEES (Checks payable to Madera LAFCO)

BASIC FEES

Change of Organization

-	Annexation, Detachment or Reorganization consisting of an Annexation and Detachment	\$2,559
-	Formation (not including cost of Special District Study)	\$2,559
-	Consolidation	\$2,559
-	Dissolution	\$2,559
-	Merger/ Establishment of Subsidiary District	\$2,559
-	Incorporation (not including cost of Comprehensive Financial Analysis)	\$2,559
-	Activation of Latent Powers	\$2,559

Sphere of Influence

-	Sphere of Influence- Adoption, Amendment or Update	\$2,559
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Special District Study

-	Applicant Fee	\$1,256 Processing Fee, Plus Actual Cost for Preparation of Study, Plus Actual LAFCO Administrative Costs
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Municipal Service Review (MSR)

-	Applicant Fee	\$1,256 Processing Fee, Plus Actual Cost for Preparation of MSR, Plus Actual LAFCO Administrative Costs
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Out of Area Service Contracts

-	Applicant Fee (Items Heard By Commission)	\$864
-	Applicant Fee (Administrative Approvals)	No Fee

Transfer of Jurisdiction

-	Applicant Fee	\$864
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SUPPLEMENTAL FEES (In addition to basic fee)

CEQA Reviews

(LAFCO as Lead Agency)

-	Environmental Evaluation	\$525
-	Preparation of Negative Declaration	\$525
-	Preparation of Mitigated Negative Declaration	\$525

EIR Preparation
as Lead Agency)

\$1,256 Processing Fee plus actual cost of EIR (LAFCO preparation plus 10% of EIR cost to administer contract.

Comprehensive Fiscal Analysis

\$1,356 Processing Fee plus actual cost of CFA preparation plus 10% of CFA cost to administer contract.

Verification of Petition Signatures

\$1 per signature

By County Registrar of Voters

(Check payable to Madera County Registrar of Voters)

Fish and Game Administrative Recording Fee

\$50

(Check payable to Madera County Clerk)

B. STATE OF CALIFORNIA DEPARTMENT OF FISH AND GAME FEES

State law requires that for any project which has the potential to cause adverse impact on fish and/or wildlife, a fee be charged based on the type of environmental certification taken by the Lead Agency. If this fee was paid at the time the Lead Agency took action on the project prior to application to LAFCO (e.g., when a pre-zoning was adopted by a city council), evidence that the fee was paid can be supplied to LAFCO to satisfy requirement. No additional payment, other than the \$50.00 administrative charge for the County Clerk need be paid for subsequent actions on the same project.

State Department of Fish and Game Fee

(Check payable to State Department of Fish and Game)

-	If an EIR	\$2,995.25
-	If a Negative Declaration	\$2,156.25
-	If a Mitigated Negative Declaration	\$2,156.25

C. STATE BOARD OF EQUALIZATION FEES

After Commission approval and conducting authority ratification, the final step is recording of the action with the State Board of Equalization. State will not formally record action until payment of their fees.

(Check payable to State Board of Equalization)

Single Area Transactions

<u>Area Within Subject Territory</u>	<u>Single Area Mapping Fee</u>
- Less than 1 acre	\$ 300
- 1-5 acres	\$ 350
- 6-10 acres	\$ 500
- 11-20 acres	\$ 800
- 21-50 acres	\$1,200
- 51-100 acres	\$1,500
- 101-500 acres	\$2,000
- 501-1000 acres	\$2,500
- 1001-2000 acres	\$3,000
- 2001 and above	\$3,500

D. MISCELLANEOUS FEES AND CHARGES

LAFCO

Special Commission Meeting	\$ Actual Costs
Outside Consultant(s)	\$ Actual Costs
Document Copying	\$ 1.50 First Page + \$0.30 per additional page
Meeting Tape	\$ Actual Costs
Meeting Transcript	\$ Actual Costs

State of California

Request for State Controller's review of a Comprehensive Fiscal Analysis for incorporation	Actual costs of review, plus a 10% administration fee, with a deposit as specified by the Madera LAFCO Policies and Procedures Section 5.7
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SINCE FEES AND CHARGES ARE SUBJECT TO CHANGE WITHOUT NOTICE, EACH APPLICANT IS ENCOURAGED TO CONTACT THE LAFCO OFFICE PRIOR TO EXECUTING A WARRANT TO ENSURE PAYMENT AMOUNT IS CORRECT.