



## AGENDA

Wednesday May 2, 2012

*5:30 P.M., Board Chambers, County Administration Center,  
700 H Street, Sacramento, California 95814*

### COMMISSIONERS:

Chair: Gay Jones  
Vice-Chair: Robert Jankovitz  
Ron Greenwood  
Susan Peters  
Jay Schenirer  
Christopher Tooker  
Jimmie Yee

### ALTERNATE COMMISSIONERS:

Jerry Fox  
Mike Singleton  
Jerry Fox  
Phil Serna  
Robert King Fong  
John Messner  
Phil Serna

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### PUBLIC COMMENT FROM THE FLOOR

The public is encouraged to address the Commission concerning any matter not on the Agenda. Public comments are limited to three minutes. The Commission is prohibited from discussing or taking any action on any item not appearing on the posted Agenda

### CONSENT CALENDAR

1. Approve the Meeting Minutes of April 4, 2012
2. Claims dated thru April 20, 2012
3. Monthly Budget Report
4. Legislation Status Report
5. Update City of Elk Grove Sphere of Influence (SOI) - (LAFCo 09-10) [CEQA - EIR SCH#2010092076]

### BUSINESS ITEMS

6. Update Rio Linda/Elverta Community Water District MSR (LAFCo 07-10) [CEQA Exempt]
7. Fiscal Year (FY) 2012-13 Proposed Budget

### PUBLIC HEARINGS

8. LAFCo Special District Advisory Committee (SDAC) ~ Confirmation of Nominees

### QUESTIONS/ANNOUNCEMENTS

9. Executive Officer/Staff/Commission Counsel
10. Commission Chair/Commissioners

### INFORMATIONAL ITEMS

Letters, Newsletters and Miscellaneous Correspondence



#### MEETING SCHEDULE

5:30 P.M., Board Chambers  
700 H Street, Sacramento CA

#### Dates

June 6  
July Recess  
August 1  
September 5

## SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

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### SUMMARY OF RULES AND PROCEDURES

**AGENDA ITEMS:** The Commission may reschedule items on the agenda. The Commission will generally hear uncontested matters first, followed by discussions of contested matters, and staff announcements in that order. Anyone who wishes to address the Commission should obtain a form from either the Commission Clerk or from the table located near the entrance of the hearing chamber.

**CONDUCT OF HEARINGS:** A contested matter is usually heard as follows: (1) discussion of the staff report and the environmental document; (2) testimony of proponent; (3) testimony of opponent; (4) Public Testimony (5) rebuttal by proponent; (6) provision of additional clarification by staff as required; (7) close of the public hearing; (8) Commission discussion and Commission vote.

**ADDRESSING THE COMMISSION:** Any person who wishes to address the Commission should submit a speaker's request form at the beginning of the meeting; move to the front of the chambers when an item is called; and, when recognized by the chair, state their name, address and affiliation. Please attempt to make your statements concise and to the point. It is most helpful if you can cite facts to support your contentions. Groups of people with similar viewpoints should appoint a spokesperson to represent their views to the Commission. The Commission appreciates your cooperation in this matter.

**PUBLIC COMMENT TIME LIMITS:** The Sacramento Local Agency Formation Commission welcomes and encourages participation in its meetings. Rules of the Commission provide for the following limitations of discussion: The Commission will hear public comment prior to the consideration of any item. (1) a principal proponent will be allowed a 5-minute statement; (2) other proponents will be allowed a 3-minute statement; (3) opponents are allowed 3-minute statements with the exception of spokespersons for any group who shall be permitted 5-minutes; (4) the principal proponent shall have a 3-minute rebuttal; (5) staff will provide clarification, as required.

**VOTING:** A quorum consists of four members of the Commission, including any alternate. No action or recommendation of the Commission is valid unless a majority (4 votes) of the entire membership of the Commission concurs therein.

**OFF AGENDA ITEMS:** Matters under the jurisdiction of the Commission, and not on the posted agenda, may be addressed by the general public under "Public Comment From the Floor" on the Agenda. The Commission limits testimony on matters not on the agenda to three minutes per person and not more than fifteen minutes for a particular subject. The Commission cannot take action on any unscheduled items.

**SPECIAL NEEDS:** Meeting facilities are accessible to persons with disabilities. Requests for assistive listening devices or other considerations should be made 48 hours in advance through the Commission Clerk at (916)874-6458.

**AB 745 DISCLOSURES:** The Political Reform Act requires all interested parties to disclose contributions and expenditures for "political purposes" related to proposals for changes of organization or reorganization (annexations, incorporations, etc.) as well as contributions and expenditures in connection with Conducting Authority protest proceedings. Such contributions and expenditures must be reported to LAFCo's Executive Officer to the same extent, and subject to the same requirements, as local initiative measures under the Political Reform Act. Additional information regarding these requirements can be found on LAFCo's website at: <http://www.saclafco.org/Forms/index.htm>.

**STAFF REPORTS:** Staff Reports are available on line at [www.SacLAFCo.org](http://www.SacLAFCo.org) or upon request to Diane Thorpe, Commission Clerk at (916)874-6458.

**VIDEO BROADCASTS:** The meeting is video taped in its entirety and will be cablecast live on Metro Cable channel 14, the government affairs channel on the Comcast, and SureWest Cable Systems and is closed captioned for our hearing impaired viewers. The meeting is webcast live at <http://www.saccounty.net> . The current meeting is broadcast live and will be rebroadcast; check the Metro Cable schedule for dates and times. A VHS video copy will be available for checkout through the County Library System seven to ten days following the meeting.



***MINUTES FOR THE MEETING OF  
Wednesday April 4, 2012***

The Sacramento Local Agency Formation Commission met the fourth day of April 2012, at 5:30 P.M. in Board Chambers of the Sacramento County Administration Center, 700 H Street, Sacramento, California 95814.

**PRESENT:**

**Commissioners:**

Gay Jones, Chair  
Robert Jankovitz, Vice Chair  
Jerry Fox  
Ron Greenwood  
Susan Peters  
Christopher Tooker  
Jimmie Yee

**Absent:**

Jay Schenirer

**Staff:**

Peter Brundage, Executive Officer  
Donald Lockhart, Assistant Executive Officer  
Diane Thorpe, Commission Clerk  
Nancy Miller, Commission Counsel

**Alternates:**

Mike Singleton

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**PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA**

None

**CONSENT CALENDAR**

1. Approve the Meeting Minutes of March 7, 2012
2. Claims dated thru March 29, 2012
3. Monthly Budget Report
4. Legislation Status Report  
Motion: To approve the Consent Calendar  
Moved: Commissioner Tooker  
Second: Commissioner Yee  
Passed: Unanimous

**BUSINESS ITEMS**

5. Update Rio Linda/Elverta Community Water District MSR (LAFC 07-10) [CEQA Exempt]  
Receive and File Report – No Action
6. Sphere of Influence & Municipal Service Review Introduction/Overview (Continued from March)  
Receive and File Report – No Action

7. City of Elk Grove Sphere of Influence (LAFCo 09-10) [CEQA - EIR SCH#2010092076]

A. Update

B. Municipal Service Review (MSR)

Motion: To post the Draft MSR on the Commission Website for public review  
([www.SacLAFCo.org](http://www.SacLAFCo.org))

Moved: Commissioner Tooker

Second: Commissioner Yee

Passed: Unanimous

**PUBLIC HEARINGS**

None

The meeting adjourned at 7: 36 P.M.

Respectfully submitted,

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

Diane Thorpe  
Commission Clerk

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION  
CLAIMS\***

<u>Date Submitted to Auditor</u>	<u>Vendor</u>	<u>Amount</u>
4/17/2012	Alhambra Sierra Springs (Water Supplies)	\$ 19.17
4/17/2012	Comcast Cable	\$ 86.84
4/17/2012	Daily Journal Corp. (Legal Advertising)	\$ 45.90
4/17/2012	First Choice Services	\$ 23.17
4/17/2012	Fresh & Quick Catering	\$ 239.58
4/17/2012	Millern & Owen	\$ 5,819.40
4/17/2012	Pitney Bowes Lease (Postage Meter)	\$ 274.47
4/17/2012	Staples	\$ 260.67
4/17/2012	Toshiba Business Solutions (Copier Lease)	\$ 668.79
4/20/2012	Colliers (Sep 2011 Office Lease)	\$ 3,859.78
4/20/2012	Colliers (April Office Lease)	\$ 3,859.78
<b>TOTAL</b>		<b>\$ 15,157.55</b>

**APPROVED:**

5/2/2012

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**Gay Jones, Chair**  
SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

\*Not including Journal Voucher and Personnel items.

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

**1112 I Street, Suite #100  
Sacramento, California 95814  
(916) 874-6458**

**May 2, 2012**

TO: Sacramento Local Agency Formation Commission  
FROM: Peter Brundage, Executive Officer **PB**  
RE: Monthly Budget Report

**RECOMMENDATION:**

Receive and File Period 9 FY 2011-12 Budget Status Report.

**DISCUSSION:**

The attached budget report is for Accounting Period 9 ending April 5, 2012. These reports summarize monthly expenditures and revenues as well as the Trial Balance for the reporting periods.

There are no significant variances to report at this time.

Library : ZSP County of Sacramento Reports  
Report group: ZSC8 Balance sheet detail  
Report name : ZFP4816E Trial Balance by Business Area

Data selected by: 1009726  
Data selected on: 04/05/2012 15:41:21

Fiscal year : 2012  
Period : 9 March  
Business Area: 067A LOCAL AGENCY FORMATI

Balance Sheet Item	Beginning Balance	Period Debits	Period Credits	Ending Balance
* Cash in Treasury	537,734.65	2,500.00	14,830.15-	525,404.50
* Imprest Cash	40.00			40.00
* Inventory				
* Due from Other Funds Year End				
* Accounts Receivable Year End				
** Total Assets	537,774.65	2,500.00	14,830.15-	525,444.50
* Sales Tax Due				
* Warrants Payable	2,282.46-	12,667.68	51,927.87-	41,542.65-
* Deposit Stale Warrants	643.48-			643.48-
* Claims Payable		52,169.77	52,256.61-	86.84-
* Due to Others				
* Suspense Clearing				
* Payroll Clearing	53.20-	885.55	968.85-	136.50-
** Total Liabilities	2,979.14-	65,723.00	105,153.33-	42,409.47-
* Reserve Fund Balance	220,933.00-			220,933.00-
* Fund Balance	0.36			0.36
* Revenues and Other Financing Sources	979,440.81-		2,500.00-	981,940.81-
* Expenditures/Expenses	557,165.94	54,260.48		611,426.42
* Estimated Revenue	1,335,412.00			1,335,412.00
* Appropriations	1,227,000.00-			1,227,000.00-
* Start of System Clearing				
** Total Equity & Other Accounts	534,795.51-	54,260.48	2,500.00-	483,035.03-
*** Total Liabilities & Equity + Other Accts	537,774.65-	119,983.48	107,653.33-	525,444.50-



Date: 04/05/2012  
 Time: 15:15:08  
 Period: 009  
 Year: 2012

Vendor One Time Vendor	Vendor Name	BA	Per	Doc.no.	Postg date	Reference	Check	Fund Center	Trans. currency	Status
1630	DAILY JOURNAL CORP	067A	009	2020732309	03/15/2012		1101406284		37.40 USD	closed
1630	DAILY JOURNAL CORP	067A	009	2020732309	03/15/2012		1101406284		49.30 USD	closed
1630	DAILY JOURNAL CORP	067A	009	1904402898	03/14/2012	A2261422		4544540	37.40- USD	closed
1630	DAILY JOURNAL CORP	067A	009	1904402911	03/14/2012	A2231230		4544540	49.30- USD	closed
2295	MILLER & OWEN	067A	009	2020732319	03/15/2012		1101406292		40,027.95 USD	closed
2295	MILLER & OWEN	067A	009	1904402878	03/14/2012	29265		4544540	40,027.95- USD	closed
12036	WELLS FARGO BANK	067A	009	1904390073	03/01/2012	MLED-TAX 2/29/12		4544540	53.20- USD	closed
12036	WELLS FARGO BANK	067A	009	1500042271	03/01/2012				53.20 USD	closed
12036	WELLS FARGO BANK	067A	009	1904412177	03/30/2012	MLED-ACH 3/30/12		4544540	188.70- USD	closed
12036	WELLS FARGO BANK	067A	009	1500042571	03/30/2012				188.70 USD	closed
12322	COMCAST	067A	009	2020717807	03/12/2012		1101403879		86.84 USD	closed
12322	COMCAST	067A	009	1904399594	03/09/2012	8155600380732795		4544540	86.84- USD	closed
12322	COMCAST	067A	009	1904414287	03/30/2012	8155600380732795		4544540	86.84- USD	closed
16847	CALAFIO	067A	009	2020732395	03/15/2012		1101406362		588.00 USD	closed
16847	CALAFIO	067A	009	1904402867	03/14/2012	REGISTRATION		4544540	588.00- USD	closed
28211	MEA OF CALIFORNIA INC	067A	009	1904402873	03/14/2012	8604831		4544540	702.48- USD	closed
28211	MEA OF CALIFORNIA INC	067A	009	2020732420	03/15/2012		1101406386		702.48 USD	closed
28211	MEA OF CALIFORNIA INC	067A	009	2020732420	03/15/2012		1101406386		1,165.05 USD	closed
28211	MEA OF CALIFORNIA INC	067A	009	1904402904	03/14/2012	360243		4544540	1,165.05- USD	closed
37434	JAMES P MARIA	067A	009	1904402886	03/14/2012	5427		4544540	2,000.00- USD	closed
37434	JAMES P MARIA	067A	009	2020732455	03/15/2012		1101406420		2,000.00 USD	closed
37780	DS WATERS OF AMERICA INC	067A	009	1904402907	03/14/2012	4831121020112		4544540	16.17- USD	closed
37780	DS WATERS OF AMERICA INC	067A	009	2020732459	03/15/2012		1101406424		16.17 USD	closed
42181	STAPLES CONTRACT & COMMERCIAL INC	067A	009	2020732489	03/15/2012		1101406452		263.49 USD	closed
42181	STAPLES CONTRACT & COMMERCIAL INC	067A	009	1904402868	03/14/2012	112219359		4544540	263.49- USD	closed
48634	ENVIRONMENTAL PLANNING PARTNERS INC	067A	009	1904402890	03/14/2012	LAFCL201		4544540	595.00- USD	closed
48634	ENVIRONMENTAL PLANNING PARTNERS INC	067A	009	1904402894	03/14/2012	LAFCL202		4544540	5,600.06- USD	closed

Date: 04/05/2012  
 Time: 15:15:08  
 Period: 009  
 Year: 2012

Vendor One Time Vendor	Vendor Name	BA	Per	Doc.no.	Postg date	Reference	Check	Fund Center	Trans. currency	Status
48634	ENVIRONMENTAL PLANNING PARTNERS INC	067A	009	2020732531	03/15/2012		1101406471		595.00 USD	closed
48634	ENVIRONMENTAL PLANNING PARTNERS INC	067A	009	2020732531	03/15/2012		1101406471		5,600.06 USD	closed
401673	COMPUCOM SYSTEMS INC	067A	009	5106777809	03/02/2012	61193622		4544540	583.08- USD	closed
401673	COMPUCOM SYSTEMS INC	067A	009	2020693943	03/05/2012		1101399334		583.08 USD	closed
SEAVROLL GAY JONES	SEAVROLL	067A	009	2020762540	03/30/2012		8000023476		24.35 USD	closed
SEAVROLL ROBERT G. JANKOWITZ	SEAVROLL	067A	009	1904411309	03/27/2012	95-IAFCO DISIR		4544540	94.35- USD	closed
SEAVROLL CHRISTOPHER TOOKER	SEAVROLL	067A	009	2020762532	03/30/2012		8000023468		94.35 USD	closed
SEAVROLL ROBERT G. JANKOWITZ	SEAVROLL	067A	009	2020762566	03/30/2012		8000023502		94.35 USD	closed
SEAVROLL GAY JONES	SEAVROLL	067A	009	1904411281	03/27/2012	95-IAFCO DISIR		4544540	24.35- USD	closed
SEAVROLL CHRISTOPHER TOOKER	SEAVROLL	067A	009	1904411286	03/27/2012	95-IAFCO DISIR		4544540	94.35- USD	closed
Sum of Business Area 067A									86.84- USD	*

Fiscal Year 2012  
 From period 1  
 To period 9

Fund/Group 067A LOCAL AGENCY FORMATION COMMISSION  
 Funds Center/Group 4544540 LAFCO DISTRICT  
 Budget Version 0

Commitment Item	Budget	Actual-GL	Actual-CO	Actual Total	Encumbrance	Pending	Available	%Consumed
10111000 REGULAR EMPLOYEE	8,300.00	500.00		500.00			7,800.00	6.02
10112400 COMMITTEE MEMBER		2,600.00		2,600.00			2,600.00-	
10122000 CASHEI	1,200.00	237.15		237.15			962.85	19.76
* 10 - SALARIES AND EMPLOYEES	9,500.00	3,337.15		3,337.15			6,162.85	35.13
20200500 ADVERTISING	7,500.00	679.60		679.60			6,820.40	9.06
20202200 BOOKS/PER SUP	2,000.00	368.00		368.00			1,632.00	18.40
20202900 BUS/CONFERENCE E	12,000.00	6,779.61		6,779.61			5,220.39	56.50
20203500 ED/TRAINING SVC	2,200.00						2,200.00	
20203900 EMP TRANSPORTATION								
20205200 INS PREMIUM	7,000.00	4,895.56		4,895.56			2,104.44	69.94
20206100 MEMBERSHIP DUES	7,250.00	8,498.00		8,498.00			1,248.00-	117.21
20207600 OFFICE SUPPLIES	8,000.00	2,213.64		2,213.64			5,786.36	27.67
20208100 POSTAL SVC	5,000.00	500.00		500.00			4,500.00	10.00
20227500 RENT/LEASE EQ	18,000.00	9,090.26		9,090.26			8,909.74	50.50
20227504 MISCELLANEOUS		617.96		617.96			617.96-	
20250500 ACCOUNTING SVC								
20253100 LEGAL SVC	60,000.00	96,189.94		96,189.94			36,189.94-	160.32
20254100 PERSONNEL SVC								
20259100 OTHER PROF SVC	973,100.00	434,945.57		434,945.57			538,154.43	44.70
20281200 DATA PROCESSING		583.08		583.08			583.08-	
20291000 COUNTYWIDE IT SV	1,700.00	1,250.50		1,250.50			449.50	73.56
20291100 SYSTEM DEV SVC	17,000.00	8,977.45		8,977.45	6,518.80		1,503.75	91.15
20291200 SYSTEM DEV SUP		241.35		241.35	13.40		254.75-	
20291600 WAN ALLOCATION	4,500.00	3,335.75		3,335.75			1,164.25	74.13
20291700 ALARM SERVICES		1,710.00		1,710.00			1,710.00-	
20292100 GS PRINTING SVC	2,250.00						2,250.00	
20292300 GS MESSENGER SVC		2,090.50		2,090.50			2,090.50-	
20292600 GS STORE CHARGES	1,000.00	535.49		535.49			464.51	53.55
20293400 PUBLIC WORKS SVS								
20294300 LEASED PROP USE	48,500.00	22,593.34		22,593.34	6.00		25,906.66	46.60
20298700 TELEPHONE SVC	4,000.00	1,993.67		1,993.67			2,006.33	49.84
* 20 - SERVICES AND SUPPLIES	1,181,000.00	608,089.27		608,089.27	6,538.20		566,372.53	52.04
79790100 CONTINGENCY APPR		36,500.00		36,500.00			36,500.00	
* 79 - Appropriation for Con		36,500.00		36,500.00			36,500.00	
** Expenditure accounts	1,227,000.00	611,426.42		611,426.42	6,538.20		609,035.38	50.36
94941000 INTEREST INCOME	5,000.00-	931.00-		931.00-			4,069.00-	18.62
* 94 - REVENUE FROM USE OF M	5,000.00-	931.00-		931.00-			4,069.00-	18.62
96969900 SVC FEES OTHER	415,079.00-	52,640.81-		52,640.81-			362,438.19-	12.68
* 96 - CHARGES FOR SERVICES	415,079.00-	52,640.81-		52,640.81-			362,438.19-	12.68
97979000 MISC OTHER	915,333.00-	928,369.00-		928,369.00-			13,036.00	101.42
* 97 - MISCELLANEOUS REVENUE	915,333.00-	928,369.00-		928,369.00-			13,036.00	101.42
** REVENUE ACCOUNTS	1,335,412.00-	981,940.81-		981,940.81-			353,471.19-	73.53
*** Total	108,412.00-	370,514.39-		370,514.39-	6,538.20		255,564.19	335.73

Date	Year	Per	Document #	G/L Acct	BA	Cost Ctr	Amount	Text
03/29/2012	2012	009	1300456216	101000	067A		2,500.00	
Total Account Number 101000 CASH IN TREASURY-DP							2,500.00	
03/01/2012	2012	009	1500042271	101200	067A		53.20-	
03/30/2012	2012	009	1500042571	101200	067A		188.70-	
Total Account Number 101200 CASH IN TREASURY-WIRE TRANSFERS							241.90-	
03/01/2012	2012	009	2020691330	101500	067A		500.00-	
03/05/2012	2012	009	2020699066	101500	067A		469.68-	
03/09/2012	2012	009	2020718237	101500	067A		583.08-	
03/13/2012	2012	009	2020727381	101500	067A		94.35-	
03/13/2012	2012	009	2020727444	101500	067A		94.35-	
03/15/2012	2012	009	2020737049	101500	067A		94.35-	
03/19/2012	2012	009	2020743030	101500	067A		2,000.00-	
03/19/2012	2012	009	2020743044	101500	067A		6,195.06-	
03/19/2012	2012	009	2020743465	101500	067A		86.84-	
03/20/2012	2012	009	2020747198	101500	067A		1,867.53-	
03/20/2012	2012	009	2020747354	101500	067A		86.70-	
03/21/2012	2012	009	2020751988	101500	067A		103.03-	
03/22/2012	2012	009	2020754784	101500	067A		94.35-	
03/22/2012	2012	009	2020754787	101500	067A		94.35-	
03/22/2012	2012	009	2020754788	101500	067A		24.35-	
03/22/2012	2012	009	2020755084	101500	067A		16.17-	
03/23/2012	2012	009	2020757416	101500	067A		263.49-	
Total Account Number 101500 PAID WARRANTS RECONCILIATION (IN							12,667.68-	
03/01/2012	2012	009	107746006	109000	067A		371.75-	
03/01/2012	2012	009	107746011	109000	067A		138.50-	
03/21/2012	2012	009	107759662	109000	067A		237.30-	
03/22/2012	2012	009	107761060	109000	067A		222.12-	
03/31/2012	2012	009	107769008	109000	067A		792.00-	
03/31/2012	2012	009	107769028	109000	067A		4.40-	
03/31/2012	2012	009	107769042	109000	067A		154.50-	
Total Account Number 109000 CASH IN TREAS-SPL							1,920.57-	
03/01/2012	2012	009	2020691330	5100000	067A		500.00	
03/05/2012	2012	009	2020693943	5100000	067A		583.08-	
03/05/2012	2012	009	2020699066	5100000	067A		469.68	
03/12/2012	2012	009	2020717807	5100000	067A		86.84-	
03/09/2012	2012	009	2020718237	5100000	067A		583.08	
03/15/2012	2012	009	2020732309	5100000	067A		86.70-	
03/15/2012	2012	009	2020732319	5100000	067A		40,027.95-	
03/15/2012	2012	009	2020732395	5100000	067A		588.00-	
03/15/2012	2012	009	2020732420	5100000	067A		1,867.53-	
03/15/2012	2012	009	2020732455	5100000	067A		2,000.00-	
03/15/2012	2012	009	2020732459	5100000	067A		16.17-	
03/15/2012	2012	009	2020732489	5100000	067A		263.49-	
03/15/2012	2012	009	2020732531	5100000	067A		6,195.06-	
03/19/2012	2012	009	2020743030	5100000	067A		2,000.00	
03/19/2012	2012	009	2020743044	5100000	067A		6,195.06	
03/19/2012	2012	009	2020743465	5100000	067A		86.84	
03/20/2012	2012	009	2020747198	5100000	067A		1,867.53	
03/20/2012	2012	009	2020747354	5100000	067A		86.70	
03/21/2012	2012	009	2020751988	5100000	067A		103.03	
03/22/2012	2012	009	2020755084	5100000	067A		16.17	

Date	Year	Per	Document #	G/L	Acct	BA	Cost	Ctr	Amount	Text
03/23/2012	2012	009	2020757416	5100000	067A				263.49	
<b>Total Account Number 5100000</b>									<b>WARRANTS PAYABLE</b>	<b>39,543.24-</b>
03/13/2012	2012	009	2020727381	5100020	067A				94.35	
03/13/2012	2012	009	2020727444	5100020	067A				94.35	
03/15/2012	2012	009	2020737049	5100020	067A				94.35	
03/22/2012	2012	009	2020754784	5100020	067A				94.35	
03/22/2012	2012	009	2020754787	5100020	067A				94.35	
03/22/2012	2012	009	2020754788	5100020	067A				24.35	
03/30/2012	2012	009	2020762532	5100020	067A				94.35-	
03/30/2012	2012	009	2020762540	5100020	067A				24.35-	
03/30/2012	2012	009	2020762566	5100020	067A				94.35-	
<b>Total Account Number 5100020</b>									<b>WARRANTS PAYABLE - SPECIAL DISTR</b>	<b>283.05</b>
03/01/2012	2012	009	1500042271	5150000	067A				53.20	
03/30/2012	2012	009	1500042571	5150000	067A				188.70	
03/01/2012	2012	009	1904390073	5150000	067A				53.20-	MLBD - TAX 02/29/2012
03/09/2012	2012	009	1904399594	5150000	067A				86.84-	*SAC LAFCO; 8155600380732795
03/14/2012	2012	009	1904402867	5150000	067A				588.00-	*SAC LAFCO STAFF WORKSHOP THORPE/BRUNDAGE
03/14/2012	2012	009	1904402868	5150000	067A				263.49-	*SAC LAFCO 11902900
03/14/2012	2012	009	1904402873	5150000	067A				702.48-	*SAC LAFCO 360243
03/14/2012	2012	009	1904402878	5150000	067A				40,027.95-	*SAC LAFCO SA111
03/14/2012	2012	009	1904402886	5150000	067A				2,000.00-	*SAC LAFCO SA111
03/14/2012	2012	009	1904402890	5150000	067A				595.00-	*SAC LAFCO 916-874-6458
03/14/2012	2012	009	1904402894	5150000	067A				5,600.06-	*SAC LAFCO 916-874-6458
03/14/2012	2012	009	1904402898	5150000	067A				37.40-	*SAC LAFCO 1124105243
03/14/2012	2012	009	1904402904	5150000	067A				1,165.05-	*SAC LAFCO 360243
03/14/2012	2012	009	1904402907	5150000	067A				16.17-	*SAC LAFCO 27296554831121
03/14/2012	2012	009	1904402911	5150000	067A				49.30-	*SAC LAFCO 1124105243
03/27/2012	2012	009	1904411281	5150000	067A				24.35-	*PUFD 11865 03/30/12 MLBD Payroll Check
03/27/2012	2012	009	1904411286	5150000	067A				94.35-	*PUFD 14048 03/30/12 MLBD Payroll Check
03/27/2012	2012	009	1904411309	5150000	067A				94.35-	*PUFD 20766 03/30/12 MLBD Payroll Check
03/30/2012	2012	009	1904412177	5150000	067A				188.70-	MLBD - ACH 3/30/2012
03/30/2012	2012	009	1904414287	5150000	067A				86.84-	*SAC LAFCO 8155600380732795
03/05/2012	2012	009	2020693943	5150000	067A				583.08	
03/12/2012	2012	009	2020717807	5150000	067A				86.84	
03/15/2012	2012	009	2020732309	5150000	067A				37.40	
03/15/2012	2012	009	2020732309	5150000	067A				49.30	
03/15/2012	2012	009	2020732319	5150000	067A				40,027.95	
03/15/2012	2012	009	2020732395	5150000	067A				588.00	
03/15/2012	2012	009	2020732420	5150000	067A				702.48	
03/15/2012	2012	009	2020732420	5150000	067A				1,165.05	
03/15/2012	2012	009	2020732455	5150000	067A				2,000.00	
03/15/2012	2012	009	2020732459	5150000	067A				16.17	
03/15/2012	2012	009	2020732489	5150000	067A				263.49	
03/15/2012	2012	009	2020732531	5150000	067A				595.00	
03/15/2012	2012	009	2020732531	5150000	067A				5,600.06	
03/30/2012	2012	009	2020762532	5150000	067A				94.35	
03/30/2012	2012	009	2020762540	5150000	067A				24.35	
03/30/2012	2012	009	2020762566	5150000	067A				94.35	
03/02/2012	2012	009	5106777809	5150000	067A				583.08-	*530032640
<b>Total Account Number 5150000</b>									<b>CLAIMS PAYABLE</b>	<b>86.84-</b>
03/01/2012	2012	009	107749068	8025400	067A				430.60-	
03/01/2012	2012	009	107749068	8025400	067A				430.60	
03/30/2012	2012	009	107767937	8025400	067A				213.05-	15Total Check Amount

Date	Year	Per	Document #	G/L Acct	BA	Cost Ctr	Amount	Text	
03/30/2012	2012	009	107767937	8025400	067A		188.70-	16Total Deposit Amount	
03/30/2012	2012	009	107767937	8025400	067A		70.00-	6002Inc Tax-Fed Addl Tax	
03/30/2012	2012	009	107767937	8025400	067A		31.00-	6210FICA ER Contrib	
03/30/2012	2012	009	107767937	8025400	067A		21.00-	6201FICA EE Deduction	
03/30/2012	2012	009	107767937	8025400	067A		7.25-	6501Medicare EE Ded	
03/30/2012	2012	009	107767937	8025400	067A		7.25-	6503Medicare ER Contrib	
03/01/2012	2012	009	1904390073	8025400	067A	4544540000	53.20	95 TAX	
03/27/2012	2012	009	1904411281	8025400	067A		24.35	03/30/12 MLBD Payroll Check	
03/27/2012	2012	009	1904411286	8025400	067A		94.35	03/30/12 MLBD Payroll Check	
03/27/2012	2012	009	1904411309	8025400	067A		94.35	03/30/12 MLBD Payroll Check	
03/30/2012	2012	009	1904412177	8025400	067A		188.70	95 DEP	
<b>Total Account Number 8025400 SD (HUMANIC) PAYROLL CLEARING</b>								<b>83.30-</b>	
03/30/2012	2012	009	107767937	10112400	067A	4544540000	500.00	1180Bds & Comm Mem	
<b>Total Account Number 10112400 SALARIES &amp; WAGES - COMMISSION &amp;</b>								<b>500.00</b>	
03/30/2012	2012	009	107767937	10122000	067A	4544540000	7.25	6503Medicare ER Contrib	
03/30/2012	2012	009	107767937	10122000	067A	4544540000	31.00	6210FICA ER Contrib	
<b>Total Account Number 10122000 OASDHI - EMPLOYER COST</b>								<b>38.25</b>	
03/14/2012	2012	009	1904402898	20200500	067A	4544540000	37.40	ADVERTISING	
03/14/2012	2012	009	1904402911	20200500	067A	4544540000	49.30	ADVERTISING	
<b>Total Account Number 20200500 ADVERTISING/LEGAL NOTICES</b>								<b>86.70</b>	
03/14/2012	2012	009	1904402867	20202900	067A	4544540000	294.00	BUS CONF EXP	
03/14/2012	2012	009	1904402867	20202900	067A	4544540000	294.00	BUS CONF EXP	
<b>Total Account Number 20202900 BUSINESS/CONFERENCE EXPENSE</b>								<b>588.00</b>	
03/14/2012	2012	009	1904402868	20207600	067A	4544540000	263.49	OFFICE SUPPLIES	
03/14/2012	2012	009	1904402907	20207600	067A	4544540000	16.17	OFFICE SUPPLIES	
<b>Total Account Number 20207600 OFFICE SUPPLIES</b>								<b>279.66</b>	
03/09/2012	2012	009	1904399594	20227500	067A	4544540000	86.84		
03/14/2012	2012	009	1904402873	20227500	067A	4544540000	702.48	RENT LEASE EQUIPMENT	
03/14/2012	2012	009	1904402904	20227500	067A	4544540000	1,165.05	RENT LEASE EQUIPMENT	
03/30/2012	2012	009	1904414287	20227500	067A	4544540000	86.84	RENT LEASE EQUIP	
<b>Total Account Number 20227500 RENT/LEASES EQUIPMENT</b>								<b>2,041.21</b>	
03/14/2012	2012	009	1904402878	20253100	067A	4544540000	40,027.95	LEGAL SERVICES	
<b>Total Account Number 20253100 LEGAL SERVICES</b>								<b>40,027.95</b>	
03/14/2012	2012	009	1904402886	20259100	067A	4544540000	2,000.00	OTHER PROF SERVICE	
03/14/2012	2012	009	1904402890	20259100	067A	4544540000	595.00	OTHER PROF SERVICES	
03/14/2012	2012	009	1904402894	20259100	067A	4544540000	5,600.06	OTHER PROF SERVICES	
<b>Total Account Number 20259100 OTHER PROFESSIONAL SERVICES</b>								<b>8,195.06</b>	
03/02/2012	2012	009	5106777809	20281200	067A	4544540000	583.08		
<b>Total Account Number 20281200 DATA PROCESSING SUPPLIES</b>								<b>583.08</b>	

Report: ZF\_SL\_SPEC\_DIST  
UserID: 1009726  
System: PRD/020

Split Ledger Line Item Report  
067A LOCAL AGENCY FORMATI  
Period: 009 Fiscal Year: 2012

Date: 04/05/2012  
Time: 15:10:07  
Page: 4

Date	Year	Per	Document #	G/L	Acct	BA	Cost Ctr	Amount	Text
03/01/2012	2012	009	107746011	20291000	067A	4544540000		138.50	March 2012 Countywide IT Alloc
Total Account Number 20291000 COUNTYWIDE IT SERVICES								138.50	
03/31/2012	2012	009	107769008	20291100	067A	4544540000		792.00	
03/31/2012	2012	009	107769042	20291100	067A	4544540000		154.50	
Total Account Number 20291100 SYSTEMS DEVELOPMENT SERVICES								946.50	
03/31/2012	2012	009	107769028	20291200	067A	4544540000		4.40	
Total Account Number 20291200 SYSTEMS DEVELOPMENT SUPPLIES								4.40	
03/01/2012	2012	009	107746006	20291600	067A	4544540000		371.75	March 2012 WAN Allocation
Total Account Number 20291600 WAN Costs								371.75	
03/21/2012	2012	009	107759662	20292300	067A	4544540000		237.30	Per. 9 - Messenger Services
Total Account Number 20292300 GS MESSENGER SERVICES								237.30	
03/22/2012	2012	009	107761060	20298700	067A	4544540000		222.12	Feb 2012 OCIT Telecommunications Charges
Total Account Number 20298700 Telephone Svcs								222.12	
03/29/2012	2012	009	1300456216	96969900	067A	4544540000		2,500.00-	
Total Account Number 96969900 SVC FEES OTHER								2,500.00-	

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
**1112 I Street #100**  
**Sacramento, California 95814**  
**(916) 874-7458**

May 2, 2012

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer *PB*

RE: Legislative Update

**CONTACT: Don Lockhart, AICP, Assistant Executive Officer (916) 874-2937**

**RECOMMENDATION**

Information only, no action is recommended.

**BACKGROUND**

This memo is part of the ongoing effort to keep your Commission informed regarding various legislative matters.

**PENDING LEGISLATION**

**AB 2238** (Perea D) Public water systems: drinking water.

**Current Text:** Amended: 4/11/2012

**Introduced:** 2/24/2012

**Last Amended:** 4/11/2012

**Status:** 4/19/2012-From committee: Do pass and re-refer to Com. on E.S. & T.M. (Ayes 6. Noes 3.) (April 18). Re-referred to Com. on E.S. & T.M.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/24/2012 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, WIECKOWSKI, Chair

**Summary:**

Current law requires the State Department of Public Health to administer programs to fund improvements and expansion of small community water systems using specified priorities. Current law requires the department to encourage the consolidation of small community water systems that serve disadvantaged communities if consolidation will help the affected agencies and the state meet specified goals. Current law allows funding of studies regarding the feasibility of consolidating 2 or more community water systems, at least one of which is a small community water system that serves a disadvantaged community. Current law requires the department to give funding priority to projects involving physical restructuring of 2 or more community water systems into a single, consolidated system when it is shown that the consolidation would further specified goals. This bill would require the department to promote the consolidation and merger of small community water systems that serve disadvantaged communities, as specified, and would require the studies performed prior to a



construction project to include the feasibility of consolidating or merging community water systems. This bill would prohibit the department from determining the consolidation or merger to be infeasible if the local agency formation commission (LAFCO) also conducted a study or service review of the project within the previous 5 calendar years and determined the project was feasible. This bill would also require the department to give priority to funding projects involving managerial consolidation or merger when the consolidation or merger would further specified goals. This bill contains other related provisions and other current laws.

**Attachments:**

CALAFCO Opposition Letter - Amended Bill - April 19 2012

**Position:** Oppose

**Subject:** Water, Municipal Services

**CALAFCO Comments:** This bill, sponsored by California Rural Legal Assistance, would require LAFCo to determine the feasibility of consolidations, reorganizations and other service efficiency alternatives in every water and wastewater MSR, regardless whether it affects disadvantaged unincorporated communities. We believe it will result in spending hundreds of thousands of dollars on useless studies. It also makes LAFCo eligible to apply for grants to fund the studies, but whether the funds can be used for MSRs, LAFCo eligibility, and the likelihood that it would actually receive any funds are significant questions. The bill also makes a number of changes to laws on grants and loans to local agencies for water and wastewater facilities in an attempt to direct more funds to DUCs. It would require state agencies to consider LAFCo MSRs and other studies when evaluating grants. We anticipate more amendments to this bill.

**AB 2291 (Gordon D) Local agency formation: extension of services.**

**Current Text:** Introduced: 2/24/2012

**Introduced:** 2/24/2012

**Status:** 3/15/2012-Referred to Com. on L. GOV.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House							

**Summary:**

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, authorizes a local agency formation commission, until January 1, 2013, to review and comment on the extension of services into previously unserved territory within unincorporated areas and the creation of new service providers to extend urban-type development into previously unserved areas to ensure that the proposed extension is consistent with the policies of the commission and certain policies under state law. This bill would eliminate the repeal date of January 1, 2013.

**Position:** None at this time

**CALAFCO Comments:** We believe this is a placeholder bill. CALAFCO Legislative Committee supports letting this section sunset as no LAFCo uses these provisions.

**AB 2624 (Smyth R) Sustainable communities.**

**Current Text:** Introduced: 2/24/2012

**Introduced:** 2/24/2012

**Status:** 3/19/2012-Referred to Com. on L. GOV.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House							

**Calendar:**

4/25/2012 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, SMYTH, Chair

**Summary:**

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond

Act of 2006, an initiative measure approved by the voters at the November 7, 2006, statewide general election makes about \$5,400,000,000 in bond funds available for safe drinking water, water quality and supply, flood control, natural resource protection, and park improvements. Current law establishes the Strategic Growth Council and appropriated \$500,000 from the funding provided by the initiative to the Natural Resources Agency to support the council and its activities. The council is required to manage and award grants and loans to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority for the purpose of developing, adopting, and implementing a regional plan or other planning instrument to support the planning and development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

**Attachments:**

CALAFCO Support Letter - April 2012

**Position:** Support

**Subject:** Sustainable Community Plans

**CALAFCO Comments:** Makes LAFCo an eligible agency to apply for Strategic Growth Council grants. Sponsored by CALAFCO.

**AB 2698 (Committee on Local Government) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.**

**Current Text:** Introduced: 3/21/2012

**Introduced:** 3/21/2012

**Status:** 4/17/2012-In committee: Set, first hearing. Hearing canceled at the request of author.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House							

**Calendar:**

5/9/2012 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, SMYTH, Chair

**Summary:**

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, sets forth the powers and duties of a local agency formation commission, including, among others, the power to approve the annexation of a contiguous disadvantaged community, under specified circumstances. Current law provides that an application to annex a contiguous disadvantaged community is not required if the commission finds that a majority of the residents within the affected territory are opposed to annexation. This bill would provide that an application to annex a contiguous disadvantaged community is not required if the commission finds that a majority of the registered voters within the affected territory are opposed to annexation. This bill contains other related provisions and other current laws.

**Position:** Sponsor

**Subject:** CKH General Procedures

**CALAFCO Comments:** CALAFCO-sponsored annual CKH Omnibus bill.

**SB 1498 (Emmerson R) Local agency formation commission: powers.**

**Current Text:** Introduced: 2/24/2012

**Introduced:** 2/24/2012

**Status:** 4/12/2012-Set for hearing May 2.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House							

**Calendar:**

5/2/2012 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 authorizes a city or district to provide new or extended services by contract or agreement outside its jurisdictional boundaries if the city or district requests and receives permission to do so from the local agency formation commission in the affected county. Current law authorizes the commission to authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization, or outside its sphere of influence to respond to an current or impending threat to the public health or safety of the residents of the affected territory, under specified circumstances. This bill would additionally authorize the commission to authorize a city or district to provide new or current services outside its jurisdictional boundaries and outside its sphere of influence to support current or planned uses involving public or private properties, subject to approval at a noticed public hearing, in which certain determinations are made. The bill would also authorize the commission to delegate to its executive officer the approval of certain requests to authorize a city or district to provide new or extended services outside its jurisdictional boundaries or outside its sphere of influence, as described above, under specified circumstances. The bill would also make certain technical, non-substantive, and conforming changes. This bill contains other related provisions and other current laws.

**Position:** None at this time

**Subject:** Disadvantaged Communities, Municipal Services

**CALAFCO Comments:** Sponsored by the League of Cities, this bill does two things: 1) it includes the CALAFCO proposed language on expanding out-of-agency service authority (56133) and 2) removes the annexation requirements from SB 244. Those provisions require a city to apply to annex a disadvantaged unincorporated community if they apply to annex adjacent uninhabited territory. It is anticipated this bill will be completely gutted and amended and changed to Senator Wolk as the author. The anticipated direction is to further amend the definition of a disadvantaged unincorporated community. The League is continuing its efforts to remove or significantly modify the DUC annexation requirements when a city applies for an uninhabited annexation adjacent to a DUC.

**SB 1566 (Negrete McLeod D) Vehicle license fees: allocation.**

**Current Text:** Amended: 4/10/2012

**Introduced:** 2/24/2012

**Last Amended:** 4/10/2012

**Status:** 4/20/2012-Set for hearing April 24.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

**Calendar:**

4/24/2012 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, DESAULNIER, Chairman

**Summary:**

Current law requires that a specified amount of motor vehicle license fees deposited to the credit of the Motor Vehicle License Fee Account in the Transportation Tax Fund be allocated by the Controller, as specified, to the Local Law Enforcement Services Account in the Local Revenue Fund 2011, for allocation to cities, counties, and cities and counties. This bill would instead require, on and after July 1, 2012, that those revenues be distributed first to each city that was incorporated from an unincorporated territory after August 5, 2004, in an amount determined pursuant to a specified formula , second to each city that was incorporated before August 5, 2004, in an amount determined pursuant to a specified formula , and third to the Local Law Enforcement Services Account in the Local Revenue Fund 2011, for allocation to cities, counties, and cities and counties . By authorizing within the Motor Vehicle License Fee Account in the Transportation Tax Fund, a continuously appropriated fund, to be used for a new purpose, the bill would make an appropriation. This bill contains other related provisions and other current laws.

**Attachments:**

CALAFCO Support Letter

**Position:** Support

**Subject:** Annexation Proceedings, Tax Allocation

**CALAFCO Comments:** This problem would correct the VLF problem created by last year's budget bill SB 89, and restore VLF to recent incorporations and inhabited annexations.

**SB 46 (Correa D) Public officials: compensation disclosure.**

**Current Text:** Amended: 6/2/2011

**Introduced:** 12/9/2010

**Last Amended:** 6/2/2011

**Status:** 8/22/2011-In Assembly. Read first time. Held at Desk.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House							

**Summary:**

Current provisions of the Political Reform Act of 1974 require certain persons employed by agencies to file annually a written statement of the economic interests they possess during specified periods. The act requires that state agencies promulgate a conflict of interest code that must contain, among other topics, provisions that require designated employees to file statements disclosing reportable investments, business positions, interests in real property, and income. The act requires that every report and statement filed pursuant to the act is a public record and is open to public inspection. This bill would, commencing on January 1, 2013, and continuing until January 1, 2019, require every designated employee and other person, except a candidate for public office, who is required to file a statement of economic interests to include, as a part of that filing, a compensation disclosure form that provides compensation information for the preceding calendar year, as specified. This bill contains other related provisions and other current laws.

**Attachments:**

CALAFCO Opposition Letter

**Position:** Oppose

**Subject:** LAFCo Administration

**CALAFCO Comments:** Similar to a 2010 bill, this would require all those who file a Form 700 to also file an extensive compensation and reimbursement disclosure report. Would require all local agencies, including LAFCo, to annually post the forms on their website.

**SB 1459 (De León D) Regional and local park districts: cities and counties.**

**Current Text:** Introduced: 2/24/2012

**Introduced:** 2/24/2012

**Status:** 3/22/2012-Referred to Com. on RLS.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House							

**Summary:**

Current law prescribes procedures for the formation of regional park districts, regional park and open-space districts, or regional open-space districts. Current law authorizes 3 or more cities, together with any parcel or parcels of city or county territory, whether in the same or different counties, to organize and incorporate, but requires that all the territory in the proposed district be contiguous. This bill would revise the above authorization to instead only allow district formation for 4 or more cities.

**Position:** None at this time

**Subject:** Special District Principle Acts

19 April 2012

**2012  
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Los Angeles LAFCo

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The Honorable Bob Wieckowski, Chair  
Assembly Environmental Safety and Toxic Materials Committee  
State Capitol, Room 4162  
Sacramento, CA 95814

RE: **AB 2238 (Perea) – LAFCo MSR Studies – OPPOSE (as amended 11 April 2012)**

Dear Assembly Member Wieckowski:


On behalf of the California Association of Local Agency Formation Commissions, I write to respectfully express our opposition to Assembly Bill 2238, which would add significant and unfunded research responsibilities to local agency formation commissions (LAFCo). While we continue to support efforts to improve service delivery to disadvantaged unincorporated communities, the LAFCo-related elements of this bill will result in the expenditure of significant unfunded resources and is not likely to improve any services for disadvantaged communities which could not be achieved under existing law.

We appreciate the willingness of the Author to work with us on our concerns, and the recent amendments help limit the scope for LAFCo. However the bill still includes a new, unfunded research mandate for LAFCo that is unlikely to result in any improvement in services. Nearly half of the thousands of Municipal Service Reviews conducted by LAFCo include water or wastewater agencies. LAFCos do not have the resources or expertise to study alternative delivery options in all of these cases and would require the retention of consultants. With no funding for these studies the costs would be passed on to all counties, cities and special districts. More importantly, LAFCo is powerless to implement recommendations, and – based on our experience – it is highly unlikely the affected agencies would implement them. Cumulatively this new requirement would cost local agencies millions of limited local dollars for studies, and distract LAFCo from its other responsibilities, with little likelihood of implementation.

LAFCo works best when it is able to collaboratively interact with affected agencies to find effective solutions for efficient delivery of services. Current law allows LAFCo to include such a review and recommendations when it is appropriate or likely such recommendations would be implemented. Current law is sufficient to meet the desired goals of this bill, and we therefore respectfully request the bill be amended to eliminate Section 2.

Because AB 2238 creates an unfunded and unproductive requirement for studies, we must regrettably oppose this legislation unless amended. Thank you for your consideration of our comments and we look forward to continuing to work on the bill.

Yours sincerely,



William Chiat,  
Executive Director

1215 K Street, Suite 1650  
Sacramento, CA 95814

Voice 916-442-6536  
Fax 916-442-6535

[www.calafco.org](http://www.calafco.org)

c: The Honorable Henry Perea  
Bob Fredenburg, Chief Consultant  
John Kennedy, Consultant, Assembly Republican Caucus

19 March 2012

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Executive Director

LOU ANN TEXEIRA  
Executive Officer

CLARK ALSOP  
Legal Counsel

JUNE SAVALA  
Deputy Executive Officer

MARJORIE BLOM  
Deputy Executive Officer

STEPHEN LUCAS  
Deputy Executive Officer

JAMIE SZUTOWICZ  
Executive Assistant

The Honorable Cameron Smyth  
California State Assembly  
State Capitol, Room 4098  
Sacramento, CA 95814

RE: **AB 2624 (Smyth) – LAFCo Eligibility for Grants – SUPPORT**

Dear Assembly Member Smyth:

The California Association of Local Agency Formation Commissions is pleased to sponsor and support your bill, Assembly Bill 2624. The bill would make a local agency formation commission (LAFCo) eligible for planning grants from the Strategic Growth Council.

In August, 2008 SB 375 (Steinberg) was signed into law. A component of the law ties the preparation of Regional Transportation Plans and sustainable communities strategies to the LAFCo Municipal Service Reviews and adopted Spheres of Influence for cities and special districts. In 2009 that relationship was further strengthened when SB 215 (Wiggins) was signed into law which requires LAFCo to consider the adopted Regional Transportation Plans when reviewing applications. Principles behind both of these laws is to make more effective use of the Municipal Service Reviews (MSRs) prepared by LAFCos, and to avoid a duplication of effort between LAFCo and the regional transportation agencies in the preparation of the plans.

Under current law the cost of the MSR preparation is paid for by the cities, districts and county within each LAFCo. The limited availability of local funds can restrict the level of detail in an MSR. By making LAFCo eligible to apply for Strategic Growth Council grants, LAFCo would be able to prepare more comprehensive and data-rich MSRs and sphere of influence studies in collaboration with the regional transportation agency. This would reduce duplication of effort and provide the transportation agencies with more complete information regarding municipal services and growth capacity for the preparation of the sustainable communities strategies.

Because AB 2624 provides a resource for preparing more comprehensive MSRs to better inform both LAFCo and regional transportation agency decisions, CALAFCO supports this bill. Thank you for authoring this important legislation.

Yours sincerely,



William Chiat,  
Executive Director

1215 K Street, Suite 1650  
Sacramento, CA 95814

Voice 916-442-6536  
Fax 916-442-6535

[www.calafco.org](http://www.calafco.org)

c: Members, Assembly Local Government Committee  
Debbie Michael, Consultant, Assembly Local Government Committee  
William Weber, Consultant, Assembly Republican Caucus

2012  
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Legal Counsel

**JUNE SAVALA**  
Deputy Executive Officer

**MARJORIE BLOM**  
Deputy Executive Officer

**STEPHEN LUCAS**  
Deputy Executive Officer

**JAMIE SZUTOWICZ**  
Executive Assistant

2 April 2012

Senator Gloria Negrete McLeod  
California State Senate  
State Capital Room 4061  
Sacramento, CA 95814

Subject: **Support of SB 1566**

Dear Senator Negrete McLeod:

The California Association of Local Agency Formation Commissions is pleased to support SB 1566 authored by yourself and Senator Emmerson. The bill reinstates allocations of motor vehicle license fees (VLF) to recently incorporated cities and cities which annexed inhabited areas, consistent with the allocation formula those communities relied upon when making the decision to incorporate or annex the affected territory.

The CALAFCO Board believes the VLF gap created by SB 89, one of the 2011 budget bills, created a financial disincentive for future city incorporations and annexations of inhabited territory. Further, it created severe fiscal penalties for those communities which chose to annex inhabited territories, particularly unincorporated islands. In several previous legislative acts the Legislature had directed LAFCos to work with cities to annex unincorporated inhabited islands. SB 89 also created severe penalties for those communities which have recently voted to incorporate themselves. SB 1566 eliminates these disincentives and penalties, and avoids the likely disincorporation or bankruptcies of some or all of the cities incorporated since 2005.

The availability of an equitable distribution of VLF funds to newly incorporated cities and city annexations of inhabited territory is vital to assure the financial feasibility of these actions. Without VLF funds the ability to achieve cityhood or the annexation of islands and disadvantaged unincorporated communities is all but impossible. Reinstating VLF revenues for incorporations and annexations is consistent with the CALAFCO legislative policy of providing communities with local governance and efficient service delivery options, including the ability to incorporate or annex.

Because SB 1566 reinstates a critical funding component to incorporations and inhabited annexations, CALAFCO supports this bill.

Thank you to you and Senator Emmerson for carrying this important legislation.

Sincerely Yours,



William Chiat  
Executive Director

1215 K Street, Suite 1650  
Sacramento, CA 95814

Voice 916-442-6536  
Fax 916-442-6535

[www.calafco.org](http://www.calafco.org)

c: Senator Bill Emmerson  
Senator Lois Wolk, Chair, Senate Local Governance and Finance Committee  
Samantha Lui, Consultant, Senate Local Governance and Finance Committee  
Ryan Eisberg, Consultant, Senate Republican Caucus

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
**1112 I Street #100**  
**Sacramento, California 95814**  
**(916) 874-6458**

May 2, 2012

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: **PROPOSED CITY OF ELK GROVE SPHERE OF INFLUENCE**  
**AMENDMENT (L AFC 09-10)** (CEQA EIR SCH #2010092076)

CONTACT: Don Lockhart AICP, Assistant Executive Officer  
(916) 874-2937 ([Don.Lockhart@SacLAFCo.org](mailto:Don.Lockhart@SacLAFCo.org))

**RECOMMENDATION**

Receive and file project status report. No Commission action is required.

**SUMMARY**

Over the last several months your staff and Commission counsel have reviewed a series of EIR iterations provided by the CEQA consultant in response to edits and clarifications proposed by staff and counsel. Additionally, staff and counsel have met with representatives of the environmental community and Elk Grove staff in order to address their comments on the DEIR. The CEQA consultant team has prepared an Administrative Draft reflecting all edits and input provided to date.

Staff and legal counsel have completed review of the most recent ADEIR. *We will work with the CEQA consultant team to prepare the DEIR for recirculation for the review and comments of the public and affected agencies.*

We expect to have a revised schedule available shortly. It will be provided to your Commission, affected agencies and the public, as well as posted on the Commission website [www.SacLAFCo.org](http://www.SacLAFCo.org).

Respectfully,

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

Peter Brundage  
Executive Officer

DL/dl  
(Memo\_UPDATE 05/02/12)



*Agenda Item No. 6*

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

*1112 I Street, Suite #100  
Sacramento, California 95814  
(916) 874-6458*

**May 2, 2012**

**TO:** Sacramento Local Agency Formation Commission  
**FROM:** Peter Brundage, Executive Officer  
**RE:** **Rio Linda/Elverta Community Water District – Draft  
Municipal Service Review – Report Back (LAFC 07-10)**

**RECOMMENDATION**

Receive and file status report.

Overall the District is providing adequate water service to the community and progress is being made to address the water supply capacity issues. The District is slowly making progress to correct its water supply deficiencies and operational issues, however, the District remains in a fragile condition because the Board continues to feud amongst itself and with several customers who regularly attend the Board meetings. The following summarizes the significant issues and concerns that continue to exist:

1. Potential cancellation of Liability Insurance;
2. Difficulty related to Board meetings;
3. Minimal cash flow to build up a financial reserve; and
4. Litigation and related legal costs.

**DISCUSSION**

This report summarizes the actions, developments, and events related to the Rio Linda Elverta Community Water District that have occurred since April 4, 2012.

## **I. Board of Directors**

The Board of Director's met on April 16, 2012 for a regular meeting. Four Board were present and Courtney Caron was teleconferencing in accordance with legal protocols. Two Board members walked out of the meeting because Ms. Caron was not physically present. As a result, the meeting was cancelled/continued because there must be three Board members at the physical location of the public meeting to conduct business. A special meeting has been scheduled for Sunday, April 29<sup>th</sup>.

This seems to be an on-going problem and issue with Board meetings. Also, Board meetings are contentious and out of order. As a result, this will likely have a negative impact on district operations. The General Manager has expressed concerns to me that this is making it increasingly difficult to manage and operate the water system under these circumstances.

## **II. Progress of Well and Pipeline Construction**

### **Well No. 15**

The District has completed drilling Well No. 15 and completed construction of the pipeline. The well is not operational and will be completed by the Spring of 2013 because construction is not permitted in wetland areas between October 15<sup>th</sup> and April 15<sup>th</sup>. Optimistically, this well could be operational by the Fall of 2012. The District has met with the contractor for a preconstruction meeting and work should commence shortly. The tentative construction schedule is attached to this report.

The contract amount is for \$1.2 million and is budgeted in the State loan.

### **Well No. 14**

CDPH has authorized the District to proceed with drilling of the test well at this location. On March 19, 2012, the Board approved the contract to commence the test well. Construction is anticipated to commence in May, 2012.

The District estimates that the test well will be approximately 500 feet deep to reach the mid-aquifer. If both water quality and water quantity are satisfactory the District will proceed with a permanent well and facilities. Once water quality and quantity are known, the District will determine if a third well will be required to meet CDPH Compliance Orders.

The tentative construction schedule is attached. It is anticipated that work should commence by May 1, 2012 and be complete by May 17, 2012.

### **III. Status of CDPH Compliance Orders**

The water quality and quantity continue to be satisfactory. Water pressure is subject to variation because of leaks and equipment failures. However, generally, water pressures remain adequate and comply with CDPH standards.

The District has satisfied one of the Compliance Orders issued by the CDPH related to reporting requirements and staffing plans. The first Compliance Order related to water supply and capacity has not been satisfied because well construction is not complete.

### **IV. Sacramento Suburban Water District Interconnection**

No changes in the operation or status of the intertie with Sacramento Suburban Water District. This is an annual agreement and expires in Spring of 2012. RLECWD and Sacramento Suburban Water District renewed this Agreement during March, 2012.

### **V. Status of District Operations**

#### **District Financial Condition**

No significant changes in the overall financial situation of the District. Cash Flow remains tight. Accounts Payable are current, however, legal expenses related to litigation continue to have a significant impact on cash flow and prevent the district's ability to develop cash reserves.

#### **Staffing and Employee Relations**

The Board of Directors is considering imposing a hiring freeze even though an evaluation indicates that approximately 2.5 positions are needed. Currently, two employees need to complete training in order to apply for their Operator 3 certification. One operator obtained certification for backflow preventer class and the District now has two certified testers on staff.

#### **Urban Water Management Plan**

The General Manager is recommending a contract for Board approval to hire a contractor to prepare and update its Urban Water Management Plan. The Contract was not approved by the Board on April 16<sup>th</sup>, because the meeting was cancelled due to a lack of a quorum as discussed above.

#### **Liability Insurance**

The Association of California Water Agencies (ACWA) has notified the District that they are considering cancelling the District's liability insurance because of the many previous and pending lawsuits. The Executive Committee of ACWA met on January 31, 2012 to consider whether to recommend to their Board to cancel the insurance for property losses

and liability claims. The Executive Committee will bring a recommendation forward at the spring ACWA Conference on May 7, 2012.

RLECWD has contacted several other insurance carriers to obtain Property and Liability Insurance. To date, the District has not received any binding offers to provide insurance should ACWA terminate coverage at their May 2012 Conference and board meeting.

### **District Operations**

The General Manager's report for March 14, 2012 to April 10, 2012 is attached highlighting the status of various district operations.

Mary Henrici's contract terminates on June 1, 2012. The Board's last meeting before June 1<sup>st</sup> is May 21<sup>st</sup>.

CDPH has written a letter complementing Mary Henrici on her performance. A copy of the letter is attached to this report.

### **Pending Litigation as of April 16, 2012**

Currently, the pending litigation is related to a former General Manager and a former employee.

1) CONFERENCE WITH GENERAL COUNSEL – PENDING LITIGATION - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a) (Teamsters Local 150 v. RLECWD, PERB case # SA-CE-736M).

2) CONFERENCE WITH GENERAL COUNSEL – PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE - The Board of Directors will meet in closed session pursuant to Government Code § 54957(b)(1).

3) CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(b)(1) - Pending litigation matter for Liz Myers, United States Federal District Court Case # 2:11-cv-02671-MCE-EFB.

4) CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a). Pending Litigation - Joseph Sherrill. Sac. Superior Court Case # 34-2011-00103481.

5) CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a). Pending Litigation - Joseph Sherrill. Sac. Superior Court Case # 34-2012-8000-1095.

6) CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a). Pending Litigation - Joseph Sherrill. Sac. Superior Court Case # 34-2012-8000-1108.

7) CONFERENCE WITH GENERAL COUNSEL - The Board of Directors will meet in closed session pursuant to Government Code § 54956.9(a). Pending/Potential Litigation. Cal OSHA v. RLECWD - Docket #R2D1-2288 to 2290). Discussion and action.

## **VI. Summary of Issues**

Overall the District is providing adequate water service to the community and progress is being made to address the water supply capacity issue. However, there are several concerns that continue to exist:

1. Potential cancellation of Liability Insurance;
2. Difficulty related to Board meetings;
3. Minimal cash flow to build up a financial reserve; and
4. Litigation and related legal costs.

## **VII. Next Steps**

LAFCo staff will continue to work with CDPH and the District to monitor the situation. We will keep the Commission informed.

Respectfully Submitted;

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

Peter Brundage,  
Executive Officer

cc: Board of Directors and General Manager RLECWD  
California Department of Public Health  
Sacramento Grand Jury

## Attachments

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

**1112 I Street, Suite #100  
Sacramento, California 95814  
(916) 874-6458**

May 2, 2012

TO: Sacramento Local Agency Formation Commission  
FROM: Peter Brundage, Executive Officer  
RE: **FY 2012-13 Proposed Budget**

**RECOMMENDATION**

Adopt the Proposed FY 2012-13 Proposed Budget Resolution with total Appropriations of \$1,081,200.

**DISCUSSION**

This report outlines the FY 2012-13 Proposed Budget based on the best available information. LAFCo must adopt the Proposed Budget by May of each year and a Final Budget by June 15<sup>th</sup>. The Proposed Budget is based on an estimated Fund Balance by projecting year-end expenditures and revenues. Every attempt is made to accurately estimate Fund Balance because it is used as a base funding source for the following year's budget.<sup>1</sup>

The FY 2012-13 Proposed Budget based on allocated costs and salary and benefits provided by the City of Sacramento and County of Sacramento. Nominal cost increases represent increases in allocated costs paid by LAFCo for support services provided by the County of Sacramento.

Salary and Benefit increases are based on policies and practices implemented by the County of Sacramento and City of Sacramento. These costs are determined by the respective agencies and LAFCo has no control over these cost increases. There is no cost of living or equity adjustments for employees other than changes to benefit costs such as retirement, insurance, social security, and other similar benefit costs.

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<sup>1</sup> The final Fund Balance will not be available from the County Auditor until late July or early August. Staff will report back to the Commission in August or September after the Year-End Fund Balance is available to advise the Commission if any adjustments are required.

The Proposed Budget includes increases for our annual audit and increases in charges for systems and data support provided by the County of Sacramento as discussed in this report.

**Summary FY 2011-12 Proposed Budget**

<b>Appropriations</b>	<b>\$1,081,200</b>
<b>Funding Sources</b>	
Project Revenues	250,000
Assessments	686,500
Fund Balance-General	127,200
Miscellaneous Project Revenue	15,000
Interest Earnings	<u>2,500</u>
<b>Total Revenue and Assessments</b>	<b>\$1,081,200</b>

**LAFCo Funding Sources**

LAFCo’s Budget is primarily funded from assessments from contributing agencies, Fund Balance, and project revenue. Project revenue can vary from year to year. The table below summarizes the estimated revenue and funding sources for FY 2012-13:

<b>Summary of Revenue Sources</b>		
<b>Source</b>	<b>Amount</b>	<b>Percent</b>
Fund Balance	\$127,200	10.2%
Interest	2,500	.2%
Assessments	686,500	56.0%
Project Revenue	<u>265,000</u>	<u>33.6%</u>
<b>Total Base Budget</b>	<b>\$1,081,200</b>	<b>100.0%</b>

Fund Balance or carryover is used to help fund next year’s budget. Historically, fund balance has averaged about \$100,000 to \$120,000 for the last several years. Fund Balance is dependent on cost savings and/or revenues in excess of revenue budgeted.

**Affected Agency Assessment**

The proposed budget assumes no assessment increase. Total contributions from other affected agencies will remain at \$686,500, the same as the last five (5) years. LAFCo’s contribution from the cities, county, and special districts is \$228,833 for each category or



1/3 each. The cities and special districts allocation is calculated as a percentage of their revenue compared to the total revenue for their category. Consequently, individual assessments for each affected agency may vary from year to year, however, the 1/3 share in the amount of \$228,833 will not change next fiscal year. This calculation is pursuant to State law [GC 56381] and uses the most recent State Controller's Report for Cities and Special Districts to make the assessment allocation to each affected agency.

**Contributing Agencies**

The Proposed FY 2012-13 Proposed Budget will be distributed to LAFCo's Contributing Agencies for their review and comment.

**Issues to be Considered for Proposed and Final Budget**

Cost of living adjustments for salary and benefits are based on city and county policies for the respective employees. (Note: LAFCo contracts with the city and county for staff). Currently, the County and City are not proposing COLA or equity increases for Salaries.

**Summary of Reserves, Year End Fund Balance Estimate, Revenues and Expenditures for current FY 2010-11 Budget**

**Estimated Fund Balance (6-30-12)**

Fund Balance (Undesignated)	\$127,200
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Currently the Year-End Balance is estimated to be \$127,200. This may be optimistic and it will be adjusted for the Final Budget based on actual information. The actual Year-End Fund Balance is not available until late July. If fund balance is greater than estimated the excess will be placed in reserves, however, if Fund Balance is lower than \$127,200, it may be necessary to transfer a sufficient amount from reserves to balance the FY 2012-13 budget.

**General Fund Reserves (6-30-11)**

Reserve Balance (7-1-2011)	\$220,933
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Currently, the Commission General Reserve Fund Balance is \$220,933. This amount has been set aside for unanticipated expenditures, revenue shortfalls and/or litigation. These funds cannot be spent without Commission approval. No increase or decrease is anticipated at this time except as described in the Fund Balance section of this report.

**FY 2011-12 Preliminary Proposed Budget**

The attached budget summarizes the FY 2012-13 Preliminary Proposed Budget. No significant changes are proposed for the base budget. Project revenue and project

expenses are based on anticipated projects for FY 2012-13. The project costs are estimates and could change as would the revenue estimates when additional information becomes available.

**Summary of Budget Changes**

**Salary and Benefits**

Salary and Benefits do not include and COLA or equity adjustments pursuant to the County of Sacramento and City of Sacramento Personnel Budget Reports. LAFCo staff is either employees of the County of Sacramento or City of Sacramento. Salary and Benefit adjustments are determined by the respective agencies i.e. either the approval of the Sacramento City Council or County Board of Supervisors. Minor increases represent changes in benefit costs such as medical insurance premiums, retirement contributions, increased employer share of social security taxes, etc.

Estimated Increase: None

**Service and Supply Accounts**

It is estimated that service and supply accounts will *increase* by approximately \$4,700 from last year’s base budget attributable to the following changes in allocated costs and auditing fees shown below.

The following table summarizes the net change from last year’s budget to the proposed budget. The net increase in the Proposed Budget is estimated to be \$4,700 based on current information.

<b>Summary of Budget Changes Between FY 2010-11 and FY 2012-13</b>	
Audit Fees	3,000
Countywide IT Services	200
IT Maintenance	1,400
WAN Network	100
<b>Total Net Increase</b>	<b>\$4,700</b>

**Contract Costs and Revenue**

LAFCo contracts for legal, environmental and surveyor services. All contracts include both reimbursable and non-reimbursable expenses. The reimbursable expenses are related to project and/or applications. The non-reimbursable expenses do not relate to specific projects or applications and reflect the on-going costs of operating an independent LAFCo.

The following contract amounts represent non-reimbursable expenditures. These accounts have not increased in several years and remain the same as previous years. For example, legal expenditures may include charges for legal opinions that may be requested by Commissioners, general legal advice, and information that is needed that is not related to a specific project.

	<u>Non-Project</u>
Legal	\$60,000
Environmental Services	20,000
Surveyor	<u>0</u>
Total Net Cost	\$80,000

### **Contingencies**

The Proposed Budget recommends that \$36,500 be budgeted in contingencies to offset unanticipated expenses or revenue shortfalls that may occur during the budget year. This minimal amount remains unchanged from previous years. If it is not needed it is a savings that contributes to year-end carryover and Fund Balance.

### **Summary of Project Costs and Revenues**

The following table highlights possible projects that may commence in the next fiscal year. The estimated cost of these projects will be entirely offset by revenue. These costs are estimates and could be either higher or lower.

#### **Estimated Project Costs**

City of Elk Grove SOIA	\$70,000
Cordova Hills	30,000
Greenbriar Litigation	40,000
New Projects	60,000
Project Contingency	<u>50,000</u>
<b>Total</b>	<b>\$250,000</b>

#### **Estimated Project Revenue**

Project Fees and Revenue	<u>\$250,000</u>
<b>Total</b>	<b>\$250,000</b>

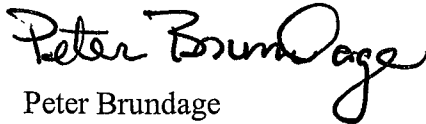
### **Operating Efficiencies**

Staff continues to review overall expenditures and evaluate all cost savings opportunities.

## **Conclusion and Recommendation**

Based on the estimated year-end Fund Balance, the FY 2012-13 Preliminary Proposed Budget is balanced. However, it may be necessary to take money from reserves to offset any Year-End Fund Balance shortfall. Staff recommends that the Commission adopt the FY 2012-13 Proposed Budget.

Respectfully Submitted,

A handwritten signature in black ink that reads "Peter Brundage". The signature is written in a cursive style with a large, looped "P" and "B".

Peter Brundage  
Executive Officer

PB

Attachment

(FY 2012-13 Proposed Budget May, 2012)

**Government Code 56381 - Statutory Funding Formula and Budget Process**

**56381.** (a) The commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and final budget by June 15. At a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the commission finds that reduced staffing or program costs will nevertheless allow the commission to fulfill the purposes and programs of this chapter. The commission shall transmit its proposed and final budgets to the board of supervisors, to each city, and to each independent special district.

(b) After public hearings, consideration of comments, and adoption of a final budget by the commission pursuant to subdivision (a), the auditor shall apportion the net operating expenses of a commission in the following manner:

(1) (A) In counties in which there is city and independent special district representation on the commission, the county, cities, and independent special districts shall each provide a one-third share of the commission's operational costs.

(B) The cities' share shall be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county, or by an alternative method approved by a majority of cities representing the majority of the combined cities' populations.

(C) The independent special districts' share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. Except as provided in subparagraph (D), an independent special district's total revenue shall be calculated for non-enterprise activities as total revenues for general purpose transactions less revenue category aid from other governmental agencies and for enterprise activities as total operating and non-operating revenues less revenue category other governmental agencies, as reported in the most recent edition of the "Special Districts Annual Report" published by the Controller, or by an alternative method approved by a majority of the agencies, representing a majority of their combined populations. For the purposes of fulfilling the requirement of this section, a multicounty independent special district shall be required to pay its apportionment in its principal county. It is the intent of the Legislature that no single district or class or type of district shall bear a disproportionate amount of the district share of costs.

(D) (i) For purposes of apportioning costs to a health care district formed pursuant to Division 23 (commencing with Section 32000) of the Health and Safety Code that operates a hospital, a health care district's share, except as provided in clauses (ii) and (iii), shall be apportioned in proportion to each district's net from operations as reported in the most recent edition of the hospital financial disclosure report form published by the Office of Statewide Health Planning and Development, as a percentage of the combined independent special districts' net operating revenues within a county.

(ii) A health care district for which net from operations is a negative number may not be apportioned any share of the commission's operational costs until the fiscal year following positive net from operations, as reported in the most recent edition of the hospital financial disclosure report form published by the Office of Statewide Health Planning and Development.

(iii) A health care district that has filed and is operating under public entity bankruptcy pursuant to federal bankruptcy law, shall not be apportioned any share of the commission's operational costs until the fiscal year following its discharge from bankruptcy.

(iv) As used in this subparagraph "net from operations" means total operating revenue less total operating expenses.

(E) Notwithstanding the requirements of subparagraph (C), the independent special districts' share may be apportioned by an alternative method approved by a majority of the districts, representing a majority of the combined populations. However, in no event shall an individual district's apportionment exceed the amount that would be calculated pursuant to subparagraphs

(C) and (D), or in excess of 50 percent of the total independent special districts' share, without the consent of that district.

(F) Notwithstanding the requirements of subparagraph (C), no independent special district shall be apportioned a share of more than 50 percent of the total independent special districts' share of the commission's operational costs, without the consent of the district as otherwise provided in this section. In those counties in which a district's share is limited to 50 percent of the total independent special districts' share of the commission's operational costs, the share of the remaining districts shall be increased on a proportional basis so that the total amount for all districts equals the share apportioned by the auditor to independent special districts.

(2) In counties in which there is no independent special district representation on the commission, the county and its cities shall each provide a one-half share of the commission's operational costs. The cities' share shall be apportioned in the manner described in paragraph (1).

(3) In counties in which there are no cities, the county and its special districts shall each provide a one-half share of the commission's operational costs. The independent special districts' share shall be apportioned in the manner described for cities' apportionment in paragraph (1). If there is no independent special district representation on the commission, the county shall pay all of the commission's operational costs.

(4) Instead of determining apportionment pursuant to paragraph (1), (2), or (3), any alternative method of apportionment of the net operating expenses of the commission

may be used if approved by a majority vote of each of the following: the board of supervisors; a majority of the cities representing a majority of the total population of cities in the county; and the independent special districts representing a majority of the combined total population of independent special districts in the county. However, in no event shall an individual district's apportionment exceed the amount that would be calculated pursuant to subparagraphs (C) and (D) of paragraph (1), or in excess of 50 percent of the total independent special districts' share, without the consent of that district.

(c) After apportioning the costs as required in subdivision (b), the auditor shall request payment from the board of supervisors and from each city and each independent special district no later than July 1 of each year for the amount that entity owes and the actual administrative costs incurred by the auditor in apportioning costs and requesting payment from each entity. If the county, a city, or an independent special district does not remit its required payment within 60 days, the commission may determine an appropriate method of collecting the required payment, including a request to the auditor to collect an equivalent amount from the property tax, or any fee or eligible revenue owed to the county, city, or district. The auditor shall provide written notice to the county, city, or district prior to appropriating a share of the property tax or other revenue to the commission for the payment due the commission pursuant to this section. Any expenses incurred by the commission or the auditor in collecting late payments or successfully challenging nonpayment shall be added to the payment owed to the commission. Between the beginning of the fiscal year and the time the auditor receives payment from each affected city and district, the board of supervisors shall transmit funds to the commission sufficient to cover the first two months of the commission's operating expenses as specified by the commission. When the city and district payments are received by the commission, the county's portion of the commission's annual operating expenses shall be credited with funds already received from the county. If, at the end of the fiscal year, the commission has funds in excess of what it needs, the commission may retain those funds and calculate them into the following fiscal year's budget. If, during the fiscal year, the commission is without adequate funds to operate, the board of supervisors may loan the commission funds. The commission shall appropriate sufficient funds in its budget for the subsequent fiscal year to repay the loan.

**56381.6.** (a) Notwithstanding the provisions of Section 56381, for counties whose membership on the commission is established pursuant to Sections 56326, 56326.5, 56327, or 56328, the commission's annual operational costs shall be apportioned among the classes of public agencies that select members on the commission in proportion to the number of members selected by each class. The classes of public agencies that may be represented on the commission are the county, the cities, and independent special districts. Any alternative cost apportionment procedure may be adopted by the commission, subject to a majority affirmative vote of the commission that includes the affirmative vote of at least one of the members selected by the county, one of the members selected by the cities, and one of the members selected by districts, if special districts are represented on the commission.

(b) Allocation of costs among individual cities and independent special districts and remittance of payments shall be in accordance with the procedures of Section 56381. Notwithstanding Section 56381, any city that has permanent membership on the commission pursuant to Sections 56326, 56326.5, 56327, or 56328 shall be apportioned the same percentage of the commission's annual operational costs as its permanent member bears to the total membership of the commission, excluding any public members selected by all the members. The balance of the cities' portion of the commission's annual operational costs shall be apportioned to the remaining cities in the county in accordance with the procedures of Section 56381.



## Sacramento Local Agency Formation Commission

Proposed Budget FY 2012-13 (May, 2012)

### Base Budget with Projects

Acct	Description	Final Budget	Proposed Budget	Change
		11-12	12-13	Increase/(Decrease)
<b>Salary and Benefit Accounts</b>				
1000	Total Salaries & Benefits	480,000	480,000	0
1005	Secretary Part time	42,000	42,000	0
1124	Commission Reimbursement	9,000	9,000	0
1240	Worker's Comp	500	500	0
1250	Unemployment	0	0	0
<b>Total 1000's Account</b>		<b>531,500</b>	<b>531,500</b>	<b>0</b>
<b>Service and Supply Accounts</b>				
2005	Advertising-public notice, meetings etc.	7,500	7,500	0
2022	Periodicals, Books, Subs	2,000	2,000	0
2029	Business & Conf Expenses	12,000	12,000	0
2035	Education/Training	2,200	2,200	0
2039	Employee Transportation	200	200	0
2051	Liability Insurance for Commission	7,000	7,000	0
2061	Membership CaLAFCo Dues	7,250	7,250	0
2076	Office Supplies	8,000	8,000	0
2081	Postage	5,000	5,000	0
2275	Rents/Leases Equipment-Copier	18,000	18,000	0
2505	Accounting/Audit Fees	5,000	8,000	3,000
2531	Legal Costs projects	0	0	0
2531	Legal-General	60,000	60,000	0
2591	Other Professional Services	30,000	30,000	0
2591	Misc Costs	0	0	0
2591	Misc Billable Project	400,000	250,000	(150,000)
2910	County Wide IT Servcies	1,700	1,900	200
2911	System Dev Sve Web & Desktop Suppo	17,000	17,000	0
2912	System Dev Sup Maintence	500	1,900	1,400
2916	WAN Wide Area Network	4,500	4,600	100
2917	Security Alarm Monitoring	0	0	0
2921	Printing Services/Duplication	2,250	2,250	0
2923	GS Messenger Services	0	0	0
2926	GS Stores	1,000	1,000	0
2934	P/W Charges	7,400	7,400	0
2943	Lease Facility Charges	48,500	48,500	0
2987	Telephone	4,000	4,000	0
2990	GS Other Dept Svc	500	500	0
2995	County Allocated Costs	7,500	7,000	(500)
<b>Total 2000's Account</b>		<b>659,000</b>	<b>513,200</b>	<b>(145,800)</b>
7900	Contingency Base	36,500	36,500	0
7901	Contingency Surplus	0	0	0
	General Purpose Reserve	0	0	0
<b>Total Contingency</b>		<b>36,500</b>	<b>36,500</b>	<b>0</b>
<b>Total Appropriations and Contingency</b>		<b>1,227,000</b>	<b>1,081,200</b>	<b>(145,800)</b>
Less: Project Revenue-Variou				
	Revenue Reimbursement-Projects	15,000	15,000	0
	Interest Earnings	400,000	250,000	(150,000)
	Fund Balance/Carryover	5,000	2,500	(2,500)
	Reserve or Fund Balance Betterment-Adjustment	120,500	127,200	6,700
	Assessments from Contributing Agencies	0	0	0
<b>Total Funding</b>		<b>686,500</b>	<b>686,500</b>	<b>0</b>
<b>Estimated Surplus/Shortfall</b>		<b>0</b>	<b>0</b>	<b>0</b>

**RESOLUTION NO. LAFC 2012-05-0502-00-00**

**THE SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

**RESOLUTION APPROVING THE  
FISCAL YEAR 2012-13 PROPOSED BUDGET**

**WHEREAS**, the Sacramento Local Agency Formation Commission has conducted a public hearing on May 2, 2012, during which all additions and deletions amending the Proposed Budget for Fiscal Year 2012-2013 (FY 2012-13) were considered and made.

**WHEREAS**, in accordance with Government Code Section 56381, that the Proposed Budget for FY 2012-13 is hereby adopted in accordance to the following:

(1)	Salaries and Employees Benefits	\$ 9,500
(2)	Services and Supplies	\$1,035 ,500 <sup>1</sup>
(3)	Other Charges	-0-
(4)	Fixed Assets	
	(A) Land	-0-
	(B) Structures and Improvements	-0-
	(C) Equipment	-0-
(5)	Expenditure Transfers	-0-
(6)	Contingencies	\$ 26,500
(7)	Provision for Reserve Increases	\$ <u>0</u>
	<b>TOTAL BUDGET REQUIREMENTS</b>	<b>\$1,081,200</b>
	<b>TOTAL FUNDING</b>	<b>\$1,081,200</b>

**WHEREAS**, the FY 2012-13 Budget is subject to any salary and benefit changes made by the County Board of Supervisors and Sacramento City Council during their budget deliberations. LAFCo contracts with City and County staff. These positions are subject to salary and benefits which are approved by the respective agencies;

**WHEREAS**, that means of financing the expenditures program will be by monies derived from Revenue, Fund Balance Available, and Contributions from Affected Agencies in the amount of \$1,081,200.

**NOW THEREFOR, BE IT RESOLVED** that the Proposed Budget for FY 2012-13 be and is hereby adopted with the listed attachments which show in detail the approved appropriations subject to limitations attached hereto and by reference made a part hereof.

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<sup>1</sup> Includes reimbursement to City and County of Sacramento for Reimbursements of Salary and Benefits for Executive Officer, Assistant Executive Officer and Commission Clerk.

**BE IT FURTHER RESOLVED** that Resolution No. *L AFC 2012-05-0502-00-00* was adopted by the **SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**, on the *2nd day of May 2012* , by the following vote, to wit:

	Motion	2nd	Aye	No	Absent	Abstain
Gay Jones	_____	_____	_____	_____	_____	_____
Susan Peters	_____	_____	_____	_____	_____	_____
Ron Greenwood	_____	_____	_____	_____	_____	_____
Christopher Tooker	_____	_____	_____	_____	_____	_____
Robert Jankovitz	_____	_____	_____	_____	_____	_____
Jimmie Yee	_____	_____	_____	_____	_____	_____
Jay Schenirer	_____	_____	_____	_____	_____	_____

Commission Vote Tally    Aye \_\_\_\_\_ No \_\_\_\_\_ Absent \_\_\_\_\_ Abstain \_\_\_\_\_  
    Passed    Yes \_\_\_\_\_ No \_\_\_\_\_

By:

\_\_\_\_\_  
**Gay Jones, Chair**  
**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**

**ATTEST:**

\_\_\_\_\_  
**Diane Thorpe**  
**Commission Clerk**

## Sacramento Local Agency Formation Commission

Proposed Budget FY 2012-13 (May, 2012)

### Base Budget with Projects

Acct	Description	Final Budget 11-12	Proposed Budget 12-13	Change Increase/(Decrease)
<b>Salary and Benefit Accounts</b>				
1000	Total Salaries & Benefits	0	0	0
1005	Secretary Part time	0	0	0
1124	Commission Reimbursement	9,000	9,000	0
1240	Worker's Comp	500	500	0
1250	Unemployment	0	0	0
<b>Total 1000's Account</b>		<b>9,500</b>	<b>9,500</b>	<b>0</b>
<b>Service and Supply Accounts</b>				
2005	Advertising-public notice, meetings etc.	7,500	7,500	0
2022	Periodicals, Books, Subs	2,000	2,000	0
2029	Business & Conf Expenses	12,000	12,000	0
2035	Education/Training	2,200	2,200	0
2039	Employee Transportation	200	200	0
2051	Liability Insurance for Commission	7,000	7,000	0
2061	Membership CaLAFCo Dues	7,250	7,250	0
2076	Office Supplies	8,000	8,000	0
2081	Postage	5,000	5,000	0
2275	Rents/Leases Equipment-Copier	18,000	18,000	0
2505	Accounting/Audit Fees	5,000	8,000	3,000
2531	Legal Costs projects	0	0	0
2531	Legal-General	60,000	60,000	0
2591	Other Professional Services	30,000	30,000	0
2591	Contract Employee Salary and Benefits	522,000	522,000	0
2591	Misc Billable Project	400,000	250,000	(150,000)
2910	County Wide IT Services	1,700	1,900	200
2911	System Dev Sve Web & Desktop Suppo	17,000	17,000	0
2912	System Dev Sup Maintence	500	1,900	1,400
2916	WAN Wide Area Network	4,500	4,600	100
2917	Security Alarm Monitoring	0	0	0
2921	Printing Services/Duplication	2,250	2,250	0
2923	GS Messenger Services	0	0	0
2926	GS Stores	1,000	1,000	0
2934	P/W Charges	7,400	7,400	0
2943	Lease Facility Charges	48,500	48,500	0
2987	Telephone	4,000	4,000	0
2990	GS Other Dept Svc	500	500	0
2995	County Allocated Costs	7,500	7,000	(500)
<b>Total 2000's Account</b>		<b>1,181,000</b>	<b>1,035,200</b>	<b>(145,800)</b>
7900	Contingency Base	36,500	36,500	0
7901	Contingency Surplus	0	0	0
	General Purpose Reserve	0	0	0
<b>Total Contingency</b>		<b>36,500</b>	<b>36,500</b>	<b>0</b>
<b>Total Appropriations and Contingency</b>		<b>1,227,000</b>	<b>1,081,200</b>	<b>(145,800)</b>
Less: Project Revenue-Variou				
	Revenue Reimbursement-Projects	400,000	250,000	(150,000)
	Interest Earnings	5,000	2,500	(2,500)
	Fund Balance/Carryover	120,500	127,200	6,700
	Reserve or Fund Balance Betterment-Adjustment	0	0	0
	Assessments from Contributing Agencies	686,500	686,500	0
<b>Total Funding</b>		<b>1,227,000</b>	<b>1,081,200</b>	<b>(145,800)</b>
<b>Estimated Surplus/Shortfall</b>		<b>0</b>	<b>0</b>	<b>0</b>

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION**  
**1112 I Street #100**  
**Sacramento, California 95814**  
**(916) 874-6458**

May 2, 2012

TO: Sacramento Local Agency Formation Commission

FROM: Ron Greenwood, Chairman, Special District Advisory Committee

RE: **Special District Advisory Committee - Confirmation of Candidates**

**RECOMMENDATION**

I respectfully recommend confirmation of all seven nominations to this Committee.

**BACKGROUND**

The Special District Advisory Committee was established by our Commission on October 1, 2003. The SDAC consists of a minimum of nine, but no more than seventeen, committee members, including the Alternate, and two Special District Commissioners. It is the intent of our Commission to have a diverse representation of Special Districts on the committee. The committee includes representatives from recreation and parks, fire, water, flood control/reclamation, and other types of Special Districts (SMUD, Resource Conservation, CSD, etc.). Applicants must sit as current Board members on a Special District in Sacramento County, and must be nominated by their respective Board. Committee members will serve with no LAFCo compensation. Each committee member will serve a two-year term. Terms are staggered over a period of two years. Committee members are selected by the SDAC Nominating Committee, and must be confirmed by your Commission.

Information sharing is among the most valued elements of the SDAC. Accomplishments of the SDAC include the development of the Bylaws of the Advisory Committee, formulation of an equitable cost sharing formula for the Special District share of funding for the Commission, enhanced criteria for Special District representation during city-county property tax exchange agreement negotiations, and streamlining of the Special District Commission member selection process.

**CANDIDATES RECOMMENDED FOR CONFIRMATION**

<b>Office A: 1/12-12/13</b>	
<b>Nominations</b>	<b>District</b>
Duane Anderson	Rio Linda Elverta Recreation & Park
Michael Clohossey	Del Paso Manor Water District
Warren Harding	Arden Manor Recreation & Park
Robert Harrison	Fulton-El Camino Recreation & Park
Rich Lozano	Cosumnes Community Services District
Thomas Nelson	Florin Resource Conservation
Rick Sloan	Cordova Recreation & Park

<b>Office B: 1/11-12/12</b>	
<b>Current Member</b>	<b>District</b>
Carolyn Flood	Fair Oaks Cemetery District
Royce Makishima	Arden Park Recreation & Park District
Ted Costa	San Juan Water District
Dan Speer	Wilton Fire Protection District
Rod Brewer	Cosumnes Community Services District
Jerry Pasek	Rancho Murieta Community Services District

**Office C (Commission Appointment Sub-Committee)**

Ron Greenwood (Chair)	Carmichael Water District
Gay Jones	Sacramento Metro Fire District
Jerry Fox	Arcade Creek R&PD