

Local Agency Formation Commission OF KINGS COUNTY

CITY MEMBERS

Sid Palmerin
Justin Mendes
Ray Madrigal, Alternate

COUNTY MEMBERS

Joe Neves - Chair
Doug Verboon – Vice Chair
Richard Valle, Alternate

PUBLIC MEMBERS

Dan Chin
Vernon Costa, Alternate

Greg Gatzka, Executive Officer, (559) 852-2682

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Development Agency at (559) 852- 2680 by 4:00 p.m. on the Monday prior to this meeting.

Agenda backup information and any public records provided to the Commission after the posting of the agenda for this meeting will be available for public review at the Kings County Community Development Agency, 1400 W. Lacey Blvd., Hanford, CA 93230.

AGENDA

**REGULAR MEETING DATE AND TIME:
Wednesday, March 28, 2018 at 3:00 P.M.**

The Local Agency Formation Commission of Kings County Regular Meetings are held in the Board of Supervisors Chambers in the Administration Building (Bldg. No. 1) of the Kings County Government Center located at 1400 West Lacey Blvd., Hanford, CA.

I. CALL MEETING TO ORDER – Chairman

A. Unscheduled Appearances:

Any person may address the Commission on any subject matter within the jurisdiction or responsibility of the Commission at the beginning of the meeting; or may elect to address the Commission on any agenda item at the time the item is called by the Chair, but before the matter is acted upon by the Commission. Unscheduled comments will be limited to five minutes.

B. Approval of February 28, 2018 Minutes (Voice Vote)

II. OLD BUSINESS

None

III. NEW BUSINESS

A. LAFCO Preliminary Budget FY 2018-2019

- 1) Executive Officer's Report
- 2) Set the first Public Hearing for April 25, 2018

IV. LEGISLATION

A. CALAFCO Legislative Committee Positions on Bills

- 1) Executive Officer's Report
- 2) Commission Consideration

V. MISCELLANEOUS

- A. Correspondence –**
- B. Items from the Commission -**
- C. Staff Comments –**

VII. ADJOURNMENT

- A. Next Scheduled Meeting – Regular Meeting Date April 25, 2018 at 3:00 p.m.**

LOCAL AGENCY FORMATION COMMISSION MINUTES

CITY MEMBERS

Sid Palmerin

Justin Mendes

Sid Palmerin - Absent

COUNTY MEMBERS

Joe Neves - Chair

Doug Verboon - Vice Chair

Richard Valle - Absent

PUBLIC MEMBERS

Dan Chin

Vernon Costa - Absent

CALL TO ORDER: A special meeting of the Local Agency Formation Commission of Kings County was called to order by Chairman, Joe Neves, at 3:04 p.m., on February 28, 2018 in the Board of Supervisors Chambers of the Kings County Government Center, located at 1400 W. Lacey Blvd., in Hanford, California.

COMMISSIONERS PRESENT:

Joe Neves, Doug Verboon, Sid Palmerin, Justin Mendes, Dan Chin

COMMISSIONERS ABSENT:

STAFF PRESENT:

Greg Gatzka – Executive Officer, Chuck Kinney – Assistant Executive Officer, Diane Freeman – County Counsel, Terri Yarbrough – Clerk

VISITORS PRESENT:

John Lucio, Patricia Huston, Kelsely Sammra, Joselyn Martinez, Vernon Costa

UNSCHEDULED APPEARANCES: None

ELECTION OF OFFICERS:

A motion was made and seconded (Palmerin/Verboon) to nominate Commissioner Neves for Chairman and to close the nominations. Motion carried unanimously. A motion was made and seconded (Palmerin/Chin) to nominate Commissioner Verboon for Vice-Chairman. Motion carried unanimously.

APPROVAL OF MINUTES:

A motion was made and seconded (Palmerin/Mendes) to approve the minutes of the June 28, 2017 meeting. Motion carried unanimously, with Verboon abstaining.

OLD BUSINESS:

None

NEW BUSINESS

2018 CALAFCO Staff Workshop

Mr. Gatzka requested authorization for Greg Gatzka and Chuck Kinney to attend the CALAFCO Staff Workshop in San Rafael.

A motion was made and seconded (Verboon/Chin) to attend the CALAFCO Staff Workshop in San Rafael. Motion carried unanimously.

Independent Special District Committee Procedure

The four cities and the county Redevelopment Agencies are now required to create a consolidated oversight board to administer Redevelopment assets. The county Redevelopment Agency has

dissolved and distributed all their Redevelopment funds. SB107 requires all oversight boards to be consolidated into one for the entire county and requires a Special District Representative on the Oversight Board. Kings LAFCO doesn't have a special district appointment process and if an appointment is not made by July 15, 2018 the appointing authority will shift to the Governor. Mr. Gatzka also outlined the timeline for the appointment. Chairman Neves asked why Stratford and Kettleman City were not included in the list of eligible Special Districts. Mr. Gatzka stated that the counties Redevelopment area didn't include Stratford, and Kettleman City was dissolved along with Kings County Redevelopment Agency.

A motion was made and seconded (Verboon/Mendes) to approve a Special District Committee Procedure to set a nomination period of May 23, 2018 through April 6 with a voting period from April 16, 2018 through May 18, 2018, and results to be reported back to the LAFCO Commission on May 23, 2018. Motion carried unanimously

LEGISLATION

None

MISCELLANEOUS

- A. **Correspondence** – None
- B. **Items from the Commission** – Commissioners welcomed the new Commissioners, Dan Chin and Vernon Costa.
- C. **Staff Comments** – Mr. Gatzka announced that the preliminary budget will be presented on March 28, 2018 which will be followed by two public hearings. Mr. Gatzka also provided an update on SB 448 which addresses dissolving inactive districts. Chairman Neves asked if a public hearing would be required to dissolve the Special District. Chairman Neves also asked if there was any appeal or protest procedure and if there was any local latitude to add a protest procedure. Diane Freeman said she would research that and report back to the Commission.

ADJOURNMENT – With no further business before the Commission, the meeting was adjourned at 3:24 p.m.

- A. **A meeting is scheduled for December 13, 2017 at 3:00 p.m.**

Respectfully submitted,

**LOCAL AGENCY FORMATION COMMISSION
OF KINGS COUNTY**



Gregory R. Gatzka, Executive Officer

Local Agency Formation Commission OF KINGS COUNTY

Date: March 23, 2018

To: LAFCO Commissioners

From: Greg Gatzka, Executive Officer

Subject: Preliminary LAFCO FY 2018/2019 Budget

Background

LAFCO is required to hold two public hearings prior to adoption of the LAFCO Budget. Historically, the LAFCO Executive Officer has provided a Preliminary LAFCO budget to the Commission in March and requests that the LAFCO Commission set budget hearings for regular meetings in April and May. State law requires that the LAFCO Budget be adopted by the end of May each year.

The Preliminary LAFCO FY Budget for 2018/2019 Budget is provided, but may have a few minor modifications as some Kings County associated costs are still being factored in. The overall budget, however, will be very close to this preliminary estimate. This budget will represent an increase from last year.

Recommend

The Executive Officer recommends that the LAFCO Commission set the first Public Hearing for the LAFCO FY 2018/2019 Budget on April 25, 2018 and direct staff to send notice to the county and each city.

LOCAL AGENCY FORMATION COMMISSION OF KINGS CO.

UNIT NUMBER:	280000
UNIT TITLE:	LAFCO
FUNCTION:	Pub. Safety
ACTIVITY:	Other Protect.

Fiscal Year 2018-2019

Department: Local Agency Formation Commission of Kings County (LAFCO)

Run date:

ACCOUNT DESCRIPTION	ACCT. NO.	Budget 17-18	To Date 3/2/18	Difference 3/2/18	% of Bud. Expended to Date	3/2/18 Estimated 17-18	DEPT. REQ'T 2018-2019	Change 17-18 to 18-19	% Change 17-18 to 18-19
SALARIES & BENEFITS:									
Regular Employees	82-1010	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Extra Help	82-1020	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Overtime	82-1030	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
O.A.S.D.I.	82-1100	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Retirement	82-1110	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Health Insurance	82-1120	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Unemployment Insurance	82-1122	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Insurance-Work Comp.	82-1123	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Management Benefits	82-1140	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ 0	N/A
TOTAL LABOR:		\$ -	\$ -	\$ -	N/A	\$ -	\$ 0	\$ 0	N/A

SERVICES & SUPPLIES:									
ACCOUNT DESCRIPTION	ACCT. NO.	Budget 17-18	To Date 3/2/18	Difference 3/2/18	% of Bud. Expended to Date	3/2/18 Estimated 17-18	DEPT. REQ'T 2018-2019	Change 17-18 to 18-19	% Change 17-18 to 18-19
Communications	82-212000	\$ 80	\$ 43	\$ 37	54.30%	\$ 65	\$ 80	\$ -	0.00%
Memberships	82-220000	\$ 2,726	\$ 2,726	\$ -	100.00%	\$ 2,726	\$ 2,805	\$ 79	2.90%
Office Expenses	82-222000	\$ 250	\$ 26	\$ 224	10.46%	\$ 39	\$ 250	\$ -	0.00%
Record Storage Charges	82-222015	\$ 333	\$ 259	\$ 74	77.78%	\$ 316	\$ 444	\$ 111	33.33%
Postage & Freight	82-222030	\$ 163	\$ 28	\$ 135	17.18%	\$ 400	\$ 75	\$ (88)	-53.99%
Offset Printing/Stores	82-222040	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	#DIV/0!
Legal Expenses	82-223005	\$ 3,500	\$ 3,156	\$ 344	90.16%	\$ 4,721	\$ 8,000	\$ 4,500	128.57%
Publ. and Legal Notices	82-224000	\$ 360	\$ -	\$ 360	0.00%	\$ -	\$ 360	\$ -	0.00%
Rents & Leases - Equipment	82-225000	\$ 1,085	\$ 582	\$ 503	53.66%	\$ 871	\$ 996	\$ (89)	-8.20%
Rents & Leases - Computer	82-225015	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ 251	\$ 251	#DIV/0!
Purchasing Charges	82-228200	\$ 68	\$ 36	\$ 32	53.21%	\$ 54	\$ 97	\$ 29	42.65%
Bd. & Comm. Mem. Expenses	82-228205	\$ 3,064	\$ 140	\$ 2,924	4.57%	\$ 209	\$ 3,064	\$ -	0.00%
Consultant Expense	82-223060	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	0.00%
CAP Charges	82-314060	\$ 2,956	\$ 1,478	\$ 1,478	50.00%	\$ 2,211	\$ (2,921)	\$ (5,877)	-198.82%
In-Service Training	82-228465	\$ 1,700	\$ 1,170	\$ 530	68.82%	\$ 1,750	\$ 1,700	\$ -	0.00%
Motor Pool Serv.	82-229000	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A
Travel & Expenses	82-229010	\$ 5,000	\$ 930	\$ 4,070	18.60%	\$ 1,391	\$ 5,000	\$ -	0.00%
Utilities	82-230000	\$ 550	\$ 257	\$ 293	46.68%	\$ 384	\$ 550	\$ -	0.00%
Administrative Allocation	82-314000	\$ 39,286	\$ 21,273	\$ 18,013	54.15%	\$ 31,822	\$ 44,744	\$ 5,458	13.89%
Information Tech Services	82-314050	\$ 1,702	\$ -	\$ 1,702	0.00%	\$ -	\$ 1,734	\$ 32	
Utility Bond	82-8100010	\$ 451	\$ 209	\$ 242	46.28%	\$ 312	\$ 441	\$ (10)	-2.22%
TOTAL SERV/SUPP:		\$ 63,274	\$ 32,313	\$ 30,961	51.07%	\$ 47,272	\$ 67,670	\$ 4,396	6.95%

REVENUE:									
ACCOUNT DESCRIPTION	ACCT. NO.	Budget 17-18	To Date 3/2/18	Difference 3/2/18	% of Bud. Expended to Date	3/2/18 Estimated 17-18	DEPT. REQ'T 2018-2019	Change 17-18 to 18-19	% Change 17-18 to 18-19
INTERGOV'T REVENUE									
Cities-LAFCO Shares	81-540012	\$ 29,887	\$ (9,243)	\$ (39,130)	-30.93%	\$ (13,827)	\$ 32,335	\$ 2,448	8.19%
CHARGES FOR SERVICES									
LAFCO Fees	816352	\$ 3,000	\$ 1,000	\$ (2,000)	33.33%	\$ 1,496	\$ 3,000	\$ -	0.00%
LAFCO MSR/SOI Fees		\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	0.00%
TOTAL REVENUE:		\$ 32,887	\$ (8,243)	\$ (41,130)	-25.06%	\$ (12,331)	\$ 35,335	\$ 2,448	7.4%

TOTALS									
ACCOUNT DESCRIPTION	ACCT. NO.	Budget 17-18	To Date 3/2/18	Difference 3/2/18	% of Bud. Expended to Date	3/2/18 Estimated 17-18	DEPT. REQ'T 2018-2019	Change 17-18 to 18-19	% Change 17-18 to 18-19
SALARIES & BENEFITS:		\$ -	\$ -	\$ -	N/A	\$ -	\$ 0	\$ 0	N/A
SERVICES & SUPPLIES:		\$ 63,274	\$ 25,470	\$ 37,804	51.07%	\$ 47,272	\$ 67,670	\$ 4,396	6.95%
FIXED ASSETS:	824500	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0.00%
GROSS EXPENDITURES:		\$ 63,274	\$ 25,470	\$ 37,804	40.25%	\$ 47,272	\$ 67,670	\$ 4,396	6.95%
REVENUE:		\$ 32,887	\$ (8,243)	\$ 41,130	-25.06%	\$ (12,331)	\$ 35,335	\$ 2,448	7.44%
COST APPLIED:	825380	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0.00%
GEN. FUND CONTRIBUTION:		\$ (30,387)	\$ (33,713)	\$ 3,326	110.95%	\$ (59,603)	\$ (32,335)	\$ (1,948)	6.41%

Local Agency Formation Commission OF KINGS COUNTY

Date: March 23, 2018

To: LAFCO Commissioners

From: Greg Gatzka, Executive Officer

Subject: CALAFCO Legislative Committee Request

Background

CALAFCO annually establishes a Legislative Committee to review, lend input and at times sponsor legislative bills. On March 22, 2018, the CALAFCO Legislative Committee forwarded the following requests for letters of support on:

AB 2600 (Flora) – CALAFCO Strong Support. This bill adds the option for local governments to adopt a resolution of application in lieu of the 5,000 signature petition to initiate the formation of a Regional Park & Open Space District. It leaves the LAFCO process intact. Eliminates the need for special legislation to form these districts in the future. The CALAFCO letter regarding AB 2600 requesting support is attached.

AB 2491 (Cooley) – CALAFCO Support. This bill (sponsored by the League of California Cities) seeks to reinstate VLF funding (through ERAF which will be backfilled by the general fund) for future city incorporations. The CALAFCO letter regarding AB 2491 requesting support is attached.

Recommend

The Executive Officer recommends that the LAFCO Commission consider the request from CALAFCO.

March 20, 2018

Assembly Member Heath Flora
California State Assembly
State Capitol, Room 3098
Sacramento, CA 95814

RE: **SUPPORT FOR AB 2600**: Regional Park and Open Space Districts

Dear Assembly Member Flora:

The California Association of Local Agency Formation Commission (CALAFCO) supports **Assembly Bill 2600**, which allows the initiation of Regional Park and Open Space Districts to occur by resolution of the City Councils and Board of Supervisors within the proposed district.

Current law only allows the initiation to occur by a petition of 5,000 or more voters. This restrictive initiation requirement is an antiquated feature of the Open Space District law which was passed in 1939 and has not undergone a comprehensive update since. The petition requirement increases the cost and time for proponents to initiate Regional Park and Open Space District formation proposals. The principal acts for a variety of special districts allow initiation by either petition or local agency resolution, including Cemetery Districts, Community Service Districts, Fire Protection Districts, Mosquito and Vector Abatement Districts, and Parks and Recreation Districts.

The proponents of the last eleven proposals for Regional Park and Open Space Districts have sought special enabling acts from the Legislature. A principal act should allow district initiations without the need for special enabling acts.

CALAFCO supports the availability of a more streamlined and less costly initiation process for Regional Park and Open Space Districts. Adding the option for local governments to adopt a resolution of application in lieu of the 5,000 signature petition is a much more streamlined way to initiate the formation process. Further, keeping the LAFCo application process intact also allows for the appropriate detailed review to ensure the efficient and sustainable provision of services.

For these reasons, we are pleased to support **AB 2600** and thank you for authoring this important piece of legislation.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Pamela Miller".

Pamela Miller
Executive Director

cc: Members, Assembly Local Government Committee
Misa Lennox, Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus

March 20, 2018

Assembly Member Ken Cooley
California State Assembly
State Capital Room 3013
Sacramento, CA 95814

Subject: **Support of AB 2491**

Dear Assembly Member Cooley:

The California Association of Local Agency Formation Commissions (CALAFCO) is pleased to support **Assembly Bill AB 2491**, which would assist the fiscal viability of future city incorporations that meet all other state requirements.

CALAFCO 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. For the past seven years, no new cities have formed. Given the growing population in our state and the need for orderly growth and adequate service provision, this policy issue needs to be addressed.

AB 2491 by no means guarantees that a community wishing to incorporate will become a city. In order to incorporate, local communities have to overcome many hurdles, including compliance with state Local Agency Formation Commission (LAFCo) policies, negotiations with counties, and ultimately a public vote. This bill simply gives communities considering incorporation the same opportunity to incorporate that other California cities have previously had.

In 2017, the Legislature addressed the financial harm caused by SB 89 (2011) to four recently incorporated cities via the passage of SB 130 (Budget). SB 130 provides the legislature a template to address the fiscal viability of future incorporation. **AB 2491** adopts the template provided by SB 130 and extends the fix to future incorporations. The state budget conditions have vastly improved since 2011 and the fiscal challenges of the four recently incorporated cities have finally been addressed with the passage of SB 130. **AB 2491** provides the same option for any future incorporations.

Reinstating revenues for incorporations is consistent with the CALAFCO legislative policy of providing communities with local governance and efficient service delivery options, including the ability to incorporate. The inability to do so creates a tremendous detriment to the creation of logical development boundaries and to the prevention of urban sprawl. Because **AB 2491** reinstates a critical funding component to cities incorporating after 2017, CALAFCO supports this bill.

March 20, 2018
Assembly Member Ken Cooley
RE: AB 2491 Support
Page 2

Thank you for carrying this important legislation. We look forward to working with you in support of this measure. Please do not hesitate to contact me with any questions you may have on our position.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pamela Miller".

Pamela Miller
Executive Director

Cc: Chair and Members, Assembly Local Government Committee
Misa Lennox, Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus

Restoring Property Tax in Lieu of VLF for New Cities: An Explainer

- Prior to the VLF Swap of 2004**, Vehicle License Fee (VLF) revenues were collected and allocated statewide among cities and counties. After special allocations and allocations to counties, the city share of statewide VLF was allocated according to the population of each city (i.e. per capita).

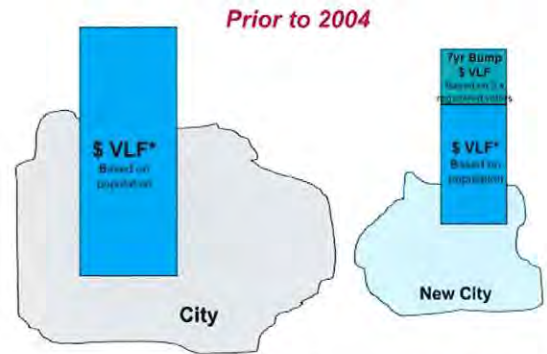
Base VLF. When a new city incorporated, that new city, like all other cities, would receive an amount based on its population.

Bump. The new city also received an additional amount for its first seven years only. This amount, called the "bump" was based on the difference between three times the number of registered voters in the city on the date of incorporation and the actual population.

Thus:

- As the city grew, the difference between three-times-registered voters (on date of incorporation) and actual population would decline and
- A new city with a large proportion of registered voters would receive a larger annual bump. These bumps varied substantially.

Vehicle Lic Fee \$ Allocation

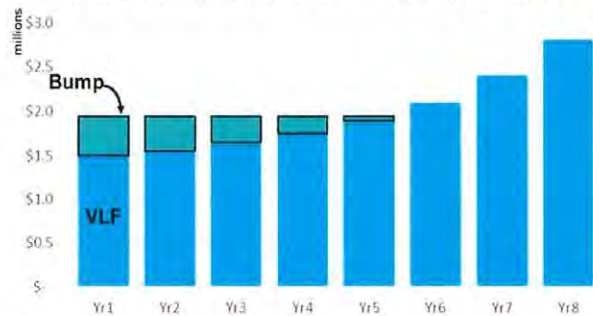


*includes backfill from state general fund for VLF tax cut

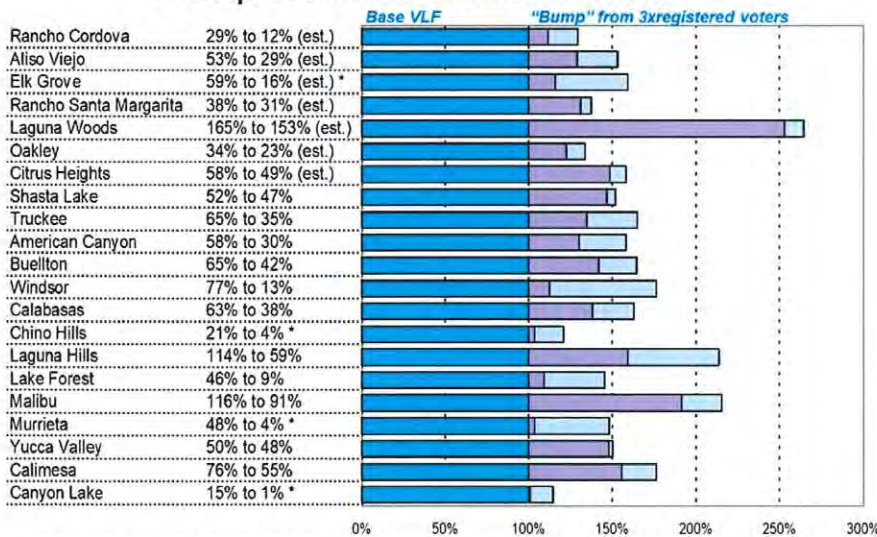
New City Bump

Prior to 2004 VLF Swap

3 x registered voters vs actual population



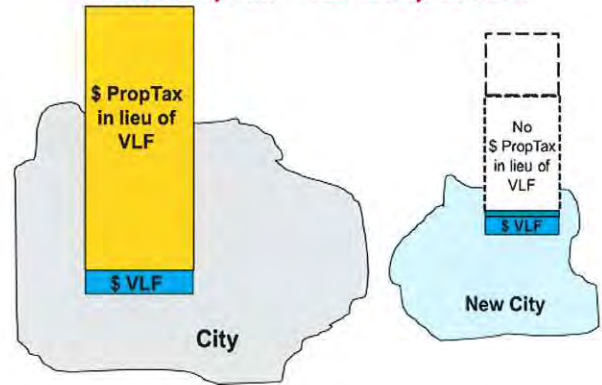
Bump for New Cities Varied



*City population exceeded 3x registered voters at time of incorporation before 7 years.

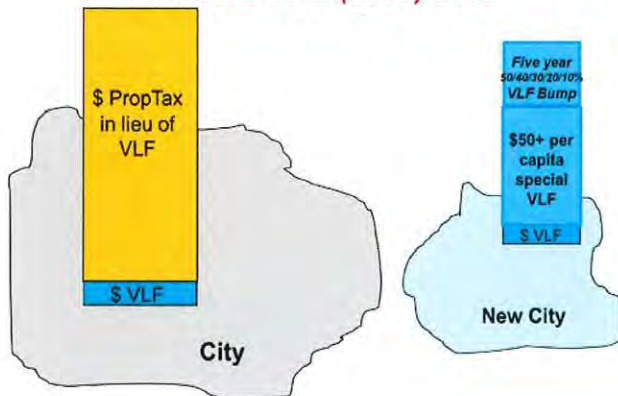
- The VLF Swap of 2004** contained no provisions to establish a Property-Tax-in-Lieu-of-VLF amount (referred to in statute as a “VLF Adjustment Amount” in statute) for a new city. As a result, after the 2004 swap a new city incorporation was only entitled to receive an amount from the remaining city VLF, less than 1/10 of what the pre-2004 VLF provided.

Vehicle Lic Fee \$ Allocation With PropTax – VLF Swap of 2004



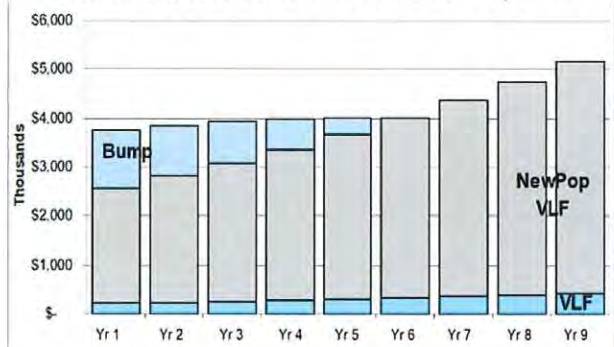
- AB1602 (Laird)**, signed into law in 2006, provided a special allocation from the remaining city VLF to compensate for the lack of Property-Tax-in-Lieu-of-VLF for new incorporations. AB1602 also contained a bump, but for uniformity and simplicity, the bump was designed as an additional 50%, 40%, 30%, etc. of actual population for the first five years (i.e. *not* registered voters).

Vehicle Lic Fee \$ Allocation With AB1602 (Laird) 2006



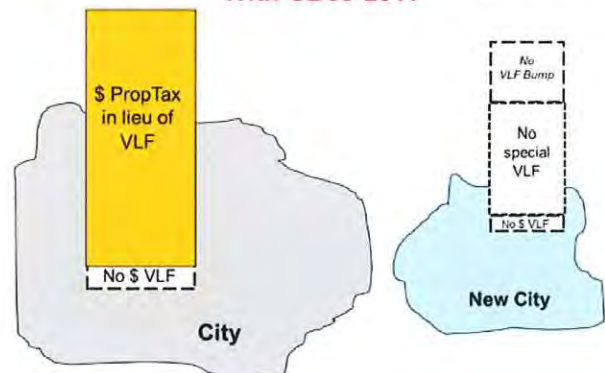
AB1602 Five Year “Bump”

50%, 40%, 30%, 20%, 10% of Actual Population



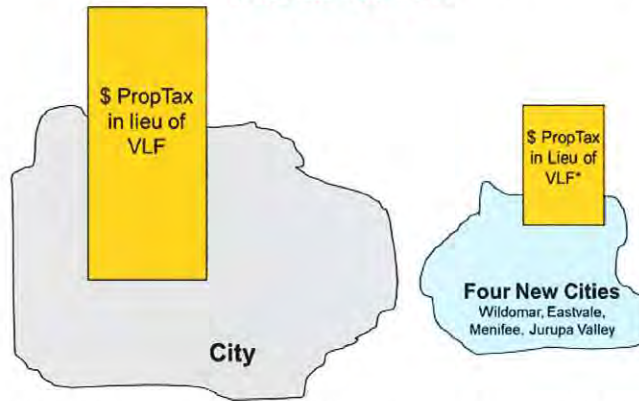
- SB89 of 2011** wiped out the remaining city VLF and with it, the special allocations to new cities. SB89 took city VLF revenues to fund programs previously paid from the state general fund.

Vehicle Lic Fee \$ Allocation With SB89 2011



5. **SB130 of 2017** established Property-Tax-In-Lieu-of-VLF amounts for the four new cities that had incorporated under AB1602, restoring the massive revenue losses these cities suffered under SB89.

Vehicle Lic Fee \$ Allocation *With SB130 2017*



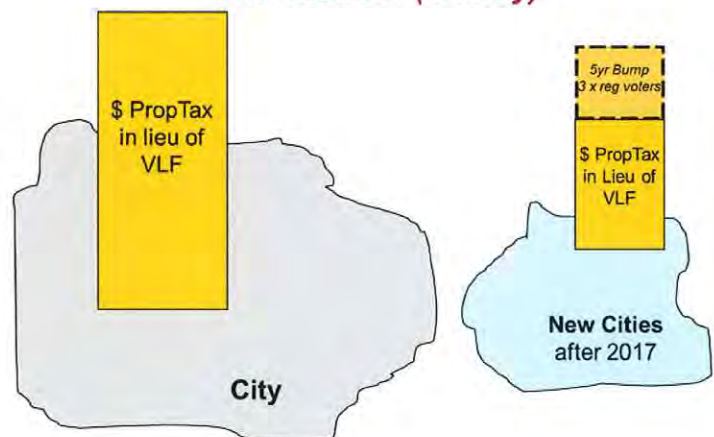
*When SB130 was signed in 2017, these cities were beyond their 5 year bump periods.

6. **AB2491 (Cooley)** would establish a Property-Tax-In-Lieu-of-VLF amount a new city incorporating after 2017. The bill also provides a “bump” for the first five years based on the difference between 3 x registered voters (on the date of incorporation) and actual population.

AB2491 (Cooley) adds a new section to the Revenue and Taxation code which mirrors the formula for Property Tax in Lieu of VLF for a new city established in SB130(2017). The bill:

- a) Establishes a VLFAA for the city’s first year of incorporation proportionate to the VLFAA amounts of other cities in the county relative to population.
- b) Provides that, in subsequent years, the VLFAA grows by the amount of AV growth in the city, just like all other cities and counties.

Vehicle Lic Fee \$ Allocation *With SB2491 (Cooley)*



7. **Formulas in AB2491 (Cooley)** mirror the formulas established in SB130.

First Year VLFAA Formula. The city's first year VLFAA is established proportionate to other city VLFAAs in the county with the following formula:

$$V_{c1} = V_{all} \times P_c \div P_{all}$$

... where:

V_{c1} = the city's first year VLFAA

V_{all} = sum of VLFAAs of all other cities in county

P_c = population of the city in its first year

P_{all} = sum of populations of all other cities in county

Subsequent Years VLFAA Formula. Just as in other cities, the city's VLFAA will grow annually with AV.

$$V_c = V_p + (V_p \times \%change\ from\ AV_p\ to\ AV_c)$$

... where:

V_c = the city's VLFAA in years after first year

V_p = city's VLFAA in prior year

AV_p = city's AV in prior year

AV_c = city's AV in current year

VLFAA Bump Formula. The bill provides a bump, additional revenue in each of the first five years of incorporation as follows:

$$B_c = V_{c1} \times (3XR - P) \div P$$

... where:

B_c = the city's additional VLFAA "bump"

V_{c1} = city's first year VLFAA

R = registered voters in the city on the day of incorporation

P = current year population of the city