

Local Agency Formation Commission OF KINGS COUNTY

CITY MEMBERS

Jim Wadsworth, Vice-Chair
John Gordon
Harlin Casida, Alternate

COUNTY MEMBERS

Joe Neves, Chair
Tony Barba
Doug Verboon, Alternate

PUBLIC MEMBERS

Paul Thompson
Vacant, 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 Planning 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, May 28, 2014 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 April 30, 2014 Minutes (Voice Vote)

II. OLD BUSINESS

A. LAFCO Budget FY 2014-2015

- a) Executive Officer's Report
- b) Continue Public Hearing
- c) Consider Adoption of FY 2014/2015 Budget

III. NEW BUSINESS

None

IV. LEGISLATION

None

V. MISCELLANEOUS

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

VII. ADJOURNMENT

- A. Next Scheduled Meeting – Regular Meeting Date June 25, 2014 at 3:00 p.m.

LOCAL AGENCY FORMATION COMMISSION MINUTES

CITY MEMBERS

Jim Wadsworth – Vice Chair
Bill Woolley
John Gordon - Alternate

COUNTY MEMBERS

Joe Neves – Chair
Tony Barba
Doug Verboon - Alternate

PUBLIC MEMBERS

Paul Thompson
Vacant - Alternate

CALL TO ORDER: A special meeting of the Local Agency Formation Commission of Kings County was called to order by the Chairman, Joe Neves, at 3:00 p.m., on April 30, 2014 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, Tony Barba, Paul Thompson, John Gordon

COMMISSIONERS ABSENT:

Jim Wadsworth

STAFF PRESENT:

Greg Gatzka – Executive Officer, Chuck Kinney – Assistant Executive Officer, Terri Yarbrough – Clerk, Erik Kaeding – Counsel

VISITORS PRESENT:

UNSCHEDULED APPEARANCES: No one spoke during this portion of the meeting.

APPROVAL OF MINUTES:

A motion was made and seconded (Barba/Gordon) to approve the minutes of the March 26, 2014 meeting. Motion carried unanimously with Wadsworth absent.

OLD BUSINESS:

None

NEW BUSINESS

LAFCO Budget FY 2014-2015

Mr. Gatzka presented the proposed budget for the fiscal year 2014/2015 and stated there was one minor change to the CAP charges from the draft budget presented on March 26, 2014.

Chairman Neves opened the public Hearing and asked if there was anyone wanting to testify regarding the proposed budget. Seeing none, he continued the Public Hearing until May 21, 2014 with action to be taken at that meeting. Commissioner Gordon asked if the cities received a copy of the budget. Mr. Gatzka confirmed that the budget was mailed to each of the city clerks.

LEGISLATION

Mr. Kinney provided a handout listing the bills that are being watched by CALAFCO.

MISCELLANEOUS

A. Correspondence – None

- B. Items from the Commission** – Chairman Neves reported that population estimates were released from the Department of Finance and that there was a 1.22% reduction in Kings County population. The reduction was mainly at the Avenal and Corcoran prisons due to the prison realignment.
- C. Staff Comments** –Mr. Gatzka, Mr. Kinney, and Mr. Kaeding gave a brief report on the CALAFCO conference.

ADJOURNMENT – With no further business before the Commission, the meeting was adjourned at 3:16 p.m.

- A. A meeting is scheduled for May 21, 2014 at 3:00 p.m.**

Note: After the adjournment it was noted that the agenda incorrectly stated the next scheduled meeting and continuation of the Public Hearing was May 21, 2014. The Executive Director clarified that the next regular scheduled meeting and continuation of the Public Hearing would be May 28, 2014, not May 21, 2014, and that a correcting notice would be sent out to all those receiving agendas.

Respectfully submitted,

**LOCAL AGENCY FORMATION COMMISSION
OF KINGS COUNTY**



Gregory R. Gatzka, Executive Officer

Local Agency Formation Commission OF KINGS COUNTY

MAILING ADDRESS:
1400 W. LACEY BLVD. BLDG 6, HANFORD, CA 93230
(559) 582-3211, EXT. 2670, FAX: (559) 584-8989

TO: LAFCO Commissioners
FROM: Greg Gatzka, Executive Officer
DATE: May 28, 2014
SUBJECT: 2014-2015 Final Draft Budget

I. INTRODUCTION:

Attached is the final draft budget recommended by the Executive Officer for Fiscal Year 2014-2015. This proposed Budget was introduced to the Commission on April 30, 2014 and there has been a minor increase to reflect an adjustment made to overhead costs.

The requested budget of \$51,542 is \$5,130 less than last year's request, a 9.05% decrease. The requested amount covers LAFCO's general activities as required by Assembly Bill 2838, the Cortese – Knox – Hertzberg Act, and continued involvement with CALAFCO to keep current on legislative and procedural changes. The difference in the budget is due primarily to a decrease in Administrative Allocation expenses related to LAFCo staff, as additional training time consideration was added to the FY budget last year. The staff related cost reduction is \$6,925 from last year.

II. Overview of Budget Process

California Government Code Section 56381(a) states, "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's budget is based on a July 1st to June 30th fiscal year. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides that the operational costs of LAFCo shall be shared one-half by the County and one-half by cities where only the County and cities are represented on the Commission. In the event that special districts choose to be represented on the Commission, LAFCo funding would then be shared one-third by the County, cities, and the special districts or by an alternative method approved pursuant to section 56381(b)(4) of the California Government Code.

The LAFCo budget is also augmented by fees established by the Commission in accordance with section 56383 of the California Government Code for services rendered to process applications for annexations, reorganizations, and detachments, as well as other LAFCo actions.

III. LAFCO 2013-2014 FISCAL YEAR OBJECTIVES

The primary objectives for the 2014-2015 Fiscal Year Budget will center on continued training for LAFCO staff and counsel on operational procedures and processes, timely processing of reorganization and sphere of influence amendment applications, processing of all spheres of influence amendments for the cities, communities, and special districts in Kings County and prepare resources for the next required update. Staff will also review and assist Cities and Districts with the preparation of detailed MSRs for any Sphere of Influence Amendment application submitted to LAFCO to ensure compliance with Government Code Section 56430. As LAFCO staff is often relied upon by Cities to advise their prospective development applicants on annexation processes, staff needs to remain current on LAFCO processes, procedures, issues and implementation strategies. Continuing Legislative changes to LAFCO processes and procedures also necessitates staff's need for continual update through CALAFCO legislative review activities. LAFCO staff has remained actively involved with CALAFCO workshops and other training venues to fulfill that need. The two annual CALAFCO training events are organized by LAFCO volunteers to keep all LAFCOs current on issues and implementation strategies.

IV. SUMMARY OF RECOMMENDATION:

The recommended draft budget for FY 2014-2015 will require a budget of approximately \$51,542. After applying the estimated \$3,000 in fee revenue, the County's share is \$24,271. The Cities share is also \$24,271. An estimated summary of individual City shares based on population (not including prison populations) is provided in the chart below. The Executive Officer recommends that the Commission continue the public hearing from April 30, 2014 to receive public comment and testimony on the proposed LAFCO Budget, and then consider adoption of LAFCO Resolution No. 14-01 which authorizes the FY 2014/2015 Budget. A copy of the detailed line item Budget for the proposed LAFCO Expenditures and Revenues is attached.

**2010 City/County Population Percentages for LAFCO Budget
May 19, 2014**

County/City	Population 4/1/2010	Percentage of Population	City Share Percentage	LAFCO Cost
KINGS COUNTY POP.	152982			
AVENAL	9083	5.94%	9.06%	\$2,198.95
CORCORAN	12697	8.30%	12.66%	\$3,072.71
HANFORD	53967	35.28%	53.82%	\$13,062.65
LEMOORE	24531	16.04%	24.46%	\$5,936.69
CITY SUB TOTAL	100278	65.55%	100.00%	\$24,271.00
Prison Population	18538	12.12%		
Federal Territories	7799	5.10%		
UNINCORPORATED	26367	17.24%		\$24,271.00
		100.00%		\$48,542.00

Prepared by: LAFCO of Kings County, May 19, 2014

LOCAL AGENCY FORMATION COMMISSION OF KINGS CO.

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

Fiscal Year 2014-2015

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

Run date:

ACCOUNT DESCRIPTION	ACCT. NO.	Budget 13-14	To Date 3/14/14	Difference 3/14/14	% of Bud. Expended to Date	3/14/14 Estimated 14-15	DEPT. REQ'T 2014-15	Change 13-14 to 14-15	% Change 13-14 to 14-15
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 13-14	To Date 3/14/14	Difference 3/14/14	% of Bud. Expended to Date	3/14/14 Estimated 14-15	DEPT. REQ'T 2014-15	Change 13-14 to 14-15	% Change 13-14 to 14-15
Communications	82-212000	\$ 60	\$ 35	\$ 25	58.35%	\$ 50	\$ 60	\$ -	0.00%
Memberships	82-220000	\$ 2,300	\$ 2,300	\$ -	100.00%	\$ 2,300	\$ 2,335	\$ 35	1.52%
Office Expenses	82-222000	\$ 1,000	\$ 1	\$ 999	0.10%	\$ 1	\$ 200	\$ (800)	-80.00%
Record Storage Charges	82-222015	\$ 315	\$ 210	\$ 105	66.75%	\$ 316	\$ 315	\$ -	0.00%
Postage & Freight	82-222030	\$ 106	\$ 369	\$ (263)	347.91%	\$ 400	\$ 400	\$ 294	277.36%
Offset Printing/Stores	82-222040	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	#DIV/0!
Legal Expenses	82-223005	\$ 1,000	\$ 27	\$ 973	2.67%	\$ 38	\$ 1,000	\$ -	0.00%
Publi. and Legal Notices	82-224000	\$ 360	\$ 160	\$ 200	44.55%	\$ 229	\$ 360	\$ -	0.00%
Rents & Leases - Equipment	82-225000	\$ -	\$ 664	\$ (664)	#DIV/0!	\$ 947	\$ 1,000	\$ 1,000	#DIV/0!
Rents & Leases - Computer	82-225015	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	#DIV/0!
Purchasing Charges	82-228200	\$ 57	\$ 40	\$ 17	70.00%	\$ 57	\$ 62	\$ 5	8.77%
Bd. & Comm. Mem. Expenses	82-228205	\$ 2,780	\$ 644	\$ 2,136	23.18%	\$ 919	\$ 2,780	\$ -	0.00%
Consultant Expense	82-223060	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	0.00%
Info Tech Services	82-314050	\$ 1,828	\$ 1,828	\$ -	100.00%	\$ 2,606	\$ 1,828	\$ (0)	-0.01%
CAP Charges	82-314060	\$ 460	\$ 230	\$ 230	50.00%	\$ 328	\$ 578	\$ 118	25.65%
In-Service Training	82-228465	\$ 1,100	\$ 453	\$ 647	41.18%	\$ 646	\$ 1,400	\$ 300	27.27%
Motor Pool Serv.	82-229000	\$ -	\$ -	\$ -	N/A	\$ -	\$ -	\$ -	N/A
Travel & Expenses	82-229010	\$ 3,130	\$ 447	\$ 2,683	14.29%	\$ 638	\$ 4,000	\$ 870	27.80%
Utilities	82-230000	\$ 827	\$ 531	\$ 296	64.17%	\$ 757	\$ 800	\$ (27)	-3.26%
Administrative Allocation	82-314000	\$ 41,349	\$ 21,243	\$ 20,106	51.38%	\$ 30,288	\$ 34,424	\$ (6,925)	-16.75%
TOTAL SERV/SUPP:		\$ 56,672	\$ 29,183	\$ 27,489	51.49%	\$ 40,519	\$ 51,542	\$ (5,130)	-9.05%

REVENUE:									
ACCOUNT DESCRIPTION	ACCT. NO.	Budget 13-14	To Date 3/14/14	Difference 3/14/14	% of Bud. Expended to Date	3/14/14 Estimated 14-15	DEPT. REQ'T 2014-15	Change 13-14 to 14-15	% Change 13-14 to 14-15
INTERGOV'T REVENUE									
Cities-LAFCO Shares	81-540012	\$ 26,836	\$ -	\$ (26,836)	0.00%	\$ -	\$ 24,271	\$ (2,565)	-9.56%
CHARGES FOR SERVICES									
LAFCO Fees	816352	\$ 3,000	\$ 2,080	\$ (920)	69.33%	\$ 2,966	\$ 3,000	\$ -	0.00%
LAFCO MSR/SOI Fees		\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	0.00%
TOTAL REVENUE:		\$ 29,836	\$ 2,080	\$ (27,756)	6.97%	\$ 2,966	\$ 27,271	\$ (2,565)	-8.6%

TOTALS									
ACCOUNT DESCRIPTION	ACCT. NO.	Budget 13-14	To Date 3/14/14	Difference 3/14/14	% of Bud. Expended to Date	3/14/14 Estimated 14-15	DEPT. REQ'T 2014-15	Change 13-14 to 14-15	% Change 13-14 to 14-15
SALARIES & BENEFITS:		\$ -	\$ -	\$ -	N/A	\$ -	\$ 0	\$ 0	N/A
SERVICES & SUPPLIES:		\$ 56,672	\$ 29,183	\$ 27,489	51.49%	\$ 40,519	\$ 51,542	\$ (5,130)	-9.05%
FIXED ASSETS:	824500	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0.00%
GROSS EXPENDITURES:		\$ 56,672	\$ 29,183	\$ 27,489	51.49%	\$ 40,519	\$ 51,542	\$ (5,130)	-9.05%
REVENUE:		\$ 29,836	\$ 2,080	\$ 27,756	6.97%	\$ 2,966	\$ 27,271	\$ (2,565)	-8.60%
COST APPLIED:	825380	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0.00%
GEN. FUND CONTRIBUTION:		\$ (26,836)	\$ (27,103)	\$ 267	100.99%	\$ (37,554)	\$ (24,271)	\$ 2,565	-9.56%

BEFORE THE KINGS LAFCO COMMISSION
COUNTY OF KINGS, STATE OF CALIFORNIA

IN THE MATTER OF ADOPTING
A FINAL BUDGET FOR FISCAL
YEAR 2014-2015 _____/

RESOLUTION NO. 14-01

WHEREAS, Section 56381(a) of the Government Code requires that each Local Agency Formation Commission (LAFCO) within the State of California adopt annually, following noticed public hearings, a Proposed Budget by May 1 and a Final Budget by June 15; and

WHEREAS, the Kings Local Agency Formation Commission desires to provide for a budget to fulfill its purposes and functions as set forth by State law; and

WHEREAS, the Commission considered a Proposed Budget for Fiscal Year 2014-2015, at a duly noticed public hearing on April 30, 2014; and

WHEREAS, the Proposed Budget was distributed to the Board of Supervisors and to each city for review and comments; and

WHEREAS, the Commission received no comments regarding the Adopted Proposed Budget; and

WHEREAS, the Commission has determined that the Final Budget for Fiscal Year 2014-2015 which includes reduced staffing and program costs, relative to those budgeted for in Fiscal Year 2013-2014, shall be sufficient to allow the Commission to fulfill its essential purposes and programs set forth in the Cortese-Knox-Hertzberg Act, and more specifically Government Code section 56375, *et seq.*; and

WHEREAS, the Commission held a noticed public hearing on May 28, 2014, to consider the adoption of a Final Budget for Fiscal Year 2014-2015.

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. The Kings Local Agency Formation Commission hereby adopts the Final Budget for Fiscal Year 2014-2015 in the amount of \$51,542, in accordance with Government Code Section 56381(a); as shown on Exhibit 1, attached hereto.

2. The Kings Local Agency Formation Commission hereby determines that adoption of the Final Budget for Fiscal Year 2014-2015 with reduced staffing and program costs, relative to those budgeted for in Fiscal Year 2013-2014, will continue to allow the Kings Local Agency Formation Commission to fulfill its essential purposes and programs set forth in Government Code section 56375, *et seq.*

3. The Kings Local Agency Formation Commission hereby directs Staff to transmit the adopted Final Budget for Fiscal Year 2014-2015, to the Board of Supervisors, each City, and the County Auditor, pursuant to Government Code Section 56381(a).

4. The Kings Local Agency Formation Commission hereby requests that the County Auditor apportion and collect the net operating expenses of the Commission's Final Budget for FY 2014-2015, from the County Board of Supervisors and from each City no later than July 1, 2014 for the amount that entity owes.

5. The Kings Local Agency Formation Commission hereby Authorizes the Executive Officer and the County Auditor to determine an appropriate method of collection if a City or the County does not remit its required payment within 60 days, as described in Government Code Section 56381(c).

The foregoing resolution was adopted upon a motion by Commissioner _____, seconded by Commissioner _____ at a regular meeting of the Kings Local Agency Formation Commission held on the 28th day of May, 2014, by the following roll call vote:

AYES: Commissioner
NOES: Commissioner
ABSTAIN: Commissioner
ABSENT: Commissioner

Joe Neves, Chairman
Kings Local Agency Formation Commission

IN WITNESS WHEREOF, I have set my hand this 28th day of May, 2014.

Gregory R. Gatzka, Executive Officer