

AGENDA

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

**NORTON REGIONAL EVENT CENTER
1601 EAST THIRD STREET, SAN BERNARDINO**

REGULAR MEETING OF MAY 15, 2019

9:00 A.M. – CALL TO ORDER – FLAG SALUTE

ANNOUNCEMENT: Anyone present at the hearing who is involved with any of the changes of organization to be considered and who has made a contribution of more than \$250 in the past twelve (12) months to any member of the Commission will be asked to state for the record the Commission member to whom the contribution has been made and the matter of consideration with which they are involved.

1. **PUBLIC COMMENTS ON CLOSED SESSION**
2. **CONVENE CLOSED SESSION** – Conference Room Adjacent to Event Center Auditorium:
 - Conference with Legal Counsel - Existing Litigation (Government Code Section 54956.9(d)(1)) -- San Antonio Heights Association v. County of San Bernardino et al, San Bernardino County Superior Court Case No CIVDS1715504
 - Conference with Legal Counsel - Existing Litigation (Government Code Section 54956.9(d)(1)) -- San Antonio Heights Association v. County of San Bernardino et al, San Bernardino County Superior Court Case No CIVDS1712771
 - Conference with Legal Counsel – Existing Litigation – (Government Code Section 54956.9(d)(1)) – C.O.M.E.T. (Citizens of Mentone Empowered Together) v. City of Redlands et al, San Bernardino County Superior Court Case No CIVDS1906437
3. **RECONVENE PUBLIC SESSION**
4. [Selection of Chair and Vice Chair](#)

CONSENT ITEMS:

The following consent items are expected to be routine and non-controversial and will be acted upon by the Commission at one time without discussion, unless a request has been received prior to the hearing to discuss the matter.

5. [Approval of Minutes for Regular Meeting of April 17, 2019](#)
6. [Approval of Executive Officer's Expense Report](#)
7. [Ratify Payments as Reconciled and Note Cash Receipts for Month of March 2019](#)
8. Consent Items Deferred for Discussion

PUBLIC HEARING ITEMS:

9. [Consideration of: \(1\) CEQA Statutory Exemption for LAFCO 3230; and \(2\) LAFCO 3230 – Sphere of Influence Amendment for County Service Area 120 \(zero sphere of influence\)](#)
10. [Consideration of: \(1\) CEQA Statutory Exemption for Schedule of Fees, Deposits and Charges Revisions; and \(2\) Review and Adoption of Schedule of Fees, Deposits, and Charges Effective July 1, 2019](#)
11. [Review and Consideration of Amendments to Policy and Procedure Manual Section III – Human Resources](#)
12. [Review and Adoption of Final Budget for Fiscal Year 2019-20 including the Apportionment for Independent Special Districts, Cities and the County](#)

INFORMATION ITEMS:

13. Legislative Report
14. Executive Officer's Oral Report
15. Commissioner Comments
(This is an opportunity for Commissioners to comment on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission and that no action may be taken on off-agenda items unless authorized by law.)
16. Comments from the Public
(By Commission policy, the public comment period is limited to five minutes per person for comments related to other items under the jurisdiction of LAFCO not on the agenda.)

The Commission may adjourn for lunch from 12:00 to 1:30 p.m. The Commission may take action on any item listed in this Agenda whether or not it is listed for Action. In its deliberations, the Commission may make appropriate changes incidental to the above-listed proposals.

Materials related to an item on this Agenda submitted to the Commission or prepared after distribution of the agenda packet will be available for public inspection in the LAFCO office at 1170 West Third Street, Unit 150, San Bernardino, during normal business hours, on the LAFCO website at www.sbclafco.org, and at the hearing.

Current law and Commission policy require the publishing of staff reports prior to the public hearing. These reports contain technical findings, comments, and recommendations of staff. The staff recommendation may be accepted or rejected by the Commission after its own analysis and consideration of public testimony.

IF YOU CHALLENGE ANY DECISION REGARDING ANY OF THE ABOVE PROPOSALS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED DURING THE PUBLIC TESTIMONY PERIOD REGARDING THAT PROPOSAL OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE LOCAL AGENCY FORMATION COMMISSION AT, OR PRIOR TO, THE PUBLIC HEARING.

The Political Reform Act requires the disclosure of expenditures for political purposes related to a change of organization or reorganization proposal which has been submitted to the Commission, and contributions in support of or in opposition to such measures, shall be disclosed and reported to the same extent and subject to the same requirements as provided for local initiative measures presented to the electorate (Government Code Section 56700.1). Questions regarding this should be directed to the Fair Political Practices Commission at www.fppc.ca.gov or at 1-866-ASK-FPPC (1-866-275-3772).

A person with a disability may contact the LAFCO office at (909) 388-0480 at least 72-hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including auxiliary aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West 3rd Street, Unit 150 San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE : MAY 6, 2019

FROM: SAMUEL MARTINEZ, Executive Officer



TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #4 – SELECTION OF CHAIR AND VICE-CHAIR

Pursuant to Commission's Rule of Order #2, the Commission selects its Chair and Vice-Chair annually at the May hearing. The positions are for a one year term. However, it should be noted that Chairman Lovingood was selected in January to complete the term of James Ramos, who was elected to the State Assembly in December 2018; therefore, his term does not constitute an official term of office pursuant to the Commission's adopted rules.

In addition, as of the August 2015 update to the Policy and Procedure Manual, Rule of Order #2 no longer limits the number of years a Commissioner may hold the position of Chair or Vice-Chair.

Any regular voting member of the Commission may be appointed to the position of Chair or Vice-Chair.

Staff will be happy to respond to any questions prior to or at the hearing.

**DRAFT - ACTION MINUTES OF THE
LOCAL AGENCY FORMATION COMMISSION
HEARING OF APRIL 17, 2019**

REGULAR MEETING

9:00 A.M.

APRIL 17, 2019

PRESENT:

COMMISSIONERS:

Regular Member	Alternate Member
Jim Bagley	Louisa Amis
Kimberly Cox	Rick Denison
James Curatalo, Vice Chair	Steven Farrell
Robert Lovingood, Chair	
Larry McCallon	
Dawn Rowe	
Acquanetta Warren	

STAFF:

**Samuel Martinez, Executive Officer
Paula de Sousa Mills, LAFCO Legal Counsel
Michael Tuerpe, Project Manager
Jeffrey Lum, LAFCO Analyst
La Trici Jones, Clerk to the Commission
Angerose Schell, Administrative Assistant**

ABSENT:

COMMISSIONERS: Janice Rutherford

9:04 A.M. – CALL TO ORDER – FLAG SALUTE

Chair Robert Lovingood calls the meeting to order and leads the flag salute.

ITEM 1. Presentation of Resolution of Appreciation to Assemblyman James Ramos for his LAFCO Service

The Commission presents a Resolution of Appreciation to Assemblyman James Ramos for his previous LAFCO service.

ANNOUNCEMENT OF CONTRIBUTIONS

LAFCO Legal Counsel Paula de Sousa Mills announces those present who are involved with any of the changes of organization to be considered today by the Commission and have made a contribution of more than \$250 within the past 12 months to any member of the Commission to come forward and state for the record their name, the member to whom the contribution was made, and the matter of consideration with which they are involved.

ITEM 2. PUBLIC COMMENTS ON CLOSED SESSION

There are no comments.

LAFCO Legal Counsel Paula de Sousa Mills, states that the closed session items were placed on the agenda as a placeholder in the event there was a need to meet. She states there is no need for the Commission to meet in closed session at this time since there is nothing to report.

ITEM 3. CONVENE CLOSED SESSION – Conference Room Adjacent to Event Center Auditorium:

- Conference with Legal Counsel - Existing Litigation (Government Code Section 54956.9(d)(1)) -- San Antonio Heights Association v. County of San Bernardino et al, San Bernardino County Superior Court Case No CIVDS1715504
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- Conference with Legal Counsel – Existing Litigation – (Government Code Section 54956.9(d)(1) – C.O.M.E.T. (Citizens of Mentone Empowered Together) v. City of Redlands et al, San Bernardino County Superior Court Case No CIVDS1906437

ITEM 4. RECONVENE PUBLIC SESSION [NOT NEEDED]

CONSENT ITEMS – STAFF RECOMMENDATION APPROVED

The following consent items are expected to be routine and non-controversial and will be acted upon by the Commission at one time without discussion, unless a request has been received prior to the hearing to discuss the matter.

ITEM 5. Approval of Minutes for Regular Meeting of March 20, 2019

ITEM 6. Approval of Executive Officer's Expense Report

ITEM 7. Ratify Payments as Reconciled and Note Cash Receipts for Month of February 2019

ITEM 8. Consent Items Deferred for Discussion

Commissioner McCallon moves approval of the staff recommendation, Second by Commissioner Warren. There being no opposition, the motion passes with the following roll

call vote: Ayes: Bagley, Cox, Farrell, Lovingood, McCallon, Rowe, and Warren. Noes: None. Abstain: None. Absent: Curatalo (Farrell voting in his stead)

PUBLIC HEARING ITEMS:

ITEM 9. CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO SC#438 – CITY OF SAN BERNARDINO EXTRATERRITORIAL WASTEWATER SERVICE FOR ASSESSOR PARCEL NUMBERS (APNs 0164-202-49, 0265-272-04, 0268-031-11, AND 0268-211-22) – STAFF RECOMMENDATION APPROVED

Executive officer Samuel Martinez presents the staff report and states this is a follow up to the wastewater service review, which identified some agencies that provided wastewater service outside their jurisdiction without LAFCO authorization. One of the agencies, the City of San Bernardino, has submitted this request in order to fulfill the Commission's recommendation, to submit an out-of-agency service application for wastewater service it provided to certain parcels outside its boundary commencing after January 1, 2001. He states that the purpose of this service agreement is to recognize and authorize, after the fact, the wastewater service provision that the City provided to these parcels. He states that wastewater service to APN 0164-202-49 is within the City of Colton and complies with the exemption provisions outlined in Government Code Section 56133 and, therefore, is exempt from LAFCO review. He states that APN 0265-272-04 has an existing residential structure built in the 1940s that underwent some type of construction or renovations in the mid-2000s. He states that APN 0268-211-22 has two residential structures that was constructed in 2005. He noted that APN 0268-031-11 was one of four parcels that was previously authorized wastewater service by the Commission and indicated that staff is modifying LAFCO SC#438 to exclude said parcel from the City's request for approval, since it did not require further authorization from LAFCO. He states that staff recommends that the Commission approve wastewater service to 0164-202-49, 0265-272-04 and 0268-211-22 since the City's request complies with the provisions of Government Section Code 56133 and Commission policy. He recommends that the Commission approve LAFCO SC#438 by taking the actions on page 1 of the staff report.

Chair Lovingood asks the Commissioners if they have questions for staff.

There are none.

Chair Lovingood asks if the City of San Bernardino would like to make a presentation or provide comments.

There are none.

Chair Lovingood asks if there are any public requests to speak.

There are none.

Commissioner McCallon moves the staff recommendation, Second by Commissioner Bagley. The motion passes with the following roll call vote: Ayes: Bagley, Cox, Farrell,

Lovingood, McCallon, Rowe and Warren. Noes: None. Abstain: None. Absent: Curatalo (Farrell voting in his stead)

Vice-Chair Curatalo approaches the dais at 9:34 A.M.

ITEM 10. CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO 3232, AND (2) LAFCO 3232 – SPHERE OF INFLUENCE AMENDMENT FOR THE CITY OF ADELANTO – STAFF RECOMMENDATION APPROVED

Project Manager Michael Tuerpe presents the staff report. He states that this is a follow up not only to the wastewater service review, but also to the water service review. He states that the water service review in 2017 included Commission determinations on the City of Adelanto and its public utility authority (APUA). He states the staff report on the 2017 water service review designated it as a hot spot and that was an area of concern. Additionally, the Commission reinforced the hot spot designation by expressing its concerns regarding the City's history and status of not completing audits of itself and its component units. He states that in August last year, the Commission considered the wastewater service review with the same hot spot designation and similar Commission reinforcement for the City of Adelanto. He states that as an outgrowth of the 2018 wastewater service review, the Commission initiated a sphere of influence amendment for the City of Adelanto to determine the appropriate sphere of influence of the City.

He states that the Commission requested that the City and the County meet to confer regarding the sphere of influence of the City to determine the appropriate sphere amongst themselves. He states that the City and the County met in October, but there was no resolution from the meeting. He states there is significant movement in completing audits, but the lack of audits still exists. He states that the Commission is required to make five determinations for a sphere of influence amendment, and the staff report lists those determinations. He states that staff used the five determinations, as provided by law, to guide staff in determining the appropriate sphere of influence.

He states that there are three sphere areas identified as Areas A, B, and C. He states that for Area A, the County's land use designations for the area are half resource conservation and half rural living, and the City has it designated as open space. He states that Area A has no significant development anticipated for the foreseeable future, and no extension of City services appears to be necessary. He states the water and sewer lines are at least a mile away. He states that there is a poultry farm within Area A, but nothing else pursuant to a review of the aerial images or land use records. He states that staff is recommending that Area A be removed from the City's sphere of influence.

He states that Area B may provide for an incentive for development opportunities and it may materialize due to Highway 395. If this were to occur, the City would be the logical provider of services. He states that Area B is surrounded by the City on three sides and does meet the definition of the island provisions, which would require the Commission to approve an annexation if one were proposed; however, it is too large to qualify for an expedited annexation process; thus, protests provision would apply if an annexation were proposed. He states that staff's and Commission's concern is the lack of completion of audits,

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although there is some movement. He states there is also a backlog of bank reconciliations. He states that LAFCO staff is asking that staff return to the Commission in September 2019 with an update on the City's sustainability. He states that if the Commission does not see continued movement on completing its audits, staff would come back and analyze Area B.

He states that as for area C, it is logical to be a part of the City as it is surrounded on three sides by City territory and has current service activity - both water and wastewater. He states that staff is recommending that Area C remain in and not be removed from the City's sphere of influence.

He states the Commission is the lead agency for environmental review, and a recommendation from the Commission's environmental consultant indicates that this action, as a sphere of influence amendment, is exempt from the requirements of CEQA.

He states that based on the previous determinations of the City—the lack of completion of audits etc. and the hot spot designations, staff is recommending that the City's sphere be reduced by removal of Area A. He states that the City provided a letter dated August 2 respectfully requesting that Area A remain as part of its sphere stating the insufficient power supply in for the area, particularly the cannabis industry, and the potential that Area A has to offer for it. Mr. Tuerpe states that staff did its due diligence on a variety of matters and that staff's position remain that Area A be removed for a number of reasons, including the fact that the City's facilities are nowhere near Area A, that the City's sustainable plan designates Area A as having the least priority in terms of growth, and that the City's current land use designation for the entire Area A is open space. He states that after the staff report was published LAFCO received five letters, four requesting that the Commission not remove Area A and one in support of removal of Area A. He states that staff recommends that the Commission take the actions listed on page 1 of the staff report. He states there are City representatives in attendance today and staff will be happy to answer any questions from the Commission.

Chair Lovingood states he will hold questions from the Commission until after public comment.

Chair Lovingood opens public comment and calls for the City of Adelanto for a presentation.

Charles Rangel, Development Services Director for the City of Adelanto states that the general plan was updated six years ago and at that time, the city was not contemplating cannabis use. He states that Edison has told the City that it cannot provide the City with electricity needed to power the businesses. He states that the City has been working with a variety of solar power companies who are negotiating with thousands of acres for solar fields. He states that on the speaker card, there are boxes to check; in support of or in opposition of staff recommendation. He states he is both - he supports letting the two other areas remain in the City and he states that it is Area A he wishes the Commission to take a fresh look at based on the activity the City has.

Commissioner McCallon states that he begs to differ with Mr. Rangel in regards to updating the general plan. He states the city can do it at any time; the City does not need a project.

Mr. Rangel states they do not want to be speculative. He states they want to show with certainty to both the Commission and the City, that when they have a project that comes in, it's going to be at that time that the City will update the general plan. He states it's always best when you have a project that comes in, and you can approve that project based on the merits of the project, and make it consistent with the general plan. He states the zoning is consistent as it stands right now.

Commissioner Farrell states he has heard two things that he thinks conflicts; one is the open-space designation and your current general plan would permit solar and yet Mr. Rangel is saying that there would have to be the need to change its general plan if the City got a solar application. He states that he is trying to understand why that is the case.

Mr. Rangel states that there will be areas along the corridor they may want to change to be manufacturing, but as it stands not there is no real inconsistency with the zoning.

Commissioner Bagley asks Mr. Rangel about his statement that Edison cannot provide adequate electric power for the City. He states that when you do a solar project, the electricity generated is not dedicated to any particular place. Commissioner Bagley asks if Mr. Rangel is proposing a dedicated electric source for the City of Adelanto, or whether it is going into the grid.

Mr. Rangel states that those are the discussions the City is having with the solar power companies, that there are enough end-users in the City to provide power. He states that the companies want to give the City beneficial rate reductions that would go straight to the end-user.

Commissioner Bagley states that as a Planner, this sphere of influence area is a long-term vision of municipal services in the future. He states that Area A makes logical sense to him looking at how historically it has been created. He stated 10 years ago no one could have envisioned cannabis or solar being what it is today. He states that open-space zoning for the City is different from resource conservation from the County. He states that they both allow broad uses. He states he is also going to take a moment because he is the representative of the City; it is reprehensible that the City doesn't have its audits done. He states that an audit is not record size and that he recognizes Mr. Rangel is not personally responsible for it, but this Commission has to make decisions on the best interest of public. He states the fact that there are not completed audits for the City of Adelanto reeks of maleficence.

Mr. Rangel states that he respectfully request the Commission defer action on Area A and let the City submit the next series of audits, which are under preparation.

Chair Lovingood states that he appreciates the request, but the Commission is moving forward with public comments.

Tanya Martinez states she works for S Power out of Long Beach. She states that her company is one of the developers proposing a large-scale solar project that Mr. Rangel was talking about in the City of Adelanto. She states that she opposes the staff recommendation.

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Martin Chao states he is landowner in the Adelanto area and was recently approached by Clean USA Power about the possibility of leasing the property for the development of a solar facility. He states that he came to speak and reiterate the points in his letter. He states he opposes the staff recommendation.

Steveonna Evans, Councilperson and Mayor Pro Tem for the City of Adelanto states she agrees with Commissioner Bagley's politically correct analysis of the City's audits and bank reconciliations not being up to date. She states that she is disgusted that representatives from her City allowed them to get so far behind. She states she opposes the staff recommendation.

Blanca Gomez states Mr. Martinez and his staff has made recommendations and stayed with those recommendations of narrowing Area A; the current sphere of influence for the City of Adelanto. She states she submits her support without prejudice to maintain Area A without reducing the City of Adelanto's area of influence.

Beau Cooper states he is the Entitlement Manager of United Engineering Group. He states they are currently working with S Power, which is one of several developers looking to work with Adelanto in this area. He states he opposes the staff recommendation.

Dilip Sheth states he is a landowner in the sphere of influence, in Area A. He states he does not want the sphere of influence reduced for Area A.

Chair Lovingood closes public comment and asks the Commission for comment and discussion.

Commissioner Bagley asks staff, if the Commission reduces this sphere of influence, and someone who request services in the future or a project, is there a separate fee for annexation if they are outside of the sphere or would a fee for annexation to the City of Adelanto be one in the same.

Executive Officer Martinez states the Commission has the sole authority over the sphere boundary. He states that if you reduce it right now, and someone came in with an application for annexation, you could do a concurrent sphere expansion as well as an annexation and since they would be concurrent, it would be one fee.

Chair Lovingood states that if the Commission takes action today, that action could be reversed at a future date.

Mr. Martinez reiterates that if the Commission removes it now and at some point someone came in with an annexation to the City of Adelanto, then you could do a sphere expansion as well as a concurrent annexation.

Chair Lovingood asks whether the Commission can reverse its action upon provision of the financial information that has been requested for the past seven years.

Mr. Martinez states, correct.

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Commissioner Rowe states that it has been awhile since she sat on this Commission. She questions how long it has been since the Commission has been requesting this information.

Mr. Martinez states since 2009 during the first round of service reviews.

Commissioner Warren states that it is unfair to weigh what happened 7 to 9 years ago. She states that she does not know a city in this county that is excellent and perfect. She states the Commission should be looking at this situation for what it is today, as there is a new council that is working hard to clean up the act of the previous administrations. She states she would hope that her colleagues would think about this. She states the Commission has been asking for these financials and they are making headway to get those financials. She states not put the burdens of the past on top of the heads of the people that are presently there.

Commissioner Farrell states the Commission is not aware of the County's opinion on this. He states has the County also recognized this sphere of influence would be a future reduction. He states this is a presumed annexation for future development currently for the City, right. He states this is how he understands the City's sphere of influence.

Executive Officer Martinez states that they are in the County's jurisdiction and the developers are anticipating at some point to develop either, through the City or the County. He states if they are doing it through the City, at some point, this area will have to annex to the City of Adelanto in order for the development to be entitled.

Commissioner Farrell states that the Commission has currently identified this area which is a very logical boundary as the current sphere of influence. He states that as near as he can tell, the motivation for this, is our continued long-term concern for the City and yet the Commission is taking an action now based on the evidence it is hearing today, that this is a likely development, which may in fact benefit the City. He states the Commission is also asking to return in September to make further reports on the status on sustainability of the City. He states that he sees no reason for us to take this action now, rather than postponing it to the September hearing where the Commission will hear it again. He states to give the City the opportunity to demonstrate the kind of maturity that the Commission would not take this reduction. He states that he has not heard a reason for the Commission to take this action today.

Chair Lovingood states he believes staff has done an exceptional job and there are previous key individuals with the City, and if you go back and remember for the previous two years, the Commission was promised by December to have that, and you can say the Council has changed, but the Management hasn't changed. He states they have contracted new services but the key drivers are still the individuals there.

Commissioner Warren states that if the Commission takes this action today of removing Area A, then the City can come back and get its act together, then the Commission will have to go back through this process, and states whether it make sense if these developers start this development in the County or with the City. She questions how this works.

Executive Officer Martinez states that the Commission is speculating and that right now it does not know where the areas are that the City is negotiating. He states the negotiations can be within the area or in the City itself. He states the developers are probably negotiating with hundreds of property owners and if at some point the Commission sees an application for that area, then the Commission can expand its sphere again. He states that it does not have to be for the entire Area A, it can be just for the specific area being developed.

Commissioner McCallon states that he shares Commissioner Bagley's concerns about the audits and is glad to hear that the new council is working diligently on that. He states at this point the Commission ought to go ahead and support the recommendation of the staff. He states that if and when a project comes forward, the application can be made to annex this area and include the sphere of influence expansion. He states that he moves the staff recommendation.

Commissioner McCallon moves the staff recommendation, Second by Commissioner Cox. The motion passes with the following roll call vote: Ayes: Cox, Curatalo, Lovingood, McCallon and Rowe. Noes: Bagley and Warren. Abstain: None. Absent: None

ITEM 11. THIRD QUARTER FINANCIAL REVIEW FOR FY 2018-19 – STAFF RECOMMENDATION APPROVED

Project Manager Michael Tuerpe presents the staff report. He states that third quarter report is in two parts; 1, net pension liability and 2, the standard 3rd quarter report. He states that a few years ago, LAFCO staff inquired with SBCERA for the opportunity to reduce the net pension liability per GASB 68 and its other following pronouncements. He states that at that time, the mechanism was not there to pay off, so the Commission prudently saved money for that occurrence to come. He states that it is to the Commission's benefit that the opportunity is there to now contribute a credit against the net pension liability. He states that the current reserve amount is \$184,963. The measurement date is June 30. He states that it would be best in the staff's position to hold those funds until June to be then contributed. He states that staff will be meeting with the policy committee and come up with a mechanism to transfer the funds in the future. He recommends that the Commission do contribute these amounts to SBCERA, by authorizing the Executive Officer to issue the payment for the full amount that is in our net pension liability reserve by June 30, 2019. He states that Ms. Amy McNery, the Chief Financial Officer of SBCERA is here for any questions from the Commission.

Chair Lovingood asks if there are any questions from the Commission.

Commissioner Bagley states that net pension liability information seems to be missing in the report. He asks, what is the total net pension liability for LAFCO?

Mr. Tuerpe states that as identified in the audit, the last measurement date which would have been June 30, 2017; its roughly \$863,000.

Commissioner Bagley states that this number is missing conspicuously in this report. He states that this concerns him and when he sees these reports in the future he expects this number to be included. He states this is germane to the discussion.

Executive Officer Samuel Martinez states that the net pension liability changes year after year. He states that in the year 2015, the liability was about \$500,000 and each year it has grown.

Commissioner Bagley states that this is a serious issue and it is not just LAFCO. He states that it is all municipal agencies that have huge net pension liabilities, he fears for California's future, and the Commission needs to have a genuine discussion about this.

Chair Lovingood asks if there are other Commissioners questions or comments.

There are none.

Chair Lovingood asks if there are members from the public wishing to speak.

There are none.

Commissioner Bagley states that he would like to move the recommendation because he thinks it is very good that the Commission is moving this money forward to cover this liability.

Commissioner Bagley moves the staff recommendation, Second by Commissioner Warren. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Rowe, and Warren. Noes: None. Abstain: None. Absent: None

ITEM 12. PRELIMINARY BUDGET REVIEW FOR FISCAL YEAR 2019-20 – STAFF RECOMMENDATION MODIFIED

A. PROPOSED SCHEDULE OF FEES, DEPOSITS, AND CHARGES FOR FISCAL YEAR 2019-20

Executive Officer Samuel Martinez presents the staff report. He states that every year the Commission reviews the proposed fee schedule. He states that staff changed the format with the user in mind. He states that staff gets calls all the time about what the fees are and this time staff tried to make it user-friendly. He states that staff added in a table showing the processing fees, deposits and totals in one area and if the applicant wanted to look at the deposit breakdown, they can go to the next page and identify the different deposits.

He states that last year the Commission expressed its desire to have gradual fee increases tied to the CPI. He states that staff is proposing changes to the fees based on the CPI. He states that the one change staff has aside from the CPI is the increase in the non-development related service contract fee. He states this has increased to \$772. He states that staff felt this increase was warranted based on staff work in preparing the work. He states that the deposits are for primarily covering outside costs such as legal counsel and environmental review. He states that there are just two proposed changes. In the category of deposits for individual notice, he states that instead of two categories staff made it into one and took the higher amount. He states this is an increase of \$300. For legal counsel

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deposit, there is a reduction in the Commission's costs, so staff is reducing the deposit by \$300. He states that unless there are any questions on the format or the changes, staff recommends the Commission take the recommended actions on page 1 of the staff report.

Chair Lovingood asks if there are any questions from Commissioner.

Commissioner Bagley asks if the Consumer Price Index used for Los Angeles

Executive Officer Samuel Martinez states that it is for the Inland Empire.

Commissioner Bagley asks for the percentage.

Mr. Martinez states that it is in the footnote of the report on page 2. He states that it is 3.047%.

Commissioner Farrell asks for clarification on page 2 of the staff report; he states that he is a little confused as to the reduction to the legal counsel deposit. He asks if this is because the costs exceed the average.

Mr. Martinez states that this is an error, it should state, as costs are less than the deposits on average.

Commissioner Rowe states that she will need to leave shortly and will not be able to hear the budget presentation, but wanted to commend the Executive Officer on his cost saving efforts.

Vice-Chair Curatalo states that he would like to say that this is very commendable, responsible and refreshing to see recommendations like this.

Chair Lovingood states that his comments echoes Commissioner Curatalo. He states to Mr. Martinez, he has made some reductions and hard choices, and would like to commend him for stepping forward in leadership.

Commissioner Bagley moves the staff recommendation, Second by Commissioner Curatalo. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Rowe and Warren. Noes: None. Abstain: None. Absent: None

B. PROPOSED BUDGET FOR FISCAL YEAR 2019-20

Executive Officer Samuel Martinez presents the staff report. He states that the format is a little different. The chart on the second page includes the basic summary of the budget, expenditures, revenues, and reserves - both the incoming reserves and the budgeted reserves. He states that staff is proposing a few changes relative to compensation and benefits. He states that staff is recommending a change to the policy on step advancement by returning to the one-step increase per year. He states that he would like to thank staff for supporting this change. He states that staff is also proposing to reclassify an employee from project manager to senior analyst whom has assumed additional duties as the duties

DRAFT - ACTION MINUTES FOR APRIL 17, 2019 HEARING - DRAFT

currently performed by the project manager are in-line with the duties of the senior analyst position. He states that as identified in the staff report; the Executive Officer will make the determination when to make the reclassification take effect subject to the financial position of the Commission; however, staff is requesting authorization to do so as part of the budget.

He states that in regards to benefits, staff is proposing a reduction in the Executive Officer's automobile and phone allowances. He states that some of the highlights for the 2019-20 budget, which the Commission approved in April 2019 includes a 3% COLA across the board, changes in the medical premium subsidy, and SBCERA benefit rate increases. He states that for fiscal year 2020-21, the things anticipated include retention of the staffing model recommended in the budget and a 3% across the board increase that the Commission approved in 2018. He states that the current Policy Manual does not include any salary increases beyond July 18, 2020 and for fiscal year 2020-21, there is an additional pay period that occurs every 10 years and staff will be recommending to the policy committee, the creation of a salary reserve fund for the additional pay period.

He states that for proposal processing, staff will be transitioning to digital media, which will reduce paper use and the annual savings of approximately \$2,700. He states that for our service reviews, staff is currently doing the fire service review and at the January workshop, staff identified the subsequent service reviews. He states that staff is working towards the completion of the fiscal indicators anticipated for July. He states that for programs and projects, staff anticipates two governance trainings, one in December and the other in January. He states that for the Commission's agency costs, the budget recommends that the minutes of the Commission meetings move from the narrative form to action minutes. He states that staff estimates the annual ongoing savings to be \$4,800 in staff time and \$1,250 in legal counsel charges. He states for the train depot, the amortization for improvement costs matures in 2022 and hopefully this will reduce the Commission's ongoing costs.

He states that per the Commission policy, reserves have always been a part of the budget, and staff will be working with the policy committee to transition away from the budget adoption process and funding it when the monies become available. He states that for the Net Pension Liability, there is an increase this year of \$42,500 to keep up with the 20-year amortization schedule. He states that LAFCO staff recommends that the Commission take the actions outlined on page 1 of the staff report as modified.

Chair Lovingood asks the Commission for comments.

Commissioner Cox states to the Executive Officer that she is pleased with the way Mr. Martinez has approached this year's budget. She states that he has made some steps to put his fingerprints on this budget and reduce costs, even to reducing his own benefits is to be highly commended. She states that she is pleased with the budget and likes some of the things that show cost savings including limiting the length of the minutes as the Commission does have the recording. She states that one thing not mentioned is if the audio recording along with the video is going to be an option.

Executive Officer Martinez states that staff is going to make the audio part of the links and staff is trying to figure out how to do it.

Commissioner Cox states having both of these is going to be better than having the verbatim typed minutes that does not always capture the nuances of a conversation. She states she is pleased having participated in the Executive Committee that looked at the proposed budget with the recommendations Mr. Martinez has made with this budget.

Commissioner McCallon states that he would like to echo what Commissioner Cox is saying. He states it is refreshing when staff comes forward with cost cuts. Commissioner McCallon thanks Mr. Martinez and the staff for working with the Executive Officer for putting this together.

Commissioner Farrell states that he has a question about the videos. He states that he has brought this up before and there remains a problem with the videos being displayed with an older flash. He states that he has a concern that if this is going to represent the only detailed minutes, then the Commission really encourage alternatives or solutions to this.

Executive Officer Martinez states that staff is looking at alternatives with regard to the Commission's videos. He states that staff is looking at making the videos available the same way SBCTA has their videos and not having to go to another site to view the videos. He states there are costs involved and staff is going to try to determine when the Commission should pull the plug and move in that direction.

Chair Lovingood states that he would like to echo all that was shared today and at this time will entertain motion.

Commissioner Curatalo moves the staff recommendation, Second by Commissioner Cox. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon and Warren. Noes: None. Abstain: None. Absent: None

INFORMATION ITEMS:

ITEM 13. LEGISLATIVE ORAL REPORT

Executive Officer Samuel Martinez states that there is no report at this time. He states that he will have an oral report at next month's meeting.

ITEM 14. EXECUTIVE OFFICER'S ORAL REPORT

Executive Officer Martinez states the Commission will not have a June meeting/hearing. He states that two of our staff went to the CALAFCO staff workshop and staff will send out a request for a meeting with the policy committee in a few weeks. He states for the May agenda, the Commission will have the sphere of influence amendment for CSA 120 designating a zero sphere and the adoption of the final budget.

ITEM 15. COMMISSIONERS' COMMENTS

Commissioner Cox ask when is the cycle for the municipal service reviews for the cities.

Executive Officer Martinez states the service review for cities are not planned at this time, but the Commission can always identify if it wants a specific service review for a specific city.

Commissioner Cox states that in the strategic planning workshop, the Commission laid out the priorities for the next service reviews. She states that after staff completes those, will the cities be on the horizon.

Mr. Martinez states that staff can identify this in the next budget cycle and see what the Commission wants to do in the next go-around, which will be the third round of service reviews.

Commissioner Cox states that she has found the service reviews to be tremendous documents and gives the Commission the base line of where the organizations are, and it would be her hope the next time the Commission gets to the City of Adelanto, it will have a stellar service review.

Commissioner McCallon states that there is a new doctor on the Commission. He acknowledges Commissioner Cox and her recent accomplishment.

ITEM 16. COMMENTS FROM THE PUBLIC

There are none.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION, THE HEARING ADJOURNS AT 10:40 A.M.

ATTEST:

LA TRICI JONES
Clerk to the Commission

LOCAL AGENCY FORMATION COMMISSION

Robert Lovingood, Chair

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West 3rd Street, Unit 150 San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE : MAY 6, 2019

FROM: SAMUEL MARTINEZ, Executive Officer 

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #6 – APPROVAL OF EXECUTIVE OFFICERS’ EXPENSE REPORTS

RECOMMENDATION:

Approve the Executive Officers’ Expense Report for Procurement Card Purchases from March 23, 2018 to April 22, 2019.

BACKGROUND INFORMATION:

The Commission participates in the County of San Bernardino’s Procurement Card Program to supply the Executive Officer a credit card to provide for payment of routine official costs of Commission activities as authorized by LAFCO Policy and Procedure Manual Section II – Accounting and Financial Policies #3(H). Staff has prepared an itemized report of purchases that covers the billing period of March 23, 2018 through April 22, 2019.

Staff recommends that the Commission approve the Executive Officers’ expense reports as shown on the attachments.

SM/llj

Attachments

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West 3rd Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE : MAY 6, 2019

FROM: SAMUEL MARTINEZ, Executive Officer 

TO: LOCAL AGENCY FORMATION COMMISSION

**SUBJECT: AGENDA ITEM #7 - RATIFY PAYMENTS AS RECONCILED FOR
MONTH OF MARCH 2019 AND NOTE REVENUE RECEIPTS**

RECOMMENDATION:

Ratify payments as reconciled for the month of March 2019 and note revenue receipts for the same period.

BACKGROUND INFORMATION:

Staff has prepared a reconciliation of warrants issued for payments to various vendors, internal transfers for payments to County Departments, cash receipts and internal transfers for payments of deposits or other charges that cover the period of March 1 through March 30, 2019.

Staff is recommending that the Commission ratify the payments for March 2019 as outlined on the attached listings and note the revenues received.

SM/Ilj

Attachments

MONTH OF MARCH 2019 PAYMENTS PROCESSED						
Document Number	Account	Posting Date	Activity	Reference	Vendor	Amount
1900408848	40709555	3/26/2019	REFUND FOR LAFCO SC#424	REFUND SC#424	JAMES & SUSAN KNAPP	\$667.76
1900408862	40709555	3/26/2019	REFUND FOR LAFCO SC#427	REFUND SC#427	THIENES ENGINEERING	\$1,044.89
1900109691	40709555	3/27/2019	REFUND FOR LAFCO SC#429	REFUND SC#429	CITY OF REDLANDS	\$1,349.09
1900409693	40709555	3/27/2019	REFUND FOR LAFCO SC#430	REFUND SC#430	CITY OF REDLANDS	\$1,052.77
1900403278	52002041	3/19/2019	CONFERENCE CALLS	INVOICE 1463784693	CENTURY LINK	\$17.93
1900392952	52002085	3/5/2019	NOTICE OF HEARING LAFCO SC#437	INVOICE B3223355	DAILY JOURNAL	\$523.60
1900393592	52002090	3/6/2019	JAN PRO CLEANING SERVICE	INVOICE 65496	JAN PRO	\$490.00
1900408293	52002180	3/26/2019	EDISON UTILITY BILL	INVOICE 2399452309	EDISON	\$521.88
1900404846	52002305	3/21/2019	PETTY CASH	PETTY CASH 3-21-19	LAFCO PETTY CASH	\$215.61
1900407576	52002305	3/25/2019	PAPER RECYCLING	INVOICE 8126793139	SHRED-IT	\$57.75
1900392957	52002315	3/5/2019	RECORDS STORAGE	INVOICE 0106958	STORETRIEVE LLC	\$64.37
1900409099	52002400	3/27/2019	BBK GENERAL INVOICE	INVOICE 845367	BEST BEST & KRIEGER	\$1,289.96
1900409101	52002400	3/27/2019	BBK INVOICE SAN ANTONIO HEIGHTS ASSOCIATION	INVOICE 845368	BEST BEST & KRIEGER	\$2,737.80
1900409109	52002400	3/27/2019	BBK INVOICE SAN ANTONIO HEIGHTS ASSOCIATION	INVOICE 845369	BEST BEST & KRIEGER	\$8,100.00
1900403281	52002405	3/19/2019	AUDIT	INVOICE 5406	DAVIS FARR	\$1,500.00
1900393595	52002424	3/6/2019	TOM DODSON & ASSOCIATES	INVOICE LAFCO19-1	TOM DODSON & ASSOC.	\$1,785.00
1900403182	52002424	3/19/2019	TOM DODSON & ASSOCIATES	INVOICE LAFCO 19-2	TOM DODSON & ASSOC.	\$935.00
1900407585	52002445/2940	3/25/2019	COMMISSIONER BAGLEY STIPEND & MILEAGE	BAGLEY 3-20-19	JAMES BAGLEY	\$304.28
1900407590	52002445/2940	3/25/2019	COMMISSIONER COX STIPEND & MILEAGE	COX 3-20-19	KIMBERLY COX	\$264.64
1900407601	52002445/2940	3/25/2019	COMMISSIONER CURATALO STIPEND & MILEAGE	CURATALO 3-20-19	JAMES CURATALO	\$229.00
1900407608	52002445/2940	3/25/2019	COMMISSIONER FARRELL STIPEND & MILEAGE	FARRELL 3-20-19	STEVEN FARRELL	\$219.95
1900407613	52002445/2940	3/25/2019	COMMISSIONER WARREN STIPEND & MILEAGE	WARREN 3-20-19	ACQUANETTA WARREN	\$218.56
1900407615	52002445	3/25/2019	COMMISSIONER AMIS STIPEND	AMIS 3-20-19	LOUISA AMIS	\$200.00
1900407627	52002445	3/25/2019	COMMISSIONER RUTHERFORD STIPEND	RUTHERFORD 3-20-19	JANICE RUTHERFORD	\$200.00
1900409174	52002445	3/27/2019	GOVERNANCE TRAINING	INVOICE 46715	CSDA	\$1,725.00
1900403280	52002895	3/19/2019	COPIER LEASE	INVOICE 33212725	KONICA MINOLTA	\$434.93
1900329258	52002905	3/5/2019	LAFCO HEARING ROOM RENTAL	INVOICE 720	IVDA	\$405.00
TOTAL						\$26,554.77
MONTH OF MARCH 2019 INTERNAL TRANSFERS PROCESSED						
4200026925	52002310	3/4/2019	MAIL SERVICES - DEL	COUNTY MAIL	COUNTY MAIL	\$178.60
4200026926	52002310	3/4/2019	MAIL SERVICES - FLAT	COUNTY MAIL	COUNTY MAIL	\$139.95
4200026927	52002310	3/4/2019	MAIL SERVICES - HAN	COUNTY MAIL	COUNTY MAIL	\$447.48
4200028182	52002424	3/27/2019	NOTICE OF EXEMPTION LAFCO 3228	COB	COB	\$50.00
4200028185	52002424	3/27/2019	NOTICE OF EXEMPTION LAFCO SC#437	COB	COB	\$50.00
TOTAL						\$866.03
MONTH OF MARCH 2019 CASH RECEIPTS						
4100784494	40709555	3/25/2019	LAFCO 3216 CITY OF UPLAND	INDEMNIFICATION		\$8,073.95
4100795796	40709555	3/24/2019	LAFCO 3216 CITY OF UPLAND	INDEMNIFICATION		\$85.00
TOTAL						\$8,158.95
MONTH OF FEBRUARY 2019 INTERNAL TRANSFERRED RECEIVED						
4200027081	40709555	3/8/2019	LAFCO 3216 COUNTY FIRE	INDEMNIFICATION		\$85.00
TOTAL						\$85.00

LA Trici Jones

LA TRICI JONES, Clerk to the Commission		5/6/2019	
DATE			
RECONCILIATION APPROVED BY:			
<i>Samuel Martinez</i>			
SAMUEL MARTINEZ, Executive Officer		5/6/2019	
DATE			

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: MAY 8, 2019 
FROM: SAMUEL MARTINEZ, Executive Officer
MICHAEL TUERPE, Project Manager
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #9 - LAFCO 3230 – Sphere of Influence Amendment for
County Service Area 120 (Zero Sphere)

INITIATED BY:

Local Agency Formation Commission for San Bernardino County

RECOMMENDATION:

Staff recommends that the Commission take the following actions related to the sphere of influence establishment for County Service Area 120:

1. Certify that LAFCO 3230 is statutorily exempt from environmental review, and direct the Executive Officer to file a Notice of Exemption within five days;
2. Confirm the authorized functions and services of County Service Area 120 as identified in the *LAFCO Policy and Procedure Manual, Section VI, Chapter 3: Listing of Special Districts within San Bernardino LAFCO Purview - Authorized Functions and Services*;
3. Designate a “zero” sphere of influence for County Service Area 120 indicating that it is the Commission’s position that a change of organization should take place which would assign the service obligations and responsibilities for County Service Area 120 to another agency; and,
4. Adopt LAFCO Resolution No. 3287 reflecting the Commission’s determinations and findings for the County Service Area 120 sphere of influence.

FORMATION AND SPHERE OF INFLUENCE ESTABLISHMENT:

County Service Area 120 (hereafter referred to as CSA 120) was formed on July 1, 2009 as a single purpose agency in order to consolidate the open space habitat conservation

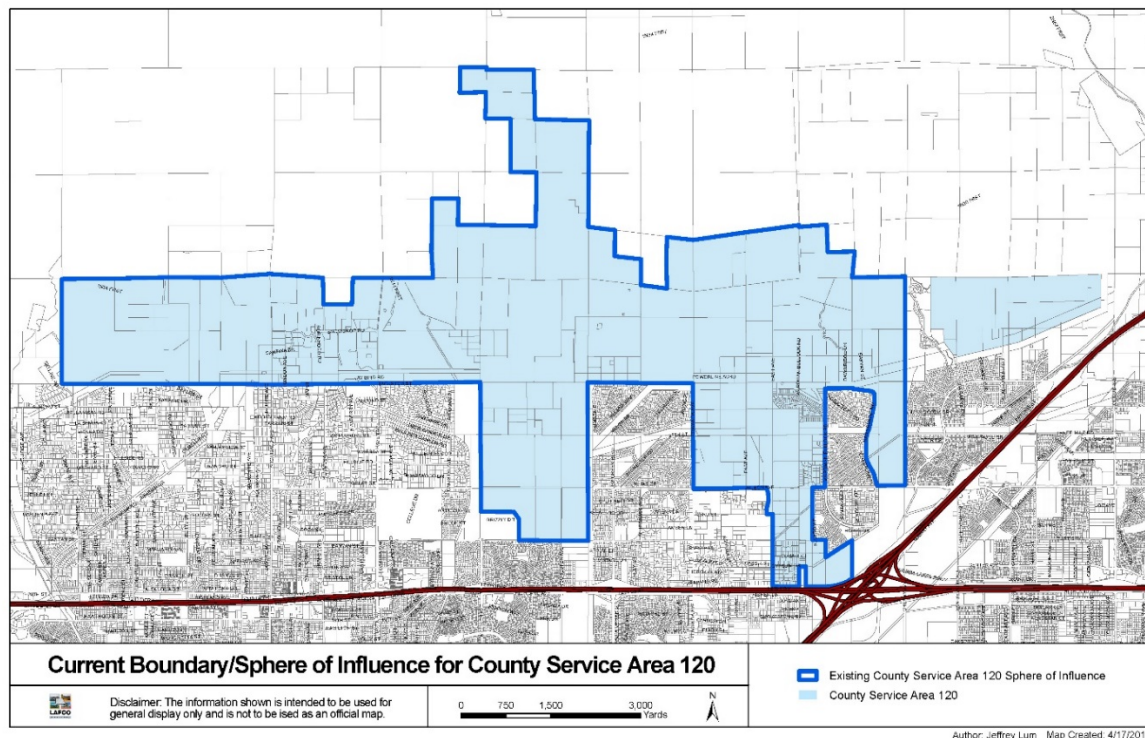
management operations of CSA 70 Zones OS-1 and OS-3, districts created to acquire mitigation properties associated with the development in the west valley portion of San Bernardino County. CSA 120's boundaries are generally located northerly of the I-210 Freeway within the City of Rancho Cucamonga and its sphere of influence, generally bounded by Etiwanda Avenue on the west, parcel lines on the north, Wardman-Bullock Road on the east, and parcel lines on the south.

In April 2010, as required by law, the Commission initiated the sphere of influence establishment for CSA 120, recommending a coterminous sphere with CSA 120's boundary. In March 2012, the San Bernardino County Board of Supervisors initiated an application for a modified CSA 120 sphere which included the original area of CSA 120 and additional territory stretching from the Los Angeles County line along the foothills of the San Gabriel Mountains into the Lytle/Cajon Creek area comprised of approximately 35,745 acres. Following receipt of the County's application, staff began its analysis. LAFCO's preliminary concerns regarding the proposed sphere expansion included funding, the operational ability to acquire additional mitigation lands, and whether or not a duplication of service providers in the area would result in the most efficient and effective mechanism for service delivery.

In February 2014, the County revised its proposed sphere application to include the existing boundaries of CSA 120 but excluding territory included within the City of Fontana's Multi-Species Habitat Conservation Plan (within the City of Fontana's existing sphere). The amendment request was based on ongoing discussions between LAFCO, County Administrative Office, and Special Districts Department staffs. In September 2014, the Commission approved LAFCO Resolution No. 3190 - the County's modified proposal for the establishment of the CSA 120 sphere (copy included as Attachment #3), which is generally coterminous with CSA 120's existing boundary except for the exclusion of the territory included within the City of Fontana's Multi-Species Habitat Conservation Plan.

The current CSA 120 boundary and sphere of influence are shown on the map below. The District's boundary encompasses approximately 9,557 acres (14.93 square miles), and the District's sphere of influence is approximately 8,972 acres (14.01 square miles).

CSA 120 Current Boundary and Sphere of Influence



APPLICATION JUSTIFICATION:

From the outset, CSA 120 experienced financial and operational challenges. LAFCO Resolution No. 3190, establishing CSA 120's sphere, included four conditions requiring CSA 120 to address ongoing concerns related to financial solvency, operations, and management of endowment funds. The four conditions were:

1. Within six months of the approval of the sphere of influence establishment, County Service Area 120 shall have completed the due diligence process with the California Department of Fish and Wildlife to be declared an available recipient of mitigation properties in the future. Failure to do so will require a further analysis of the sphere of influence assignment;
2. Within six months of the approval of the sphere of influence establishment for CSA 120, management of the County Special Districts Department shall develop a mechanism to provide for the maintenance and operation of the improvements constructed through the 2008-09 State Park grant without use of the endowment funds established for mitigation purposes only;
3. Within six months of the approval of the sphere establishment, County Service Area 120 shall have completed all reporting required by State law for the management of mitigation properties; and,
4. Within six months of the approval of the sphere of influence establishment, County Service Area 120 will have developed funding plans to restore endowment balances

for those mitigation properties where mitigation work has not been performed but interest earnings used.

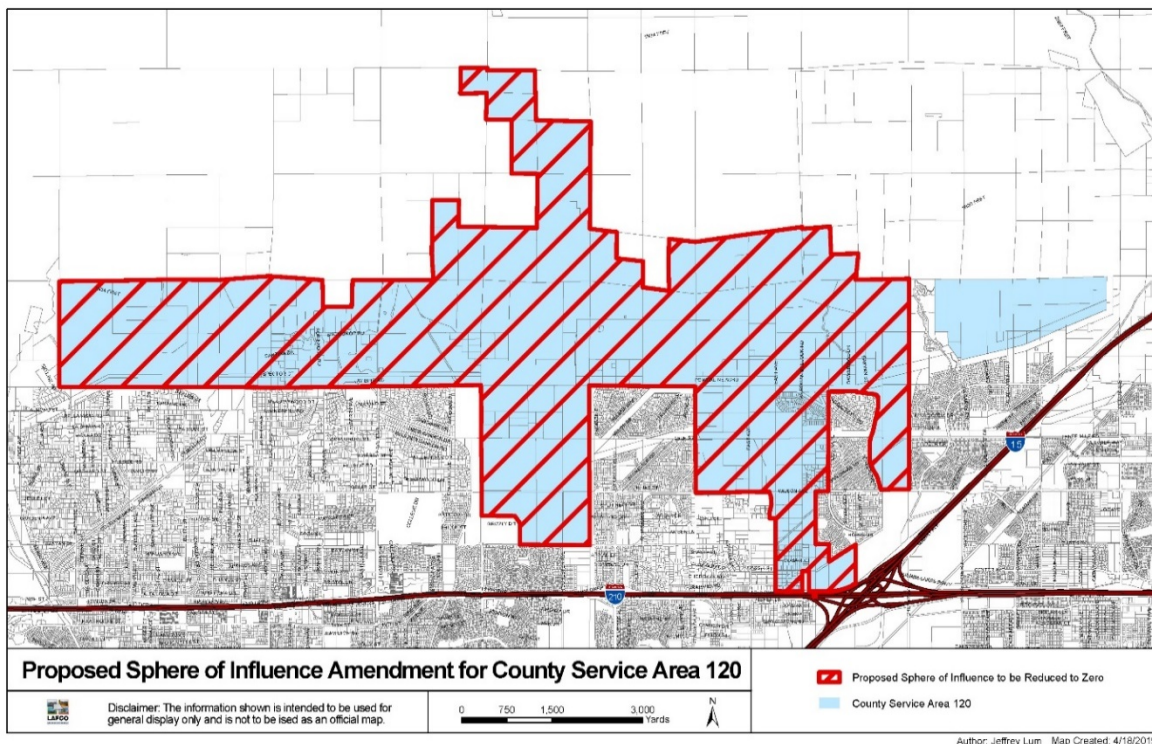
A fifth condition required LAFCO staff to provide periodic updates to the Commission regarding the County's progress in addressing these issues. Following LAFCO staff's May 2015 status update on lack of compliance with these conditions, the Commission directed LAFCO staff to evaluate a sphere of influence reduction to a zero sphere of influence for CSA 120 if, at the next update, any of the Resolution No. 3190 conditions remain unmet.

The latest CSA 120 status report prepared by LAFCO staff, dated June 13, 2018 (copy included as Attachment #4), concluded that three out of four conditions included in Resolution No. 3190—CSA 120's inability to hold and manage additional mitigation lands, the lack of additional reporting, as well its inability to restore the endowment balances for those mitigation properties where mitigation work has not been performed but interest earnings used—remained unmet.

Consequently, at the June 2018 hearing, the Commission directed staff to: (1) initiate a sphere of influence amendment for CSA 120 with the direction that it be assigned a zero sphere of influence; and (2) convene a working group including representatives of CSA 120, LAFCO staff, and other affected and interested agencies to review the option for a possible reorganization to transfer responsibility for the mitigation lands currently being held and managed by CSA 120.

A vicinity map showing the proposed zero sphere of influence for CSA 120 is shown below and included as Attachment #1 to this report.

Proposed Sphere of Influence for CSA 120 (Zero Sphere of Influence)



A meeting of the working group, coordinated by LAFCO staff, was held on February 14, 2019, and participants agreed to share information/data in advance of upcoming working group meetings to be scheduled in the near future. To date, no formal opposition to the establishment of a zero sphere for CSA 120 has been received by LAFCO.

Through the circulation of the Notice of Filing for LAFCO 3230, LAFCO received a response letter from the City of Rancho Cucamonga indicating its support for a zero sphere of influence for CSA 120 (see the City of Rancho Cucamonga's response letter included as Attachment #5 to this report). No other responses/comments were received.

SPHERE OF INFLUENCE DETERMINATIONS:

Government Code Section 56425(e) requires that the Commission make a written statement of its determinations on the factors outlined in the statute. For an entity such as CSA 120, these determinations are far more subjective than when drafting determinations for an agency which provides for infrastructure or direct health and safety services for the residents or travelers within an area. The following narrative provides staff's analysis of these factors for CSA 120:

1. The present and planned land uses in the area including agricultural and open space lands:

The existing uses within the boundaries of CSA 120 include open space uses and primarily rural residential development. Existing land use designations include Open space, Floodway, Rural Living (10-acre and 5-acre minimum lot size), Single Residential (1-acre minimum lot size), and Special Development Residential under the County's General Plan. The City of Rancho Cucamonga assigns the area within its sphere of influence the following land use designations: Open Space, Open Space Hillside Residential, Open Space Flood Control/Utility Corridor, and Open Space Conservation. The City of Fontana assigns its portion as Open Space. The area includes mitigation lands deeded to CSA 120, with the County of San Bernardino holding the conservation easements. No agricultural land uses are designated within CSA 120's current sphere of influence.

In 2018, CSA 120 was estimated to be home to 1,139 residents. By 2023, population is projected to grow to 1,260, an annual increase of 2.04 percent. In 2018, CSA 120 included 319 dwelling units, with an additional 33 units expected by 2023.¹

2. The present capacity of public facilities and adequacy of public services that the agency to be expanded provides or is authorized to provide:

The sphere of influence amendment proposes to reduce the sphere of influence for CSA 120 to a zero sphere of influence due to financial and operational constraints. LAFCO Resolution No. 3190 (copy included as Attachment #3) outlines the concerns regarding the current and future adequacy of service and the rationale for that determination. No

¹ Population and dwelling unit figures are from U.S. Census Bureau and ESRI forecasts for 2018 and 2023.

information subsequent to the issuance of Resolution 3190 has altered the determinations. A zero sphere of influence signals the Commission's position that a future change of organization should occur, transferring the service obligation to another agency.

3. The present and probable need for public facilities and services in the area:

The need for public facilities and services within CSA 120 is limited. Since CSA 120 has been unable to receive approval of its designation to acquire additional mitigation properties, the probable need for this service is not present as no new service can be extended. However, there are other agencies which could provide this service in the future.

4. The existence of any social or economic communities of interest as determined by the Commission to be relevant to the agency:

CSA 120 provides for the management of mitigation lands within a specific type of habitat. Therefore, its community of interest comprise the foothill communities of the San Gabriel Mountains which support the endangered species identified by local, state and federal wildlife agencies. This determination is compromised by the lack of authorization for CSA 120 to acquire additional habitat lands.

SERVICES OF THE AGENCY:

When adopting a sphere of influence for a special district, the Commission is required to establish the nature, location, and extent of any functions or classes of services provided by the district (Government Code §56425(i)). LAFCO staff recommends that the Commission affirm the service description for County Service Area 120 as identified in the *LAFCO Policy and Procedure Manual, Section VI, Chapter 3: Listing of Special Districts within San Bernardino LAFCO Purview - Authorized Functions and Services*, as follows:

FUNCTIONS

Open space and habitat conservation

SERVICES

Open space and habitat conservation including, but not limited to, the acquisition, preservation, maintenance, and operation of land to protect unique, sensitive, threatened, or endangered species, or historical or culturally significant properties. Any setback or buffer requirements to protect open-space or habitat lands shall be owned by a public agency and maintained by the county service area so as not to infringe on the customary husbandry practices of any neighboring commercially productive agricultural, timber or livestock operations.

ADDITIONAL DETERMINATIONS:

1. The Commission is the lead agency for review of the potential environmental consequences of the sphere of influence modifications. LAFCO staff has provided the Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates, with the application materials for review. Mr. Dodson has indicated the proposed sphere amendment is not judged to pose any adverse changes to the physical environment. Therefore, his recommendation is that the sphere amendment is exempt from the requirements of CEQA, as outlined in the State CEQA Guidelines, Section 15061(b).
2. Legal notice of the Commission's consideration of the proposal has been provided through publication of a 1/8th page advertisement in *The Inland Valley Daily Bulletin*, a newspaper of general circulation in the area.
3. Individual notices were provided to affected and interested agencies, County departments and those individuals and agencies requesting special notice.

CONCLUSION:

Since 1998, mitigation lands acquired by the County along the west valley portion of San Bernardino County have been managed through its system of board-governed special districts, originally through CSA 70 Zones OS-1 and OS-3, and eventually through CSA 120. Operational and fiscal constraints have plagued CSA 120 over many years, making it ineffective in acquiring additional mitigation lands and unable to implement a long-term, sustainable financing plan to support CSA 120 operations.

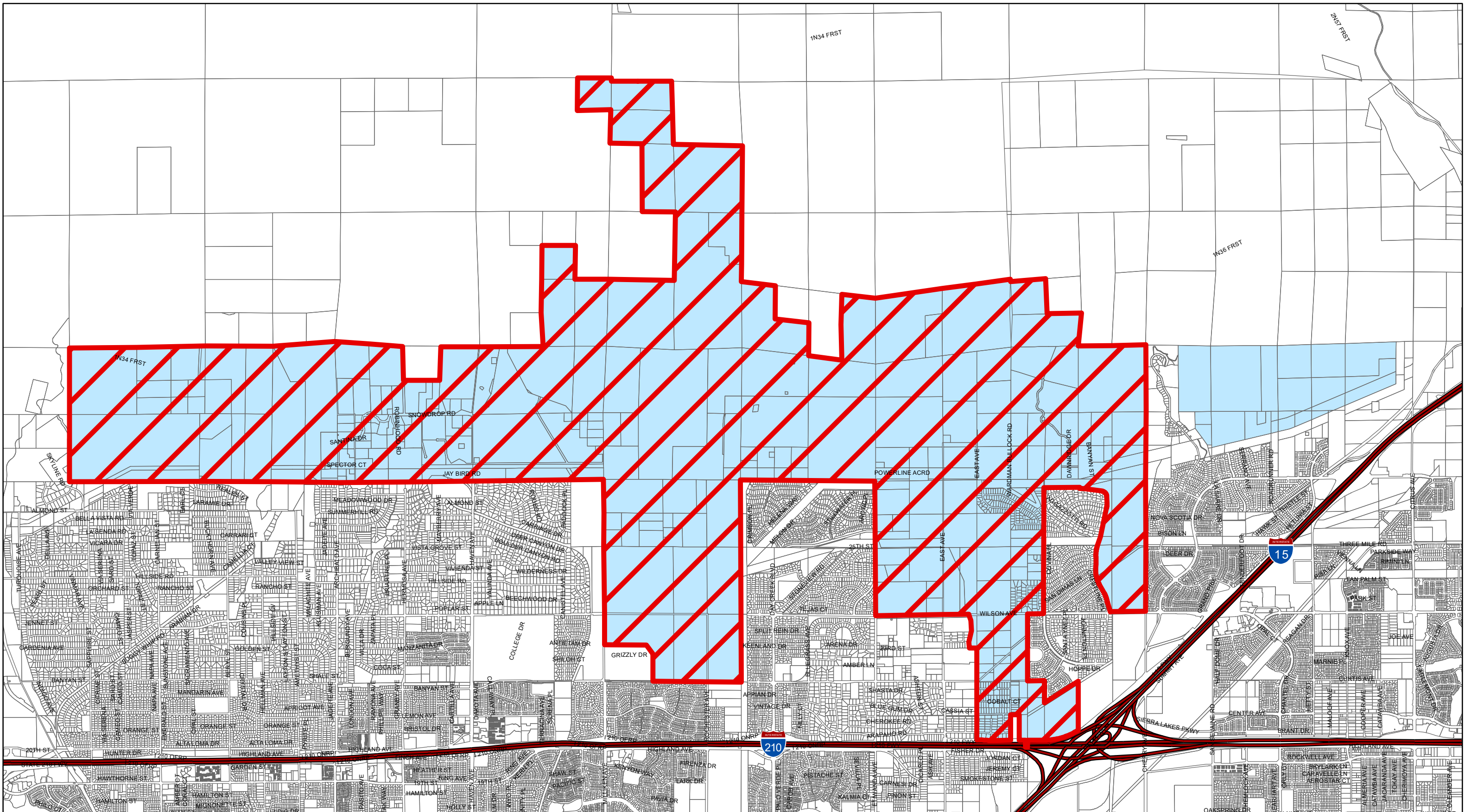
Over the past four years, since the Commission established the sphere of influence for CSA 120, LAFCO staff has provided periodic updates to the Commission on the status of CSA 120's finances and operations, culminating in the Commission's direction at the June 2018 hearing that LAFCO initiate a sphere of influence amendment for CSA 120 with the direction that it be assigned a zero sphere of influence and that LAFCO staff convene a working group to explore options to transfer responsibility for managing the mitigation lands to another entity. Consistent with the Commission's direction, staff recommends that the Commission designate a zero sphere of influence for CSA 120 as outlined in Resolution No. 3287 (copy is included as Attachment #7).

Attachments:

1. [Vicinity Map and Map of Proposed Sphere Amendment \(Reduction to Zero\)](#)
2. [Application and Supplement Form](#)
3. [LAFCO Resolution 3190](#)
4. [CSA 120 Status Report, June 13, 2018](#)
5. [City of Rancho Cucamonga's Response Letter Dated February 25, 2019](#)
6. [Letter from Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates](#)
7. [Draft LAFCO Resolution No. 3287](#)

**Vicinity Map and Map of Proposed
Sphere Amendment
(Reduction to Zero)**

Attachment 1



Proposed Sphere of Influence Amendment for County Service Area 120



Disclaimer: The information shown is intended to be used for general display only and is not to be used as an official map.

0 750 1,500 3,000 Yards



Proposed Sphere of Influence to be Reduced to Zero



County Service Area 120

Application and Supplement Form

Attachment 2

SAN BERNARDINO LAFCO APPLICATION AND PRELIMINARY ENVIRONMENTAL DESCRIPTION FORM

INTRODUCTION: The questions on this form and its supplements are designed to obtain enough data about the application to allow the San Bernardino LAFCO, its staff and others to adequately assess the proposal. By taking the time to fully respond to the questions on the forms, you can reduce the processing time for your proposal. You may also include any additional information which you believe is pertinent. Use additional sheets where necessary, or attach any relevant documents.

GENERAL INFORMATION

1. NAME OF PROPOSAL: LAFCO 3230 – Sphere of Influence Amendment for County Service Area 120 (zero sphere of influence)

2. NAME OF APPLICANT: LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

APPLICANT TYPE: ☐ Landowner ☐ Local Agency
☐ Registered Voter ☐ Other LAFCO
MAILING ADDRESS:
1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490

PHONE: (909) 388-0480
FAX: (909) 388-0481
E-MAIL ADDRESS: lafco@lafco.sbcounty.gov

3. GENERAL LOCATION OF PROPOSAL: The sphere of influence amendment is for a reduction to a zero sphere of influence for CSA 120. The current sphere of influence includes only those properties within district boundaries, generally located northerly of the 210 Freeway within the City of Rancho Cucamonga sphere of influence and the incorporated area generally bounded by Etiwanda Avenue on the west, parcel lines on the north, Wardman-Bullock Road on the east, and parcel lines on the south encompassing approximately 8,972 acres.

4. Does the application possess 100% written consent of each landowner in the subject territory?
YES ☐ NO ☐ If YES, provide written authorization for change.
5. Indicate the reason(s) that the proposed action has been requested. _____
On June 20, 2018 LAFCO initiated the sphere of influence amendment on the basis of its ongoing monitoring of the conditions imposed on the sphere of influence establishment in September 2014 (Resolution No. 3190). Compliance with the conditions has been unsuccessful; therefore, the

Commission took the action to propose a sphere of influence amendment for designation of a zero sphere of influence which identifies its position that a future reorganization take place to dissolve CSA 120 and transfer its obligations to another entity.

LAND USE AND DEVELOPMENT POTENTIAL

1. Total land area of subject territory (defined in acres):

The current sphere of influence for CSA 120 encompasses approximately 8,972 acres generally located northerly of the City of Rancho Cucamonga. This sphere of influence does not include the 585 acres of CSA 120 within and northerly of the City of Fontana's boundary.

2. Current dwelling units within area classified by type (single-family residential, multi-family [duplex, four-plex, 10-unit], apartments)

Unknown

3. Approximate current population within area: Unknown

4. Indicate the General Plan designation(s) of the affected city (if any) and uses permitted by this designation(s):

San Bernardino County General Plan designation(s) and uses permitted by this designation(s):

Special Development – Residential (SD-RES), Open Space, Floodway, Rural Living – 10, Rural Living – 5, Residential – 1 and Industrial.

5. Describe any special land use concerns expressed in the above plans. In addition, for a City Annexation or Reorganization, provide a discussion of the land use plan's consistency with the regional transportation plan as adopted pursuant to Government Code Section 65080 for the subject territory:

None

6. Indicate the existing use of the subject territory. Vacant, Mitigation Lands, rural residential, public easements, and floodway.

What is the proposed land

use? N/A

7. Will the proposal require public services from any agency or district which is currently operating at or near capacity (including sewer, water, police, fire, or schools)? YES ☐ NO ☐ If YES, please explain.

8. On the following list, indicate if any portion of the territory contains the following by placing a checkmark next to the item:

- | | |
|--|--|
| <input type="checkbox"/> Agricultural Land Uses | <input type="checkbox"/> Agricultural Preserve Designation |
| <input type="checkbox"/> Williamson Act Contract | <input type="checkbox"/> Area where Special Permits are Required |
| <input type="checkbox"/> Any other unusual features of the area or permits required: _____ | |

9. Provide a narrative response to the following factor of consideration as identified in §56668(p):
The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services:

ENVIRONMENTAL INFORMATION

1. Provide general description of topography. _____

2. Describe any existing improvements on the subject territory as % of total area.

Residential	<u>5</u> %	Agricultural	_____%
Commercial	_____%	Vacant	<u>75</u> %
Industrial	_____%	Other	<u>20(mitigation)</u> %

3. Describe the surrounding land uses:

NORTH United States Forest

EAST City of Fontana (urban uses and vacant lands)

SOUTH City of Rancho Cucamonga (urban uses, floodway, and vacant lands)

WEST City of Upland and San Antonio Heights (urban uses and vacant lands)

4. Describe site alterations that will be produced by improvement projects associated with this proposed action (installation of water facilities, sewer facilities, grading, flow channelization, etc.).

N/A

5. Will service extensions accomplished by this proposal induce growth on this site? YES ☐
NO ☒ Adjacent sites? YES ☐ NO ☐ Unincorporated ☐ Incorporated ☐

6. Are there any existing out-of-agency service contracts/agreements within the area? YES ☐
NO ☐ If YES, please identify.

7. Is this proposal a part of a larger project or series of projects? YES ☐ NO ☐ If YES, please explain.

NOTICES

Please provide the names and addresses of persons who are to be furnished mailed notice of the hearing(s) and receive copies of the agenda and staff report.

NAME _____ TELEPHONE NO. _____

ADDRESS: _____

NAME _____ TELEPHONE NO. _____

ADDRESS: _____

NAME _____ TELEPHONE NO. _____

ADDRESS: _____

CERTIFICATION

As a part of this application, the City/Town of N/A, or the N/A District/Agency, _____ (the applicant) and/or the _____ (real party in interest - landowner and/or registered voter of the application subject property) agree to defend, indemnify, hold harmless, promptly reimburse San Bernardino LAFCO for all reasonable expenses and attorney fees, and release San Bernardino LAFCO, its agents, officers, attorneys, and employees from any claim, action, proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it.

This indemnification obligation shall include, but not be limited to, damages, penalties, fines and other costs imposed upon or incurred by San Bernardino LAFCO should San Bernardino LAFCO be named as a party in any litigation or administrative proceeding in connection with this application.

As the person signing this application, I will be considered the proponent for the proposed action(s) and will receive all related notices and other communications. I understand that if this application is approved, the Commission will impose a condition requiring the applicant and/or the real party in interest to indemnify, hold harmless and reimburse the Commission for all legal actions that might be initiated as a result of that approval.

I hereby certify that the statements furnished above and in the attached supplements and exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

DATE January 15, 2019

Prepared by LAFCO Staff
SIGNATURE

Prepared by LAFCO Staff
Printed Name of Applicant or Real Property in Interest
(Landowner/Registered Voter of the Application Subject Property)

Title and Affiliation (if applicable)

PLEASE CHECK SUPPLEMENTAL FORMS ATTACHED:

- ☐ ANNEXATION, DETACHMENT, REORGANIZATION SUPPLEMENT
- ☒ SPHERE OF INFLUENCE CHANGE SUPPLEMENT
- ☐ CITY INCORPORATION SUPPLEMENT
- ☐ FORMATION OF A SPECIAL DISTRICT SUPPLEMENT
- ☐ ACTIVATION OR DIVESTITURE OF FUNCTIONS AND/OR SERVICES FOR SPECIAL

SUPPLEMENT SPHERE OF INFLUENCE AMENDMENT

INTRODUCTION: The questions on this form are designed to obtain data about the specific sphere of influence amendment application to allow the Commission, staff and others to adequately assess the application. You may also include any additional information that you believe is pertinent. Use additional sheets where necessary, and/or include any relevant documents.

1. Please provide an identification of the agencies involved in the proposed sphere of influence change(s):

SPHERE EXPANSION

SPHERE REDUCTION

County Service Area 120 (zero)

2. Provide a narrative description of the following factors of consideration as outlined in Government Code Section 56425. (If additional room for response is necessary, please attach additional sheets to this form.)

The present and planned land uses in the area, including agricultural and open-space lands.

The existing uses within the boundaries of CSA 120 (its current sphere, excluding the non-contiguous segment within the City of Fontana sphere of influence) include open space uses and some rural residential development. Existing land use designations include Open Space (OS), Resource Conservation (RC), Floodway (FW), Rural Living (RL-10 and RL-5), Single Residential (RS-1) and SD-RES (Special Development Residential) under the County General Plan. The City of Rancho Cucamonga assign the area the following land use designations: Open Space, Open Space Hillside Residential, Open Space Flood Control/Utility Corridor, and Open Space Conservation. The area include mitigation lands deeded to CSA 120 with the County of San Bernardino holding the conservation easements. The assignment of a zero sphere of influence will have no impact on these designations; or the general plan designations of the affected cities – Rancho Cucamonga and Fontana.

The present and probable need for public facilities and services in the area.

The need for public facilities and services within the territory within CSA 120 is limited.

Since CSA 120 has been unable to gain approval of its application for governmental entity designation to acquire additional mitigation properties, the probable need for this service is

not present as no new service can be extended. However, there are other agencies which could provide this service in the future. The current service authorized CSA 120 is:

CSA 120

(District formed
7/1/2009)

Open space and habitat
conservation

Open space and habitat conservation including, but not limited to, the acquisition, preservation, maintenance, and operation of land to protect unique, sensitive, threatened, or endangered species, or historical or culturally significant properties. Any setback or buffer requirements to protect open-space or habitat lands shall be owned by a public agency and maintained by the county service area so as not to infringe on the customary husbandry practices of any neighboring commercially productive agricultural, timber or livestock operations.

The present capacity of public facilities and adequacy of public services that the agency to be expanded provides or is authorized to provide.

The sphere of influence amendment proposes to reduce the sphere of influence of CSA 120 to a zero sphere of influence on the basis that the capacity to provide their range of service is not present due to financial constraints. LAFCO Resolution No. 3190 (included as an attachment) outlines the concerns regarding the future adequacy of service and the rationale for that determination. No information subsequent to the issuance of Resolution No. 3190 has altered the determinations made. A zero sphere of influence indicates the Commission position that a future change of organization should occur, transferring the service obligation to another agency. As a part of the sphere of influence amendment process, the Commission directed its staff to convene a stakeholders group to review the options for transfer of this service obligation.

The existence of any social or economic communities of interest in the area.

CSA 120 provides for the management of mitigation lands within a specific type of habitat; therefore, its community of interest would be the foothill communities of the San Gabriel Mountains which support the endangered species identified by local, state and federal

wildlife agencies. This determination is compromised by the lack of authorization for CSA 120 to acquire additional habitat lands.

The present and probable need for public facilities or services related to sewers, municipal and industrial water, or structural fire protection for any disadvantaged unincorporated community, as defined by Govt. Code Section 56033.5, within the existing sphere of influence.

Not applicable.

3. If the sphere of influence amendment includes a city sphere of influence change, provide a written statement of whether or not agreement on the sphere change between the city and county was achieved as required by Government Code Section 56425. In addition, provide a written statement of the elements of agreement (such as, development standards, boundaries, zoning agreements, etc.) (See Government Code Section 56425)

Not applicable

4. If the sphere of influence amendment includes a special district sphere of influence change, provide a written statement: (a) specifying the function or classes of service provided by the district(s) and (b) specifying the nature, location and extent of the functions or classes of service provided by the district(s). (See Government Code Section 56425(i))

The LAFCO Policy and Procedure Manual, Section VI, Special Districts, Chapter 3, Listing of Special Districts within San Bernardino LAFCO Purview – Authorized Functions and Services, identifies the services authorized CSA 120 as follows:

CSA 120

(District formed 7/1/2009)

Open space and habitat
conservation

Open space and habitat conservation including, but not limited to, the acquisition, preservation, maintenance, and operation of land to protect unique, sensitive, threatened, or endangered species, or historical or culturally significant properties. Any setback or buffer requirements to protect open-space or habitat lands shall be owned by a public agency and maintained by the county service area so as not to infringe on the customary husbandry practices of any neighboring commercially productive agricultural, timber or livestock operations.

5. For any sphere of influence amendment either initiated by an agency or individual, or updated as mandated by Government Code Section 56425, the following service review information is required to be addressed in a narrative discussion, and attached to this supplemental form (See Government Code Section 56430): **(Not Required)**
- a. Growth and population projections for the affected area.
 - b. Location and characteristics of disadvantaged unincorporated communities within or contiguous to the sphere of influence.
 - c. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies, including those associated with a disadvantaged unincorporated community.
 - d. Financial ability of agencies to provide services.
 - e. Status of, and opportunities for, shared facilities.
 - f. Accountability for community service needs, including governmental structure and operational efficiencies.

If additional sheet are submitted or a separate document provided to fulfill Item #5, the narrative description shall be signed and certified by an official of the agency(s) involved with the sphere of influence review as to the accuracy of the information provided. If necessary, attach copies of documents supporting statements.

CERTIFICATION

As a part of this application, the City/Town of N/A, or the N/A District/Agency, _____ (the applicant) and/or the _____ (real party in interest - landowner and/or registered voter of the application subject property) agree to defend, indemnify, hold harmless, promptly reimburse San Bernardino LAFCO for all reasonable expenses and attorney fees, and release San Bernardino LAFCO, its agents, officers, attorneys, and employees from any claim, action, proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul the approval of this application or adoption of the environmental document which accompanies it.

This indemnification obligation shall include, but not be limited to, damages, penalties, fines and other costs, imposed upon or incurred by San Bernardino LAFCO should San Bernardino LAFCO be named as a party in any litigation or administrative proceeding in connection with this application.

As the person signing this application, I will be considered the proponent for the proposed action(s) and will receive all related notices and other communications. I understand that if this application is approved, the Commission will impose a condition requiring the applicant and/or the real party in interest to indemnify, hold harmless and reimburse the Commission for all legal actions that might be initiated as a result of that approval.

I hereby certify that the statements furnished above present the data and information required to the best of my ability, and that the facts, statements, and information presented herein are true and correct to the best of my knowledge and belief.

Prepared by LAFCO Staff

Prepared by LAFCO Staff

Title and Affiliation (if applicable)

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LAFCO Resolution 3190

Attachment 3

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North D Street, Suite 204, San Bernardino, CA 92415-0490
(909) 383-9900 • Fax (909) 383-9901
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

PROPOSAL NO.: LAFCO 3157

HEARING DATE: SEPTEMBER 17, 2014

RESOLUTION NO. 3190

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON LAFCO 3157 – SPHERE OF INFLUENCE ESTABLISHMENT FOR COUNTY SERVICE AREA 120 (Habitat Conservation and Historical Resources – North Etiwanda) (sphere of influence establishment coterminous with existing District boundary excluding the territory currently within the City of Fontana’s Interim Multi-Species Habitat Conservation Plan)

On motion of Commissioner Farrell, duly seconded by Commissioner Williams, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, an application for the proposed sphere of influence establishment (expansion beyond existing District boundaries) in the County of San Bernardino was filed with the Executive Officer of the Local Agency Formation Commission (hereinafter referred to as “the Commission”) in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.); and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by this Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including her recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in the notice of public hearing and in any order or orders continuing the hearing; and,

WHEREAS, at the hearing, this Commission heard and received all oral and written protests; the Commission considered all objections and evidence which were made, presented, or filed; it received evidence as to whether the territory is inhabited or uninhabited, improved or unimproved; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application, in evidence presented at the hearing; and,

WHEREAS, a Mitigated Negative Declaration has been prepared pursuant to the provisions of the California Environmental Quality Act (CEQA) indicating that the sphere of influence establishment will not have a significant effect on the environment through implementation of the mitigation measures assigned; that the Commission has chosen Alternative #2 as the project for approval, and the Commission adopted the Mitigated Negative Declaration and instructed its Executive Officer to file a Notice of Determination within five days with the San Bernardino County Clerk to the Board of Supervisors if filing fees required by the California Department of Fish and Wildlife are received from the County Special Districts Department within that timeframe; and,

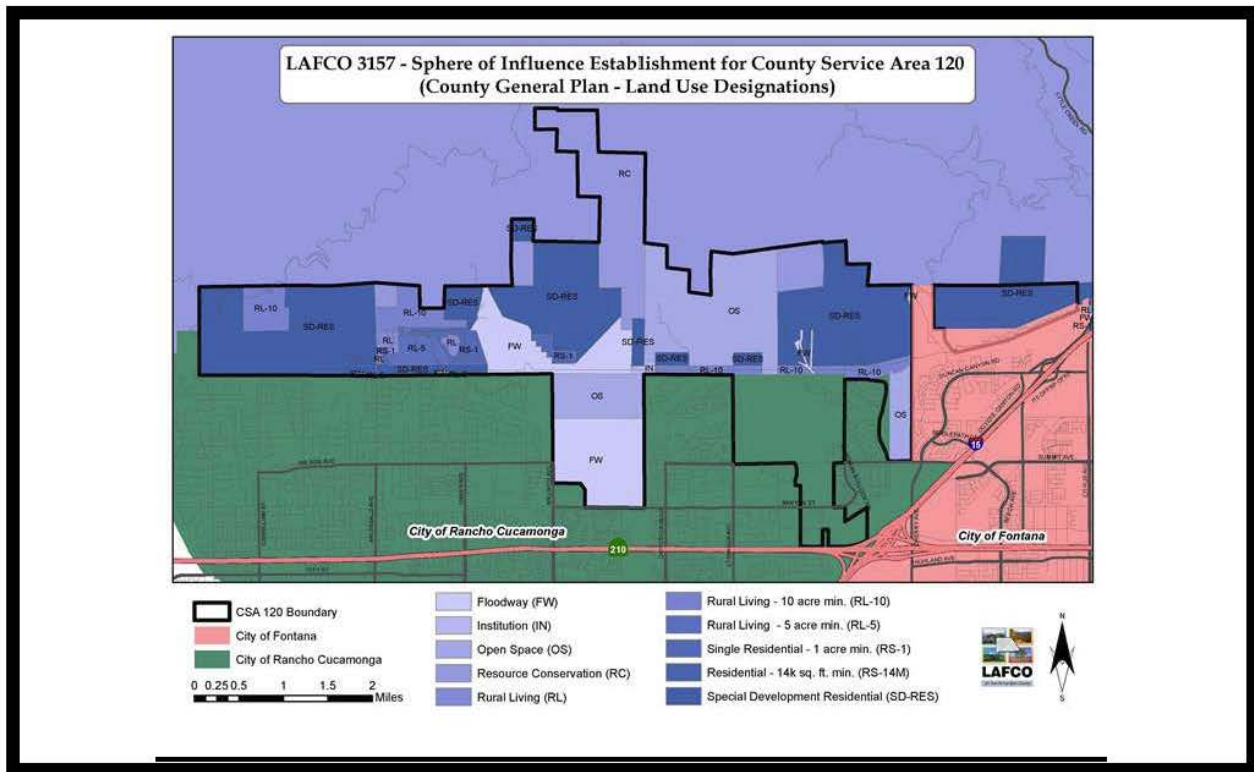
RESOLUTION NO. 3190

WHEREAS, based on presently existing evidence, facts, and circumstances filed with the Local Agency Formation Commission and considered by this Commission, it is determined that the sphere of influence for County Service Area 120 should be coterminous with its existing boundaries excluding the territory within the City of Fontana's Multi-Species Habitat Conservation Plan, as more specifically described on the attached Exhibits "A" and "A-1"; and,

WHEREAS, the following determinations are made:

1. **The present and planned land uses in the area, including agricultural and open space lands;**

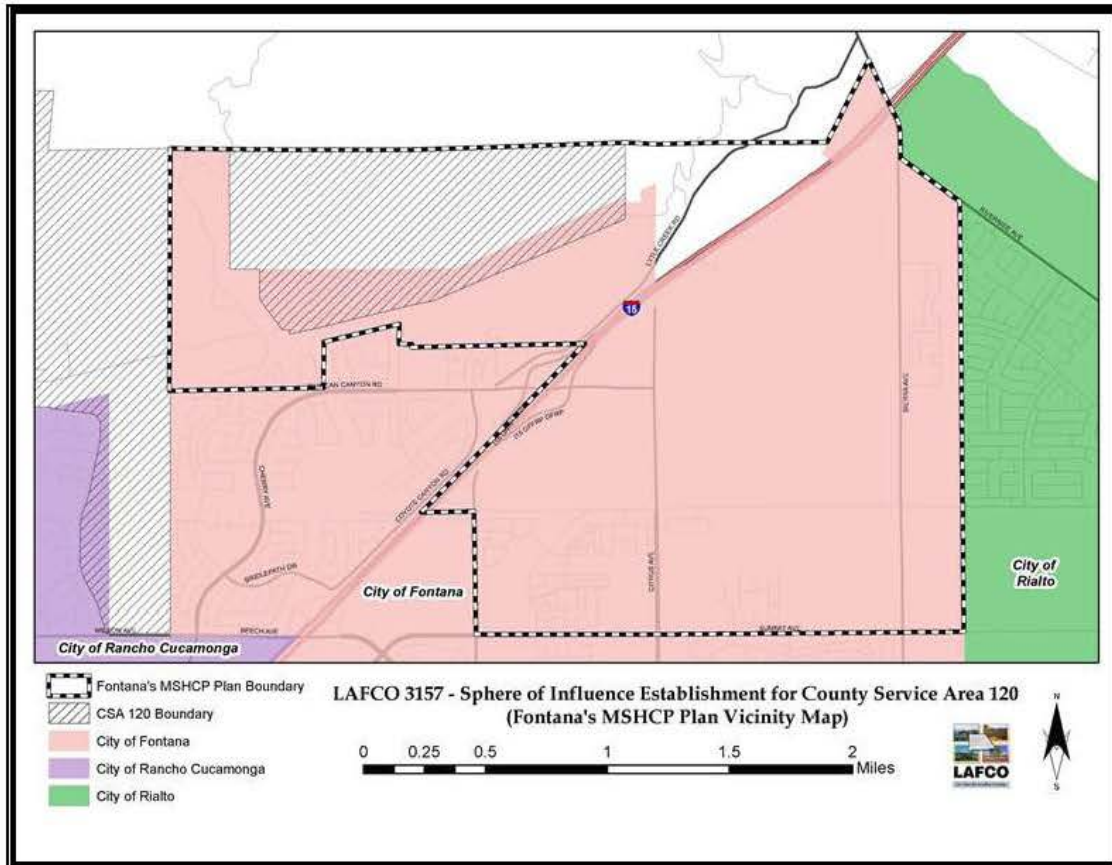
The present and planned land uses within the boundaries of CSA 120 include identification of open space uses and some rural level of residential development under the County General Plan. These uses are shown on the map below. Open space and Floodway designations within the area include those lands associated with flood control uses within Day Creek and the mitigation properties associated with the North Etiwanda Preserve as defined in 1998. However, the properties within the City of Fontana sphere of influence and within the boundaries of CSA 120, including mitigation lands deeded to CSA 120, along with most of the additional lands acquired for mitigation purposes in the Rancho Cucamonga sphere of influence have a SD-Res (Special Development -Residential) land use assignment by the County General Plan, contrary to the perpetual nature of the mitigation/conservation easement.



The City of Fontana General Plan assigns an open space designation to the territory within CSA 120 recognizing the future potential for habitat preservation. In addition, the City of Fontana has adopted a Multi-Species Habitat Conservation Plan (hereafter shown as MSHCP) and have indicated that the Interim MSHCP establishes a fee in-lieu of dedication to address mitigation. During the environmental assessment of the proposal, LAFCO's environmental consultant, Tom Dodson of Tom Dodson and Associates, reviewed an alternative that excluded the territory within

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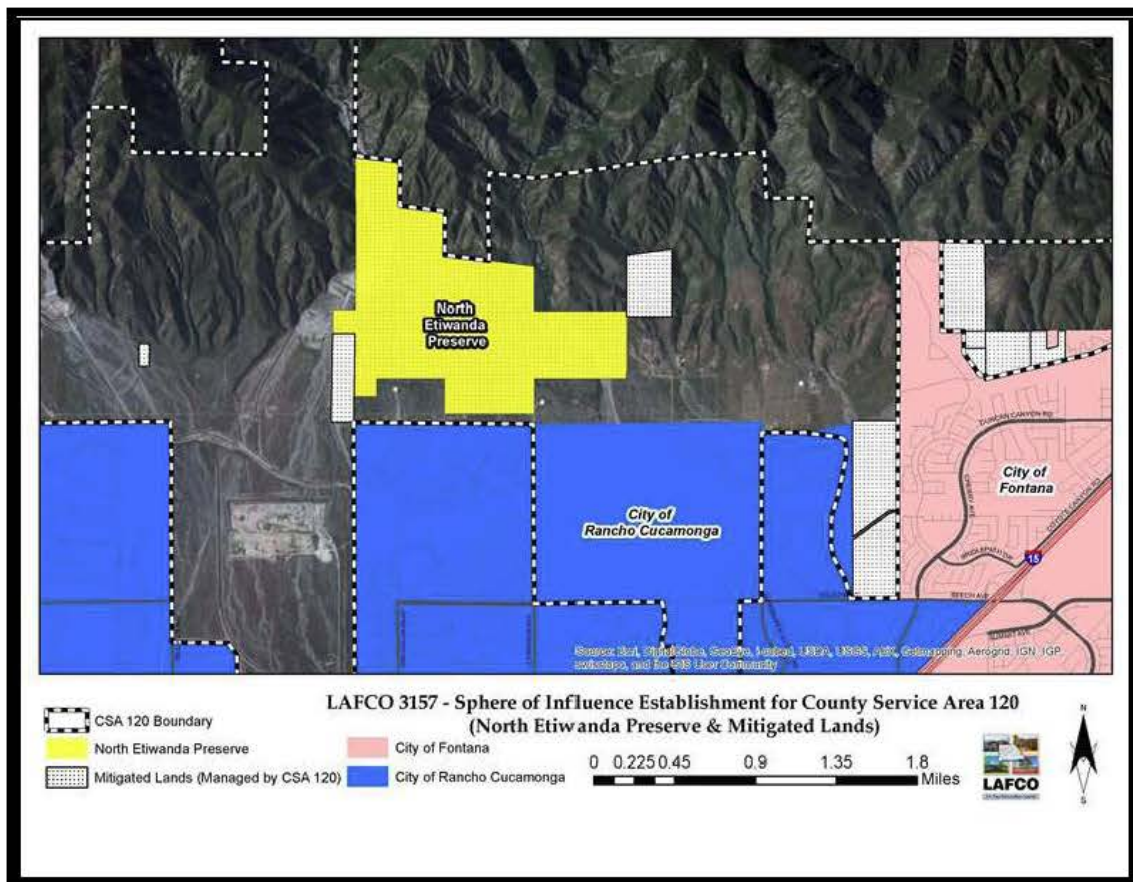
the City's MSHCP. The map below shows the relationship of the MSHCP territory to the existing boundaries of CSA 120.



2. The present and probable need for public facilities and services in the area;

Since 1998, mitigation lands have been managed by the County through its system of board-governed special districts. From 1998 through 2009, it was through CSA 70 Zones OS-1 and OS-3 and CSA 70 itself. From July 1, 2009 through the present day, it has been through CSA 120 in the area along the San Gabriel Mountains. These activities are managed under the auspices of the North Etiwanda Preserve Management Plan adopted in 2010 building upon its predecessor Cooperative Management Agreement of 1998. The lands now include approximately 1,207 acres and the management plan has divided the acreage into Unit 1 (original 762 acres of North Etiwanda Preserved) and Unit 2 (445 acres outside that boundary). The management of these lands is through deeded transfers of land ownership to CSA 70 OS-1 and CSA 70 (no quit claim transfer to the successor agency CSA 120 has taken place) and conservation easements transferred to the County of San Bernardino. A map of the lands under habitat management are shown below:

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The acquisition of additional lands for mitigation management are regulated by the California Department of Fish and Wildlife through its state mandated due diligence process to review the qualifications of entities to manage endowments and to perform the mitigation management activities designed in a mitigation agreement. This process is undertaken through the completion of an "Application for governmental entity, special district or nonprofit organization requesting to hold and manage mitigation lands". To date, CSA 120 has not submitted this report; therefore, it is not able to acquire additional mitigation properties for which an endowment is proposed. The only approved entities to manage mitigation lands within San Bernardino County are: Inland Empire Resource Conservation District, Center for Natural Lands Management, Southwest Resource Management Associates and Transition Habitat Conservancy.

Without this authorization, the need for a sphere of influence, even a coterminous one, is questionable as no new service can be provided. Therefore, to address this issue, the Commission adopts the following condition:

- **Within six months of the approval of the sphere of influence establishment County Service Area 120 shall have completed the due diligence process with the California Department of Fish and Wildlife to be declared an available recipient of mitigation properties in the future. Failure to do so will require a further analysis of the sphere of influence assignment.**

3. **The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;**

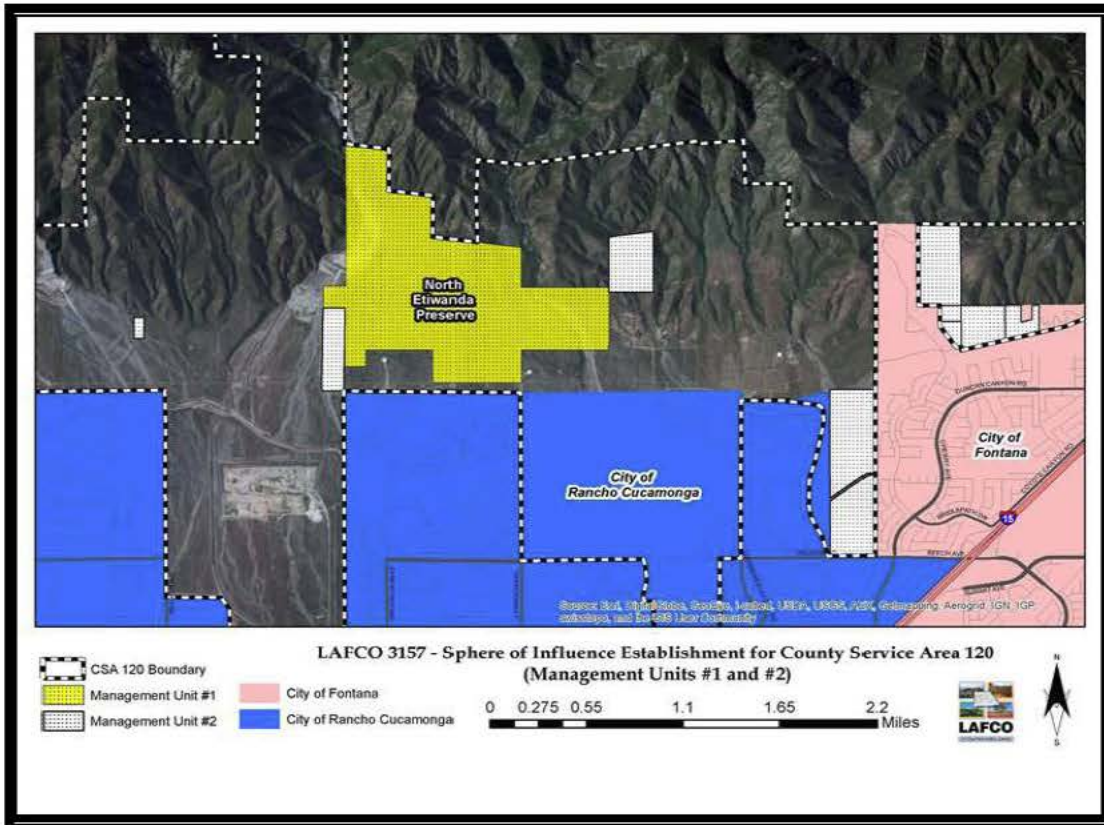
The discussion of the determination identified above for a single purpose County Service Area authorized to provide habitat management and historic preservation must revolve around the

RESOLUTION NO. 3190

question of funding for the provision of mitigation management services envisioned in the mitigation management agreement or other contractual arrangement. In evaluating this determination, the Commission has looked at the funding mechanism for CSA 120 and the annual expenditure/revenue picture for the agency. While this information identifies significant concerns, it should be noted that the management of the district has attempted to continue its operations under the significant duress of the recession. As the information which follows identify, the interest earnings for this agency have plummeted making its ability to perform its mandated role difficult if not insurmountable. It is within this context that the Commission identifies its concerns.

The funding for the operations of CSA 120 is limited to the interest earned on the endowment funds received at the time that the properties are transferred to its ownership for management. The statutes require that the funds be used for the purposes identified in managing the mitigation properties from which the endowment is derived. In addition, CSA 120 has an adopted fee schedule that proposes a two-tier approach to funding, the endowment for long term management and a payment for management activities necessary to bring the property into compliance for perpetual management. The County fee schedule for CSA 120 is to identify the formula for determining the endowment amount; however, this element of the fee schedule is currently being reviewed by the California Department of Fish and Wildlife so it is not available for review at this time.

Since the inception of CSA 120 (through its predecessor agencies CSA 70 OS-1 and OS-3) it has acquired the primary properties identified as the "North Etiwanda Preserve" the 762 acres set aside for habitat mitigation by SanBAG and Caltrans for the development of the I-210 Freeway (acquired in 1998) and five other properties transferred for management between 2003 and 2010 related to housing development habitat mitigation requirements imposed by the State and other agencies as a part of the development process. As was outlined in the determination above, these properties are deeded to CSA 70 OS-1 and CSA 70 with the conservation easement required held in the name of the County of San Bernardino. Included as a condition of the approval in the formation of CSA 120 in 2009 was the requirement that the agency update the Management Plan for the North Etiwanda Preserve to address the management requirements for the additional 440 acres. In October 2010 the County Board of Supervisors, as the governing body of CSA 120, approved the revised Management Plan. This plan identified that the original 762 acre North Etiwanda Preserve would be identified as "Unit 1" and all other properties would be "Unit 2". Page 4 of the plan states "Regardless of future designations, all lands within the original 762 acre Preserve boundary is subject to any terms of this management plan specified for Unit 1, and all lands outside the original 762 acre Preserve are subject to any terms specified for Unit 2." The map below identifies the location of the mitigation lands held by CSA 120.

RESOLUTION NO. 3190

The chart which follows outlines the individual mitigation properties, the endowment for their perpetual management, and the interest earned by each property for the period of Fiscal Year 2007-08 through Fiscal Year 2012-13. This information is taken from the audits received as a part of the application process which are on file in the LAFCO office. Of concern to the Commission is that on several occasions during the processing of this proposal, information was requested on the work performed on those properties identified as Unit 2 and the response has always been that no mitigation work has been performed. Government Code Section 65968(c) specifies the disbursement of the interest earnings be limited to the property which funded the endowment; the section reads as follows:

“(c) The special district or nonprofit organization shall hold, manage, invest and disburse the funds in furtherance of the long-term stewardship of the property for which the funds were set aside.”

Therefore, the interest earned on each of the properties can only be used for activities related to the specific property. However, the interest earnings related to CSA 120 have been consolidated and used for the purpose of maintaining the original 762 acres of the North Etiwanda Preserve for years. The original determination was to require the repayment of \$112,884 which was disputed by County Special Districts staff. The following chart has been modified to show the interest earnings attributable to each of the endowments received by CSA 120 using the percentage that the endowment bears to the whole, but has been modified during consultation with the County Special Districts Department, to require the repayment only from those years 2010-11 through current. (It is noted that the 2013-14 amount is not known at this time but will be included upon issuance of the audit.) This modification identifies the interest which would need to be returned to the five endowments that comprise Unit 2 to make them whole, as approximately \$14,752.

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Name of Owner	Date Acquired	Total Acreage	Endowment Funds Received	Interest Earned by Endowment Funds for Specific Properties						Total Interest by Conservation Property	% of Total Interest from 2008-13
				2008	2009	2010	2011	2012	2013		
UNIT #1 - CSA 120 MANAGEMENT PLAN											
SANBAG	2/27/1998	762	\$700,000	\$33,073	\$23,262	\$16,037	\$6,015	\$2,793	\$2,983	\$84,163	43.94%
UNIT #2 - CSA 120 MANAGEMENT PLAN											
Lennar Communities	10/21/2003	33	\$85,600	\$3,759	\$2,643	\$1,822	\$731	\$339	\$363	\$9,657	5.04%
A&J Resources and Rancho Etiwanda 685 LLC	3/1/2004	172	\$220,000	\$10,523	\$7,402	\$5,103	\$1,890	\$877	\$938	\$26,733	13.96%
Granite Homes/ Rancho 2004 LLC	9/13/2005	86	\$215,400	\$10,523	\$7,402	\$5,103	\$1,849	\$858	\$917	\$26,652	13.92%
CENTEX Homes	10/2/2005	149	\$373,250	\$17,288	\$12,160	\$8,383	\$3,201	\$1,486	\$1,588	\$44,106	23.03%
Western Slope & Mineral Company	12/14/2010	5	<u>\$12,500</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$110</u>	<u>\$51</u>	<u>\$55</u>	<u>\$216</u>	<u>0.11%</u>
Total Interest Earned				<u>\$75,166</u>	<u>\$52,869</u>	<u>\$36,448</u>	<u>\$13,796</u>	<u>\$6,404</u>	<u>\$6,844</u>	<u>\$191,526</u>	<u>100.00%</u>
Total Non-Wasting Endowment			<u>\$1,606,750</u>								
Interest for Unit #2				\$42,093	\$29,606	\$20,411					
Interest to be returned to Endowment for Unit #2 due to lack of work performed on specific properties							\$7,281	\$3,611	\$ 3,860	<u>\$14,752</u>	

The following chart outlines, there is no funding available to repay this amount due to the limitations of the revenue stream directly available to CSA 120. Outstanding questions remain: How will this situation be rectified? How will the SanBAG dedicated properties repay the other endowments or will reports for management and operation of the other properties be provided that show some of the funds used for the appropriate purpose? The Commission determines to impose the following conditions on this sphere of influence establishment to clarify this situation:

- Within six months of the approval of this sphere establishment County Service Area 120 shall have completed all reporting required by State law for the management of mitigation properties.
- Within six months of the approval of this sphere of influence establishment County Service Area 120 will have developed funding plans to restore endowment balances for those mitigation properties where mitigation work has not been performed but interest earnings used.

The question that needs to be answered in this consideration is whether or not the agency is financially sustainable. If an entity is consistently expending more than it receives, its long term viability is suspect. The chart which follows identifies the expenditures and revenues for the three accounts associated with CSA 120 – general, endowment, and capital projects. The data is taken from audits for the years 2006 through 2013 and budget data for years 2014 and 2015. The one major project within this time period was the development of the North Etiwanda Preserve trail system – design/environmental work in 2007 and 2008 and construction in 2009. This project entailed the construction of a trail system, kiosks, benches, and historic preservation. The maintenance of this system has become one of the primary operations of CSA 120 but comes without any source of funding for maintenance and operation. The following table includes the costs for the development of this facility:

RESOLUTION NO. 3190

County Service Area 120										
	Audit Data								Budget Data	
	2006	2007	2008	2009	2010	2011	2012	2013*	2014	2015
GENERAL										
EXPENDITURES										
Salaries & Benefits	\$ 4,824	\$ 5,788	\$ 4,826	\$ 12,752	\$ 13,277	\$ 7,733	\$ 7,037	\$ 1,734		
Services & Supplies	\$ 63,172	\$ 58,106	\$ 70,810	\$ 35,052	\$ 22,520	\$ 14,095	\$ 10,547	\$ 13,066	\$ 18,310	\$ 47,429
Contingencies									\$ -	\$ 23,376
Transfer Out	\$ 3,942	\$ 814,996		\$ 1,361,553					\$ 3,515	\$ 13,699
Total Expenditures	\$ 71,938	\$ 878,890	\$ 75,636	\$ 1,409,357	\$ 35,797	\$ 21,828	\$ 17,584	\$ 14,800	\$ 21,825	\$ 84,504
REVENUES										
State Assistance				\$ 659,309			\$ 1,082		\$ 10,032	\$ 25,000
Federal Assistance							\$ 4,330			
Investment Earnings	\$ 17,954	\$ 42,323	\$ 3,111	\$ 4,828			\$ 81	\$ 399	\$ 126	\$ 138
Intergovernmental				\$ 700,000						
Other	\$ 839,342		\$ 59,597	\$ 23,060		\$ 16,325		\$ 3,339		
Operating Transfer In					\$ 26,059	\$ 19,664	\$ 9,965	\$ 5,635	\$ 6,032	\$ 8,000
County Transfer In								\$ 30,000		
Total Revenues	\$ 857,296	\$ 42,323	\$ 62,708	\$ 1,387,197	\$ 26,059	\$ 35,989	\$ 15,458	\$ 39,373	\$ 16,190	\$ 33,138
Excess Revenues Over (Under) Expenditures	\$ 785,358	\$ (836,567)	\$ (12,928)	\$ (22,160)	\$ (9,738)	\$ 14,161	\$ (2,126)	\$ 24,573	\$ (5,635)	\$ (51,366)
Fund Balance										
Beginning	\$ 98,210	\$ 883,568	\$ 47,001	\$ 34,073	\$ 11,913	\$ 2,175	\$ 16,336	\$ 14,210	\$ 38,783	\$ 32,866
Ending	\$ 883,568	\$ 47,001	\$ 34,073	\$ 11,913	\$ 2,175	\$ 16,336	\$ 14,210	\$ 38,783	\$ 33,148	
ENDOWMENT FUND										
EXPENDITURES										
Operating Transfer Out					\$ 26,059	\$ 17,914	\$ 7,234	\$ 5,635	\$ 6,032	\$ 8,000
Other			\$ 159,598	\$ 20,715						
Total Expenditures	\$ -	\$ -	\$ 159,598	\$ 20,715	\$ 26,059	\$ 17,914	\$ 7,234	\$ 5,635	\$ 6,032	\$ 8,000
REVENUES										
State Assistance				\$ 40,691						
Investment Earnings	\$ 25,262	\$ 37,230	\$ 75,166	\$ 52,868	\$ 36,448	\$ 13,797	\$ 6,405	\$ 6,844	\$ 5,184	\$ 10,000
Net Increase in Fair Value of Investments								\$ 10,673		
Special Assessment							\$ 12,500			
Other										
Operating Transfer In		\$ 737,550								
Total Revenues	\$ 25,262	\$ 774,780	\$ 75,166	\$ 93,559	\$ 36,448	\$ 13,797	\$ 18,905	\$ 17,517	\$ 5,184	\$ 10,000
Excess Revenues Over (Under) Expenditures	\$ 25,262	\$ 774,780	\$ (84,432)	\$ 72,844	\$ 10,389	\$ (4,117)	\$ 11,671	\$ 11,882	\$ (848)	\$ 2,000
Fund Balance										
Beginning	\$ 805,797	\$ 831,059	\$ 1,605,839	\$ 1,521,407	\$ 1,594,251	\$ 1,604,640	\$ 1,600,523	\$ 1,612,194	\$ 1,612,194	\$ 1,612,065
Ending	\$ 831,059	\$ 1,605,839	\$ 1,521,407	\$ 1,594,251	\$ 1,604,640	\$ 1,600,523	\$ 1,612,194	\$ 1,624,076	\$ 1,610,065	
CAPITAL PROJECTS										
EXPENDITURES										
Construction in Progress				\$ 1,391,548	\$ 199,693					
Services & Supplies					\$ 389	\$ 204				
Improvement to Land		\$ 39,579	\$ 183,868			\$ 297	\$ 18,900			
Transfer Out						\$ 1,750	\$ 2,731			
Total Expenditures		\$ 39,579	\$ 183,868	\$ 1,391,548	\$ 200,082	\$ 2,251	\$ 21,631			
REVENUES										
Investment Earnings		\$ 294	\$ 4,251	\$ 12,836			\$ 36			
State Assistance					\$ 200,000					
Transfer in		\$ 60,000		\$ 1,361,553						
Other			\$ 200,000							
Total Revenues		\$ 60,294	\$ 204,251	\$ 1,374,389	\$ 200,000	\$ -	\$ 36			
Excess Revenues Over (Under) Expenditures		\$ 20,715	\$ 20,383	\$ (17,159)	\$ (82)	\$ (2,251)	\$ (21,595)			
Fund Balance										
Beginning		\$ -	\$ 20,715	\$ 41,098	\$ 23,939	\$ 23,857	\$ 21,606			
Ending		\$ 20,715	\$ 41,098	\$ 23,939	\$ 23,857	\$ 21,606	\$ 11			

*Audit was revised; received by LAFCO staff on October 8, 2014

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The use of endowment funds for the purpose of maintenance and operation of these facilities is of concern to the Commission. The responsibility for the operation should come from some other general sources of funding, such as a share of the general property tax levy, not the restricted revenues associated with the endowment properties. Therefore, Commission adopts the following condition in the approval of the sphere of influence establishment:

- **Within six months of the approval of the sphere of influence establishment for CSA 120, management of the County Special Districts Department shall develop a mechanism to provide for the maintenance and operation of the improvements constructed through the 2008-09 State Park grant without use of the endowment funds established for mitigation purposes only.**

An additional ongoing concern for the Commission is that the County Auditor-Controller has not updated the chart of accounts to acknowledge the existence of CSA 120. Case in point, up until 2013 the audits were issued for CSA 70 OS-1 and the "Budget Prep" documents provided by the County Special Districts Department with information necessary for the review of the 2014 and 2015 budget detail are titled "CSA 70 OS-1". While this may appear on the surface as a trivial matter, this directly impacts the County's reporting to the State Controller on the operations of special districts since CSA 70 and its various zones are reported as a single unit. One of the questions asked in the application to the California Department of Fish and Wildlife is whether or not the special district is current in its reporting requirements to the State Controller. To answer this question is now problematic for CSA 120 and the County.

As to the question of sustainability under the audit information outlined above, out of the eight years shown, six have operated at a deficit between revenues and expenditures within the fiscal year. In addition, the budget detail also shows that the district operates in the red without the infusion of funds from other sources. While the Commission has imposed a condition of approval related to the repayment of the endowment funds, as the chart above outlines, there are no current revenues available to provide for this. The question then to be answered at the end of the six month period is whether or not CSA 120 is sustainable for the long term? And if not what then? It is the position of the Commission that the service review to be presented in the future needs to answer these questions.

The final point in this discussion is that the County amendment for exclusion of the City of Fontana MSHCP from the sphere of influence establishment is an indication of the Commission's direction that the area should ultimately be removed from the boundaries of CSA 120. Such a future detachment would take with it the \$330,000 in endowment funds on deposit with CSA 120, representing approximately 20% of the endowment. The ramification of this change will need to be carefully addressed.

4. The existence of any social or economic communities of interest in the area;

In a typical sphere of influence review the question of social or economic communities of interest relates to the future development of the area and its associated identification with a specific community. However, for an entity that provides for the management of mitigation lands its economic community of interest would be the area from which mitigation properties could be assembled. That community would be the territory running along the foothills of the San Gabriel Mountains which support the endangered species identified by the local, state and federal wildlife agencies. This sphere of influence determination addresses a portion of this area.

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5. OTHER FINDINGS

- A. As required by State Law notice of the hearing was provided through publication in a newspaper of general circulation, *The Inland Valley Bulletin*. Individual notice was not provided as allowed under Government Code Section 56157 as such mailing would include more than 1,000 individual notices. As outlined in Commission policy, an eighth page legal ad was provided.
- B. As required by State Law, individual notification was provided to affected and interested agencies, County departments, and those agencies and individual requesting mailed notice.
- C. Comments from landowners and any affected local agency have been reviewed and considered by the Commission in making its determination.

WHEREAS, pursuant to the provisions of Government Code Section 56425(i) the range of services provided by County Service Area 120 shall be limited to the following:

CSA 120	Open space and habitat conservation	Open space and habitat conservation including, but not limited to, the acquisition, preservation, maintenance, and operation of land to protect unique, sensitive, threatened, or endangered species, or historical or culturally significant properties. Any setback or buffer requirements to protect open-space or habitat lands shall be owned by a public agency and maintained by the county service area so as not to infringe on the customary husbandry practices of any neighboring commercially productive agricultural, timber or livestock operations.
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WHEREAS, having reviewed and considered the findings as outlined above, the Commission establishes the sphere of influence for County Service Area 120 as outlined on the Exhibits attached to this resolution subject to the following conditions:

1. Within six months of the approval of the sphere of influence establishment County Service Area 120 shall have completed the due diligence process with the California Department of Fish and Wildlife to be declared an available recipient of mitigation properties in the future. Failure to do so will require a further analysis of the sphere of influence assignment.
2. Within six months of the approval of the sphere establishment County Service Area 120 shall have completed all reporting required by State law for the management of mitigation properties.
3. Within six months of the approval of the sphere of influence establishment County Service Area 120 will have developed funding plans to restore endowment balances for those mitigation properties where mitigation work has not been performed but interest earnings used.
4. Within six months of the approval of the sphere of influence establishment for CSA 120, management of the County Special Districts Department shall develop a mechanism to provide

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for the maintenance and operation of the improvements constructed through the 2008-09 State Park grant without use of the endowment funds established for mitigation purposes only.

5. LAFCO staff is to provide ongoing monitoring of the completion of the activities outlined in the preceding conditions with periodic updates provided to the Commission.

NOW, THEREFORE, BE IT RESOLVED by the Local Agency Formation Commission of the County of San Bernardino, State of California, that this Commission shall consider the territory described in Exhibits "A" and "A-1" as being within the sphere of influence of County Service Area 120, it being fully understood that establishment of such a sphere of influence is a policy declaration of this Commission based on existing facts and circumstances which, although not readily changed, may be subject to review and change in the event a future significant change of circumstances so warrants.

BE IT FURTHER RESOLVED that the Local Agency Formation Commission of the County of San Bernardino, State of California, does hereby determine that the County of San Bernardino shall indemnify, defend, and hold harmless the Local Agency Formation Commission of the County of San Bernardino from any legal expense, legal action, or judgment arising out of the Commission's approval of this sphere establishment, including any reimbursement of legal fees and costs incurred by the Commission.

THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission of the County of San Bernardino by the following vote:

AYES: COMMISSIONERS: Bagley, Cox, Farrell, Lovingood, McCallon, Ramos, Williams

NOES: COMMISSIONERS: None

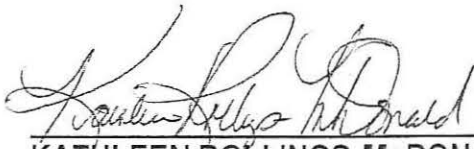
ABSENT: COMMISSIONERS: Curatalo (Mr. Farrell voting in his stead)

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, KATHLEEN ROLLINGS-McDONALD, Executive Officer of the Local Agency Formation Commission of the County of San Bernardino, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission, by vote of the members present, as the same appears in the Official Minutes of said Commission at its meeting of October 22, 2014.

DATED: October 22, 2014




KATHLEEN ROLLINGS-McDONALD
Executive Officer

LAFCO 3157

SPHERE OF INFLUENCE ESTABLISHMENT FOR COUNTY SERVICE AREA 120

Beginning at the Southwest corner of Section 16, Township 1 North, Range 7 West, San Bernardino Meridian;

1. Thence Northerly, along the West line of said Section 16, to the Northwest corner thereof;
2. Thence Easterly, along the Northerly line of said Section 16, and the Northerly line of Sections 15 & 14, of said Township and Range, to the Northeast corner of the Northwest Quarter of said Section 14;
3. Thence Southerly, along the East line of said Northwest Quarter, to the Northwest corner of the Southwest Quarter of the Northeast Quarter of said Section 14;
4. Thence Easterly, along the North line of said Southwest Quarter of the Northeast Quarter, to the Northeast corner thereof;
5. Thence Northerly, along said West line of the East half of the Northeast Quarter of said Section 14, to the Northerly line of said Section 14;
6. Thence Easterly, along the North line of said Section 14 and the Northerly line of Section 13, of said Township and Range, to the Southwest corner of the East half of Section 12, of said Township and Range;
7. Thence Northerly, along the West line of said East half of said Section 12, to the Northwest corner of the Southwest Quarter of the Northeast Quarter of said Section 12;
8. Thence Easterly, along the North line of said Southwest Quarter of the Northeast Quarter of said Section 12, to the Northeast corner thereof;
9. Thence Southerly, along the East line of said Southwest Quarter of the Northeast Quarter of said Section 12, to the Northwest corner of the South half of the East half of the East half of said Section 12;

10. Thence Easterly, along the North line of said South half of the East half of the East half of said Section 12 and the North line of the Southwest Quarter of Section 7, Township 1 North, Range 6 West, San Bernardino Meridian, to the Northeast corner thereof;
11. Thence Northerly, along the West line of the East half of said Section 7, to the Southeast corner of the Southwest Quarter of Section 6, of last said Township and Range;
12. Thence Westerly, along the South line of said Section 6, to the Southwest corner of the East half of the Southwest Quarter of said Section 6;
13. Thence Northerly, along the West line of said East half of the Southwest Quarter of said Section 6, to the Northwest corner thereof;
14. Thence Westerly, along the South line of the Northwest Quarter of said Section 6, to the West line of said Section 6 and common Range line between Ranges 6 & 7;
15. Thence Northerly, along said Range line, to the Southeast corner of the Northeast Quarter of the Northeast Quarter of Section 1, Township 1 North, Range 7 West, San Bernardino Meridian;
16. Thence Westerly, along the South line of said Northeast Quarter of the Northeast Quarter of said Section 1, to the Southwest corner thereof;
17. Thence Northerly, along the West line of said Northeast Quarter of the Northeast Quarter of said Section 1, to the North line of said Section 1;
18. Thence Easterly, along said North line of said Section 1, to the Northeast corner thereof;
19. Thence Southerly, along said common Range line between Ranges 6 & 7, to the Northwest corner of Section 6, Township 1 North, Range 6 West, San Bernardino Meridian;
20. Thence Easterly, along the North line of said Section 6, to the Northeast corner of the Northwest Quarter of said section 6;
21. Thence Southerly, along the East line of said Northwest Quarter of said Section 6, to the Southeast corner thereof;
22. Thence Easterly, along the North line of the Southeast Quarter of said Section 6, to the Northeast corner thereof;

23. Thence Southerly, along the East line of said Section 6 and Section 7 of last said Township and Range, to the Northwest corner of the Southwest Quarter of Section 8 of last said Township and Range;
24. Thence Easterly, along the North line of the Southwest Quarter of said Section 8, to the Northeast corner of the Northwest Quarter of the Southwest Quarter of said Section 8;
25. Thence Southerly, along the East line of said Northwest Quarter of the Southwest Quarter, to the Northwest corner of the Southeast Quarter of the Southwest Quarter of said Section 8;
26. Thence Easterly, along the North line of the Southeast Quarter of the Southwest Quarter of said Section 8, to the Northeast corner thereof;
27. Thence Southerly, along the East line of the Southeast Quarter of the Southwest Quarter, to the North line of Section 17 of last said Township and Range;
28. Thence Easterly, along said North line of said Section 17, to the Northeast corner of the Northwest Quarter of the Northeast Quarter thereof;
29. Thence Northerly, along the East line of the West half of the Southeast Quarter of said Section 8 to the Northeast corner of said West half;
30. Thence Easterly, along the North line of said Southeast Quarter of said Section 8 to the Northeast corner thereof;
31. Thence Easterly, along the North line of the South half of Section 9 and the North line of the Northwest Quarter of the Southwest Quarter of Section 10 of last said Township and Range, to the Northeast corner thereof;
32. Thence Southerly, along the East line of said Northwest Quarter of the Southwest Quarter of Section 10, to the Southeast corner thereof;
33. Thence Easterly, along the North line of the Southeast Quarter of the Southwest Quarter of said Section 10, to the Northeast corner thereof;
34. Thence Southerly, along the East line of said Southeast Quarter of the Southwest Quarter of Section 10, to the Southeast corner thereof;
35. Thence Easterly, along the North line of Section 15 of last said Township and Range, to the Northeast corner thereof;

36. Thence Southerly, along the East line of Section 15 and Section 22 of last said Township and Range, 10508 feet, more or less, to the Northerly line of the County Road, as per Document recorded on September 1, 1989 as Instrument No. 89-324653 Official Records of said County, said Northerly line being 52.00 feet Northerly, measured at right angles, from the South line of said Section 22;
37. Thence South $89^{\circ}41'47''$ West 1326 feet, more or less, along said Northerly line of said County Road, to the East line of Tract Map No. 13565-6, as per map filed in Book 217, pages 37 through 43, inclusive of Maps, in the office of the County Recorder of said County;
38. Thence South $00^{\circ}08'54''$ West 8 feet, more or less, along said Easterly line of said Tract Map No. 13565-6, to the Northerly Right-of-Way line of Summit Avenue, as shown on said Tract Map No. 13565-6;
39. Thence, along said Northerly Right-of-Way line of Summit Avenue, South $89^{\circ}41'47''$ West 124.16 feet;
40. Thence, leaving said Summit Avenue Right-of-Way along the Easterly Right-of-Way of San Sevaine as shown on said Tract Map No. 13565-6, North $45^{\circ}18'13''$ West 27.58 feet;
41. Thence North $00^{\circ}18'13''$ West 38.26 feet, along said Easterly Right-of-Way, to the beginning of a tangent curve, concave Westerly and having a radius of 840.00 feet;
42. Thence, along said Easterly Right-of-Way and along said curve through a central angle of $11^{\circ}25'10''$, an arc length of 167.42 feet;
43. Thence North $11^{\circ}43'24''$ West 249.94 feet, along said Easterly Right-of-Way, to the beginning of a tangent curve, concave Southwesterly and having a radius of 932.00 feet;
44. Thence, along said Easterly Right-of-Way and along said curve through a central angle of $17^{\circ}37'12''$, an arc length of 286.62 feet;
45. Thence North $29^{\circ}20'36''$ West 377.23 feet, along said Easterly Right-of-Way, to the beginning of a tangent curve, concave Northeasterly and having a radius of 1168.00 feet;
46. Thence, along said curve and the Easterly Right-of-Way line of that certain Easement for Roadway purposes as per Instrument No. 88-324169 Official Records of said County, through a central angle of $30^{\circ}19'33''$, an arc length of 618.26 feet;
47. Thence North $05^{\circ}10'24''$ East 114.61 feet, along said Easterly Right-of-Way to the beginning of a tangent curve, concave Westerly and having a radius of 1232.00 feet;

48. Thence, along said Easterly Right-of-Way and along said curve through a central angle of $07^{\circ}11'48''$, an arc length of 154.75 feet;
49. Thence North $02^{\circ}01'24''$ West 159.03 feet, along said Easterly Right-of-Way, to the beginning of a tangent curve, concave Southeasterly and having a radius of 1268.00;
50. Thence, along said Easterly Right-of-Way and along said curve through a central angle of $20^{\circ}40'52''$, an arc length of 457.69 feet to a point on the North line of said Tract Map No. 13565-9;
51. Thence, along said Easterly Right-of-Way and leaving said North line along the Southwesterly prolongation and the Southeasterly Right-of-Way of said San Sevaine Road as shown on Tract Map No. 13564-2 as per Map, filed in Book 268, pages 19 through 24 and Tract Map No. 13564-3 as per Map, filed in Book 268, pages 72 through 77 both of Maps, in the office of the County Recorder of said County, North $12^{\circ}23'59''$ East 1440.43 feet to the beginning of a tangent curve, concave Northwesterly and having a radius of 953.00 feet;
52. Thence, along said Easterly Right-of-Way and along said curve and the Westerly line of Lot A of Tract Map No. 13564-4 as per Map, filed in Book 268, pages 78 through 83 of Maps, in the office of the County Recorder of said County through a central angle of $08^{\circ}39'03''$ an arc length of 143.89 feet to the beginning of a reverse curve, concave Easterly and having a radius of 92.00 feet, a radial bearing to said beginning bears North $86^{\circ}15'04''$ West;
53. Thence, along said Easterly Right-of-Way and said Westerly Line of Lot A and along said curve through a central angle of $07^{\circ}14'23''$, an arc length of 11.62 feet;
54. Thence North $10^{\circ}59'19''$ East 48.72 feet, along said Easterly Right-of-Way and said Westerly Line of Lot A, to the beginning of a tangent curve, concave Southwesterly and having a radius of 70.00 feet;
55. Thence, along said Easterly Right-of-Way and said Westerly Line of Lot A and along said curve through a central angle of $54^{\circ}28'11''$, an arc length of 66.55 feet;
56. Thence, leaving said Easterly Right-of-Way of San Sevaine and continuing along said Westerly line of Lot A, North $46^{\circ}31'07''$ East 27.63 feet;
57. Thence, continuing along said Westerly Line of Lot A, North $01^{\circ}23'43''$ West 241.71 feet to the beginning of a tangent curve, concave Southwesterly and having a radius of 225.00 feet;
58. Thence, along said Westerly Line of Lot A and along said curve through a central angle of $81^{\circ}18'22''$, an arc length of 319.29 feet;

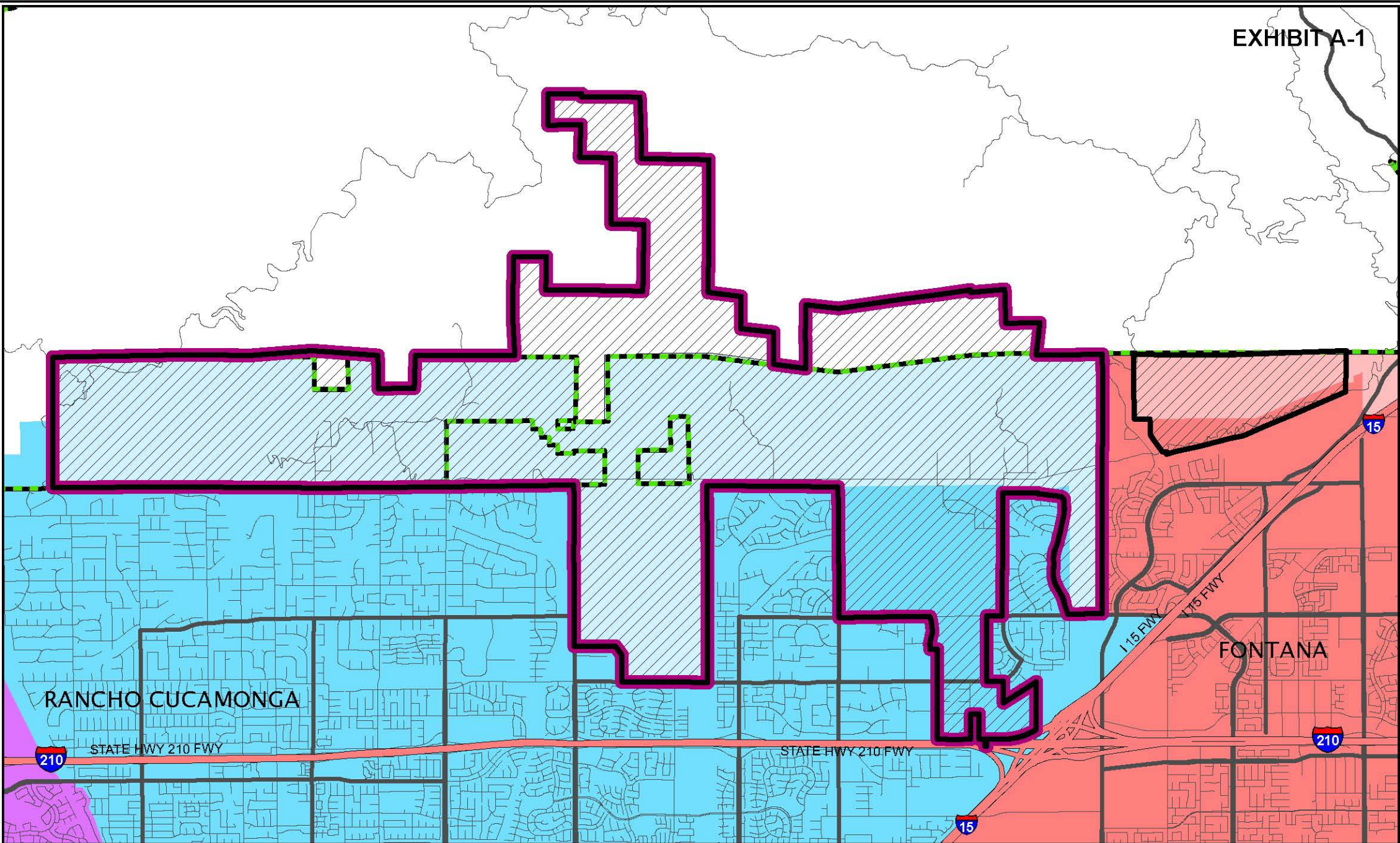
59. Thence North $82^{\circ}39'43''$ West 725.63 feet, along said Westerly Line and the Southerly Line of Lot A, to the beginning of a tangent curve, concave Southerly and having a radius of 389.00 feet;
60. Thence, along said Southerly Line of Lot A and along said curve through a central angle of $07^{\circ}22'27''$, an arc length of 50.07 feet;
61. Thence South $89^{\circ}55'28''$ West 76.72 feet to the Southwest corner of said Lot A;
62. Thence, leaving said Lot A, North $0^{\circ}04'24''$ West 58.00 feet to the North line of Parcel "B" of Lot Line Adjustment No. 300, recorded March 8, 1989 as Instrument No. 89-084130 Official Records of said County, as shown on said Tract Map No. 13564-4;
63. Thence, along said North line, South $89^{\circ}55'28''$ West 1391.6 feet, more or less, to the intersection with the East line of the West Half of the West Half of Section 22, Township 1 North, Range 6 West, San Bernardino Meridian;
64. Thence Southerly, along said East line to the North Line of Section 27 of last said Township and Range;
65. Thence Westerly, along said North line, to the intersection with the East line of the West Half of the West Half of the Northwest Quarter of said Section 27;
66. Thence Southerly, along said East line, to the intersection with the North line of the Northwest Quarter of the Southwest Quarter of said Section 27;
67. Thence Easterly, along said North line, to the Northeast corner of the Northwest Quarter of the Southwest Quarter of said Section 27;
68. Thence Southerly, along the East Line of the Northwest Quarter of the Southwest Quarter of said Section 27, 885 feet, more or less, to the Southerly Line of that certain Final Order of Condemnation, as per document recorded on September 3, 1976 in Book 9006, Page 683, Official Records in the office of the County Recorder of said County;
69. Thence, along said Southerly Line, North $57^{\circ}41'30''$ East, 1572.15 feet to the East Line of the Southwest Quarter of said Section 27;
70. Thence, along said East Line, South $00^{\circ}16'50''$ West 1886.67 feet to a point on the South Line of that certain Director's Deed, recorded June 4, 1990, as Instrument No. 90-217250, of Official Records in the office of the County Recorder of said County, said point being the beginning of a non-tangent curve, concave Northwesterly and having a radius of 2931.00 feet, a radial bearing to said point bears North $26^{\circ}13'29''$ West;

71. Thence, along said South Line and along said curve through a central angle of $25^{\circ}57'30''$, an arc length of 1327.92 feet;
72. Thence, continuing along said South Line, North $89^{\circ}39'39''$ West 706.37 feet to a point on the East Line of the West Half of the West Half of the West Half of said Section 27, said point also being the Northeast corner of that certain property conveyed to the State of California, as per Grant Deed recorded June 14, 1990, as Instrument No. 90-234198, Official Records in the office of the County Recorder of said County;
73. Thence North $89^{\circ}39'39''$ West 8.62 feet;
74. Thence South $00^{\circ}59'03''$ West 285.70 feet;
75. Thence South $89^{\circ}47'24''$ West 90.02 feet;
76. Thence North $00^{\circ}59'03''$ East 292.75 feet;
77. Thence South $89^{\circ}00'00''$ West 232.59 feet to the East Line of the West Half of the West Half of the Southwest Quarter of the Southwest Quarter of said Section 27;
78. Thence Northerly, along said East Line, to the North Line thereof;
79. Thence Westerly, along said North Line, to the East Line of Section 28 of last said Township and Range;
80. Thence Southerly, along said East Line 1005 feet, more or less, to the North Line of that certain Final Order of Condemnation, as per document recorded April 26, 1977, in Book 9164, Page 1392, Official Records in the office of the County Recorder of said County;
81. Thence, along the North Line of said Final Order of Condemnation, South $89^{\circ}00'00''$ West 623.50 feet to the beginning of a tangent curve concave to the North and having a radius of 2967.00 feet;
82. Thence, along said curve through a central angle of $05^{\circ}53'01''$, an arc length of 304.68 feet;
83. Thence North $85^{\circ}06'59''$ West 51.79 feet, along said North Line, to the beginning of a tangent curve concave to the South and having a radius of 4033.00 feet;
84. Thence, along said curve through a central angle of $04^{\circ}23'44''$, an arc length of 309.40 feet;
85. Thence North $89^{\circ}30'43''$ West 3.21 feet to the West Line of the East Half of the East Half of said Section 28;

86. Thence Northerly, along said West Line, to the Southeast corner of the Northwest Quarter of the Northeast Quarter of said Section 28, said point also being the Southeast corner of that certain property described in Grant Deed, as per document recorded January 24, 1949 in Book 2356, Page 13, Official Records in the office of the County Recorder of said County;
87. Thence, along the Southerly line of said Grant Deed, South $89^{\circ}10'00''$ West 290.00 feet;
88. Thence, leaving said Southerly Line along the Westerly line of said Grant Deed, North $05^{\circ}24'00''$ West 233.00 feet;
89. Thence, along said Westerly Line, North $13^{\circ}15'00''$ East 456.00 feet;
90. Thence, along said Westerly Line, North $04^{\circ}36'00''$ West 413.00 feet;
91. Thence, along said Westerly Line, North $17^{\circ}04'00''$ West 244.00 feet to the South Line of Section 21 of last said Township and Range;
92. Thence Westerly, along said South Line, to the Southwest corner thereof;
93. Thence Northerly, along the West Line of said Section 21, to the Southeast corner of Section 17 of last said Township and Range;
94. Thence Westerly, along the South Line of said Section 17, to the Northeast corner of Section 19 of last said Township and Range;
95. Thence Southerly, along the East Line of said Section 19, together with the East Line of Section 30 of last said Township and Range, to the Southeast corner of the North Half thereof;
96. Thence, along said South Line, North $89^{\circ}34'39''$ West 3465.10 feet, more or less, to the intersection of said South Line with the Southerly prolongation of the East Line of that certain Grant Deed, as per Document recorded September 13, 2000 as Instrument No. 20000333231, Official Records in the office of the County Recorder of said County;
97. Thence, along said Southerly prolongation and said East Line, North $00^{\circ}20'14''$ West 1084.98 feet to an angle point;
98. Thence, leaving said East Line, North $34^{\circ}10'49''$ West 420.69 feet to the North Line of said Grant Deed;
99. Thence, along said North Line, North $89^{\circ}34'44''$ West 1662.86 feet to the West Line of said Section 30;

100. Thence Northerly, along said West line of said Section 30, together with the West line of Section 19, of last said Township and Range, to the Southeast corner of Section 13, Township 1 North, Range 7 West, San Bernardino Meridian;
101. Thence Westerly, along the South line of said Section 13, and the South line of Section 14, 15 and 16, all of last said Township and Range, to the **Point of Beginning**.

Sphere area contains 8972 Acres, more or less.



**LAFCO 3157 - SPHERE OF INFLUENCE ESTABLISHMENT
FOR COUNTY SERVICE AREA 120**

	Sphere of Influence		City of Rancho Cucamonga		City of Fontana
	CSA 120 Boundaries		Rancho Cucamonga Sphere		Fontana Sphere
	National Forest Boundary		City of Upland	EXHIBIT A-1	

**CSA 120 Status Report,
June 13, 2019**

Attachment 4

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE : June 13, 2018



FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
SAMUEL MARTINEZ, Assistant Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #13 – Status Report on Continued Monitoring of
Conditions Imposed by LAFCO Resolution 3190 on LAFCO 3157 –
Sphere of Influence Establishment for County Service Area 120

RECOMMENDATION:

Staff recommends that the Commission:

1. Note receipt of the Status Report and file;
2. Initiate a Sphere of Influence amendment for County Service Area 120 with the direction that it be for the assignment of a zero sphere of influence; and,
3. Direct staff to convene a working group including representatives for CSA 120, the County Administrative Office, LAFCO staff, California Department of Fish and Wildlife staff, Inland Empire Resource Conservation District, City of Rancho Cucamonga and San Bernardino County Transportation Authority to review the option for a possible reorganizations to transfer responsibility for the mitigation lands comprising the ownerships of CSA 120 and the conservation easements assigned the County of San Bernardino.

DISCUSSION:

At the September 17, 2014 LAFCO hearing, the Commission approved LAFCO 3157, the sphere of influence establishment for CSA 120, which was followed by the Commission's adoption of Resolution No 3190 setting forth its findings and determinations at the October hearing. Included within that resolution (copy included as Attachment #1) were conditions imposed on CSA 120's sphere establishment, which are outlined below:

1. Within six months of the approval of the sphere of influence establishment, County Service Area 120 shall have completed the due diligence process with the California Department of Fish and Wildlife to be declared an available recipient of mitigation properties in the future. Failure to do so will require a further analysis of the sphere of influence assignment;
2. Within six months of the approval of the sphere of influence establishment for CSA 120, management of the County Special Districts Department shall develop a mechanism to provide for the maintenance and operation of the improvements constructed through the 2008-09 State Park grant without use of the endowment funds established for mitigation purposes only;
3. Within six months of the approval of the sphere establishment, County Service Area 120 shall have completed all reporting required by State law for the management of mitigation properties;
4. Within six months of the approval of the sphere of influence establishment, County Service Area 120 will have developed funding plans to restore endowment balances for those mitigation properties where mitigation work has not been performed but interest earnings used; and,
5. Direct LAFCO staff to provide ongoing monitoring of the completion of these activities with periodic updates provided to the Commission.

For the past almost four years, LAFCO staff has provided updates on the progress related to the response to the conditions of approval imposed upon CSA 120 (also shown as District). At the last update, heard at the May 20, 2015 hearing, the Special Districts Department staff provided its responses to the four requirements directed at its operations which were outlined in the staff report for that hearing (copy included as Attachment #3 to this report). Ultimately the Commission determined that it would hold in abeyance any further discussion of the conditions until completion of its Service Review for Habitat Conservation and Open Space Preservation (LAFCO 3157A) and the effects of the habitat study being undertaken by the County's Environmental Element Group of its Countywide Vision process. At the March 21, 2018 hearing, the Commission received an update on the progress of those efforts and approved the action to close its Service Review, to be re-initiated upon completion of the County process as it had not yet been completed.

At the April 18, 2018 hearing, the matter of providing an update on the monitoring of CSA 120's compliance with the conditions imposed in 2014 was included as an agenda item. The intent was to update to the Commission on the progress of the staff of CSA 120 to meet the conditions imposed; however, the matter was continued to allow

LAFCO staff time to analyze the response letter received from CSA 120 on April 9 (copy included as Attachment #2). The staff's responses are outlined below:

- 1. Within six months of the approval of the sphere of influence establishment, County Service Area 120 shall have completed the due diligence process with the California Department of Fish and Wildlife to be declared an available recipient of mitigation properties in the future. Failure to do so will require a further analysis of the sphere of influence assignment.***

The March 28 letter outlines that the County Special Districts Department has been in contact with the California Department of Fish and Wildlife regarding an application to be an available recipient of mitigation properties. However, those discussions indicated that without a resolution of the funding issues plaguing the district, success of such an application was doubtful at best. The County Special Districts Department staff also made a presentation in 2016 to the County's Debt Advisory Committee regarding "endowment methodologies and achieving a sustainable model for the implementation of mitigation fees". However, to date no such determination has been made. So the position remains that no new lands may be acquired for mitigation purposes by CSA 120.

The letter states that the District has made significant progress on becoming fiscally responsible in meeting its mitigation obligations. However, a review of the Audits for CSA 120 does not support that perspective, in the staff view. LAFCO staff has updated the audit data used in the original 2014 review with current audit information, shown below. Two items are unexplained in the audits prepared for the County which are highlighted on the table which follows:

1. The Audit prepared for Fiscal Year 2013-14 issued in November 2014 has reduced the permanent endowment fund balance by \$18,759 without explanation. This brings the endowment fund balance below the restricted level of \$1,607 664 as identified by CSA 120.
2. In Fiscal Year 2016-17, the interest earnings of the Permanent Endowment are listed as accruing to the general operations, not the Endowment category. This was the problem that had been identified early in the process when all the endowment funds were not shown as being restricted, but were included in the general operations fund, see Fiscal Year 2008-09 on the chart below.

CSA 120 has relied upon significant transfers in from the County to continue its operations even while controlling expenditures to the best of its ability. So, until the unrestricted revenues begin to be received from the parking charges are realized, the financial stability of this entity remains of concern.

AGENDA ITEMS #13
STATUS REPORT – CSA 120
JUNE 13, 2018

County Service Area 120									
	Audit Data								
	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL									
EXPENDITURES									
Salaries & Benefits	\$ 12,752	\$ 13,277	\$ 7,733	\$ 7,037	\$ 1,734	\$ 2,735	\$ 12,890	\$ 2,650	\$ 3,955
Services & Supplies	\$ 35,052	\$ 22,520	\$ 14,095	\$ 10,547	\$ 13,066	\$ 19,419	\$ 20,289	\$ 36,532	\$ 31,189
Contingencies									
Transfer Out	\$ 1,361,553								\$ 250,000
Total Expenditures	\$ 1,409,357	\$ 35,797	\$ 21,828	\$ 17,584	\$ 14,800	\$ 22,154	\$ 33,179	\$ 39,182	\$ 285,144
REVENUES									
State Assistance	\$ 659,309			\$ 1,082		\$ 10,032	\$ -	\$ 38,925	\$ 26,302
Federal Assistance				\$ 4,330					
Investment Earnings	\$ 4,828			\$ 81	\$ 399	\$ 126	\$ 81	\$ 77	\$ 9,898
Intergovernmental	\$ 700,000								
Other	\$ 23,060		\$ 16,325		\$ 3,339	\$ 60			
Operating Transfer In		\$ 26,059	\$ 19,664	\$ 9,965	\$ 5,635	\$ 6,032	\$ 5,252	\$ 5,243	
County Transfer In					\$ 30,000				\$ 500,000
Total Revenues	\$ 1,387,197	\$ 26,059	\$ 35,989	\$ 15,458	\$ 39,373	\$ 16,250	\$ 5,333	\$ 44,245	\$ 536,200
Excess Revenues Over (Under) Expenditures	\$ (22,160)	\$ (9,738)	\$ 14,161	\$ (2,126)	\$ 24,573	\$ (5,904)	\$ (27,846)	\$ 5,063	\$ 251,056
Fund Balance									
Beginning	\$ 34,073	\$ 11,913	\$ 2,175	\$ 16,336	\$ 14,210	\$ 38,783	\$ 32,879	\$ 5,033	\$ 10,096
Ending	\$ 11,913	\$ 2,175	\$ 16,336	\$ 14,210	\$ 38,783	\$ 32,879	\$ 5,033	\$ 10,096	\$ 261,152
ENDOWMENT FUND									
EXPENDITURES									
Operating Transfer Out		\$ 26,059	\$ 17,914	\$ 7,234	\$ 5,635	\$ 6,032	\$ 5,252	\$ 5,243	\$ -
Other	\$ 20,715								
Total Expenditures	\$ 20,715	\$ 26,059	\$ 17,914	\$ 7,234	\$ 5,635	\$ 6,032	\$ 5,252	\$ 5,243	\$ -
REVENUES									
State Assistance	\$ 40,691								
Investment Earnings	\$ 52,868	\$ 36,448	\$ 13,797	\$ 6,405	\$ 17,517	\$ 5,184	\$ 6,885	\$ 12,469	\$ (1,338)
Special Assessment				\$ 12,500					
Other						\$ 3,195			
Operating Transfer In									
Total Revenues	\$ 93,559	\$ 36,448	\$ 13,797	\$ 18,905	\$ 17,517	\$ 8,379	\$ 6,885	\$ 12,469	\$ (1,338)
Excess Revenues Over (Under) Expenditures	\$ 72,844	\$ 10,389	\$ (4,117)	\$ 11,671	\$ 11,882	\$ 2,347	\$ 1,633	\$ 7,226	\$ (1,338)
Fund Balance									
Beginning	\$ 1,521,407	\$ 1,594,251	\$ 1,604,640	\$ 1,600,523	\$ 1,612,194	\$ 1,605,317	\$ 1,607,664	\$ 1,609,297	\$ 1,616,523
Ending	\$ 1,594,251	\$ 1,604,640	\$ 1,600,523	\$ 1,612,194	\$ 1,624,076	\$ 1,607,664	\$ 1,609,297	\$ 1,616,523	\$ 1,615,185
CAPITAL PROJECTS									
EXPENDITURES									
Construction in Progress	\$ 1,391,548	\$ 199,693							
Services & Supplies		\$ 389	\$ 204			\$ 2			
Improvement to Land			\$ 297	\$ 18,900					\$ 79,942
Transfer Out			\$ 1,750	\$ 2,731					
Total Expenditures	\$ 1,391,548	\$ 200,082	\$ 2,251	\$ 21,631	\$ -	\$ 2	\$ -	\$ -	\$ 79,942
REVENUES									
Investment Earnings	\$ 12,836			\$ 36	\$ (9)	\$ -			\$ 608
State Assistance		\$ 200,000							
Transfer in	\$ 1,361,553							\$ 50,000	\$ 227,134
Other									
Total Revenues	\$ 1,374,389	\$ 200,000	\$ -	\$ 36	\$ (9)	\$ -	\$ -	\$ 50,000	\$ 227,742
Excess Revenues Over (Under) Expenditures	\$ (17,159)	\$ (82)	\$ (2,251)	\$ (21,595)	\$ (9)	\$ (2)	\$ -	\$ 50,000	\$ 147,800
Fund Balance				4					
Beginning	\$ 41,098	\$ 23,939	\$ 23,857	\$ 21,606	\$ 11	\$ 2	\$ -	\$ -	\$ 50,000
Ending	\$ 23,939	\$ 23,857	\$ 21,606	\$ 11	\$ 2	\$ -	\$ -	\$ 50,000	\$ 197,800

- 2. Within six months of the approval of the sphere of influence establishment for CSA 120, management of the County Special Districts Department shall develop a mechanism to provide for the maintenance and operation of the improvements constructed through the 2008-09 State Park grant without use of the endowment funds established for mitigation purposes only***

With regards to Condition No. 2, the March 28, 2018 letter on page 3 outlines the establishment of a paid parking program to provide for unrestricted revenues to support trails, kiosks and other maintenance and operation of the improvements constructed with the Park grant. As identified in the letter, funding has been provided by one-time revenue from the County Board of Supervisors in the amount of \$500,000 to acquire the easements, install the improvements, and establish the parking system with the City of Rancho Cucamonga. The budget materials for Fiscal Year 2018-19 submitted by the Special Districts Department (hereafter SDD) identify an anticipated revenue stream of \$102,000 from this source. However, operational costs in the same budget are doubling so the net gain is somewhat tempered.

- 3. Within six months of the approval of the sphere establishment, County Service Area 120 shall have completed all reporting required by State law for the management of mitigation properties;***

With regards to Condition No. 3, County SDD's position in its letter of March 28 states that it has begun to compile, prepare, and provide an annual report of its conservation practices. This is a shift from its position in 2015 response that there was no requirement to comply with the conditions of the Commission. The materials submitted in support of the letter included a copy of the FY 2014-15 Annual Report, the only published report, which is included as a part of Attachment #4 to this report. So, there have been no published reports for the last two years and no identification of the issuance schedule for the current fiscal year. In order for the staff to provide a determination of compliance, there would need to be more than a single occurrence of this reporting.

- 4. Within six months of the approval of the sphere of influence establishment, County Service Area 120 will have developed funding plans to restore endowment balances for those mitigation properties where mitigation work has not been performed but interest earnings used; and,***

Finally, with regard to Condition No. 4, the County SDD's response has not wavered since the 2014 report that it maintains the endowment level as a whole and has implemented a mechanism to proportionately charge each of the mitigation properties for their share of administration of CSA 120. It does not answer the

questions related to or condition requiring restoration of the endowment balances for those mitigation properties where mitigation work has not been performed but interest earnings used.

The requirements for assuring that the mitigation and/or conservation of all the properties managed by CSA 120 rests with the County of San Bernardino. This position is based on the recordation of Grant Deeds in 2009 where the conservation easements on all mitigation properties were transferred from CSA 120 to the County. Specifically, CSA 120 holds title to the property, but the conservation easement is in the name of the County of San Bernardino and carries with it all the requirements for fulfilling the preservation of the mitigation properties.

LAFCO staff remains of the position that the 2010 North Etiwanda Preserve Management Plan provides for segregation of administration and funding since it provides a clear distinction between Unit 1 (original 763 acre Preserve) and Unit 2 (all lands outside the original 763 acre Preserve). So, as in prior reports, the County SDD's response implies it will not comply with this specific condition imposed on CSA 120.

CONCLUSION:

Since the September 17, 2014 LAFCO hearing, the County SDD staff voiced its opposition to the conditions imposed on the sphere of influence establishment for CSA 120 (LAFCO 3157) and that position remains for at least one of the four conditions. Based on the response provided for this hearing by the County SDD on behalf of CSA 120, it is LAFCO staff's understanding that:

1. Condition 1 – CSA 120 has identified that it may never be able to accomplish the designation as a pre-established agency to provide for acquisition of new mitigation and open space lands. This position was articulated since the California Department of Fish and Wildlife will require a financing mechanism in place as a prerequisite of approval. CSA 120 has pursued such a plan through the County Debt Advisory Committee, which reviewed this question in 2016, with no resolution to date.
2. Condition 2 – CSA 120 is establishing a restricted parking program to raise revenues and address the maintenance issues of what has become thousands of people entering the Preserve rather than the hundreds which were visiting at the time of the original sphere establishment.
3. Condition 3 – CSA 120 has prepared a single Annual Report for its operations which does not comply with the condition imposed on CSA 120's sphere establishment.

4. Condition 4 – CSA 120 continues to take the position that this condition is not appropriate and will not comply.

At the September 2014 hearing, the action of the Commission was to approve the sphere of influence designation including only those lands within CSA 120 northerly of the City of Rancho Cucamonga and excluding those lands within the City of Fontana. At the last update on compliance with these conditions, in March of 2015, it was the Commission's determination that the staff would be directed to initiate a sphere of influence amendment for designation of a zero sphere of influence for CSA 120 if any of the conditions remained unmet.

As has been shown in this update, three out of the four conditions remain unmet even with the efforts of the Special Districts Department staff to address the financial concerns. Designation of a zero sphere of influence would signal the Commission's position that CSA 120 should no longer be considered to provide this service and that other public entities within the area should be considered for assumption of these services through a jurisdictional change. As a part of the recommendation to initiate the sphere of influence amendment, staff is also recommending that the Commission direct staff to convene a meeting of affected and/or interested agencies to review the potential transfer of service that could be accomplished through a future reorganization and to solicit their input as to what that reorganization would entail. Therefore, staff is recommending that the Commission take the actions outlined on page one of this staff report.

However, if the Commission receives testimony or evidence at the hearing that persuades it that CSA 120 is making progress, you can direct that instead of a sphere of influence amendment undertaking, LAFCO staff continue to monitor the District.

KRM

Attachment:

1. [LAFCO Resolution No. 3190](#)
2. [Response from County Special Districts Department dated March 28, 2018](#)
3. [Staff Report from May 20, 2015 with Excerpts from Minutes of September and October 2014 Commission hearings](#)
4. [Statement of Revenues , Expenditures and Changes in Fund Balance from County Service Area 120 Audits for 2017, 2016, 2015, 2014, 2013, 2012 and 2011](#)
5. [Supplemental Information Submitted by Special Districts in Support of its , letter dated March 28, 2018](#)

**City of Rancho Cucamonga's
Response Letter Dated
February 25, 2019**

Attachment 5



CITY OF RANCHO CUCAMONGA

10500 Civic Center Drive | Rancho Cucamonga, CA 91730 | 909.477.2700 | www.CityofRC.us

February 25, 2019

Samuel Martinez, Executive Officer
Local Agency Formation Commission
1170 West 3rd Street, Unit 150
San Bernardino, CA 92415

SUBJECT: Proposed LAFCO Application 3230 Sphere of Influence Amendment for County Service Area 120 (zero sphere of influence)

Dear Mr. Martinez:

Thank you for the opportunity to comment on the above referenced application (3230) as initiated by LAFCO on June 20, 2018 for the Sphere of Influence (SOI) amendment to the County Service Area (CSA) 120 boundary within the City of Rancho Cucamonga and Sphere of Influence. The City recognizes that LAFCO placed a series of conditions on CSA 120 to complete within a 6-month time period and that compliance with those conditions has not been met. Therefore, it's the intent of the Commission to propose the SOI amendment for the zero SOI "which identifies its position that a future reorganization take place to dissolve CSA 120 and transfer its obligations to another entity" to manage the lands within San Bernardino County. These entities could include: Inland Empire Resources Conservation District (IERCD), Center for Natural Lands Management, Southwest Resource Management Associates, and Transition Habitat Conservancy. After reviewing the application and supplemental attachments the City supports the proposal for the zero sphere of influence and requests the following comments be considered.

Staff had previously forwarded comments to LAFCO in response to the proposed Change of Jurisdictional Boundaries Application 3157 and Mitigated Negative Declaration (MND). The letters expressed concerns with the future management of the North Etiwanda Preserve (NEP), the lack of reliable funding sources to adequately manage the biological resources, and concerns with the CSA 120 budget. Additionally, the letters stated a new board and management plan should be developed for mitigation land accepted by the County Service Area. There are still concerns with the CSA 120's ability to manage the North Etiwanda Preserve (NEP) and future mitigation land given the lack of funding and staff, as well as the costs to maintain the NEP. The CSA 120 has not been able to be declared a recipient of mitigation properties by U.S. Fish and Wildlife, and consequently is no longer able to accept mitigation land. Additionally, there is a duplication of services by other environmental management entities with superior funding sources that do not rely on one source of funding, and, therefore, are a more responsible long-term management option.

The City is opposed to any expansion of the sphere of influence for the CSA 120 for the reasons expressed above and in previous comments submitted to LAFCO in response to Application 3157 and Resolution No. 3190, and is in support of LAFCO application 3230.

LAFCO 3230 – CSA 120
February 25, 2019
Page 2

If you have any questions, please contact Candyce Burnett, City Planner, by phone at (909) 774-4308, Monday through Thursday from 7:00 a.m. to 6:00 p.m., or e-mail at candyce.burnett@cityofrc.us at your convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read "John R. Gillison", with a long horizontal flourish extending to the right.

John R. Gillison
City Manager

cc: Janice Rutherford, 2nd District Supervisor, County of San Bernardino

**Letter from Commission's
Environmental Consultant,
Tom Dodson of Tom Dodson and
Associates**

Attachment 6

RECEIVED

MONDAY -6 PM 5:02

San Bernardino County

TOM DODSON & ASSOCIATES

2150 N. ARROWHEAD AVENUE
SAN BERNARDINO, CA 92405
TEL (909) 882-3612 • FAX (909) 882-7015
E-MAIL tda@tdaenv.com



May 6, 20189

Mr. Samuel Martinez
Local Agency Formation Commission
1170 West 3rd Street, Unit 150
San Bernardino, CA 92415-0490

Dear Sam:

LAFCO 3230 consists of a Sphere of Influence (SOI) Amendment (reduction to zero SOI) for County Service Area 120. Based on information provided by the Commission staff, the SOI amendment was initiated when ongoing monitoring of conditions imposed on CSA 120's SOI establishment found compliance with said conditions were not being successfully implemented. This led to the Commission initiating this SOI amendment seeking a designation of a zero SOI for CSA 120 which would result in a future reorganization to consider dissolving CSA 120 and transfer of its obligations to another entity. The current SOI for CSA 120 encompasses approximately 8,972 acres located northerly of the City of Rancho Cucamonga, which excludes an estimated 585 acres of CSA 120's boundary located within the City of Fontana's Multi-Species Habitat Conservation Plan that was excluded from CSA 120's SOI at its SOI establishment.

As we have learned from previous sphere reviews, the designation of a sphere, which focuses on a planning boundary, does not by itself cause any modifications to the physical environment. Only when the subsequent step is taken to physically revise the jurisdictional boundary or range of services of a service area or district does a potential for physical change in the environment occur. Thus, a finding that LAFCO 3230 is Statutorily Exempt appears to be the appropriate CEQA environmental determination for this action before the Commission.

Based on this information, I recommend that LAFCO 3230 can be implemented without causing any physical changes to the environment or any adverse environmental impacts. Therefore, I recommend that the Commission find that a Statutory Exemption (as defined in the California Environmental Quality Act, CEQA) under the "common sense" exemption applies to LAFCO 3227 under Section 15061(b)(3) of the State CEQA Guidelines, which states: *"A project is exempt from CEQA if the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA."* It is my opinion, and recommendation to the Commission, that this circumstance applies to LAFCO 3230. In this case, amendment of the CSA 120 Sphere does not alter the existing environmental setting.

Based on this review of LAFCO 3230 and the pertinent sections of CEQA and the State CEQA Guidelines, I conclude that it does not constitute a project under CEQA and adoption of the Common Sense Exemption and filing of a Notice of Exemption is the most appropriate determination to comply with CEQA for this action. The Commission can approve the review and findings for this action and I recommend that you notice LAFCO 3230 as exempt under the Common Sense Exemption from CEQA for the reasons outlined in the State CEQA Guideline

sections cited above. The Commission needs to file a Notice of Exemption with the County Clerk to the Board for this action once the hearing is completed.

A copy of this exemption should be retained in LAFCO's project file to serve as verification of this evaluation and as the CEQA environmental determination record. If you have any questions, please feel free to give me a call.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Dodson". The signature is written in a cursive, slightly slanted style.

Tom Dodson

TD/cmc

Draft LAFCO Resolution No. 3287

Attachment 7

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

PROPOSAL NO.: LAFCO 3230

HEARING DATE: May 15, 2019

RESOLUTION NO. 3287

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON LAFCO 3230 AND APPROVING THE SPHERE OF INFLUENCE REDUCTION FOR COUNTY SERVICE AREA 120 TO A ZERO SPHERE (reduction of approximately 8,972 acres).

On motion of Commissioner ____, duly seconded by Commissioner ____, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, an application for the proposed sphere of influence amendment in San Bernardino County was initiated by the Local Agency Formation Commission (hereinafter referred to as "the Commission") for County Service Area 120 and was filed by the Executive Officer of the Commission in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.); and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by the Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including his recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was called for May 15, 2019 at the time and place specified in the notice of public hearing; and,

WHEREAS, at the hearing, this Commission heard and received all oral and written support and opposition; the Commission considered all objections and evidence which were made, presented, or filed; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application, in evidence presented at the hearing; and,

WHEREAS, a statutory exemption has been issued pursuant to the provisions of the California Environmental Quality Act (CEQA) indicating that the sphere of influence reduction to zero is statutorily exempt from CEQA and such exemption was adopted by this Commission on

RESOLUTION NO. 3287

May 15, 2019. The Commission directed its Executive Officer to file a Notice of Exemption within five working days with the San Bernardino County Clerk of the Board of Supervisors; and,

WHEREAS, based on presently existing evidence, facts, and circumstances presented to and considered by this Commission, it is determined that the sphere of influence for County Service Area 120 should be reduced to a zero sphere of influence; as more specifically described on the attached Exhibit "A" to this resolution;

WHEREAS, the Commission determined that the proposed sphere of influence amendment, submitted under the provisions of Government Code Section 56428, does not require a service review; and,

WHEREAS, the following determinations are made in conformance with Government Code Section 56425 and local Commission policy:

1. The present and planned land uses in the area, including agricultural and open space lands:

The existing uses within the boundaries of County Service Area 120 include open space uses and primarily rural residential development. Existing land use designations include Open Space (OS), Floodway (FW), Rural Living (RL-10 and RL-5), Single Residential (RS-1) and Special Development-Residential (SD-RES) under the County's General Plan. The City of Ranch Cucamonga assigns the area within its sphere of influence the following land use designations: Open Space, Open Space Hillside Residential, Open Space Flood Control/Utility Corridor, and Open Space conservation. The City of Fontana assigns its portion as Open Space. The area includes mitigation lands deeded to County Service Area 120, with the County of San Bernardino holding the conservation easements. No agricultural land uses are designated within County Service Area 120's current sphere of influence.

Based on population and dwelling unit forecast figures from the U.S. Census Bureau and ESRI, County Service Area 120 is estimated to be home to 1,139 residents. By 2023, population is projected to grow to approximately 1,260, an annual increase of 2.04 percent. In 2018, County Service Area 120 has 319 estimated number of dwelling units, with an additional 33 units expected by 2023.

2. The present and probable need for public facilities and services in the area:

The sphere of influence amendment proposes to reduce the sphere of influence for County Service Area 120 to a zero sphere of influence due to financial and operational constraints. LAFCO Resolution No. 3190 outlines the concerns regarding the current and future adequacy of service and the rationale for that determination. No information subsequent to the issuance of LAFCO Resolution 3190 has altered the determinations. A zero sphere of influence signals the Commission's position that a future change of organization should occur, transferring the service obligation to another agency.

RESOLUTION NO. 3287

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide:

County Service Area 120 is currently authorized to provide open space and habitat conservation. The need for public facilities and services within County Service Area 120 is limited. Since County Service Area 120 has been unable to receive approval of its designation to acquire additional mitigation properties, the probable need for this service is not present as no new service can be extended. However, there are other agencies which could provide this service in the future.

4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency:

County Service Area 120 provides for the management of mitigation lands within a specific type of habitat. Therefore, its community of interest comprise the foothill communities of the San Gabriel Mountains which support the endangered species identified by local, state and federal wildlife agencies. This determination is compromised by the lack of authorization for County Service Area 120 to acquire additional habitat lands.

5. Additional Determinations

- Legal notice of the Commission's consideration of the sphere establishment has been provided through publication of a 1/8th page legal advertisement in *The Inland Daily Bulletin*, a newspaper of general circulation in the area.
- Individual notices were provided to all affected and interested agencies, County departments and those individuals and agencies requesting special notice.

WHEREAS, pursuant to the provisions of Government Code Section 56425(i), the range of services provided by County Service Area 120 shall be limited to the following:

FUNCTIONS

Open space and habitat conservation

SERVICES

Open space and habitat conservation including, but not limited to, the acquisition, preservation, maintenance, and operation of land to protect unique, sensitive, threatened, or endangered species, or historical or culturally significant properties. Any setback or buffer requirements to protect open-space or habitat lands shall be owned by a public agency and maintained by the county service area so as not to infringe on the customary husbandry practices of any neighboring commercially productive agricultural, timber or livestock operations

RESOLUTION NO. 3287

WHEREAS, having reviewed and considered the determinations as outlined above, the Commission determines to designate a zero sphere of influence for County Service Area 120.

NOW, THEREFORE, BE IT RESOLVED by the Local Agency Formation Commission for San Bernardino County, State of California, that this Commission shall consider the territory described in Exhibit "A" for County Service Area 120 to have a zero sphere of influence, it being fully understood that the amendment of such spheres of influence is a policy declaration of this Commission based on existing facts and circumstances which, although not readily changed, may be subject to review and change in the event a future significant change of circumstances so warrants.

**THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission
for San Bernardino County by the following vote:**

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

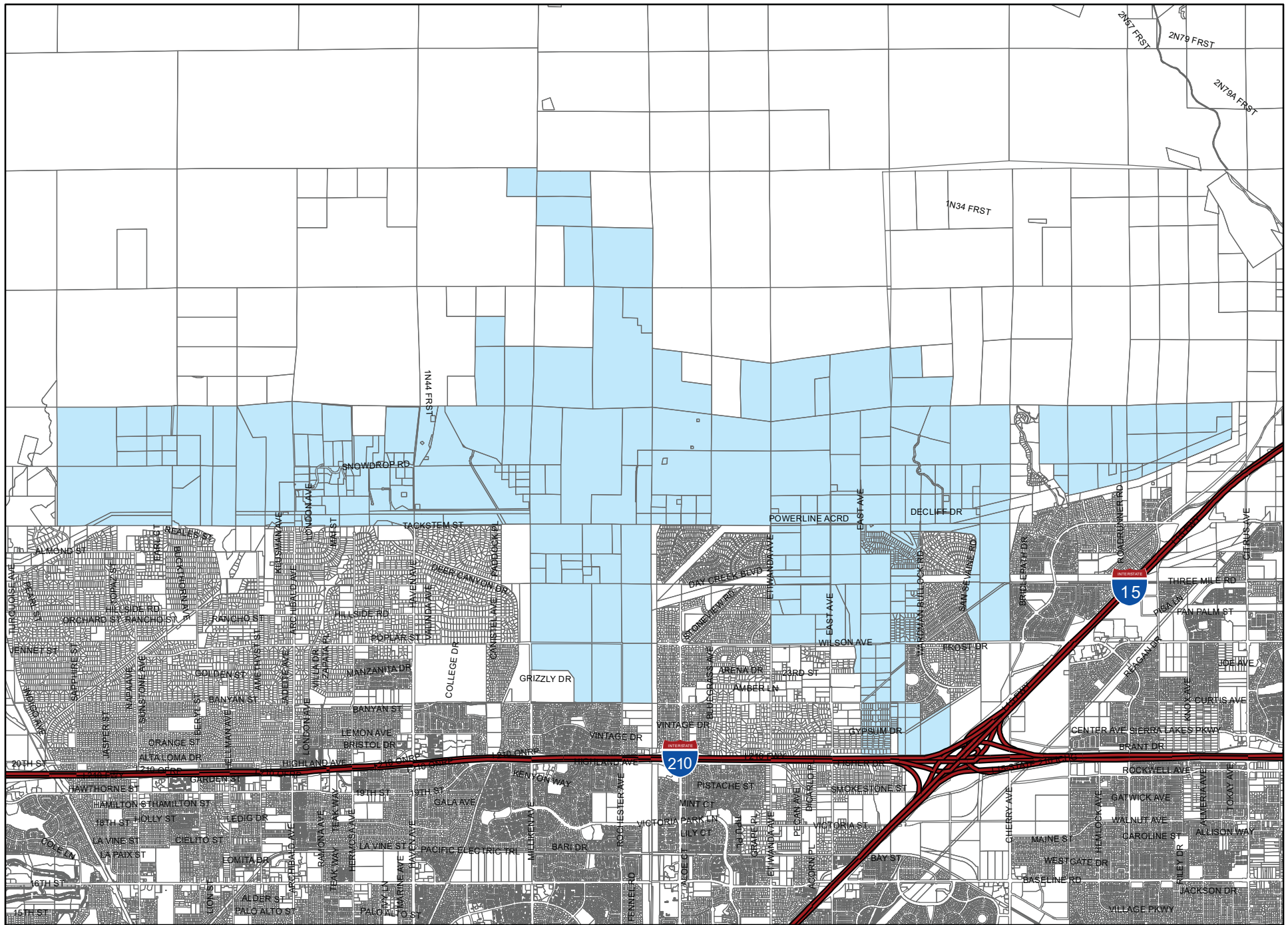
* * * * *

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, SAMUEL MARTINEZ, Executive Officer of the Local Agency Formation Commission for San Bernardino County, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission by vote of the members present as the same appears in the Official Minutes of said Commission at its regular meeting of May 15, 2019.

DATED:

SAMUEL MARTINEZ
Executive Officer



Sphere of Influence for County Service Area 120



Disclaimer: The information shown is intended to be used for general display only and is not to be used as an official map.


0 950 1,900 3,800
Yards



County Service Area 120
(Zero Sphere of Influence)

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: MAY 8, 2019 
FROM: SAMUEL MARTINEZ, Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #10 – REVIEW AND ADOPTION OF SCHEDULE OF FEES,
DEPOSITS, AND CHARGES EFFECTIVE JULY 1, 2019

RECOMMENDATION:

Staff recommends that the Commission take the following actions:

1. For Environmental review:
 - a. Make the findings required by Section 21080(b)(8) of the CEQA and Section 15273(c) of the CEQA Guidelines as follows:
 - i. Filing and processing fees are authorized by Government Code Section 56383 to cover the estimated reasonable cost of providing the service; and,
 - ii. The rates and charges identified in the Schedule are for the purpose of: (1) meeting operating expenses, including employee wage rates and fringe benefits; (2) purchasing or leasing supplies, equipment, or materials; and (3) meeting financial reserve needs and requirements.
 - b. Certify that the proposed revisions to the Schedule of Fees, Deposits, and Charges are statutorily exempt from the provisions of the California Environmental Quality Act and direct the Executive Officer to file a Notice of Exemption within five (5) days of this action.
2. Adopt the Schedule of Fees, Deposits, and Charges, as revised, to be effective July 1, 2019.
3. Adopt LAFCO Resolution No. 3289 reflecting the Commission's determinations related to the Schedule.

BACKGROUND:

At the April 17 hearing, LAFCO staff presented the Commission with its recommended changes to the existing Schedule of Fees, Deposits and Charges ("Schedule"), and the Commission adopted the proposed Schedule (Attachment #1). On April 18, a copy of the proposed Schedule was forwarded to the County, the cities/towns, and the independent special districts for review and comment with a response requested by May 7. As of the date of this report, no comments have been received. However, if staff receives comments prior to the hearing they will be provided to the Commission along with staff's response at the hearing.

ENVIRONMENTAL REVIEW:

As for environmental review, the California Environmental Quality Act (CEQA) and the State CEQA Guidelines provide a statutory exemption for the review and modification of fee and rate schedules. Section 21080(b)(8) of the CEQA and Section 15273(c) of the CEQA Guidelines require that the Commission make findings regarding such an exemption indicating specifically the basis for the claim of exemption. Staff recommends that the Commission make the findings required by Section 21080(b)(8) of the CEQA and Section 15273(c) of the CEQA Guidelines as follows:

- a) Filing and processing fees are authorized by Government Code Section 56383 to cover the estimated reasonable cost of providing the service; and,
- b) The rates and charges identified in the Schedule are for the purpose of: (1) meeting operating expenses, including employee wage rates and fringe benefits; (2) purchasing or leasing supplies, equipment, or materials; and (3) meeting financial reserve needs and requirements.

Staff recommends that the Commission determine this action is statutorily exempt from CEQA for the reasons outlined in the State CEQA Guideline section cited above. The Commission is required to file a Notice of Exemption with the Clerk to the Board within five working days of its action to approve the Schedule modifications. The environmental determination is included as Attachment #2.

CONCLUSION:

Staff recommends that the Commission adopt the revised Schedule, as presented, with an effective date of July 1, 2019, by taking the recommended actions outlined on page 1.

SM/MT

Attachments:

- 1. [Revised Schedule of Fees, Deposits, and Charges](#)
- 2. [Environmental Determination](#)
- 3. [Draft Resolution No. 3289](#)

Revised Schedule of Fees, Deposits, and Charges

Attachment 1

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

SCHEDULE OF FEES, DEPOSITS, AND CHARGES EFFECTIVE JULY 1, 2019

The submission of an application to the Local Agency Formation Commission ("LAFCO") is not officially accepted for processing until the filing fees and deposits have been received (Gov't. Code §56383). Filing Fees are for the Commission's and staff's costs. Deposits are for the recovery of outside costs for such items as LAFCO Legal Counsel, environmental review, individual notification, and protest proceedings, etc. In addition, certain fees and charges are required at the conclusion of the application process and must be received prior to its official completion.

Financial Policies for Application Processing

Refer to Attachment A for the Commission's policies related to waivers and reductions of processing fees, filing fee refund if an application is withdrawn, indemnification, and responsibility for payment of special legal counsel costs. The Indemnification Policy is identified below.

Indemnification Policy

It is the policy of this Commission that for any application submitted for a change of organization or reorganization, a sphere of influence amendment, or a review of an out-of-agency service contract/agreement, the applicant and/or the real party in interest shall agree to defend, indemnify, and hold harmless San Bernardino LAFCO, its agents, officers, attorneys, and employees from any claim, action, proceeding brought against any of them. A real party in interest includes the landowner and/or a registered voter of an application subject property.

Annual Review and Adjustment

The Fees are adjusted annually to increase with the Consumer Price Index, not to exceed five percent. Deposits and Charges relate to outside professional services and supplies and are evaluated annually.

Table of Contents

<u>Section 1.</u>	Proposals – Application Submission and Processing
<u>Section 2.</u>	Proposals – Completion Fees and Charges
<u>Section 3.</u>	Out-of-Agency Service Contracts
<u>Section 4.</u>	Reproduction Charges
<u>Attachment A.</u>	Financial Policies for Application Processing

Section 1. Proposals - Application Submission and Processing

FEE AND DEPOSITS SUMMARY

Type of Proposal	Fee	Deposits*	Total
Annexation, Detachment, Reorganization involving solely annexations and/or detachments	See Annexation/ Detachment Chart	\$4,000	
<p><i>The fees identified in Chart 1 shall be assessed for each area of consideration within the proposal. A single area means any separate geographical area requiring a legal description. A "single area" does not include two areas that are contiguous only at a point, or two or more areas that are contiguous to an existing boundary of a city or district but not to each other.</i></p> <p><i>See Attachment A for automatic waivers or reductions in the Fee regarding: correcting boundary alignment problem; annexation/detachment with concurrent sphere of influence amendment; city island annexations under §56375.3; readjustments of agency boundaries due to roadway realignment.</i></p>			

Chart 1. Annexation/Detachment Chart

Valley and Mountain Region				
	Under 20 acres	20 – 150 acres	151 – 300 acres	Over 300 acres
City	\$6,180	\$8,240	\$10,300	\$10,300 plus \$1 per acre over 300 acres
District	\$5,150	\$6,695	\$8,240	\$8,240 plus \$1 per acre over 300 acres
Desert Region (North and South Desert)				
	Under 100 acres	100-640 acres	641-1,920 acres	Over 1,920 acres
City	\$6,180	\$8,240	\$10,300	\$10,300 plus \$1 per acre over 1,920 acres
District	\$5,150	\$6,695	\$8,240	\$8,240 plus \$1 per acre over 1,920 acres

Type of Proposal	Fee	Deposits*	Total
Sphere of Influence Amendment	\$5,150	\$4,000	\$9,150
District: Dissolution, Merger, or Establishment of Subsidiary District(s)	\$5,150	\$4,000	\$9,150
District: Formation or Consolidation	\$15,450	\$4,000	\$19,450
District: Activation/Divestiture of Functions and/or Services	\$7,725 each function/service	\$4,000	\$11,725
City: Consolidation	\$20,600	\$4,000	\$24,600
City: Incorporation or Disincorporation	\$20,600	\$54,000	\$74,600
Reorganization <i>For a reorganization that involves changes other than annexations and detachments, the fee will be based upon the components of the reorganization.</i>	Sum of Components	\$4,000	

*DEPOSITS BREAKDOWN

Applicants shall be required to reimburse the Commission for all charges and costs in excess of the deposits outlined below. Reimbursement to LAFCO shall be required prior to issuance of the Commission's Certificate of Completion for jurisdictional changes or issuance of the Commission's resolution for sphere of influence amendments/updates. If charges billed to LAFCO are less than the amount of deposit, the balance will be refunded to the applicant or applied to other categories where excess charges have been incurred.

Legal Counsel (\$250 non-refundable, \$1,750 deposit)	\$2,000
<p><i>It is the policy of this Commission that the costs for Special Counsel due to a representation conflict shall be the responsibility of the applicant. Additionally, as a condition of approval of any action taken by LAFCO, the proponents shall be required to defend, indemnify and hold harmless LAFCO or its agents, officers, and employees from any claim, action, or proceeding against LAFCO or its agents, officers, and employees to attack, set aside, void, or annul the approval of LAFCO concerning the proposal or any action relating to, or arising out of, such approval when such action is brought within the applicable statute of limitations. Refer to <u>Policy and Procedure Manual, Section II, Chapter 2</u>.</i></p>	
Individual Notice (\$250 non-refundable, \$750 deposit)	\$1,000
<p>(1) Individual Mailed Notice or (2) Publication of Display Ad in lieu of Individual Notice</p> <p><i>In cases where the noticing would involve mailing more than 1,000 notices, the Commission may waive the individual notice requirement and direct its staff to publish a 1/8th page display ad in a newspaper of general circulation within the area. Refer to <u>Policy and Procedure Manual, Section IV, Chapter 1, Policy 9</u>.</i></p> <p><i>By policy, individual notice to landowners and registered voters shall not be waived for city island annexations filed pursuant to Government Code Section 56375.3, even if it includes more than 1,000 notices.</i></p>	
<p>Proposals Extending an Existing Special Tax</p> <p><i>Should a proposal require individual notice due to the extension of an existing special tax, the proponent will be required to submit a deposit for the direct costs such as: (1) the County Assessor to compile the mailing list, (2) outside printing to produce the printed notices, (3) and County Mail for shipping and handling. Please contact the LAFCO office for the estimated deposit cost.</i></p>	Actual Cost
Environmental Review (\$250 non-refundable, \$750 deposit)	\$1,000
<p><i>All applicants shall be required to pay the full costs of the Commission's Environmental Consultant's review regardless whether the Commission is the lead or responsible agency as defined under CEQA.</i></p>	
Preparation of Negative Declaration/Mitigated Negative Declaration	Additional \$15,000
Preparation of an Environmental Impact Report (EIR)	Additional \$25,000
<p>If the proposal requires that LAFCO prepare a Negative Declaration/Mitigated Negative Declaration or EIR as CEQA lead agency, the CA Dept. of Fish and Wildlife (DFW) CEQA Environmental Document Filing Fees are required to be paid at the time LAFCO files the Notice of Determination with the Clerk of the Board of the affected County. The applicant will be notified of the appropriate fees, which must be received by LAFCO prior to the Commission hearing. Contact the LAFCO office for the current DFW filing fees.</p>	

San Bernardino LAFCO
Schedule of Fess, Deposits, and Charges
July 1, 2019

Protest Proceeding, if applicable (\$250 non-refundable, \$1,250 deposit)	\$1,500
<i>Deposit required within 30 days of Commission approval of action. The Protest Hearing will not be set until deposit has been paid. Applicants shall be required to reimburse the Commission for any protest proceeding costs in excess of the deposit. Reimbursement to LAFCO shall be required prior to issuance of the Certificate of Completion. If charges billed to LAFCO are less than the amount of the deposit, the balance of the fee will be refunded to the applicant or applied to other categories where excess charges have been incurred.</i>	
Proposals Extending an Existing Special Tax <i>Should a proposal require individual notice due to the extension of an existing special tax, the proponent will be required to submit a deposit for the direct costs such as: (1) the County Assessor to compile the mailing list, (2) outside printing to produce the printed notices, (3) and County Mail for shipping and handling. Please contact the LAFCO office for the estimated deposit cost.</i>	Actual Cost

ADDITIONAL FEES AND DEPOSITS

Comprehensive Fiscal Analysis for Incorporation or Disincorporation, Deposit	\$50,000
<i>A \$50,000 deposit is required at the time the application is submitted. Applicants shall be required to reimburse the Commission for all costs associated with the preparation of the Comprehensive Fiscal Analysis in excess of the deposit prior to the scheduling of the Commission hearing. If the charges billed to LAFCO for the preparation of the required document are less than the amount of the deposit, the balance will be refunded to the applicant or applied to other categories where excess charges have been incurred.</i>	
State Controller's Fiscal Review for Incorporations, Deposit	\$25,000
<i>A \$25,000 deposit is required at the time a Request for State Controller Review is submitted. All costs in excess of this amount will be the responsibility of the Requestor for payment. Any balance remaining after payments are made to the State will be refunded to the Requestor of Review.</i>	
Verification of Petition Signatures by Registrar of Voters Office, Deposit	\$200
<i>A \$200 deposit from the applicants is required at the time of petition submission. This amount will be refunded upon certification of the petition and determination of billable charges. The charges assessed by the Registrar of Voters Office to verify petition signatures shall be payable by the affected entity in the same manner as the verification of initiative petition signatures is billed.</i>	
Request for: (1) Reconsideration of Commission Decision or Environmental Determination, or (2) Appeal of Executive Officer determination to require an Environmental Impact Report, Fee	\$2,500
<i>Should a reconsideration request require individual notice due to the extension of a special tax, then the proponent will be required to submit a deposit for the direct costs to produce and mail the individual notices.</i>	
Workshop Request, Deposit	\$1,000
<i>Proponents of actions pending Commission review may request that a Commission workshop be held in their area. If the Commission agrees to conduct such a workshop session, the Commission may require reimbursement of all costs associated with that session by the proponents, subject to a deposit.</i>	
Request for Extension of Time to Complete Change of Organization Proceedings (Gov't. Code Section 57001)	\$1,100

Section 2.

Proposals - Completion Fees and Charges

Following Commission approval of an action, the following fees or charges may be required. LAFCO staff will notify the applicant at the time the Commission's resolution is forwarded which of the following fees or charges is applicable to the proposal:

- A. County Geographic Information Management System (GIMS) Processing, required prior to issuance of the Certificate of Completion for jurisdictional changes or issuance of the Commission's resolution for sphere of influence amendments/updates:

1. Changes requiring an update to current sphere or boundaries of participating agencies
(Fees identified below will be assessed for each area of consideration. The definition of area is provided under Processing Fees on Page 2.)

<u>Acreage</u>	<u>Primary Charge</u>	<u>Additional Agency</u>
0 to 100 acres	\$400	\$ 85
101 to 640 acres	\$550	\$110
641 to 2,560 acres	\$825	\$150
over 2,560 acres	\$1,100	\$175

2. Incorporation, Formation, or placement of a new agency boundary or sphere into the LAFCO-maintained GIMS system \$3,000

(The fees for incorporations or formations can be deferred until the new City/Town or District receives its first revenues. A request for deferral shall be made to the Executive Officer.)

- B. At the time the Certificate of Completion is forwarded to the State Board of Equalization (SBE), application types listed under Item A - Processing Fees Subsections 1 through 7 (except for Spheres of Influence), are charged a processing fee pursuant to SBE's adopted Fee Schedule (Government Code Section 54902.5). The fees listed below, as identified by SBE, are current as of January 1, 2011. LAFCO staff will notify the applicant of the appropriate fees:

Single Area Charges:	
Less than 1 acre	\$300
1-5 acres	\$350
6-10 acres	\$500
11-20 acres	\$800
21-50 acres	\$1,200
51-100 acres	\$1,500
101-500 acres	\$2,000
501-1,000 acres	\$2,500
1,001-2,000 acres	\$3,000
2,001 acres and above	\$3,500

(Additional types of charges are outlined in the State Board of Equalization Fee Schedule. LAFCO staff will notify the applicant of the appropriate fees.)

Section 3. Out-of-Agency Service Contract

FEE AND DEPOSITS SUMMARY

Type of Service Contract	Fee	Deposits*	Total
Contracts involving developments such as: subdivisions/tracts as defined by the Subdivision Map Act (five or more units), Specific Plans	\$5,150	\$2,400	\$7,550
Contracts involving the development of units requiring only a parcel map as defined by the Subdivision Map Act (up to four units)	\$1,030 per connection	\$2,400	\$3,430 to \$6,520
Any contract for fire protection services outside a public agency's jurisdictional boundaries pursuant to Govt. Code Section 56134	\$5,150	\$2,400	\$7,550
Contracts to provide services outside a sphere of influence pursuant to Govt. Code Section 56133.5	\$1,030	\$2,400	\$3,430
Contract Requiring Approval pursuant to Govt. Code Section 56133 (c)	\$1,030	\$2,400	\$3,430
Development-Related Request for Exemption from Govt. Code Section 56133, requires noticed Commission hearing	\$2,317	\$0	\$2,317
Non-development-related (Administrative Review from Executive Officer): (1) Out-of-Agency Service Contract (City or District) or (2) Exemption from Govt. Code Section 56133 as Authorized by Commission Policy	\$772	\$0	\$772

*DEPOSITS BREAKDOWN

Applicants shall be required to reimburse the Commission for all charges and costs in excess of the deposits outlined below. Reimbursement to LAFCO shall be required prior to issuance of the Commission's resolution for service contracts. If charges billed to LAFCO are less than the amount of deposit, the balance will be refunded to the applicant or applied to other categories where excess charges have been incurred.

Legal Counsel (\$250 non-refundable, \$450 deposit)	\$700
<i>It is the policy of this Commission that the costs for Special Counsel due to a representation conflict shall be the responsibility of the applicant. Additionally, as a condition of approval of any action taken by LAFCO, the proponents shall be required to defend, indemnify and hold harmless LAFCO or its agents, officers, and employees from any claim, action, or proceeding against LAFCO or its agents, officers, and employees to attack, set aside, void, or annul the approval of LAFCO concerning the proposal or any action relating to, or arising out of, such approval when such action is brought within the applicable statute of limitations. Refer to <u>Policy and Procedure Manual, Section II, Chapter 2</u>.</i>	
Individual Notice (\$250 non-refundable, \$750 deposit)	\$1,000
(1) Individual Mailed Notice or (2) Publication of Display Ad in lieu of Individual Notice <i>In cases where the noticing would involve mailing more than 1,000 notices, the Commission may waive the individual notice requirement and direct its staff to publish a 1/8th page display ad in a newspaper of general circulation within the area. Refer to <u>Policy and Procedure Manual, Section IV, Chapter 1, Policy 9</u>.</i>	
Environmental Review (\$250 non-refundable, \$450 deposit)	\$700
<i>All applicants shall be required to pay the full costs of the Commission's Environmental Consultant's review regardless whether the Commission is the lead or responsible agency as defined under CEQA.</i>	

Preparation of Negative Declaration/Mitigated Negative Declaration	Additional \$15,000
Preparation of an Environmental Impact Report (EIR)	Additional \$25,000
If the proposal requires that LAFCO prepare a Negative Declaration/Mitigated Negative Declaration or EIR as CEQA lead agency, the CA Dept. of Fish and Wildlife (DFW) CEQA Environmental Document Filing Fees are required to be paid at the time LAFCO files the Notice of Determination with the Clerk of the Board of the affected County. The applicant will be notified of the appropriate fees, which must be received by LAFCO prior to the Commission hearing. Contact the LAFCO office for the current DFW filing fees.	

Section 4. Reproduction Charges

- | | | |
|----|--|--------------|
| A. | Charges for Purchase of Paper Copies, per page | |
| | (1) from paper materials (requests in excess of 10 pages) | 10 cents |
| | (2) from existing digital data (requests in excess of 20 pages) | 5 cents |
| B. | Charges for Purchase of Digital Data | |
| | (1) placement of materials on digital medium | \$10 |
| | (2) scan copies of paper materials (if applicable), per page | 5 cents |
| C. | DVD Copy of Commission Hearing
(available if production services are utilized for hearings) | \$25 per DVD |
| D. | Preparation of Transcript of Hearing | Actual Cost |
- (Those requesting a transcript of a Commission hearing will be notified of the estimated cost for preparation. The Requestor will be required to provide a deposit in the amount of the estimated cost. All costs in excess of the deposit amount will be the responsibility of the Requestor for payment. Any balance remaining after final charges are determined will be refunded to the Requestor.)

Attachment A:
Policy and Procedure Manual, Section II, Chapter 2: Financial Policies for
Application Processing

CHAPTER 2: FINANCIAL POLICIES FOR APPLICATION PROCESSING

1. LAFCO FEE WAIVER/REDUCTION PROVISIONS *(Adopted June 10, 1981 (effective July 1, 1981); Amended March 20, 1996, July 18, 2001, May 17, 2006, May 16, 2007, and November 20, 2013)*

A. AUTOMATIC WAIVERS

For proposals that correct a boundary alignment problem (i.e., a divided assessor's parcel or inadvertent exclusion), the Annexation, Detachment, or Reorganization filing fee will be automatically waived. All required deposits (anticipated direct costs for legal counsel, environmental review, and registered voter/landowner notification) including any completion fees/deposits applicable will be charged at full cost.

For reorganization proposals that require a concurrent sphere of influence amendment (expansion and/or reduction) and reorganization (annexation and/or detachment) for the same area, the Sphere of Influence Update/Service Review filing fee will be automatically waived - provided the reorganization/sphere proposal does not exceed 100 acres. The Annexation, Detachment, or Reorganization filing fee including all required deposits and any completion fees/deposits applicable will be charged at full cost.

Compliance with any of these automatic waiver conditions is to be determined by the LAFCO Executive Officer, who is authorized to notify the applicant(s) involved.

B. AUTOMATIC REDUCTIONS

City annexations of island areas that comply with Government Code Section 56375.3 will be assessed one-half of the LAFCO filing fee for each area of consideration. All required deposits and any completion fees/deposits applicable will be charged at full cost.

The readjustment of agency boundaries as a result of the realignment of a roadway will be reduced to a single Annexation, Detachment, or Reorganization filing fee per entity involved no matter how many changes or separate areas are included in the proposal. All required deposits and any completion fees/deposits applicable will be charged.

Compliance to any of the automatic reduction conditions is to be determined by the LAFCO Executive Officer, who is authorized to notify the applicant(s) involved.

C. REQUEST FOR WAIVER OR REDUCTION OF FEES (to be reviewed and approved by the Commission):

Any applicant may request for a waiver or reduction of the LAFCO filing fee to be charged. The request must be submitted in writing and accompany the submission of the application to the LAFCO Executive Officer. The request shall include a justification for the request and the fee(s) it is requesting to be waived or the dollar amount of fees being reduced. The Executive Officer shall present the waiver/reduction request for Commission review on the consent calendar at the next regular hearing. The Commission may waive/reduce the filing fee if it determines that payment would be detrimental to the public interest pursuant to Government Code Section 56383(d). A waiver/reduction of fees is limited to those costs incurred by the Commission in processing the proposal. The Commission may authorize a waiver or reduction of the LAFCO filing fee based upon the special circumstances of the proposal, if any. Processing of the application shall be held in abeyance until a decision is rendered by the Commission regarding the request for fee waiver/reduction.

2. **LAFCO FILING FEE REFUND** *(Originally Adopted May 21, 1991 as part of the Fee Schedule; Added to Policy Manual on May 17, 2006; Amended August 21, 2013; August 17, 2016)*

If withdrawal of an application is requested, the LAFCO Filing Fee paid for processing will be refunded in the following manner:

- A. Following issuance of the Notice of Filing but prior to the commencement of the property tax negotiations for changes of organization or Department Review Committee consideration for sphere of influence amendment: 2/3 refund.
- B. Following commencement of the property tax negotiations or Department Review Committee process but prior to the advertisement of the Commission's consideration: 1/3 refund.
- C. Following advertisement of the Commission's consideration but prior to the Commission's consideration: no refund.

PROCEDURES:

Deposits are subject to individual refund procedures outlined on the Schedule of Fees, Deposits, and Charges.

3. INDEMNIFICATION *(Adopted May 19, 1993; effective June 1, 1993; Amended May 17, 2006, Amended August 19, 2015; August 17, 2016)*

It is the policy of this Commission that for any application submitted for a change of organization or reorganization, a sphere of influence amendment, or a review of an out-of-agency service contract/agreement, the applicant and/or the real party in interest shall agree to defend, indemnify, and hold harmless San Bernardino LAFCO, its agents, officers, attorneys, and employees from any claim, action, proceeding brought against any of them. A real party in interest includes the landowner and/or a registered voter of an application subject property.

PROCEDURES:

- A. Acknowledgement of LAFCO Indemnification Requirement:
 - 1. When a public agency adopts a resolution of application to initiate an application for a change of organization or reorganization, a sphere of influence amendment, or a fire protection contract, the resolution shall include a provision acknowledging the Commission's requirement for indemnification as outlined in this Manual.
 - 2. When a state agency or a real party of interest initiates an application for a change of organization or reorganization, a sphere of influence amendment, or a fire protection contract, the written request shall include a statement acknowledging the Commission's requirement for indemnification as outlined in this Manual.
- B. In signing the certification on the Application form, on any of the supplement forms or on the Application for Extension of Service by Contract form, the person signing acknowledges the Commission's requirement for indemnification as outlined in this Manual.
- C. The Commission shall impose a condition within its resolution of approval that requires the applicant and/or the real party of interest to defend, indemnify, and hold harmless the Commission, its agents, officers, attorneys, and its employees from any claims, actions or proceedings against them to attack, set aside, void, or annul such approval.
- D. The Executive Officer shall promptly notify the applicant or real party of interest of any legal action brought challenging the Commission's action, and the Commission, its agents, officers, attorneys, and employees shall cooperate fully in the defense of that action.
- E. The applicant may provide their own counsel in the defense of the action taken, or the applicant may elect to use the services of San Bernardino

LAFCO Counsel in that defense. In the latter case, the Executive Officer may require a deposit of funds sufficient to cover the anticipated expense of the litigation.

4. RESPONSIBILITY FOR PAYMENT OF SPECIAL LEGAL COUNSEL COSTS
(Adopted May 17, 2006, Amended August 19, 2015)

It is the policy of this Commission that the costs for Special Counsel shall be the responsibility of the applicant subject to the following determinations:

- A. If Special Counsel is required due to a representation conflict with the applicant of the proposal, the applicant shall be responsible for all Special Counsel charges.
- B. If Special Counsel is required due a representation conflict outside the control of the applicant, the applicant shall be responsible for paying the regular San Bernardino LAFCO Legal Counsel hourly rate. The balance of Special Counsel costs will be the responsibility of the Commission.

PROCEDURES:

The adopted procedure for the Responsibility for Payment of Special Legal Counsel Costs Policy is as follows:

Once a determination has been made pursuant to Commission Policy for Waiver of LAFCO Legal Counsel Conflicts of Interest that Special Counsel is required, the following procedure shall be followed:

- A. The Executive Officer shall promptly notify the proponents of the proposal that Special Counsel is required.
- B. An item shall be placed on the next available Commission Agenda to approve the contract for Special Counsel and to determine the method for apportioning the cost to the applicant.
- C. Once a determination is made regarding the apportionment of the cost, the Executive Officer may require a deposit of the estimated costs for Special Counsel.
- D. All Special Counsel costs that are the responsibility of the applicant shall be paid prior to issuance of the Certificate of Completion.

Environmental Determination

Attachment 2

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: MAY 8, 2019

FROM: MICHAEL TUERPE, Project Manager

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Environmental Determination – Revision of LAFCO for San Bernardino Schedule of Fees, Deposits, and Charges

The Local Agency Formation Commission is currently considering the revision of its “Schedule of Fees, Deposits, and Charges” which help support the services it provides to the County, cities/towns, special districts, and citizens of San Bernardino County. The California Environmental Quality Act (CEQA) and the State CEQA Guidelines provide a statutory exemption for the review and modification of fee and rate schedules. Specifically, Section 21080(b)(8) of the CEQA and Section 15273(a) of the CEQA Guidelines provide for such statutory exemptions if such rates or charges are for the purpose of: (1) meeting operating expenses, including employee wage rates and fringe benefits; (2) purchasing or leasing supplies, equipment, or materials; and (3) meeting financial reserve needs and requirements, etc.

Section 21080(b)(8) of the CEQA and Section 15273(c) of the CEQA Guidelines require that the Commission make findings regarding such an exemption indicating specifically the basis for the claim of exemption. Staff recommends that the Commission make the findings required by Section 21080(b)(8) of the CEQA and Section 15273(c) of the CEQA Guidelines as follows:

- a) Filing and processing fees are authorized by Government Code Section 56383 to cover the estimated reasonable cost of providing the service; and,
- b) The rates and charges identified in the Schedule of Fees, Deposits, and Charges are for the purpose of: (1) meeting operating expenses, including employee wage rates and fringe benefits; (2) purchasing or leasing supplies, equipment, or materials; and (3) meeting financial reserve needs and requirements.

Staff recommends that the Commission determine this action is statutorily exempt from CEQA for the reasons outlined in the State CEQA Guideline section cited above. The Commission is required to file a Notice of Exemption with the Clerk to the Board within five working days of its action to approve the Schedule modifications. A copy of this exemption shall be retained in the LAFCO file to serve as verification of this evaluation and as the CEQA environmental determination record.

Draft Resolution No. 3289

Attachment 3

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

HEARING DATE: MAY 15, 2019

RESOLUTION NO. 3289

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON THE ADOPTION OF A REVISED SCHEDULE OF FEES, DEPOSITS, AND CHARGES FOR FISCAL YEAR 2019-20.

On motion of Commissioner ____, duly seconded by Commissioner ____, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, Section 56383 of the California Government Code authorizes a Local Agency Formation Commission to establish a schedule of fees for the filing and processing of applications submitted to the Commission pursuant to the provisions of Government Code Sections 56000 et seq.; and,

WHEREAS, the Local Agency Formation Commission for San Bernardino County (hereinafter referred to as the "Commission") adopted the existing Schedule of Fees, Deposits, and Charges on May 16, 2018; and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by this Commission upon the proposed amendments to the Schedule of Fees, Deposits, and Charges; and,

WHEREAS, the Executive Officer has prepared a report including his recommendations thereon, said report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in the notice of public hearing and in any order or orders continuing such hearing; and,

WHEREAS, at the hearing, this Commission heard and received all oral and written support and opposition; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the proposed amendments, in evidence presented at the hearing;

NOW, THEREFORE, BE IT RESOLVED, that the Local Agency Formation Commission for San Bernardino County does hereby determine, resolve, order, and find as follows:

RESOLUTION NO. 3289

DETERMINATIONS:

SECTION 1. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner provided by Section 56882 of the Government Code.

SECTION 2. The Local Agency Formation Commission hereby approves the revised Schedule of Fees, Deposits, and Charges, attached hereto as Exhibit “A”, effective July 1, 2019.

SECTION 3. FINDINGS. The following findings are noted in conformance with Commission policy and the provisions of State law:

1. Notice of the Commission's consideration of the Schedule of Fees, Deposits, and Charges amendment has been provided pursuant to the provisions of Government Code Section 66016. To date, no expressions of either in support or opposition to the proposed revisions to the Schedule of Fees, Deposits, and Charges have been received.
2. The Commission determines that the proposed revisions to the Schedule of Fees, Deposits, and Charges are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 21080(b)(8) of CEQA and Section 15273(a), Subsections (1), (2), and (3), of the State CEQA Guidelines. The Commission makes the following findings required by Section 21080(b)(8) of the CEQA and Section 15273(c) of the State CEQA Guidelines:
 - a. Filing and processing fees are authorized by Government Code Section 56383 to cover the estimated reasonable cost of providing the service for which the fee is charged.
 - b. The fees identified in the Schedule of Fees, Deposits, and Charges, attached as Exhibit "A", are for the purpose of: (1) meeting operating expenses, including employee wage rates and fringe benefits; (2) purchasing or leasing supplies, equipment, or materials; and (3) meeting financial reserve needs and requirements.

The Commission hereby adopts the Statutory Exemption and directs the Executive Officer to file a Notice of Exemption within five (5) working days of adoption of the Commission's action with the San Bernardino Clerk to the Board of Supervisors.

THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission for San Bernardino County by the following vote:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

* * * * *

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, SAMUEL MARTINEZ, Executive Officer of the Local Agency Formation Commission for San Bernardino County, California, do hereby certify this record to be a full,

RESOLUTION NO. 3289

true, and correct copy of the action taken by said Commission by vote of the members present as the same appears in the Official Minutes of said Commission at its regular meeting of May 15, 2019.

DATED:

SAMUEL MARTINEZ
Executive Officer

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 * Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: MAY 8, 2019 
FROM: SAMUEL MARTINEZ, Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

**SUBJECT: AGENDA ITEM #11 – REVIEW AND CONSIDERATION OF
AMENDMENTS TO THE LAFCO POLICY AND PROCEDURE MANUAL,
SECTION III - HUMAN RESOURCES**

RECOMMENDATION:

Staff recommends that the Commission take the following actions:

1. Provide staff with any additional changes, corrections or amendments to the Human Resources Section of the Policy and Procedure Manual as presented.
2. Approve amendments to Section III – Human Resources of the LAFCO Policy and Procedure Manual of the following:
 - a. Chapter 2 - Employment
 - i. "Salary Ranges" (Policy 2B)
 - ii. "Eligibility for Step Advancement" (Policy 4B)
 - b. Chapter 5 – Benefits Plan
 - i. "Portable Communication Device Allowance" (Policy 11)
 - ii. "Automobile Allowance" (Policy 12)
3. Adopt Resolution No. 3290 approving the amendments to the Policy and Procedure Manual and direct the Executive Officer to make the amended document available on the Commission's website.

BACKGROUND:

As a part of the FY 2019-20 Proposed Budget process in April, staff recommended amendments to:

1. Compensation in relation to:
 - a. Michael Tuerpe's position of Project Manager (Range 62) reclassifying to Senior Analyst (Range 67) in order for compensation to be commensurate with duties performed.
 - b. Salary step advancement (reduction from two steps per year to one), and
2. Benefits associated with the Executive Officer allowances (reduction of the car allowance from \$561.34 to \$300.00 per pay period, and reduction of the phone allowance from \$92.31 to \$50.00 per pay period).

At the April hearing, the Commission supported these proposed changes by adopting the Proposed Budget. At this May hearing, staff presents the related amendments to the Policy and Procedure Manual to the Commission for its formal approval.

The following four proposed amendments have an effect on the Commission's finances. To implement the proposed amendments, staff recommends that the Commission amend Section III (Human Resources) of its Policy and Procedure Manual, as follows:

CHAPTER 2 (EMPLOYMENT)

1. Amend "Salary Ranges" policy

When the Commission filled the executive officer position from within, the Executive Officer chose not to fill the Assistant Executive Officer position. With one less full-time person in the office, the current Project Manager has assumed additional duties. In reviewing the job descriptions available, the duties currently performed are in line with the Senior Analyst position, which is between Project Manager and Assistant Executive Officer. The Proposed Budget recommended that Michael Tuerpe's position of Project Manager (Range 62) reclassify to Senior Analyst (Range 67) in order for compensation to be commensurate with duties performed. Mr. Tuerpe would enter at Step 11 and be eligible for an annual step increase until he reaches Step 14. The financial effect would be an ongoing annual cost of \$6,680.

The proposed policy amendment to compensation relative to salary ranges is included in Attachment #1 beginning on page 1. The revised salary tables are included as Attachment #2.

2. Amend “Eligibility for Step Advancement” policy

In April 2018, the Commission approved a policy whereby an eligible employee receives two step increases per year, until the top step is reached. The Proposed Budget recommended a return to one step increase per year. The financial effect would be savings of at least \$4,989 for the first year then an ongoing annual savings of \$8,689.

The proposed policy amendment relative to Eligibility for Step Advancement is included in Attachment #1 beginning on page 2.

CHAPTER 5 (BENEFITS PLAN)

3. Amend “Portable Communication Device Allowance” Policy and
4. Amend “Automobile Allowance” Policy

The current auto and phone allowances provided to the Executive Officer are \$561.54 and \$92.31 per pay period, respectively. These allowances far exceed actual costs. Information was gathered of the surrounding LAFCOs on their auto and phone allowances. With both the actual cost and surrounding LAFCO allowances in mind, the Proposed Budget recommended the allowances per pay period be reduced to: auto \$300 and phone \$50. The financial effect would be an ongoing annual savings of \$9,385 (auto) and \$1,507 (phone).

The proposed policy amendments are included in Attachment #1 on page 4.

CONCLUSION:

Staff requests that the Commission provide its additions, amendments or corrections to the amended Human Resources Section of the Policy and Procedure Manual for staff to include in the document. Staff recommends that the Commission take the actions outlined on page 1 of this report to approve the proposed policy amendments.

SM/MT

Attachments:

1. [Proposed Policy Amendments in Track Change Format](#)
2. [Proposed Salary Tables](#)
3. [Draft LAFCO Resolution No. 3290](#)

Proposed Policy Amendments in Track Change Format

Attachment 1

CHAPTER 2: EMPLOYMENT

...

2. COMPENSATION

...

- B. SALARY RANGES (*Adopted June 16, 2011; Amended May 16, 2012; Amended October 22, 2014; Amended April 15, 2015; Amended January 27, 2016; Amended July 20, 2016; April 18, 2018; [May 15, 2019](#)*):

The following shall be the salary ranges for LAFCO positions.

Effective July 22, 2017, the following shall be the salary ranges for LAFCO positions (2.0% increase):

Position	Hourly Range
Executive Officer	\$78.10 to \$118.79
Assistant Executive Officer	\$38.21 to \$52.61
Project Manager	\$29.88 to \$41.45
LAFCO Analyst – GIS/Database Manager	\$25.83 to \$35.49
Clerk to the Commission/Office Manager	\$22.29 to \$30.64
Administrative Assistant	\$18.35 to \$25.20

Effective July 21, 2018, the following shall be the salary ranges for LAFCO positions (3.0% increase):

Position	Hourly Range
Executive Officer	\$81.52 to \$111.20
Assistant Executive Officer	\$41.31 to 56.15
Project Manager	\$32.73 to 44.34
LAFCO Analyst – GIS/Database Manager	\$27.82 to \$37.77
Clerk to the Commission/Office Manager	\$24.92 to \$33.52
Administrative Assistant	\$20.86 to \$27.91

Effective July 20, 2019, the following shall be the salary ranges for LAFCO positions (3.0% increase):

*San Bernardino LAFCO Policy and Procedure Manual
Section III – Human Resources Policies and Procedures*

Position	Hourly Range
Executive Officer	\$83.97 to \$114.54
Assistant Executive Officer	\$42.55 to \$57.83
Senior LAFCO Analyst	\$37.84 to \$51.34
Project Manager	\$33.71 to \$45.67
LAFCO Analyst – GIS/Database Manager	\$28.65 to \$38.90
Clerk to the Commission/Office Manager	\$25.67 to \$34.53
Administrative Assistant	\$21.49 to \$28.75

Effective July 18, 2020, the following shall be the salary ranges for LAFCO positions (3.0% increase)*:

Position	Hourly Range
Executive Officer	\$86.49 to \$117.98
Assistant Executive Officer	\$43.83 to \$59.56
Senior LAFCO Analyst	\$38.98 to \$52.88
Project Manager	\$34.72 to \$47.04
LAFCO Analyst – GIS/Database Manager	\$29.51 to \$40.07
Clerk to the Commission/Office Manager	\$26.44 to \$35.57
Administrative Assistant	\$22.13 to \$29.61

*If assessed values are less than a two percent increase in the 2018/2019 fiscal year from the 2017/2018 fiscal year, then the County may, upon approval of the Board of Supervisors, defer this three percent increase until no later than January 1, 2021.

Each salary range shall have 14 steps. The spread between steps shall be approximately two and one-half percent (2.5%). The salary schedule shows the hourly rate for each step in the salary range.

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4. PERFORMANCE MANAGEMENT

...

B. ELIGIBILITY FOR STEP ADVANCEMENT *(Amended June 16, 2011, January 27, 2016; August 17, 2016; April 18, 2018; [May 15, 2019](#))*

New employees shall be hired at step 1 of the established base salary range, except as otherwise provided in this section. Variable entrance

*San Bernardino LAFCO Policy and Procedure Manual
Section III – Human Resources Policies and Procedures*

steps may be established if justified by recruitment needs through Step 7 with the approval of the Executive Officer and through the top step with the approval of the Commission or designee.

Within the base salary range, all step advancements will be made at the beginning of the pay period in which the employee completes the required number of service hours. However, when an employee reaches the required number of service hours with 80 hours in each pay period, the step advance will be made at the beginning of the next pay period. Approval for advancement shall be based upon completion of required service hours in the classification, satisfactory work performance, and Appointing Authority recommendation.

Completed service hours shall be defined as regularly scheduled hours in a paid status, up to 80 hours per pay period. Overtime hours, disability payments, medical emergency leave, and time without pay shall not count toward step advancements. Unless otherwise approved by the Commission, step advancements within a base salary range shall be based upon a one step increment, approximately two and one-half percent. The employee shall be eligible for the first step advancement after completion of 1,040 hours and subsequent step advancements after completion of additional increments of 2,080 hours.

~~Effective July 21, 2018, employees shall be eligible for step advancement after completion of increments of 1,040 hours until the top step of the range is reached. Employees who, as of July 21, 2018, have at least 1,040 hours from their most recent step advancement shall be immediately eligible to advance to the next step, if applicable, on July 21, 2018. After receiving that step advancement, such employees shall be eligible for step advancement after completion of increments of 1,040 hours until the top step of the range is reached.~~

~~Employees who, as of July 21, 2018, have less than 1,040 hours from their most recent step advancement shall be eligible to receive their next step advancement, if applicable, upon completion of 1,040 hours from their most recent step advancement. For example, an employee who received her step advancement effective February 3, 2018 would be eligible to move to the next step on or about August 4, 2018 provided the employee had completed sufficient service hours. Thereafter, such employees shall be eligible for step advancement after completion of increments of 1,040 hours until the top step of the range is reached.~~

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CHAPTER 5: BENEFITS PLAN

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11. **PORTABLE COMMUNICATION DEVICE ALLOWANCE** (*Adopted April 20, 2005; Amended July 18, 2007; August 19, 2015; [May 15, 2019](#)*)

The SB LAFCO Executive Officer, when in paid status, shall receive a bi-weekly portable communication device allowance in the amount of ~~ninety-two~~[fifty](#) dollars ~~and thirty-one cents~~ (~~\$92.31~~[50.00](#)). The Executive Officer shall purchase a portable communication device capable of sending and receiving cellular telephone calls, and if approved by the appointing authority, capable of sending and receiving e-mails to and from the County of San Bernardino (County) e-mail system. SB LAFCO shall pay for any license and set up expense for the device if any, and the employee shall pay for the equipment and monthly voice and data plans.

12. **AUTOMOBILE ALLOWANCE** (*Amended August 20, 2008; August 19, 2015; [May 15, 2019](#)*)

The SB LAFCO Executive Officer, when in paid status, shall receive a bi-weekly automobile allowance in the amount of ~~five~~[three](#) hundred ~~sixty-one~~ dollars ~~and fifty-four cents~~ (~~\$561.54~~[300.00](#)) with no mileage reimbursement. Should the Executive Officer become eligible or ineligible for this benefit in the middle of a pay period they will receive a prorated sum of automobile allowance. The Executive Officer shall be required to have a vehicle available at all times for use on SB LAFCO business. This allowance shall be considered complete reimbursement for the acquisition, insurance, maintenance, repair, upkeep, fuel, and all other costs for the required vehicle.

...

Proposed Salary Tables

LAFCO Salary Schedule of Authorized Positions														
FY 2018-19 through 2020-21														
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Step 14
Executive Officer														
Effective 7/22/17														
Level A	78.10	80.06	82.06	84.11	86.20	88.35	90.55	92.80	95.14	97.54	99.94	102.43	105.01	107.62
Approximate Bi-weekly	6,248.00	6,404.80	6,564.80	6,728.80	6,896.00	7,068.00	7,244.00	7,424.00	7,611.20	7,803.20	7,995.20	8,194.40	8,400.80	8,609.60
Approximate Annual	162,448.00	166,524.80	170,684.80	174,948.80	179,296.00	183,768.00	188,344.00	193,024.00	197,891.20	202,883.20	207,875.20	213,054.40	218,420.80	223,849.60
Level B	80.06	82.06	84.11	86.20	88.35	90.55	92.80	95.14	97.54	99.94	102.43	105.01	107.62	110.32
Approximate Bi-weekly	6,404.80	6,564.80	6,728.80	6,896.00	7,068.00	7,244.00	7,424.00	7,611.20	7,803.20	7,995.20	8,194.40	8,400.80	8,609.60	8,825.60
Approximate Annual	166,524.80	170,684.80	174,948.80	179,296.00	183,768.00	188,344.00	193,024.00	197,891.20	202,883.20	207,875.20	213,054.40	218,420.80	223,849.60	229,465.60
Level C	82.05	84.10	86.20	88.35	90.55	92.80	95.14	97.54	99.94	102.43	105.01	107.62	110.32	113.09
Approximate Bi-weekly	6,564.00	6,728.00	6,896.00	7,068.00	7,244.00	7,424.00	7,611.20	7,803.20	7,995.20	8,194.40	8,400.80	8,609.60	8,825.60	9,047.20
Approximate Annual	170,664.00	174,928.00	179,296.00	183,768.00	188,344.00	193,024.00	197,891.20	202,883.20	207,875.20	213,054.40	218,420.80	223,849.60	229,465.60	235,227.20
Level D	84.10	86.20	88.35	90.55	92.80	95.14	97.54	99.94	102.43	105.01	107.62	110.32	113.09	115.91
Approximate Bi-weekly	6,728.00	6,896.00	7,068.00	7,244.00	7,424.00	7,611.20	7,803.20	7,995.20	8,194.40	8,400.80	8,609.60	8,825.60	9,047.20	9,272.80
Approximate Annual	174,928.00	179,296.00	183,768.00	188,344.00	193,024.00	197,891.20	202,883.20	207,875.20	213,054.40	218,420.80	223,849.60	229,465.60	235,227.20	241,092.80
Level E	86.19	88.34	90.55	92.80	95.14	97.54	99.94	102.43	105.01	107.62	110.32	113.09	115.90	118.79
Approximate Bi-weekly	6,895.20	7,067.20	7,244.00	7,424.00	7,611.20	7,803.20	7,995.20	8,194.40	8,400.80	8,609.60	8,825.60	9,047.20	9,272.00	9,503.20
Approximate Annual	179,275.20	183,747.20	188,344.00	193,024.00	197,891.20	202,883.20	207,875.20	213,054.40	218,420.80	223,849.60	229,465.60	235,227.20	241,072.00	247,083.20
Effective 7/21/18														
Level A	81.52	83.49	85.51	87.57	89.68	91.83	94.05	96.32	98.63	101.04	103.52	105.99	108.55	111.2
Approximate Bi-weekly	6,521.60	6,679.20	6,840.80	7,005.60	7,174.40	7,346.40	7,524.00	7,705.60	7,890.40	8,083.20	8,281.60	8,479.20	8,684.00	8,896.00
Approximate Annual	169,561.60	173,659.20	177,860.80	182,145.60	186,534.40	191,006.40	195,624.00	200,345.60	205,150.40	210,163.20	215,321.60	220,459.20	225,784.00	231,296.00
Level B	83.49	85.51	87.57	89.68	91.83	94.05	96.32	98.63	101.04	103.52	105.99	108.55	111.21	113.90
Approximate Bi-weekly	6,679.20	6,840.80	7,005.60	7,174.40	7,346.40	7,524.00	7,705.60	7,890.40	8,083.20	8,281.60	8,479.20	8,684.00	8,896.80	9,112.00
Approximate Annual	173,659.20	177,860.80	182,145.60	186,534.40	191,006.40	195,624.00	200,345.60	205,150.40	210,163.20	215,321.60	220,459.20	225,784.00	231,316.80	236,912.00
Level C	85.51	87.57	89.68	91.83	94.05	96.32	98.63	101.04	103.52	105.99	108.55	111.21	113.90	116.68
Approximate Bi-weekly	6,840.80	7,005.60	7,174.40	7,346.40	7,524.00	7,705.60	7,890.40	8,083.20	8,281.60	8,479.20	8,684.00	8,896.80	9,112.00	9,334.40
Approximate Annual	177,860.80	182,145.60	186,534.40	191,006.40	195,624.00	200,345.60	205,150.40	210,163.20	215,321.60	220,459.20	225,784.00	231,316.80	236,912.00	242,694.40
Level D	87.56	89.67	91.83	94.05	96.32	98.63	101.04	103.52	105.99	108.55	111.21	113.90	116.68	119.53
Approximate Bi-weekly	7,004.80	7,173.60	7,346.40	7,524.00	7,705.60	7,890.40	8,083.20	8,281.60	8,479.20	8,684.00	8,896.80	9,112.00	9,334.40	9,562.40
Approximate Annual	182,124.80	186,513.60	191,006.40	195,624.00	200,345.60	205,150.40	210,163.20	215,321.60	220,459.20	225,784.00	231,316.80	236,912.00	242,694.40	248,622.40
Level E	89.67	91.83	94.05	96.32	98.63	101.04	103.52	105.99	108.55	111.21	113.90	116.68	119.53	122.44
Approximate Bi-weekly	7,173.60	7,346.40	7,524.00	7,705.60	7,890.40	8,083.20	8,281.60	8,479.20	8,684.00	8,896.80	9,112.00	9,334.40	9,562.40	9,795.20
Approximate Annual	186,513.60	191,006.40	195,624.00	200,345.60	205,150.40	210,163.20	215,321.60	220,459.20	225,784.00	231,316.80	236,912.00	242,694.40	248,622.40	254,675.20
Effective 7/20/19														
Level A	83.97	85.99	88.08	90.20	92.37	94.58	96.87	99.21	101.59	104.07	106.63	109.17	111.81	114.00
Approximate Bi-weekly	6,717.60	6,879.20	7,046.40	7,216.00	7,389.60	7,566.40	7,749.60	7,936.80	8,127.20	8,325.60	8,530.40	8,733.60	8,944.80	9,163.20
Approximate Annual	174,657.60	178,859.20	183,206.40	187,616.00	192,129.60	196,726.40	201,489.60	206,356.80	211,307.20	216,465.60	221,790.40	227,073.60	232,564.80	238,243.20
Level B	85.99	88.08	90.20	92.37	94.58	96.87	99.21	101.59	104.07	106.63	109.17	111.81	114.55	117.32
Approximate Bi-weekly	6,879.20	7,046.40	7,216.00	7,389.60	7,566.40	7,749.60	7,936.80	8,127.20	8,325.60	8,530.40	8,733.60	8,944.80	9,164.00	9,385.60
Approximate Annual	178,859.20	183,206.40	187,616.00	192,129.60	196,726.40	201,489.60	206,356.80	211,307.20	216,465.60	221,790.40	227,073.60	232,564.80	238,264.00	244,025.60
Level C	88.08	90.20	92.37	94.58	96.87	99.21	101.59	104.07	106.63	109.17	111.81	114.55	117.32	120.18
Approximate Bi-weekly	7,046.40	7,216.00	7,389.60	7,566.40	7,749.60	7,936.80	8,127.20	8,325.60	8,530.40	8,733.60	8,944.80	9,164.00	9,385.60	9,614.40
Approximate Annual	183,206.40	187,616.00	192,129.60	196,726.40	201,489.60	206,356.80	211,307.20	216,465.60	221,790.40	227,073.60	232,564.80	238,264.00	244,025.60	249,974.40
Level D	90.19	92.36	94.58	96.87	99.21	101.59	104.07	106.63	109.17	111.81	114.55	117.32	120.18	123.12
Approximate Bi-weekly	7,215.20	7,388.80	7,566.40	7,749.60	7,936.80	8,127.20	8,325.60	8,530.40	8,733.60	8,944.80	9,164.00	9,385.60	9,614.40	9,849.60

LAFCO Salary Schedule of Authorized Positions														
FY 2018-19 through 2020-21														
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Step 14
Approximate Annual	187,595.20	192,108.80	196,726.40	201,489.60	206,356.80	211,307.20	216,465.60	221,790.40	227,073.60	232,564.80	238,264.00	244,025.60	249,974.40	256,089.60
Level E	92.36	94.58	96.87	99.21	101.59	104.07	106.63	109.17	111.81	114.55	117.32	120.18	123.12	126.11
Approximate Bi-weekly	7,388.80	7,566.40	7,749.60	7,936.80	8,127.20	8,325.60	8,530.40	8,733.60	8,944.80	9,164.00	9,385.60	9,614.40	9,849.60	10,088.80
Approximate Annual	192,108.80	196,726.40	201,489.60	206,356.80	211,307.20	216,465.60	221,790.40	227,073.60	232,564.80	238,264.00	244,025.60	249,974.40	256,089.60	262,308.80
Effective 7/18/20														
Level A	86.49	88.57	90.72	92.91	95.14	97.42	99.78	102.19	104.64	107.19	109.83	112.45	115.16	117.98
Approximate Bi-weekly	6,919.20	7,085.60	7,257.60	7,432.80	7,611.20	7,793.60	7,982.40	8,175.20	8,371.20	8,575.20	8,786.40	8,996.00	9,212.80	9,438.40
Approximate Annual	179,899.20	184,225.60	188,697.60	193,252.80	197,891.20	202,633.60	207,542.40	212,555.20	217,651.20	222,955.20	228,446.40	233,896.00	239,532.80	245,398.40
Level B	88.57	90.72	92.91	95.14	97.42	99.78	102.19	104.64	107.19	109.83	112.45	115.16	117.99	120.84
Approximate Bi-weekly	7,085.60	7,257.60	7,432.80	7,611.20	7,793.60	7,982.40	8,175.20	8,371.20	8,575.20	8,786.40	8,996.00	9,212.80	9,439.20	9,667.20
Approximate Annual	184,225.60	188,697.60	193,252.80	197,891.20	202,633.60	207,542.40	212,555.20	217,651.20	222,955.20	228,446.40	233,896.00	239,532.80	245,419.20	251,347.20
Level C	90.72	92.91	95.14	97.42	99.78	102.19	104.64	107.19	109.83	112.45	115.16	117.99	120.84	123.79
Approximate Bi-weekly	7,257.60	7,432.80	7,611.20	7,793.60	7,982.40	8,175.20	8,371.20	8,575.20	8,786.40	8,996.00	9,212.80	9,439.20	9,667.20	9,903.20
Approximate Annual	188,697.60	193,252.80	197,891.20	202,633.60	207,542.40	212,555.20	217,651.20	222,955.20	228,446.40	233,896.00	239,532.80	245,419.20	251,347.20	257,483.20
Level D	92.90	95.13	97.42	99.78	102.19	104.64	107.19	109.83	112.45	115.16	117.99	120.84	123.79	126.81
Approximate Bi-weekly	7,432.00	7,610.40	7,793.60	7,982.40	8,175.20	8,371.20	8,575.20	8,786.40	8,996.00	9,212.80	9,439.20	9,667.20	9,903.20	10,144.80
Approximate Annual	193,232.00	197,870.40	202,633.60	207,542.40	212,555.20	217,651.20	222,955.20	228,446.40	233,896.00	239,532.80	245,419.20	251,347.20	257,483.20	263,764.80
Level E	95.13	97.42	99.78	102.19	104.64	107.19	109.83	112.45	115.16	117.99	120.84	123.79	126.81	129.89
Approximate Bi-weekly	7,610.40	7,793.60	7,982.40	8,175.20	8,371.20	8,575.20	8,786.40	8,996.00	9,212.80	9,439.20	9,667.20	9,903.20	10,144.80	10,391.20
Approximate Annual	197,870.40	202,633.60	207,542.40	212,555.20	217,651.20	222,955.20	228,446.40	233,896.00	239,532.80	245,419.20	251,347.20	257,483.20	263,764.80	270,171.20
Assistant Executive Officer														
Effective 7/22/17	38.21	39.17	40.15	41.11	42.10	43.19	44.27	45.36	46.50	47.67	48.88	50.08	51.33	52.61
Approximate Bi-weekly	3,056.80	3,133.60	3,212.00	3,288.80	3,368.00	3,455.20	3,541.60	3,628.80	3,720.00	3,813.60	3,910.40	4,006.40	4,106.40	4,208.80
Approximate Annual	79,476.80	81,473.60	83,512.00	85,508.80	87,568.00	89,835.20	92,081.60	94,348.80	96,720.00	99,153.60	101,670.40	104,166.40	106,766.40	109,428.80
Effective 7/21/18														
Approximate Bi-weekly	3,304.80	3,384.00	3,464.80	3,544.00	3,625.60	3,715.20	3,804.80	3,894.40	3,988.00	4,084.80	4,184.00	4,283.20	4,386.40	4,492.00
Approximate Annual	85,924.80	87,984.00	90,084.80	92,144.00	94,265.60	96,595.20	98,924.80	101,254.40	103,688.00	106,204.80	108,784.00	111,363.20	114,046.40	116,792.00
Effective 7/20/19														
Approximate Bi-weekly	3,404.00	3,485.60	3,568.80	3,650.40	3,734.40	3,826.40	3,919.20	4,011.20	4,108.00	4,207.20	4,309.60	4,412.00	4,517.60	4,626.40
Approximate Annual	88,504.00	90,625.60	92,788.80	94,910.40	97,094.40	99,486.40	101,899.20	104,291.20	106,808.00	109,387.20	112,049.60	114,712.00	117,457.60	120,286.40
Effective 7/18/20														
Approximate Bi-weekly	3,506.40	3,590.40	3,676.00	3,760.00	3,846.40	3,940.80	4,036.80	4,131.20	4,231.20	4,333.60	4,439.20	4,544.00	4,652.80	4,764.80
Approximate Annual	91,166.40	93,350.40	95,576.00	97,760.00	100,006.40	102,460.80	104,956.80	107,411.20	110,011.20	112,673.60	115,419.20	118,144.00	120,972.80	123,884.80
Senior Analyst														
Effective 7/20/19	37.84	38.75	39.66	40.61	41.56	42.57	43.54	44.61	45.63	46.68	47.83	48.99	50.14	51.34
Approximate Bi-weekly	3,027.20	3,100.00	3,172.80	3,248.80	3,324.80	3,405.60	3,483.20	3,568.80	3,650.40	3,734.40	3,826.40	3,919.20	4,011.20	4,107.20
Approximate Annual	78,707.20	80,600.00	82,492.80	84,468.80	86,444.80	88,545.60	90,563.20	92,788.80	94,910.40	97,094.40	99,486.40	101,899.20	104,291.20	106,787.20
Effective 7/18/20														
Approximate Bi-weekly	3,118.40	3,192.80	3,268.00	3,346.40	3,424.80	3,508.00	3,588.00	3,676.00	3,760.00	3,846.40	3,940.80	4,036.80	4,131.20	4,230.40
Approximate Annual	81,078.40	83,012.80	84,968.00	87,006.40	89,044.80	91,208.00	93,288.00	95,576.00	97,760.00	100,006.40	102,460.80	104,956.80	107,411.20	109,990.40

LAFCO Salary Schedule of Authorized Positions														
FY 2018-19 through 2020-21														
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Step 14
Project Manager														
Effective 7/22/17	29.88	30.62	31.39	32.17	32.98	33.79	34.63	35.48	36.38	37.27	38.23	39.14	40.15	41.15
Approximate Bi-weekly	2,390.40	2,449.60	2,511.20	2,573.60	2,638.40	2,703.20	2,770.40	2,838.40	2,910.40	2,981.60	3,058.40	3,131.20	3,212.00	3,292.00
Approximate Annual	62,150.40	63,689.60	65,291.20	66,913.60	68,598.40	70,283.20	72,030.40	73,798.40	75,670.40	77,521.60	79,518.40	81,411.20	83,512.00	85,592.00
Effective 7/21/18	32.73	33.50	34.29	35.09	35.93	36.76	37.63	38.50	39.43	40.35	41.33	42.27	43.31	44.34
Approximate Bi-weekly	2,618.40	2,680.00	2,743.20	2,807.20	2,874.40	2,940.80	3,010.40	3,080.00	3,154.40	3,228.00	3,306.40	3,381.60	3,464.80	3,547.20
Approximate Annual	68,078.40	69,680.00	71,323.20	72,987.20	74,734.40	76,460.80	78,270.40	80,080.00	82,014.40	83,928.00	85,966.40	87,921.60	90,084.80	92,227.20
Effective 7/20/19	33.71	34.51	35.32	36.14	37.01	37.86	38.76	39.66	40.61	41.56	42.57	43.54	44.61	45.67
Approximate Bi-weekly	2,696.80	2,760.80	2,825.60	2,891.20	2,960.80	3,028.80	3,100.80	3,172.80	3,248.80	3,324.80	3,405.60	3,483.20	3,568.80	3,653.60
Approximate Annual	70,116.80	71,780.80	73,465.60	75,171.20	76,980.80	78,748.80	80,620.80	82,492.80	84,468.80	86,444.80	88,545.60	90,563.20	92,788.80	94,993.60
Effective 7/18/20	34.72	35.55	36.38	37.22	38.12	39.00	39.92	40.85	41.83	42.81	43.85	44.85	45.95	47.00
Approximate Bi-weekly	2,777.60	2,844.00	2,910.40	2,977.60	3,049.60	3,120.00	3,193.60	3,268.00	3,346.40	3,424.80	3,508.00	3,588.00	3,676.00	3,763.20
Approximate Annual	72,217.60	73,944.00	75,670.40	77,417.60	79,289.60	81,120.00	83,033.60	84,968.00	87,006.40	89,044.80	91,208.00	93,288.00	95,576.00	97,843.20
LAFCO Analyst-GIS/Database Manager														
Effective 7/22/17	25.83	26.47	27.13	27.78	28.50	29.17	29.90	30.62	31.39	32.17	32.98	33.79	34.63	35.49
Approximate Bi-weekly	2,066.40	2,117.60	2,170.40	2,222.40	2,280.00	2,333.60	2,392.00	2,449.60	2,511.20	2,573.60	2,638.40	2,703.20	2,770.40	2,839.20
Approximate Annual	53,726.40	55,057.60	56,430.40	57,782.40	59,280.00	60,673.60	62,192.00	63,689.60	65,291.20	66,913.60	68,598.40	70,283.20	72,030.40	73,819.20
Effective 7/21/18	27.82	28.48	29.16	29.83	30.57	31.26	32.01	32.75	33.55	34.35	35.18	36.02	36.88	37.77
Approximate Bi-weekly	2,225.60	2,278.40	2,332.80	2,386.40	2,445.60	2,500.80	2,560.80	2,620.00	2,684.00	2,748.00	2,814.40	2,881.60	2,950.40	3,021.60
Approximate Annual	57,865.60	59,238.40	60,652.80	62,046.40	63,585.60	65,020.80	66,580.80	68,120.00	69,784.00	71,448.00	73,174.40	74,921.60	76,710.40	78,561.60
Effective 7/20/19	28.65	29.33	30.03	30.72	31.49	32.20	32.97	33.73	34.56	35.38	36.24	37.10	37.99	38.90
Approximate Bi-weekly	2,292.00	2,346.40	2,402.40	2,457.60	2,519.20	2,576.00	2,637.60	2,698.40	2,764.80	2,830.40	2,899.20	2,968.00	3,039.20	3,112.00
Approximate Annual	59,592.00	61,006.40	62,462.40	63,897.60	65,499.20	66,976.00	68,577.60	70,158.40	71,884.80	73,590.40	75,379.20	77,168.00	79,019.20	80,912.00
Effective 7/18/20	29.51	30.21	30.93	31.64	32.43	33.17	33.96	34.74	35.60	36.44	37.33	38.21	39.13	40.07
Approximate Bi-weekly	2,360.80	2,416.80	2,474.40	2,531.20	2,594.40	2,653.60	2,716.80	2,779.20	2,848.00	2,915.20	2,986.40	3,056.80	3,130.40	3,205.60
Approximate Annual	61,380.80	62,836.80	64,334.40	65,811.20	67,454.40	68,993.60	70,636.80	72,259.20	74,048.00	75,795.20	77,646.40	79,476.80	81,390.40	83,345.00
Clerk to the Commission/Office Manager														
Effective 7/22/17	22.29	22.85	23.43	24.01	24.60	25.22	25.83	26.47	27.13	27.78	28.50	29.17	29.90	30.64
Approximate Bi-weekly	1,783.20	1,828.00	1,874.40	1,920.80	1,968.00	2,017.60	2,066.40	2,117.60	2,170.40	2,222.40	2,280.00	2,333.60	2,392.00	2,451.20
Approximate Annual	46,363.20	47,528.00	48,734.40	49,940.80	51,168.00	52,457.60	53,726.40	55,057.60	56,430.40	57,782.40	59,280.00	60,673.60	62,192.00	63,731.20
Effective 7/21/18	24.92	25.49	26.09	26.69	27.30	27.93	28.56	29.22	29.90	30.57	31.31	32.00	32.75	33.52
Approximate Bi-weekly	1,993.60	2,039.20	2,087.20	2,135.20	2,184.00	2,234.40	2,284.80	2,337.60	2,392.00	2,445.60	2,504.80	2,560.00	2,620.00	2,681.60
Approximate Annual	51,833.60	53,019.20	54,267.20	55,515.20	56,784.00	58,094.40	59,404.80	60,777.60	62,192.00	63,585.60	65,124.80	66,560.00	68,120.00	69,721.60
Effective 7/20/19	25.67	26.25	26.87	27.49	28.12	28.77	29.42	30.10	30.80	31.49	32.25	32.96	33.73	34.53
Approximate Bi-weekly	2,053.60	2,100.00	2,149.60	2,199.20	2,249.60	2,301.60	2,353.60	2,408.00	2,464.00	2,519.20	2,580.00	2,636.80	2,698.40	2,762.40
Approximate Annual	53,393.60	54,600.00	55,889.60	57,179.20	58,489.60	59,841.60	61,193.60	62,608.00	64,064.00	65,499.20	67,080.00	68,556.80	70,158.40	71,822.40

LAFCO Salary Schedule of Authorized Positions														
FY 2018-19 through 2020-21														
	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Step 12	Step 13	Step 14
Effective 7/18/20	26.44	27.04	27.68	28.31	28.96	29.63	30.30	31.00	31.72	32.43	33.22	33.95	34.74	35.57
Approximate Bi-weekly	2,115.20	2,163.20	2,214.40	2,264.80	2,316.80	2,370.40	2,424.00	2,480.00	2,537.60	2,594.40	2,657.60	2,716.00	2,779.20	2,845.60
Approximate Annual	54,995.20	56,243.20	57,574.40	58,884.80	60,236.80	61,630.40	63,024.00	64,480.00	65,977.60	67,454.40	69,097.60	70,616.00	72,259.20	73,985.60
Administrative Assistant														
Effective 7/22/17	18.35	18.80	19.28	19.75	20.24	20.73	21.26	21.80	22.31	22.88	23.43	24.01	24.60	25.20
Approximate Bi-weekly	1,468.00	1,504.00	1,542.40	1,580.00	1,619.20	1,658.40	1,700.80	1,744.00	1,784.80	1,830.40	1,874.40	1,920.80	1,968.00	2,016.00
Approximate Annual	38,168.00	39,104.00	40,102.40	41,080.00	42,099.20	43,118.40	44,220.80	45,344.00	46,404.80	47,590.40	48,734.40	49,940.80	51,168.00	52,416.00
Effective 7/21/18	20.86	21.32	21.82	22.30	22.80	23.31	23.85	24.41	24.94	25.52	26.09	26.69	27.30	27.91
Approximate Bi-weekly	1,668.80	1,705.60	1,745.60	1,784.00	1,824.00	1,864.80	1,908.00	1,952.80	1,995.20	2,041.60	2,087.20	2,135.20	2,184.00	2,232.80
Approximate Annual	43,388.80	44,345.60	45,385.60	46,384.00	47,424.00	48,484.80	49,608.00	50,772.80	51,875.20	53,081.60	54,267.20	55,515.20	56,784.00	58,052.80
Effective 7/20/19	21.49	21.96	22.47	22.97	23.48	24.01	24.57	25.14	25.69	26.29	26.87	27.49	28.12	28.75
Approximate Bi-weekly	1,719.20	1,756.80	1,797.60	1,837.60	1,878.40	1,920.80	1,965.60	2,011.20	2,055.20	2,103.20	2,149.60	2,199.20	2,249.60	2,300.00
Approximate Annual	44,699.20	45,676.80	46,737.60	47,777.60	48,838.40	49,940.80	51,105.60	52,291.20	53,435.20	54,683.20	55,889.60	57,179.20	58,489.60	59,800.00
Effective 7/18/20	22.13	22.62	23.14	23.66	24.18	24.73	25.31	25.89	26.46	27.08	27.68	28.31	28.96	29.61
Approximate Bi-weekly	1,770.40	1,809.60	1,851.20	1,892.80	1,934.40	1,978.40	2,024.80	2,071.20	2,116.80	2,166.40	2,214.40	2,264.80	2,316.80	2,368.80
Approximate Annual	46,030.40	47,049.60	48,131.20	49,212.80	50,294.40	51,438.40	52,644.80	53,851.20	55,036.80	56,326.40	57,574.40	58,884.80	60,236.80	61,588.80

Draft Resolution No. 3290

Attachment 3

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

RESOLUTION NO. 3290

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY, STATE OF CALIFORNIA, AMENDING SECTION III (HUMAN RESOURCES) OF ITS POLICY AND PROCEDURE MANUAL

On Wednesday, May 15, 2019, on motion of Commissioner ____, duly seconded by Commissioner ____, and carried, the Local Agency Formation Commission adopts the following resolution:

SECTION 1. The Local Agency Formation Commission for San Bernardino County, State of California (hereafter shown as "LAFCO"), hereby finds and determines that it wishes to amend Section III – Human Resources of its Policy and Procedure Manual. The amendments include changes that affect the Commission's finances.

SECTION 2. The Local Agency Formation Commission for San Bernardino County therefore determines, resolves and orders that:

1. Section III – Human Resources of the Policy and Procedure Manual is hereby amended.
2. The amended policies of Section III – Human Resources of the Policy and Procedure Manual attached to this resolution as Exhibit "A" and incorporated herein by reference, is adopted and approved.

SECTION 3. The Executive Officer of LAFCO is ordered to certify the passage of this resolution and to cause a copy of the amended Policy and Procedure Manual to be posted on the LAFCO Website, and a certified copy of this resolution to be forwarded to the County Administrative Office, County Auditor-Controller/Treasurer/Tax Collector, and County Human Resources Department for implementation.

**THIS ACTION APPROVED AND ADOPTED BY THE LOCAL AGENCY FORMATION
COMMISSION FOR SAN BERNARDINO COUNTY BY THE FOLLOWING VOTE:**

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

RESOLUTION NO. 3290

ABSENT: COMMISSIONERS:

STATE OF CALIFORNIA)
)ss.
COUNTY OF SAN BERNARDINO)

I, SAMUEL MARTINEZ, Executive Officer of the Local Agency Formation Commission for San Bernardino County, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission, by vote of the members present, as the same appears in the Official Minutes of said Commission at its meeting of May 15, 2019.

DATED:

SAMUEL MARTINEZ
Executive Officer

EXHIBIT “A”

San Bernardino LAFCO Policy and Procedure Manual Section III – Human Resources Policies and Procedures

CHAPTER 2: EMPLOYMENT

...

2. COMPENSATION

...

- B. SALARY RANGES (*Adopted June 16, 2011; Amended May 16, 2012; Amended October 22, 2014; Amended April 15, 2015; Amended January 27, 2016; Amended July 20, 2016; April 18, 2018; May 15, 2019*):

The following shall be the salary ranges for LAFCO positions.

Effective July 22, 2017, the following shall be the salary ranges for LAFCO positions (2.0% increase):

Position	Hourly Range
Executive Officer	\$78.10 to \$118.79
Assistant Executive Officer	\$38.21 to \$52.61
Project Manager	\$29.88 to \$41.45
LAFCO Analyst – GIS/Database Manager	\$25.83 to \$35.49
Clerk to the Commission/Office Manager	\$22.29 to \$30.64
Administrative Assistant	\$18.35 to \$25.20

Effective July 21, 2018, the following shall be the salary ranges for LAFCO positions (3.0% increase):

Position	Hourly Range
Executive Officer	\$81.52 to \$111.20
Assistant Executive Officer	\$41.31 to 56.15
Project Manager	\$32.73 to 44.34
LAFCO Analyst – GIS/Database Manager	\$27.82 to \$37.77
Clerk to the Commission/Office Manager	\$24.92 to \$33.52
Administrative Assistant	\$20.86 to \$27.91

Effective July 20, 2019, the following shall be the salary ranges for LAFCO positions (3.0% increase):

EXHIBIT “A”

EXHIBIT "A"

San Bernardino LAFCO Policy and Procedure Manual Section III – Human Resources Policies and Procedures

Position	Hourly Range
Executive Officer	\$83.97 to \$114.54
Assistant Executive Officer	\$42.55 to \$57.83
<u>Senior LAFCO Analyst</u>	<u>\$37.84 to \$51.34</u>
Project Manager	\$33.71 to \$45.67
LAFCO Analyst – GIS/Database Manager	\$28.65 to \$38.90
Clerk to the Commission/Office Manager	\$25.67 to \$34.53
Administrative Assistant	\$21.49 to \$28.75

Effective July 18, 2020, the following shall be the salary ranges for LAFCO positions (3.0% increase)*:

Position	Hourly Range
Executive Officer	\$86.49 to \$117.98
Assistant Executive Officer	\$43.83 to \$59.56
<u>Senior LAFCO Analyst</u>	<u>\$38.98 to \$52.88</u>
Project Manager	\$34.72 to \$47.04
LAFCO Analyst – GIS/Database Manager	\$29.51 to \$40.07
Clerk to the Commission/Office Manager	\$26.44 to \$35.57
Administrative Assistant	\$22.13 to \$29.61

*If assessed values are less than a two percent increase in the 2018/2019 fiscal year from the 2017/2018 fiscal year, then the County may, upon approval of the Board of Supervisors, defer this three percent increase until no later than January 1, 2021.

Each salary range shall have 14 steps. The spread between steps shall be approximately two and one-half percent (2.5%). The salary schedule shows the hourly rate for each step in the salary range.

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4. **PERFORMANCE MANAGEMENT**

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B. ELIGIBILITY FOR STEP ADVANCEMENT (*Amended June 16, 2011, January 27, 2016; August 17, 2016; April 18, 2018; May 15, 2019*)

New employees shall be hired at step 1 of the established base salary range, except as otherwise provided in this section. Variable entrance steps may be established if justified by recruitment needs through Step

EXHIBIT "A"

EXHIBIT “A”

San Bernardino LAFCO Policy and Procedure Manual Section III – Human Resources Policies and Procedures

7 with the approval of the Executive Officer and through the top step with the approval of the Commission or designee.

Within the base salary range, all step advancements will be made at the beginning of the pay period in which the employee completes the required number of service hours. However, when an employee reaches the required number of service hours with 80 hours in each pay period, the step advance will be made at the beginning of the next pay period. Approval for advancement shall be based upon completion of required service hours in the classification, satisfactory work performance, and Appointing Authority recommendation.

Completed service hours shall be defined as regularly scheduled hours in a paid status, up to 80 hours per pay period. Overtime hours, disability payments, medical emergency leave, and time without pay shall not count toward step advancements. Unless otherwise approved by the Commission, step advancements within a base salary range shall be based upon a one step increment, approximately two and one-half percent. The employee shall be eligible for the first step advancement after completion of 1,040 hours and subsequent step advancements after completion of additional increments of 2,080 hours.

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Deleted: Effective July 21, 2018, employees shall be eligible for step advancement after completion of increments of 1,040 hours until the top step of the range is reached. Employees who, as of July 21, 2018, have at least 1,040 hours from their most recent step advancement shall be immediately eligible to advance to the next step, if applicable, on July 21, 2018. After receiving that step advancement, such employees shall be eligible for step advancement after completion of increments of 1,040 hours until the top step of the range is reached.¶

¶ Employees who, as of July 21, 2018, have less than 1,040 hours from their most recent step advancement shall be eligible to receive their next step advancement, if applicable, upon completion of 1,040 hours from their most recent step advancement. For example, an employee who received her step advancement effective February 3, 2018 would be eligible to move to the next step on or about August 4, 2018 provided the employee had completed sufficient service hours. Thereafter, such employees shall be eligible for step advancement after completion of increments of 1,040 hours until the top step of the range is reached.

EXHIBIT “A”

EXHIBIT “A”

San Bernardino LAFCO Policy and Procedure Manual Section III – Human Resources Policies and Procedures

CHAPTER 5: BENEFITS PLAN

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11. **PORTABLE COMMUNICATION DEVICE ALLOWANCE** (Adopted April 20, 2005; Amended July 18, 2007; August 19, 2015; *May 15, 2019*)

The SB LAFCO Executive Officer, when in paid status, shall receive a bi-weekly portable communication device allowance in the amount of ~~fifty~~ dollars (\$~~50.00~~). The Executive Officer shall purchase a portable communication device capable of sending and receiving cellular telephone calls, and if approved by the appointing authority, capable of sending and receiving e-mails to and from the County of San Bernardino (County) e-mail system. SB LAFCO shall pay for any license and set up expense for the device if any, and the employee shall pay for the equipment and monthly voice and data plans.

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12. **AUTOMOBILE ALLOWANCE** (Amended August 20, 2008; August 19, 2015; *May 15, 2019*)

The SB LAFCO Executive Officer, when in paid status, shall receive a bi-weekly automobile allowance in the amount of ~~three~~ hundred dollars (\$~~300.00~~) with no mileage reimbursement. Should the Executive Officer become eligible or ineligible for this benefit in the middle of a pay period they will receive a prorated sum of automobile allowance. The Executive Officer shall be required to have a vehicle available at all times for use on SB LAFCO business. This allowance shall be considered complete reimbursement for the acquisition, insurance, maintenance, repair, upkeep, fuel, and all other costs for the required vehicle.

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EXHIBIT “A”

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

1170 West Third Street, Unit 150, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 388-0481
lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: MAY 8, 2019 
FROM: SAMUEL MARTINEZ, Executive Officer
TO: LOCAL AGENCY FORMATION COMMISSION

**SUBJECT: AGENDA ITEM #12 – REVIEW AND ADOPTION OF FINAL BUDGET
FOR FISCAL YEAR 2019-20**

RECOMMENDATION:

Staff recommends that the Commission take the following actions:

1. Adopt the Fiscal Year 2019-20 Final Budget as presented including:
 - a. Making the finding, as required by Government Code Section 56381, that the approval of a budget less than that adopted for Fiscal Year 2018-19 for the upcoming fiscal year will allow the Commission to fulfill its obligations under Government Code Section 56000 et seq; and,
 - b. Direction that the apportionment of net LAFCO costs be based upon the Auditor's information attached to this report;
2. Direct the Executive Officer to submit to the County Auditor-Controller the adopted Final Budget and request the apportionment of the Commission's net costs to the County, Cities/Towns and Independent Special Districts pursuant to the provisions of Government Code Section 56381 as shown in the approved Final Budget.

BACKGROUND:

The Commission's annual budget process began at the April 17 hearing through adoption of the Proposed Budget for Fiscal Year 2019-20. The Proposed Budget included an outline of the anticipated expenditures, revenues, and reserves for Commission consideration such as payment of step increases and retirement costs. Additionally, proposed policy and practice items included: reclassification of one

employee, return to one step increase per year for eligible employees, reduction of auto and phone allowances for the executive officer, transitioning to more digital media to reduce paper circulation, and minutes of the Commission meetings to be action minutes.

At the April hearing for Item 11 (FY 2018-19 Third Quarter Report), the Commission directed staff to contribute the balance of the Net Pension Liability Reserve (Account 6010) by July 1 to SBCERA as a credit towards LAFCO's unfunded liability. In turn, there are no funds from Net Pension Liability Reserve carrying forward into FY 2019-20 (Account 9970). However, the FY 2019-20 Budget does allocate \$42,500 into Account 6010 for the annual contribution, to occur June 2020. The Commission approved a modified budget, and staff revised and noted the Proposed Budget, as modified, for distribution as described in the next paragraph. (See [Item 11 from the April agenda](#) and [Attachment 6 to this staff report.](#))

On April 18, as required by Government Code Section 56381 staff distributed the Proposed Budget, as modified, for review and comment to the County, each city/town, and each independent special district with the request to submit comments by May 7 for inclusion in the final report. As of the date of this report, no comments or concerns have been provided regarding the Proposed Budget as modified and adopted at the April hearing. If concerns are received following the publication of this report, staff will provide those to the Commission at the hearing along with an oral response.

Since the FY 2019-20 budget would be less than that adopted for FY 2018-19, Government Code Section 56381 requires the Commission to determine that the approval of the reduced budget for the upcoming fiscal year will allow the Commission to fulfill its obligations under Government Code Section 56000 et seq. Therefore, staff recommends that approval of the final budget include this finding.

Staff will be happy to answer any questions from the Commission prior to or at the hearing regarding any of the items within the budget documents or this report. Staff recommends that the Commission take the actions identified on page 1 of this report.

SM/MT

Attachments:

1. [Final Budget Spreadsheet](#)
2. [Auditor's Apportionment Distribution for the County, Cities and Towns, and Independent Special Districts](#)
3. [Salaries and Benefits Detail](#)
4. [Services and Supplies Detail](#)
5. [Revenue Detail](#)
6. [Modified Pages from Staff Report dated April 11, 2019 for the Proposed Budget, for distribution](#)

Final Budget Spreadsheet

Attachment 1

4/26/2019

ACCT. #	ACCOUNT NAME	ACTUAL YEAR-END FY 16-17	ACTUAL YEAR-END FY 17-18	PROJECTED YEAR-END FY 18-19	FINAL BUDGET FY 19-20 26 Pay Periods	FORECAST BUDGET FY 20-21 27 Pay Periods
	SALARIES AND BENEFITS					
1010	Earnable Compensation	\$ 466,526	\$ 477,488	\$ 503,357	\$ 492,781	\$ 538,947
1030	Auto and Cell Phone Allowances	17,000	17,000	20,192	9,135	9,450
1035	Overtime	38				
1045	Termination Payment	632				
1110	General Member Retirement	112,783	124,459	173,231	189,146	206,141
1130	Survivors Benefits	210	224	179	176	182
1135	Retirement Subsidy (no longer active)	18,264	16,980	1,995		
1200	Medical Premium Subsidy	45,801	52,779	52,628	53,799	55,654
1205	Long-Term Disability	883	955	1,070	1,141	1,242
1207	Vision Care Insurance	771	822	782	782	809
1215	Dental Insurance Subsidy	1,251	1,235	1,230	1,235	1,277
1222	Short-Term Disability	3,477	3,756	4,951	5,316	5,771
1225	Social Security Medicare	6,143	6,170	6,276	5,917	6,457
1235	Workers' Compensation	2,097	2,160	4,859	5,074	5,520
1240	Life Insurance & Medical Trust Fund	5,316	6,986	9,558	10,735	11,604
1305	Medical Reimbursement Plan	3,380	3,840	5,372	6,516	6,696
1310	Annuitant Employee Medical (no longer active)	17,453	12,264	3,774		
1314	457/401a Contribution	1,544	1,498	2,822	3,275	3,566
1315	401k Contribution	26,020	28,405	35,204	38,040	41,384
TOTAL SALARIES & BENEFITS		\$ 729,589	\$ 757,022	\$ 827,479	\$ 823,068	\$ 894,700
	Staffing (Full time equivalent units)	5.5	5.5	5.25	5.0	5.0
	SERVICES AND SUPPLIES					
	General Services & Supplies					
2031	Payroll System Services				\$ 826	\$ 826
2035	Communications	\$ 1,053				
2037	COMNET Charge (ISF)	2,872	\$ 3,777	\$ 3,302	3,434	3,434
2040	Relocation Charges - Phone Service	10,647	3,151			
2041	Phone Service/Outside Company	947	4,295	8,722	8,400	8,400
2043	Electronic Equipment Maintenance		6,159	-	-	-
2075	Membership Dues	9,338	9,973	10,303	11,753	11,753
2076	Tuition Reimbursement	2,000	950	-	1,000	1,030

4/26/2019

ACCT. #	ACCOUNT NAME	ACTUAL YEAR-END FY 16-17	ACTUAL YEAR-END FY 17-18	PROJECTED YEAR-END FY 18-19	FINAL BUDGET FY 19-20	FORECAST BUDGET FY 20-21
					26 Pay Periods	27 Pay Periods
2080	Publications	3,021	4,218	3,411	3,163	3,163
2085	Legal Notices	18,129	20,698	21,592	18,750	18,750
2090	Building Expense	100,000	103,019	7,002	7,000	7,000
2115	Computer Software	2,552	1,707	2,777	3,054	3,054
2125	Inventoriable Equipment	2,685			-	-
2130	Moving Expenses					
2180	Electricity		2,778	4,400	6,000	6,000
2182	Electricity		2,372	-		
2195	Reimbursement Services and Supplies					
2245	Other Insurance	9,100	10,013	14,238	14,238	14,665
2305	General Office Expense	8,105	8,629	6,583	4,850	4,850
2308	Credit Card Clearing Account	(465)	2,046	(3,542)	-	-
2309	Visa Temp Card					
2310	Postage - Direct Charge	75,917	14,683	7,393	6,116	6,299
2315	Records Storage	749	606	656	900	900
2316	Surplus Handling					
2323	Reproduction Services	15,084	2,000	77	-	-
2335	Temporary Services	3,033	132	354	-	-
	Consultant & Special Services:					
2400	Legal Counsel	37,867	130,898	75,525	46,300	47,689
2405	Auditing	11,492	10,819	10,819	11,268	11,268
2410	Data Processing	7,827		12,852	11,252	11,252
2414	Application Development Maint.				2,000	-
2415	COWCAP	13,236	8,458	10,109	13,328	13,728
2416	Enterprise Printing				31	31
2418	Enterprise Data Storage				8,457	8,457
2420	Wireless Device Access	245	199	412	286	286
2421	Desktop Support Services	8,949	15,568	16,081	16,762	16,762
2424	Environmental Consultant	9,077	8,590	8,970	14,200	14,200
2444	Security Services	390	1,267	468	468	468
2445	Other Professional Services	124,571	137,937	99,865	80,826	83,251
2449	Outside Legal (Litigation & Special Counsel)			3,216	-	-
2450	Application Development Support			-	-	-
2460	GIMS Charges	13,500	13,500	13,518	16,500	16,500

4/26/2019

ACCT. #	ACCOUNT NAME	ACTUAL YEAR-END FY 16-17	ACTUAL YEAR-END FY 17-18	PROJECTED YEAR-END FY 18-19	FINAL BUDGET FY 19-20 26 Pay Periods	FORECAST BUDGET FY 20-21 27 Pay Periods
	Lease/Purchases:					
2895	Rent/Lease Equipment (copier)	7,226	6,034	5,839	4,800	4,800
2905	Office/Hearing Chamber Rental	49,874	100,455	98,952	100,928	102,947
	Travel Related Expenses:					
2940	Private Mileage	4,963	4,374	5,617	3,436	3,436
2941	Conference/Training	6,465	5,422	4,756	4,740	4,740
2942	Hotel	12,417	6,739	5,666	7,990	7,990
2943	Meals	1,502	780	696	1,200	1,200
2944	Car Rental	228	260	200	-	-
2945	Air Travel	4,188	3,291	1,108	2,200	2,200
2946	Other Travel	871	665	204	825	825
	Other:					
5012	Services Out (Staples)	14	185	765	600	600
TOTAL SERVICES & SUPPLIES		\$ 579,668	\$ 656,644	\$ 462,903	\$ 437,882	\$ 442,754
TOTAL EXPENDITURES		\$ 1,309,258	\$ 1,413,665	\$ 1,290,382	\$ 1,260,950	\$ 1,337,454
	RESERVES					
6000	Contingency (Assigned)	\$ -			\$ 50,000	\$ 50,000
6010	Net Pension Liability Reserve (Committed)	-			42,500	42,500
6025	General Reserve (Assigned)	-			150,000	150,000
6030	Compensated Absences Reserve (Committed)	(1,216)			110,146	115,653
TOTAL CONTINGENCIES & RESERVES		\$ (1,216)	\$ -	\$ -	\$ 352,646	\$ 358,153
TOTAL APPROPRIATION		\$ 1,308,042	\$ 1,413,665	\$ 1,290,382	\$ 1,613,596	\$ 1,695,607

ACCT #	ACCOUNT NAME	ACTUAL YEAR-END FY 16-17	ACTUAL YEAR-END FY 17-18	PROJECTED YEAR-END FY 18-19	FINAL BUDGET FY 19-20	FORECAST BUDGET FY 20-21
	CONTRIBUTION REVENUES					
	Use of Money:					
8500	Interest	\$ 9,318	\$ 12,561	\$ 15,193	\$ 16,000	\$ 18,000
	Mandatory Contribution from Governments:					
8842	Local Government -- For FY 2019-20 apportionment to County, Cities, and Independent Special Districts (\$363,499 total for each category)	926,223	1,009,583	1,105,497	1,090,497	1,090,497
	Fees and Deposits (Current Services):					
9545	Individual Notice	27,507	6,351	8,916	14,300	14,300
9555	Legal Services	10,311	42,206	45,294	28,000	28,000
9595	Protest Hearing	34,000	3,000		10,800	10,800
9655	GIMS Fees	5,015	8,430		10,945	10,945
9660	Environmental	7,145	4,546	10,319	14,900	14,900
9800	LAFCO Fees	117,531	52,821	54,000	98,795	101,759
	Total Fees and Deposits	201,509	117,354	118,529	177,740	180,704
	TOTAL CONTRIBUTION REVENUES	1,137,049	1,139,498	1,239,219	1,284,237	1,289,201
	OTHER REVENUES					
9910	Prior Year Activity (refunds, collections)	\$ (20,757)	\$ 2,438	\$ (373)	\$ -	\$ -
9930	Miscellaneous Revenues	345	2,140	10	-	-
9970	Carryover of Open Proposals/Projects	42,219	5,058	(50)	31,982	46,261
9970	Carryover from Prior Year, Assigned	296,065	101,741	50	-	50,000
	TOTAL OTHER REVENUES	317,873	111,377	(363)	31,982	96,261
	TOTAL REVENUES	\$ 1,454,922	\$ 1,250,875	\$ 1,238,856	\$ 1,316,219	\$ 1,385,462
	RESERVES FROM PRIOR YEAR, as of July 1					
9970	Contingency (Assigned)	\$ 155,501	\$ 155,501	\$ 57,783	\$ 50,000	\$ 50,000
9970	Net Pension Liability Reserve (Committed)	82,750	117,097	148,450	-	-
9970	General Reserve (Assigned)	291,007	284,917	200,000	150,000	150,000
9970	Compensated Absences Reserve (Committed)	76,607	88,438	89,708	97,377	110,146
	TOTAL RESERVES FROM PRIOR YEAR	\$ 605,865	\$ 645,953	\$ 495,941	\$ 297,377	\$ 310,146
	TOTAL REVENUE AND RESERVES	\$ 2,060,787	\$ 1,896,828	\$ 1,734,797	\$ 1,613,596	\$ 1,695,608
	Note: Spreadsheet utilizes the cash basis of accounting and does not include accrual/reversal data.					

**Auditor's Apportionment
Distribution for the County,
Cities and Towns, and
Independent Special Districts**

Attachment 2

**LAFCO Cost Allocation
County of San Bernardino Allocation
PY 2019-2020**

	Amount	Percentage of Total Cost
County of San Bernardino		
Total LAFCO Cost	\$ 1,090,497.00	100.00%
County of San Bernardino Allocation (1/3)*	\$ 363,499.00	33.33%
Total San Bernardino County Allocation	\$ 363,499.00	33.33%

Note:

* Per LAFCO Funding Election, County of San Bernardino pays third of total LAFCO cost.

* Total LAFCO Apportionment for FY 2019-20 is \$1,090,497 (by letter dated March 15, 2019)

**LAFCO Cost Allocation
Cities Allocation
PY 2019-2020**

City	Total Revenues FY 16-17	LAFCO Allocation	Allocation Percentage
Adelanto	\$ 15,171,753.00	\$ 3,106.46	0.85%
Apple Valley	\$ 43,301,284.00	\$ 8,866.05	2.44%
Barstow	\$ 26,199,135.00 *	\$ 5,364.34	1.48%
Big Bear Lake	\$ 31,712,544.00 *	\$ 6,493.22	1.79%
Chino	\$ 93,030,658.00	\$ 19,048.26	5.24%
Chino Hills	\$ 89,626,149.00	\$ 18,351.18	5.05%
Colton	\$ 41,989,700.00	\$ 8,597.50	2.37%
Fontana	\$ 202,292,337.00 *	\$ 41,419.87	11.39%
Grand Terrace	\$ 8,338,172.00	\$ 1,707.26	0.47%
Hesperia	\$ 74,132,216.00 *	\$ 15,178.76	4.18%
Highland	\$ 28,027,570.00	\$ 5,738.72	1.58%
Loma Linda	\$ 21,258,508.00	\$ 4,352.73	1.20%
Montclair	\$ 38,998,872.00	\$ 7,985.12	2.20%
Needles	\$ 7,696,038.00	\$ 1,575.78	0.43%
Ontario	\$ 299,613,706.00	\$ 61,346.68	16.88%
Rancho Cucamonga	\$ 167,744,700.00 *	\$ 34,346.15	9.45%
Redlands	\$ 75,580,647.00	\$ 15,475.33	4.26%
Rialto	\$ 132,371,142.00	\$ 27,103.33	7.46%
San Bernardino	\$ 150,770,389.00	\$ 30,870.62	8.49%
Twentynine Palms	\$ 11,855,414.00	\$ 2,427.43	0.67%
Upland	\$ 60,187,471.00	\$ 12,323.54	3.39%
Victorville	\$ 113,234,594.00 *	\$ 23,185.07	6.38%
Yucaipa	\$ 28,750,709.00	\$ 5,886.78	1.62%
Yucca Valley	\$ 13,425,086.00	\$ 2,748.82	0.76%
	\$ 1,775,308,794.00	\$ 363,499.00	100.00%

Allocation is based on Cities revenues extracted from Fiscal Year 2016-17 tables published on the State Controller's website (www.sco.ca.gov). Fiscal Year 2017-18 was not available as of March 22, 2019.

* Cities with subsidiary districts. Subsidiary districts are excluded from the special district distribution and revenue added to the City (confirmed for FY 2019-20 by email dated March 22, 2019.)

Barstow Fire Protection District (City of Barstow)

Big Bear Lake Fire Protection District (City of Big Bear Lake)

Fontana Fire Protection District (City of Fontana)

Hesperia County Water District (City of Hesperia)

Hesperia Fire Protection District (City of Hesperia)

Rancho Cucamonga Fire Protection District (City of Rancho Cucamonga)

Victorville Water District (City of Victorville)

**LAFCO Cost Allocation
Special Districts Allocation
PY 2019-2020**

District Name	Total Revenues* FY 16-17	LAFCO Cost Allocation	Allocation Percentage
Apple Valley Fire Protection	\$ 8,830,218.00	\$ 10,000.00	2.75%
Apple Valley Foothill County Water	\$ 159,601.00	\$ 285.22	0.08%
Apple Valley Heights County Water	\$ 319,805.00	\$ 571.52	0.16%
Arrowbear Park County Water	\$ 1,524,151.00	\$ 2,723.80	0.75%
Baker Community Services	\$ 667,925.00	\$ 1,193.65	0.33%
Barstow Cemetery	\$ 332,917.00	\$ 594.95	0.16%
Barstow Heights Community Services	\$ 66,541.00	\$ 118.92	0.03%
Bear Valley Community Healthcare	\$ 1,224,910.00	\$ 1,500.00	0.41%
Big Bear Airport	\$ 2,088,009.00	\$ 3,731.47	1.03%
Big Bear City Community Services	\$ 18,242,838.00	\$ 10,000.00	2.75%
Big Bear Municipal Water	\$ 5,540,003.00	\$ 10,000.00	2.75%
Big River Community Services	\$ 102,437.00	\$ 183.06	0.05%
Bighorn-Desert View Water Agency	\$ 2,073,087.00	\$ 3,704.81	1.02%
Chino Basin Water Conservation	\$ 2,650,760.00	\$ 4,737.17	1.30%
Chino Valley Independent Fire	\$ 35,816,023.00	\$ 20,000.00	5.50%
Crestline Lake Arrowhead Water Agency	\$ 6,532,381.00	\$ 10,000.00	2.75%
Crestline Sanitation District	\$ 3,996,148.00	\$ 5,000.00	1.38%
Crestline Village Water	\$ 2,795,705.00	\$ 4,996.20	1.37%
Cucamonga Valley Water District	\$ 86,775,873.00	\$ 30,000.00	8.25%
Daggett Community Services	\$ 331,863.00	\$ 593.07	0.16%
East Valley Water	\$ 37,919,109.00	\$ 20,000.00	5.50%
Helendale Community Services District	\$ 4,665,430.00	\$ 5,000.00	1.38%
Hesperia Recreation and Park	\$ 5,318,361.00	\$ 10,000.00	2.75%
Hi-Desert Memorial Healthcare District	\$ 7,017,128.00	\$ 1,500.00	0.41%
Hi-Desert Water District	\$ 11,076,052.00	\$ 10,000.00	2.75%
Inland Empire Resource Conservation	\$ 2,059,582.00	\$ 3,680.67	1.01%
Inland Empire Utilities Agency	\$ 172,755,874.00	\$ 30,000.00	8.25%
Joshua Basin Water	\$ 5,814,193.00	\$ 10,000.00	2.75%
Juniper-Riviera County Water	\$ 298,744.00	\$ 533.88	0.15%
Lake Arrowhead Community Services	\$ 17,656,448.00	\$ 10,000.00	2.75%
Mariana Ranchos County Water	\$ 540,327.00	\$ 965.62	0.27%
Mojave Desert Resource Conservation	\$ 132,779.00	\$ 237.29	0.07%
Mojave Water Agency	\$ 47,269,336.00	\$ 20,000.00	5.50%
Monte Vista Water	\$ 18,045,943.00	\$ 10,000.00	2.75%
Morongo Valley Community Services	\$ 1,327,246.00	\$ 2,371.92	0.65%
Newberry Community Services	\$ 198,823.00	\$ 355.32	0.10%
Phelan Pinon Hills Community Services District	\$ 7,578,152.00	\$ 10,000.00	2.75%
Rim of the World Recreation and Park	\$ 1,113,942.00	\$ 1,990.72	0.55%
Running Springs Water	\$ 6,691,035.00	\$ 10,000.00	2.75%
San Bernardino Mountains Community Hospital	\$ 2,264,936.00	\$ 1,500.00	0.41%
San Bernardino Valley Municipal Water	\$ 114,554,013.00	\$ 30,000.00	8.25%
San Bernardino Valley Water Conservation	\$ 2,211,193.00	\$ 3,951.62	1.09%
Thunderbird County Water	\$ 239,070.00	\$ 427.24	0.12%
Twentynine Palms Cemetery	\$ 246,065.00	\$ 439.74	0.12%
Twentynine Palms Water District	\$ 4,798,324.00	\$ 5,000.00	1.38%
West Valley Mosquito and Vector Control	\$ 3,168,481.00	\$ 5,000.00	1.38%
West Valley Water District	\$ 27,141,111.00	\$ 20,000.00	5.50%
Wrightwood Community Services District	\$ 150,017.00	\$ 268.09	0.07%
Yermo Community Services	\$ 124,236.00	\$ 222.02	0.06%
Yucaipa Valley Water	\$ 25,102,215.00	\$ 20,000.00	5.50%
Yucca Valley Airport	\$ 67,727.00	\$ 121.03	0.03%
Totals	\$ 707,617,087.00	\$ 363,499.00	100.00%

All data in this worksheet are extracted from Fiscal Year 2016-17 Special Districts revenues published on the State Controller's website. Fiscal Year 2017-18 was not available as of March 22, 2019.

Exception: Data used for Bear Valley Community Healthcare and San Bernardino Mountains Community Hospital is 'Net from Operations' from FY 2017-18, published by the Office of Statewide Health Planning and Development

- On March 28, 1995, Hi- Desert Memorial Hospital's name was changed to Hi-Desert Memorial Healthcare District.
- By the Resolution No. 2003 -10-8, Cucamonga County Water District name changed to Cucamonga Valley Water District.
- Effective July 15, 2015, Hi-Desert Memorial Healthcare District, DBA Morongo Basin Healthcare District, has no longer operates a hospital as it leased operations to Tenet Healthcare Corporation.
- Effective July 1, 2017, the Wrightwood Community Services District is subject to LAFCO apportionment after its formation from CSA 56, LAFCO Resolution No. 3235.

Salaries and Benefits Detail

Attachment 3

Attachment #3

Salaries and Benefits Detail

Account		Charge Measurement	Increase/Decrease	Total
1010	Earnable Compensation	Per Salary Schedule	Decreasing 2%	\$ 492,780.98
	<i>Includes base pay with 3% COLA, step increases (4 employees), 2% longevity pay for those with 15 yrs (2 employees), & leave cashouts.</i>			
1030	Auto & Phone Allowances	Auto Allowance (\$300 per pay period)	Decreasing 47%	\$ 9,135.00
		Mobile Phone Allowance (\$50 per pay period)	Decreasing 46%	
	<i>Executive Officer auto and phone allowances, per Benefit Plan. The Executive Officer proposes reductions of these allowances to be inline with surrounding LAFCOs.</i>			
1110	General Member Retirement	Tier 1 (38.02%)	Increasing 0.99%	\$ 189,146.05
		Tier 2 (35.61%)	Increasing 1.31%	
	<i>Contributions to retirement plan. Per SBCERA and Retirement Board adopted rates.</i>			
1130	Survivors Benefits	\$1.35 per pay period per employee	Decreasing 0.5%	\$ 176.18
	<i>The survivor benefit is provided by SBCERA in lieu of Social Security's death benefits since members do not participate in Social Security. General members pay a contribution each pay period to fund this benefit.</i>			
1200	Medical Premium Subsidy	\$529.94 (employee +2) per period: 2 employees	Increasing 6.5%	\$ 53,799.15
		\$379.03 (employee +1) per period: 2 employees	Increasing 4.7%	
		\$243.33 (employee +0) per period: 1 employees	Increasing 3.6%	
	<i>A subsidy is provided to offset employee medical premiums. In April 2018 the Commission approved increases effective FY 19-20.</i>			
1205	Long-Term Disability	0.24% of Base Pay	--	\$ 1,141.20
	<i>Long-term disability insurance.</i>			
1207	Vision Insurance	\$5.99 per employee per period	--	\$ 781.70
	<i>Vision insurance.</i>			
1215	Dental Insurance Subsidy	\$9.46 per employee per period	--	\$ 1,234.53
	<i>A subsidy is provided to offset employee dental premiums.</i>			
1222	Short-Term Disability	Short-term disability insurance (1.07% of Base Pay)	--	\$ 5,316.23
		FMLA program charge (\$1.75 per employee per period)	--	
	<i>Short-term disability insurance & admin cost for family medical leave.</i>			
1225	Social Security Medicare	1.412% of Earnable Compensation	--	\$ 5,917.14
	<i>Contribution to Social Security Medicare for those entering after 1985 (4 employees).</i>			
1235	Workers' Compensation	1.07% of Base Pay	Increase 5%	\$ 5,073.59
	<i>Purchased thorough Special Districts Management Authority (SDRMA), a joint powers authority.</i>			
1240	Life Insurance & Med Trust Fund	Life Insurance (\$1.80 per employee per period)	--	\$ 10,735.30
		Variable Life Insurance (\$960 for 3 employees)	--	
		Retirement Medical Trust Fund (\$9,540 for 4 employees)	--	

Attachment #3

Salaries and Benefits Detail

Account		Charge Measurement	Increase/Decrease	Total
	<i>Life Insurance is a benefit for all employees. Employees may elect to purchase Variable Life Insurance, for which there is an employer contribution. LAFCO contributes to a Retirement Medical Trust Fund for employees with over 5 years of service.</i>			
1305	Medical Reimbursement Plan	Medical Reimbursement (up to \$40 per employee/period)	--	\$ 6,516.00
		Healthy Lifestyles (gym, \$324 per employee - 4)	--	
1314	457/401a Contribution	1% match for Executive Officer, 0.5% for all others	--	\$ 3,275.24
	<i>LAFCO matches employee contributions to the 457 savings plan of the County up to 0.5% for Groups B and C, and 1% for Group A (Executive Officer).</i>			
1315	401k Contribution	8% match for Group A & B, 6% match for Group C	--	\$ 38,040.02
	<i>LAFCO matches employee contributions to the 401(k) savings plan of the County up to 8% for Groups A and B, and up to 6% for Group C (Analyst-GIS).</i>			
TOTAL SALARIES AND BENEFITS				\$ 823,068.29

Services and Supplies Detail

Attachment 4

Attachment #4

Services and Supplies Detail

Account		Charge Measurement	Increase/Decrease	Total
2031	Payroll System Services	\$6.35 per payroll warrant (26), 5 employees	Decreasing 17%	\$ 825.50
	<i>Maintenance, support, and enhancements for County's payroll system and infrastructure.</i>			
2037	COMNET Charge	\$31.80 per line (9) per month	Decreasing 2%	\$ 3,434.40
	<i>Phone line. Includes support services.</i>			
2041	Outside Phone - Verizon	\$700 per month	--	\$ 8,400.00
	<i>Fiber optic data line from Verizon.</i>			
2043	Electronic Equip. Maint.	No activity		\$ -
	<i>County ISD services for data line installation.</i>			
2075	Membership Dues	CSDA: \$1,377	--	\$ 11,753.00
		CALAFCO: \$10,376	Increasing 16%	
	<i>Membership in Professional Associations.</i>			
2076	Tuition Reimbursement	One employee at max reimbursement	No change	\$ 1,000.00
	<i>Pursuant to the LAFCO Benefits Plan, employees can be reimbursed for up to \$1,000 for approved tuition, course/seminar or degree related expenses, and membership dues in professional organizations.</i>			
2080	Publications	CA Land Use & Planning Law: \$101.00	--	\$ 3,163.06
		CA Annotated Code Books: \$218.08/month	--	
		CA Planning & Development: \$222	--	
		County calendars: \$8.90 each (5)	--	
		Longtin's CA Land Use: \$78.60	--	
		CEQA desktop book: \$100.00	--	
	<i>Purchase or subscription to professional publications related to LAFCO study areas.</i>			
2085	Legal Notices	General paper: \$750 per hearing (10)	--	\$ 18,750.00
		Local Paper: \$750 for 6 hearings	--	
		Protest hearing: \$750 per protest hearing (9)	--	
	<i>Legal and policy requirement for notices: hearing, protest hearing, public member vacancy, etc... An eighth-page display ad in general newspapers is required for the countywide service reviews and when advertisement is authorized in-lieu of individual landowner and/or registered voter notice.</i>			
2090	Building Expense	HVAC: \$325 per quarter	--	\$ 7,000.00
		Janitorial: \$475 per month	--	
	<i>Ongoing maintenance of the staff office.</i>			
2115	Software	Laserfische archiving: \$1,313.00 annual	--	\$ 3,054.32
		Microsoft licenses: \$1,741.32 annual	--	
	<i>Purchases, subscriptions, and updates of software and online programs, to include digital archiving software for LAFCO to maintain its records in perpetuity per Government Code Section 56382.</i>			
2125	Inventoriable Equipment	No activity		
	<i>Purchase of equipment with a value over \$5,000.</i>			

Attachment #4

Services and Supplies Detail

Account		Charge Measurement	Increase/Decrease	Total
2180	Electricity	\$500 per month		\$ 6,000.00
	<i>LAFCO is responsible for electricity payments while located at the train depot.</i>			
2245	Other Insurance	\$14,328 annual	Increasing 8%	\$ 14,238.00
	<i>Liability insurance (property, general, personal, employment, benefits, auto) errors and omissions, and employee dishonesty coverage. Purchased through the Special District Risk Management Authority (SDRMA). Due to catastrophic fires and increasing liability court judgements, liability rates are increasing 5% and property rates are increasing 11%.</i>			
2305	Office Expense	Petty Cash Reimbursement: \$250 per quarter	--	\$ 4,850.00
		Daisy Office Supplies: \$300 per month	Decreasing 25%	
		Paper shredding: \$50	--	
		HP Printer cartridges:\$200	--	
	<i>Expenses to run the office such as office supplies and non-inventoriable items.</i>			
2308	Credit Card Clearing			\$ -
	<i>Clearing account for credit card issued to the Executive Officer. All charges post to this account temporarily with charges then transferred to the appropriate accounts.</i>			
2310	Postage	Months with hearings (10): \$400 per month	Decreasing 20%	\$ 6,116.00
		Months with no hearings (2): \$200 per month	--	
		Mail delivery: \$6.50 per stop (22 per month)	Decreasing 31%	
	<i>On avg. USPS rates increasing 10%. County mail handling increasing 18%. LAFCO implementing more digital circulation as cost savings, which reduce costs overall.</i>			
2315	Record Storage	\$75 per month	--	\$ 900.00
	<i>Off-site retention of records. Gov Code 56382 mandates LAFCO to maintain its records in perpetuity.</i>			
2323	Reproduction	No activity		\$ -
	<i>Printing activity outside of the LAFCO office (County Printing Services, Kinkos, etc.).</i>			
2335	Temp Services	No activity		\$ -
	<i>Use of temporary services for clerical support.</i>			
2400	Legal	BB&K Public Policy & Ethics Program: \$3,300	--	\$ 46,300.00
		Months with hearings (10): \$4,000 per month	Increasing 3.0%	
		Months with no hearings (2): \$1,500 per month	Increasing 3.0%	
	<i>Contract with Best, Best, and Krieger for general and special counsel. Costs related to a proposal are recoverable pursuant to Commission policy. Payments received for cost recovery are deposited into Revenue Account 9555.</i>			
2405	Auditing	SBCERA costs for GASB 67 & 68: \$3,018		\$ 11,268.00
		BB&K response: \$250		
		Independent auditor: \$8,000		

Attachment #4

Services and Supplies Detail

Account		Charge Measurement	Increase/Decrease	Total
	<i>The fourth year of a four-year contract with Davis Farr LLP for independent auditing services. SBCERA is required to determine the unfunded liability for its participants and by legislative action can charge for that requirement.</i>			
2410	IT Infrastructure	\$117.21 per email address (8) per month	Decreasing 4%	\$ 11,252.16
	<i>Support of computer/server systems, email, wide area network, internet access, IT security, virus protection, help desk, and data center.</i>			
2414	Application Development Maint.	\$2,000 for migration of website to new architecture	--	\$ 2,000.00
	<i>County ISD services for upgrades to applications such as website.</i>			
2415	COWCAP	\$13,329 per County COWCAP publication	Increasing 32%	\$ 13,328.00
	<i>The County Auditor charges for county-related costs incurred in the prior year.</i>			
2416	Enterprise Printing	Per print impression, annual estimate	--	\$ 31.00
	<i>Printing from County's enterprise server related to payroll.</i>			
2418	Enterprise Data Storage	\$704.72 per month, based on storage allocation	--	\$ 8,456.64
	<i>High-speed enterprise data storage services, including data backup and recovery.</i>			
2420	Wireless Device Access	\$23.83 per user per month	Increasing 27%	\$ 285.96
	<i>Phone sync to County email.</i>			
2421	Desktop Support Services	\$139.68 per computer (10) per month	Increasing 4%	\$ 16,761.60
	<i>County tech support & monitoring for computers and applications.</i>			
2424	Environmental	Consultant work, per contracted rate, 12 proposals	--	\$ 14,200.00
		File with County Clerk, 14 actions, \$50 each	--	
	<i>The Commission contracts with an independent consultant, Tom Dodson and Associates, for the environmental assessment associated with its proposals. Most environmental consultant costs are billable under the Commission's existing fee schedule. Payments received for cost recovery are deposited into Revenue Account 9660.</i>			
2444	Security	\$117 per quarter	--	\$ 468.00
	<i>Maintain and monitor the security system.</i>			
2445	Other Professional Services	Surveyor proposal review: \$450 each proposal (11)	--	\$ 80,826.40
		Commissioner stipend: \$200 per hearing (10)	--	
		ROV: \$100.60 per hour (14)	--	
		Bob Aldrich for staffing: \$75/hr for 480 hours	--	
		County processing of quarterly taxes: \$1,000/quarter	--	
		County work on apportionment: \$5,568	--	
		Video recording of hearings: \$360 per hearing (10)	--	
		Commissioner stipend for SoCal LAFCO: \$200 per mtg. (4)	--	
		Governance Training CSDA: \$2,500 flat fee	--	

Attachment #4

Services and Supplies Detail

Account		Charge Measurement	Increase/Decrease	Total
	<i>This account is for outside services to assist in processing applications and service reviews as well as conducting Commission hearings. Staffing support from Bob Aldrich will correspond with proposal activity levels. Governance training will include two courses: Pension liability and LAFCO 101.</i>			
2449	Outside Legal	Per special counsel rate		\$ -
	<i>Legal services conducted through special contract for either litigation or when a conflict of interest waiver is not granted. For proposals not initiated by the Commission, the applicant agrees to indemnify the Commission against legal costs. Payments received for cost recovery are deposited into Revenue Account 9660.</i>			
2450	System Development	per County rate schedule		\$ -
	<i>County support to develop new software programs or systems. None anticipated.</i>			
2460	GIMS	Google Earth: \$1,000 per user (3)	--	\$ 16,500.00
		Street Network Subscription: \$10,500 flat fee	--	
		ArcMap Desktop - GIMS license: \$1,000 per user	--	
	<i>Generation & maintenance of digitized maps & aerial images, access to County's parcel & street layers.</i>			
2895	Copier	\$400 per month	Decreasing 20%	\$ 4,800.00
	<i>LAFCO implementing more digital circulation as cost savings.</i>			
2905	Rent	Hearing Chambers: \$405 per hearing (10)	--	\$ 100,928.14
		Amortization Payment: \$8,448.33 quarterly	--	
		Office Lease & Common Area Expense: \$15,771.21 quarterly	Increasing 3%	
	<i>Use of Norton Conference Center for hearings, amortizing the renovations of the staff office for 60 monthly payments, and office lease with associated costs for common area expenses such as security, landscaping, lighting, etc.</i>			
2940	Private Mileage	ESRI Conference San Diego, 2 staff: \$264	--	\$ 3,436.40
		Employee travel, misc.: \$55	--	
		CALAFCO Staff Workshop Orange, 3 autos: \$174.90	--	
		Commissioner So Cal participation, 4 trips: \$220	--	
		Commissioner Hearings (10): \$2,502.50	--	
	<i>Commissioners and staff private auto mileage at the IRS rate, excluding the Executive Officer.</i>			
2941	Conference/Training	CALAFCO Staff Workshop Orange: \$310 each (4)	--	\$ 4,740.00
		CALAFCO Conference Sacramento: \$500 each (7)	--	
	<i>The CALAFCO Staff Workshop will be held in Orange, with 4 staff budgeted.</i>			
	<i>The CALAFCO Conference will be held in Sacramento, with 5 Commissioners and 2 staff budgeted.</i>			
2942	Hotel	CALAFCO/So Cal participation: \$200 per night (2)	--	\$ 7,990.00
		ESRI Conference San Diego: \$250/night, 2 staff, 3 nights	--	
		CALAFCO Conf. Sac., \$210/night, 7 people, 3 nights	--	

Attachment #4

Services and Supplies Detail

Account		Charge Measurement	Increase/Decrease	Total
		CALAFCO Staff Work. Orange: \$210/night, 4 staff, 2 nights	--	
	<i>Hotel charges for Commissioners and staff on LAFCO business.</i>			
2943	Meals	Staff travel: \$50	--	\$ 1,200.00
		ESRI Conference San Diego: \$50/day, 2 staff, 3 days	--	
		CALAFCO Conference Sacramento: \$350 for 7 people	--	
		CALAFCO Staff Workshop Orange: \$200 for 4 staff	--	
		So Cal participation - Staff: \$50/trip (4)	--	
		So Cal participation - Commissioner: \$50/trip (2)	--	
	<i>Meal charges for Commissioners and staff on LAFCO business. Per diem max \$50/day.</i>			
2944	Car Rental	No activity		\$ -
	<i>Car rental by Commissioners or staff.</i>			
2945	Air Travel	CALAFCO participation: \$200/trip (4)		\$ 2,200.00
		CALAFCO Conference Sacramento: \$200/trip for 7 people		
	<i>Airfare on Southwest Airlines for approved travel to Sacramento.</i>			
2946	Other Travel	CALAFCO participation: \$75/trip (4)		\$ 825.00
		CALAFCO Conference Sacramento: \$75/trip for 7 people		
	<i>Miscellaneous travel charges such as parking and taxi charges.</i>			
5012	Staples Office Supply	\$50 per month utilizing County's contract	--	\$ 600.00
TOTAL SERVICES AND SUPPLIES				\$ 437,881.58

Revenue Detail

Attachment 5

Attachment #5

Revenues Detail

Account		Charge Measurement	Increase/Decrease	Total
8500	Interest	County Interest Pool returns	--	\$ 16,000.00
	<i>LAFCO participates in the County's interest pool and is apportioned interest receipts quarterly. Interest rates have been steadily increasing.</i>			
8842	Apportionment		Decreasing 1.4%	\$ 1,090,497.02
	<i>Government Code Section 56381 requires that the net costs for LAFCO be apportioned equally to those seated on the Commission: the County, the 24 Cities, and the 51 Independent Special Districts within the County of San Bernardino. The proposed apportionment to the County, Cities, and Independent Special Districts is \$363,499 each. The County Auditor will be required to apportion this amount on July 1, 2019 pursuant to the requirements of law and Commission policies.</i>			
8545	Individual Notice	\$1,000 deposit	--	\$ 14,300.00
	<i>This account is for landowner and registered voter notification requirements. This \$1,000 deposit is applied to proposals and development-related service contract less refunds. Should a proposal require individual notice due to the extension of a special tax, then the proponent will be required to submit a deposit for the direct costs to produce and mail the individual notices.</i>			
9555	Legal Services	\$2,000 for proposals; \$700 for applicable service contracts	--	\$ 28,000.00
	<i>This account is for deposits for legal services which are calculated at \$2,000 for proposals and \$700 for service contracts requiring a hearing.</i>			
9595	Protest Hearing	\$1,500	--	\$ 10,800.00
	<i>The account is for deposits related to the processing of the protest hearing which are calculated at \$1,500 each. Should a proposal require individual notice due to the extension of a special tax, then the proponent will be required to submit a deposit for the direct costs to produce and mail the individual notices.</i>			
9655	GIMS Fees	LAFCO Fee Schedule, based on acreage	--	\$ 10,945.00
	<i>This account is for receipt of revenue to recover the costs associated with the County's digital maps for sphere or boundary changes, maintenance and updates. The charge is based upon the acreage of each consideration area.</i>			
9660	Environmental	\$1,000 for proposals; \$750 for applicable service contracts	--	\$ 14,900.00
	<i>Deposits for environmental review processing are calculated at \$1,000 for proposals and \$750 for service contracts requiring a hearing.</i>			
9800	LAFCO Fee	LAFCO Fee Schedule, based on region and acreage	Increasing w/ CPI	\$ 98,795.00
	<i>Revenues in this account are based on anticipated activity and conservatively calculated at the median annexation filing fee for the activity identified above.</i>			
9910	Prior Year Activity		--	\$ -
	<i>This account refunds deposits submitted by applicants less costs incurred for activity which carry over from one year to another and includes prior year payment of indemnification of legal costs.</i>			
9930	Miscellaneous Revenues		--	\$ -
	<i>This account is for revenues received for duplication of CDs, DVDs, paper copies, and other miscellaneous receipts.</i>			

Attachment #5

Revenues Detail

Account		Charge Measurement	Increase/Decrease	Total
9970	Carryover of Open Proposals		--	\$ 31,982.00
	<i>Proposals received in FY 2018-19 but still being processed will carryover unearned funds.</i>			
TOTAL SALARIES AND BENEFITS				\$ 1,316,219.02

**Modified Pages from Staff Report
Dated April 11, 2019 for the
Proposed Budget, for Distribution**

Attachment 6

Attachments #3 (Salaries and Benefits), #4 (Services and Supplies), and #5 (Revenues) include a detail of each account to include: account description, charge measurement, identification of increase or decrease, and total cost.

The chart below is a basic summary of the FY 2019-20 budget, with notation on where to access the summary and detail information.

SAN BERNARDINO LAFCO			
FY 2019-20			
		Narrative Summary	Account Detail
OPERATIONS			
EXPENDITURES			
Salaries and Benefits	(823,068)	Page 3	Attachment 3
Services and Supplies	(437,882)	Page 5	Attachment 4
	\$ (1,260,950)		
REVENUES		Page 10	Attachment 5
Apportionment	1,090,497		
Fees and Deposits	177,740		
Interest	16,000		
Carryover of Open Proposals	31,982		
	\$ 1,316,219		
RESERVES		Page 8	
INCOMING RESERVES			
Contingency (Assigned)	50,000		
Net Pension Liability Reserve (Committed)	0		
General Reserve (Assigned)	150,000		
Compensated Absences Reserve (Committed)	97,377		
	\$ 297,377	<i>[modified at the</i>	
FY 2019-20 BUDGETED RESERVES		<i>April 18, 2019 hearing]</i>	
Contingency (Assigned)	(50,000)		
Net Pension Liability Reserve (Committed)	(42,500)		
General Reserve (Assigned)	(150,000)		
Compensated Absences Reserve (Committed)	(110,146)		
	\$ (352,646)		

Attachments:

1. Proposed Budget Spreadsheet with Prior Year Actuals
2. Senior Analyst Job Description
3. Salaries and Benefits Detail
4. Services and Supplies Detail
5. Revenue Detail
6. Auditor's Apportionment Distribution for the County, Cities and Towns, and Independent Special Districts

only when funds are received. For example, the budget can plan for a Reserve increase, but only after the funds are received will a recommendation be provided to the Commission to increase the Reserve accounts. Staff's position is that the change would promote transparency and reduce fluctuations for the Assigned Reserves. Should funds be needed during the budget process, then a specific line item would require Commission approval.

Net Pension Liability [modified at the April 18, 2019 hearing]

This staff report, presented to the Commission on April 17, 2019, did not assume that the Commission would adopt the recommendation in Item 11 for payment of NPL Reserve to SBCERA. Please refer to Item 11 on this month's agenda regarding contributing the Net Pension Liability Reserve funds to credit the unfunded liability. The Commission took action to contribute the funds; therefore, this budget is modified accordingly. Additionally, this year the budget includes an increase of \$42,500 to this reserve to keep with the 20-year amortization schedule.

Salary Reserve

FY 2020-21 has an additional pay period (27 instead of the usual 26). Since the County pay schedule is every two weeks, rather than twice a month, the result is an additional pay period every ten years. Staff will recommend to the Policy Committee the creation of a Salary Reserve to fund the next occurrence.

FY 2018-19

With the Assistant Executive Officer position being unfilled, in July the Commission increased the following Assigned Reserve accounts:

- Contingencies by \$34,852 from \$15,148 to \$50,000; and
- General/Litigation Reserve by \$64,392 from \$85,608 to \$150,000

FY 2019-20

When combined the two Assigned Reserves, Contingency and General, meet the Commission's policy of a minimum \$200,000 for general/litigation. Therefore, the budget does not necessitate an increase to these reserves. For the Committed Reserves, Compensated Absences and Net Pension Liability, the budget increases these reserves per current Commission policy.

	Incoming	FY 2019-20 Budget
ASSIGNED		
Contingency	50,000	50,000
General	150,000	150,000
COMMITTED		
Compensated Absences	97,377	110,146
Net Pension Liability	0	42,500
TOTAL	\$ 297,377	\$ 352,646

[modified at the
April 18, 2019 hearing]

4/18/2019

ACCT. #	ACCOUNT NAME	ACTUAL YEAR-END FY 16-17	ACTUAL YEAR-END FY 17-18	PROJECTED YEAR-END FY 18-19	PROPOSED BUDGET FY 19-20 26 Pay Periods	PROPOSED BUDGET FY 20-21 27 Pay Periods
	Lease/Purchases:					
2895	Rent/Lease Equipment (copier)	7,226	6,034	5,839	4,800	4,800
2905	Office/Hearing Chamber Rental	49,874	100,455	98,952	100,928	102,947
	Travel Related Expenses:					
2940	Private Mileage	4,963	4,374	5,617	3,436	3,436
2941	Conference/Training	6,465	5,422	4,756	4,740	4,740
2942	Hotel	12,417	6,739	5,666	7,990	7,990
2943	Meals	1,502	780	696	1,200	1,200
2944	Car Rental	228	260	200	-	-
2945	Air Travel	4,188	3,291	1,108	2,200	2,200
2946	Other Travel	871	665	204	825	825
	Other:					
5012	Services Out (Staples)	14	185	765	600	600
TOTAL SERVICES & SUPPLIES		\$ 579,668	\$ 656,644	\$ 462,903	\$ 437,882	\$ 442,754
TOTAL EXPENDITURES		\$ 1,309,258	\$ 1,413,665	\$ 1,290,382	\$ 1,260,950	\$ 1,337,454
	RESERVES					
6000	Contingency (Assigned)	\$ -			\$ 50,000	\$ 50,000
6010	Net Pension Liability Reserve (Committed)	-			42,500	42,500
6025	General Reserve (Assigned)	-			150,000	150,000
6030	Compensated Absences Reserve (Committed)	(1,216)			110,146	115,653
TOTAL CONTINGENCIES & RESERVES		\$ (1,216)	\$ -	\$ -	\$ 352,646	\$ 358,153
TOTAL APPROPRIATION		\$ 1,308,042	\$ 1,413,665	\$ 1,290,382	\$ 1,613,596	\$ 1,695,607

Modified at the April 17, 2019 hearing.

ACCT #	ACCOUNT NAME	ACTUAL YEAR-END FY 16-17	ACTUAL YEAR-END FY 17-18	PROJECTED YEAR-END FY 18-19	PROPOSED BUDGET FY 19-20	PROPOSED BUDGET FY 20-21
	CONTRIBUTION REVENUES					
	Use of Money:					
8500	Interest	\$ 9,318	\$ 12,561	\$ 15,193	\$ 16,000	\$ 18,000
	Mandatory Contribution from Governments:					
8842	Local Government -- For FY 2019-20 apportionment to County, Cities, and Independent Special Districts (\$363,499 total for each category)	926,223	1,009,583	1,105,497	1,090,497	1,090,497
	Fees and Deposits (Current Services):					
9545	Individual Notice	27,507	6,351	8,916	14,300	14,300
9555	Legal Services	10,311	42,206	45,294	28,000	28,000
9595	Protest Hearing	34,000	3,000		10,800	10,800
9655	GIMS Fees	5,015	8,430		10,945	10,945
9660	Environmental	7,145	4,546	10,319	14,900	14,900
9800	LAFCO Fees	117,531	52,821	54,000	98,795	101,759
	Total Fees and Deposits	201,509	117,354	118,529	177,740	180,704
	TOTAL CONTRIBUTION REVENUES	1,137,049	1,139,498	1,239,219	1,284,237	1,289,201
	OTHER REVENUES					
9910	Prior Year Activity (refunds, collections)	\$ (20,757)	\$ 2,438	\$ (373)	\$ -	\$ -
9930	Miscellaneous Revenues	345	2,140	10	-	-
9970	Carryover of Open Proposals/Projects	42,219	5,058	(50)	31,982	46,261
9970	Carryover from Prior Year, Assigned	296,065	101,741	50	-	50,000
	TOTAL OTHER REVENUES	317,873	111,377	(363)	31,982	96,261
	TOTAL REVENUES	\$ 1,454,922	\$ 1,250,875	\$ 1,238,856	\$ 1,316,219	\$ 1,385,462
	RESERVES FROM PRIOR YEAR, as of July 1					
9970	Contingency (Assigned)	\$ 155,501	\$ 155,501	\$ 57,783	\$ 50,000	\$ 50,000
9970	Net Pension Liability Reserve (Committed)	82,750	117,097	148,450	-	-
9970	General Reserve (Assigned)	291,007	284,917	200,000	150,000	150,000
9970	Compensated Absences Reserve (Committed)	76,607	88,438	89,708	97,377	110,146
	TOTAL RESERVES FROM PRIOR YEAR	\$ 605,865	\$ 645,953	\$ 495,941	\$ 297,377	\$ 310,146
	TOTAL REVENUE AND RESERVES	\$ 2,060,787	\$ 1,896,828	\$ 1,734,797	\$ 1,613,596	\$ 1,695,608
	Note: Spreadsheet utilizes the cash basis of accounting and does not include accrual/reversal data.					

Modified at the April 17, 2019 hearing.