Plumas LAFCo Agenda April 14, 2025

AGENDA

Regular Meeting
April 14, 2025 10:00 AM
Plumas County Courthouse - Board of Supervisor Chambers
520 Main Street, Quincy, CA 95971
www.plumaslafco.org
https://us02web.zoom.us/j/84740785845?pwd=VjAvVmhRY3ZZL2d6aHVuYyt0Tkpmdz09

City Member - Chair Jim Murphy • County Member - Vice Chair Kevin Goss • City Member Bill Powers • County Member Tom McGowan • Public Member Matthew Haesche • City Member Alternate Pat Morton • County Member Alternate Jeff Engel • Public Member Alternate Phil Oels

RULES AND PROCEDURES OF THIS COMMISSION

ZOOM Participation You may also use your computer or smart device to watch the video conference by downloading the Zoom ICloud Conference app or on the Zoom website, or you may dial in with your phone for audio only. See below for instructions on how to join.

The Commission welcomes you to its meetings which are regularly scheduled for the second Monday of every month at 10:00 a.m. Your interest and participation is encouraged and welcome.

As a courtesy, the LAFCO meeting is also accessible to to public via live streaming at:

https://us02web.zoom.us/j/84740785845?pwd=VjAvVmhRY3ZZL2d6aHVuYyt0Tkpmdz09

or by phone at: Phone Number 1-669-900-9128Meeting ID: 847 4078 5845Passcode: 239354 **Online and telephonic access does not guarantee the public the ability to observe the meeting in the event there is a disruption or connectivity issues that affect broadcasting. Members of the public who want to be assured that they have the ability to observe the meeting and make comment during the meeting, should attend the meeting in-person.**

Any person desiring to address the Commission on any item not on the agenda may do so during public comment period. Public comment during the meeting will be accepted in person only.

Public Comment can be made by clicking on the"comment"
section directly from the agenda, next to each agenda item.

If you have any problems joining the meeting, please call LAFCo at (530)283-7069.

REASONABLE ACCOMMODATIONS

An interpreter for the hearing-impaired may be made available upon request to the Executive Officer 72 hours before a meeting.

The location of this meeting is wheelchair-accessible. If other accommodations are required to assist a person with a disability to participate in the meeting, please contact the Commission Clerk 24 hours before the meeting as indicated below.

Disclosure & Disqualification Requirements Any person or group of persons acting in concert who directly or indirectly contribute $1,000 or more in support of or in opposition to a change of organization or reorganization that has been submitted to Plumas LAFCO must comply with the disclosure requirements of the Political Reform Act of 1974 applicable to local initiative measures to be submitted to the electorate. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals; they may be reviewed at Government Code §§56700.1 and 81000 et seq. Additional information about the requirements pertaining to local initiative measures to be presented to the electorate can be obtained by calling the Fair Political Practices Commission at (916) 322-5660.

A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received $250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

Late-Distributed Materials. Any material submitted to the Commission after this agenda is posted will be made available for public inspection as soon as possible in the Plumas County Planning Department office at 555 Main Street, Quincy, CA. and at the LAFCo Webpage **www.plumaslafco.org**

Contact LAFCo Staff LAFCo staff may be contacted at 530-283-7069 or by mail at LAFCo of Plumas County, 5050 Laguna Blvd #112-711, Elk Grove, CA 95758 or by email at jennifer@pcateam.com or by fax at 888-501-0395.

1. **Call to Order**

   A. Pledge of Allegiance

   B. Roll Call

2. **Public Comments**

   ☑ **Discussion** Comment

   Members of the public are invited to address the Commission on any matter of interest to the public that is not on the agenda for a period of time not exceeding 5 minutes. Pursuant to the Brown Act, the Commission cannot take any action on items not listed on the posted agenda but may add to a future agenda matters brought up under public comments for appropriate action at a future meeting.

3. **Consent Agenda**

   ☑ **Discussion** ☑ **Possible Action** Comment View Item

   These items are expected to be routine and non-controversial. The Commission will act upon them at one time without discussion. Any Commissioners, staff member or interested party may request that an item be removed from the consent agenda for discussion.

   A. Approval of Minutes for February 10, 2025 Meeting

B. Payment of Claims for February and March 2025

4. **Correspondence**
   ☑ **Discussion** Comment

5. **Proposed Budget for FY 25-26**
   ☑ **Discussion** ☑ **Possible Action** Comment View Item

   Consider the Proposed Budget for FY 25-26 as developed by the Budget Ad Hoc Committee with any necessary edits.

   A. Receive staff report and Proposed Budget for FY 25-26

   B. Conduct public hearing

   C. Consider Resolution 2025-01: Approving the Proposed Budget for FY 25-26

6. **Executive Officer Report**
   ☑ **Discussion** Comment

   A. Form 700 Due April 1 to County Elections

   B. CALAFCO Update

7. **Commissioner Reports**
   ☑ **Discussion** Comment

8. **Adjournment**

Plumas LAFCo Agenda February 10, 2025

Minutes
Regular Meeting
February 10, 2025 10:00 AM
Portola City Hall City - Council Chambers
www.plumaslafco.org

1. **Call to Order**
   The meeting was called to order at 10:00 am by City Member - Chair Jim Murphy.

   A. Pledge of Allegiance
      Led by City Member - Chair Jim Murphy

   B. Roll Call

      Present: City Member - Chair Jim Murphy, County Member - Vice Chair Kevin Goss, City Member Bill Powers, Public Member Matthew Haesche, City Member Alternate Pat Morton

      Absent: County Member Tom McGowan, County Member Alternate Jeff Engel, Public Member Alternate Phil Oels

2. **Public Comments**

   None.

3. **Consent Agenda**

   A. Approval of Minutes for October 21, 2024, November 21, 2024, and December 27, 2024.

   B. Payment of Claims for October, November, and December 2024 and January 2025

   City Member Bill Powers motioned to approve. County Member - Vice Chair Kevin Goss seconded the motion.

   The roll call vote:

   Aye **City Member - Chair Jim Murphy** Aye **County Member - Vice Chair Kevin Goss**
   Aye **City Member Bill Powers** Aye **Public Member Matthew Haesche**
   Absent **County Member Tom McGowan**

4. **Correspondence**

   None.

5. **File 2024-0003: Peninsula FPD Annexation of Chester PUD Protest Hearing Results**

   A. Receive and certify results of protest hearing for File 2024-0003.

One protest received via mail, which does not meet the threshold to call a vote or stop the application process.

County Member - Vice Chair Kevin Goss motioned to approve. Public Member Matthew Haesche seconded the motion.

The roll call vote:

Aye **City Member - Chair Jim Murphy** _Aye_ **County Member - Vice Chair Kevin Goss** _Aye_ **City Member Bill Powers** _Aye_ **Public Member Matthew Haesche** _Absent_ **County Member Tom McGowan**

6. **Appointment of Budget Committee for FY 25-26**

   A. Appoint 2 Commissioners to Ad Hoc Committee

   Kevin Goss and Bill Powers to serve on Budget Committee for FY 25-26.

   County Member - Vice Chair Kevin Goss motioned to approve. City Member Bill Powers seconded the motion.

   The motion passed with the following vote:
   _4_ **In Favor** __ **Opposed**
   __ **Abstained** _1_ **Absent** __ **Recused**

7. **Appoint Master Tax Sharing Ad Hoc Committee**

   A. Appoint 2 Commissioners to Ad Hoc Committee

   Kevin Goss and Bill Powers willing to serve on Ad Hoc Committee.

8. **Approval of Regular Meeting Schedule for 2025**

   Meetings scheduled for April 14th, June 9th, August 11th, October 20th and December 8th.

   County Member - Vice Chair Kevin Goss motioned to approve. City Member Bill Powers seconded the motion.

   The motion passed with the following vote:
   _4_ **In Favor** __ **Opposed**
   __ **Abstained** _1_ **Absent** __ **Recused**

9. **Executive Officer Report**

   A. Form 700 Due April 1 to County Elections

   B. CALAFCO Update

   C. IVCSD and CMFPD Consolidation

   Next meeting will be in Greenville.

10. **Commissioner Reports**

    None.

11. **Adjournment**

    Adjourned at 10:22 am.

Chair:
Jim Murphy

Commissioners:
Kevin Goss, Vice Chair
Tom McGowan, County
Matthew Haesche, Pub
Bill Powers, City
Jeff Engel, County Alt
Pat Morton, Alt
Phil Oels, Pub Alt
Executive Officer:
Jennifer Stephenson

Clerk:
Cheryl Kolb

LAFCo

The Local Agency Formation Commission Serving Plumas County

Claim Authorization Form
February and March 2025 Expenses

The Local Agency Formation Commission of Plumas County hereby authorizes the payment of the following claims from the 2024-2025 budget:

Date of Claim	Description	Amount
February 25, 2025	February Per Diem	$ 691.80
February 25, 2025	February Mileage	$ 234.36
February 26, 2025	County Staff Services	$ 405.40
March 17, 2024	Staff Svcs February 2025	$ 6,168.73
April 9, 2025	Staff Svcs March 2024	$ 4,076.48

TOTAL February 2025 (FY 24-25) - LAFCo expenses: **$ 30,710.42**

Transfer to Reserve Fund **$ 10,000.00**

DATED: April 14, 2025

APPROVED: April 14, 2025

_____
Jim Murphy, Chair Plumas LAFCo

Attest:

_____
Jennifer Stephenson, Executive Officer

Invoice #PLUMAS-2025-3

Policy Consulting Associates, LLC
39774 Via Careza
Murrieta, CA 92563
(310) 936-2639
EIN #: 27-2523069

Date: April 8, 2025

Plumas LAFCO
520 Main St
Quincy, CA 96971

Staff Services

	Hours	Rate	Amount
Jennifer Stephenson, Executive Officer		$4,060	$4,060.00
Cheryl Kolb, Clerk (Minutes and agenda mailing)		$170.00	$0.00
Cheryl Kolb, Clerk (Admin Services)	0.00	$35	$0.00
Dennis Miller, GIS	0.00	$70	$0.00
Subtotal			**$4,060.00**

Projects: Applications, MSRs and SOI Updates

	Hours	Rate	Amount
Jennifer Stephenson, Application/Projects (2024-2)	0.00	$ 90.00	$0.00
Jennifer Stephenson, MSR and SOI Updates	0.00	$ 90.00	$0.00
Oxana Wolfson Analyst	0.00	$ 80.00	$0.00
Melat Assefa, Research Assistant (File 2024-3)	0.00	$ 60.00	$0.00
Jill Hetland, Research Assistant (Website Update)	0.00	$ 45.00	$0.00
Cheryl Kolb, Applications/Projects, MSRs	0.00	$ 57.00	$0.00
Subtotal			**$0.00**

Reimbursements	
Reproduction Costs	$0.00
Postage	$0.00
Phone and Communications - Zoom	$16.48
Office Supplies	$0.00
Mileage	$0.00
Workers Comp Insurance	$0.00
Workshop Registration - Cheryl Kolb $540 and 1/4 Jennifer Stephenson $156.25	$0.00
Transportation and Travel	$0.00
Subtotal	**$16.48**

Amount Due	**$4,076.48**

Please remit invoices to Policy Consulting Associates, LLC

Jennifer Stephenson

Jennifer Stephenson, Principal

4/8/25
Date

Invoice #PLUMAS-2025-2

Policy Consulting Associates, LLC
39774 Via Careza
Murrieta, CA 92563
(310) 936-2639
EIN #: 27-2523069

Date: March 17, 2025

Plumas LAFCO
520 Main St
Quincy, CA 96971

Staff Services

	Hours	Rate	Amount
Jennifer Stephenson, Executive Officer		$4,060	$4,060.00
Cheryl Kolb, Clerk (Minutes and agenda mailing)		$170.00	$170.00
Cheryl Kolb, Clerk (Admin Services)	0.00	$35	$0.00
Dennis Miller, GIS	0.00	$70	$0.00
Subtotal			**$4,230.00**

Projects: Applications, MSRs and SOI Updates

	Hours	Rate	Amount
Jennifer Stephenson, Application/Projects (2024-2)	5.50	$ 90.00	$495.00
Jennifer Stephenson, MSR and SOI Updates	0.00	$ 90.00	$0.00
Oxana Wolfson Analyst	0.00	$ 80.00	$0.00
Melat Assefa, Research Assistant (File 2024-3)	0.00	$ 60.00	$0.00
Jill Hetland, Research Assistant (Website Update)	0.00	$ 45.00	$0.00
Cheryl Kolb, Applications/Projects, MSRs	0.00	$ 57.00	$0.00
Subtotal			**$495.00**

Reimbursements	
Reproduction Costs	$0.00
Postage	$0.00
Phone and Communications - Zoom	$16.48
Office Supplies	$0.00
Mileage	$0.00
Workers Comp Insurance	$0.00
Workshop Registration - Cheryl Kolb $540 and 1/4 Jennifer Stephenson $156.25	$696.25
Transportation and Travel	$0.00
Subtotal	**$712.73**

Amount Due	**$5,437.73**

Please remit invoices to Policy Consulting Associates, LLC

Jennifer Stephenson

Jennifer Stephenson, Principal

3/17/25
Date

Item	Insurance	Office	Copies	Communications	Postage	Memberships	Legal Svcs	Ex. OFF. Svcs	Clerk	Publications	Travel	Mileage	MSR/SOIs
Account Number	*SDRMA*	*Expense*									*Commission*		
Total Budgeted	**$3,327.00**	**$ 750.00**	**$ 400.00**	**$ 200.00**	**$ 300.00**	**$1,958.00**	**$3,500.00**	**$ 48,720.00**	**$ 1,520.00**	**$ 600.00**	**$ 6,000.00**	**$ 1,500.00**	**$ 24,000.00**
SDRMA Insurance 24-25	($2,795)												
CALAFCO Membership 24-25						$ (1,458.00)							
Staff Services (Jul 24)				$ (16.48)				$ (4,060.00)					$ (2,582.25)
Conference Registration (Goss)											$ (800.00)		
Staff Services (Aug 24)				$ (16.48)				$ (4,060.00)	$ (170.00)		$ (200.00)		$ (7,070.25)
Staff Services (Sep 24)			$ (80.60)	$ (46.48)	$ (22.44)			$ (4,060.00)	$ (170.00)				$ (4,125.00)
Staff Services (Oct 24)				$ (16.48)	$ (18.15)			$ (4,060.00)	$ (170.00)		$ (127.72)	$ (119.60)	$ (1,009.50)
Staff Services (Nov 24)				$ (16.48)				$ (4,060.00)	$ (170.00)				$ (1,922.25)
Staff Services (Dec 24)				$ (30.84)	$ (198.88)			$ (4,060.00)	$ (170.00)			$ (38.46)	$ (2,109.00)
Weebly (2yr renewal)				$ (33.90)									
September per diem													
October per diem													
November per diem													
December per diem													
CSDA Membership						$ (500.00)							
CalPERS GASB		$ (350.00)											
Staff Services (Jan 25)				$ (16.48)	$ (10.45)			$ (4,060.00)				$ (66.50)	$ (228.00)
Mountain Messenger Publications										$ (862.65)			
September mileage												$ (234.36)	
October mileage												$ (234.36)	
November mileage												$ (175.00)	
December mileage												$ (323.61)	
Conference travel - Goss											$ (1,430.86)		
February per diem													
February mileage												$ (234.36)	
County Staff Services thru 12/31/24													
Social Security administration													
Staff Services (Feb 25)				$ (16.48)				$ (4,060.00)	$ (170.00)		$ (696.25)		$ (495.00)
Staff Services (Mar25)				$ (16.48)				$ (4,060.00)					
TOTAL EXPENDED	($2,795)	($350.00)	($80.60)	($226.58)	($249.92)	($1,958)	$0	($36,540)	($1,020.00)	($863)	($3,255)	($1,426)	($19,541)
TOTAL REMAINING	$ 532.14	$ 400.00	$ 319.40	$ (26.58)	$ 50.08	$ -	$ 3,500.00	$ 12,180.00	$ 500.00	$ (262.65)	$ 2,745.17	$ 73.75	$ 4,458.75

Item	Commiss	File Management	County	Health	CalPERS	Agency	TOTAL	RESERVE	Contingency
Account Number	*Stipends*		*Contract*	*Insurance*	*Unfunded*	Training	*BUDGET*	$34,233.00	*4451*
Total Budgeted	**$ 5,167.20**	**$ 2,000.00**	**$ 1,100.00**	**$ -**	**$ -**	**$ -**	**$ 101,042.20**	**$10,000.00**	**$ 3,000.00**
SDRMA Insurance 24-25							$ (2,794.86)		
CALAFCO Membership 24-25							$ (1,458.00)		
Staff Services (Jul 24)							$ (6,658.73)		
Conference Registration (Goss)							$ (800.00)	$ 10,000.00	
Staff Services (Aug 24)		$ (787.50)					$ (12,304.23)		
Staff Services (Sep 24)		$ (742.50)					$ (9,247.02)		
Staff Services (Oct 24)		$ (472.50)					$ (5,993.95)		
Staff Services (Nov 24)							$ (6,168.73)		
Staff Services (Dec 24)							$ (6,607.18)		
Weebly (2yr renewal)							$ (33.90)		
September per diem	$ (691.80)						$ (691.80)		
October per diem	$ (600.00)						$ (600.00)		
November per diem	$ (538.25)						$ (538.25)		
December per diem	$ (538.25)						$ (538.25)		
CSDA Membership							$ (500.00)		
CalPERS GASB							$ (350.00)		
Staff Services (Jan 25)		$ (472.50)					$ (4,853.93)		
Mountain Messenger Publications							$ (862.65)		
September mileage							$ (234.36)		
October mileage							$ (234.36)		
November mileage							$ (175.00)		
December mileage							$ (323.61)		
Conference travel - Goss							$ (1,430.86)		
February per diem	$ (691.80)						$ (691.80)		
February mileage							$ (234.36)		
County Staff Services thru 12/31/24			$ (405.40)				$ (405.40)		
Social Security administration	$ (70.00)						$ (70.00)		
Staff Services (Feb 25)							$ (5,437.73)		
Staff Services (Mar25)							$ (4,076.48)		
							$ -		
							$ -		
							$ -		
TOTAL EXPENDED	($3,130.10)	($2,475)	($405.40)	$0.00	$0	$0	($74,315.44)	$ 10,000.00	$ -
TOTAL REMAINING	$ 2,037.10	$ (475.00)	$ 694.60	$ -	$ -	$ -	$ 26,726.76	$44,233.00	$ 3,000.00

Plumas LAFCo
STAFF REPORT

MEETING DATE: April 14, 2025

TO: LAFCo Commissioners

FROM: Jennifer Stephenson, Executive Officer

SUBJECT: Proposed Budget and Work Plan for the 2025-2026 Fiscal Year

LAFCo's 2025-2026 proposed work program is described below. LAFCo remains mindful of the budget constraints of the City and the County, and the following proposed work program reflects the Commission's efforts to minimize the burden on each of the member agencies.

In LAFCo's 2017-2018 Budget, the commission chose to start building a reserve fund. Additionally, in the 2019 update of the Bylaws, the commission approved a policy of maintaining a minimum Reserve Fund balance of $100,000. In the previous fiscal year, the Commission chose to use $40,000 of the reserve fund to minimize the burden on the member agencies of cancelling At present, the Cash Reserve Fund has a balance of $48,863. The amount of interest earned to date on the reserve fund is $2,252. In 2022, the Commission approved a resolution allocating all interest earnings to the reserve fund, as opposed to being appropriated to operations. This is the third fiscal year for which that has occurred. It is recommended that the Commission continue the practice of setting aside funds towards meeting the reserve fund policy in the amount of $9,000.

The Proposed 2025-2026 Budget is based on the level of anticipated work in the developed work program that is described in the following.

A level of service has been established for ongoing LAFCo activities; LAFCo has a unique role as a neutral agency among all agencies countywide. Many of these activities are described below. LAFCO's fundamental mission, which is:

> The Plumas Local Agency Formation Commission is committed to serving the citizens, governmental agencies, and applicants of its jurisdiction by using its authority, knowledge and expertise to make beneficial changes in the structure of public agencies through special studies, programs and actions resulting in the resolution of conflicts; orderly growth, development, and governance of communities within Plumas County; cost-effective delivery of services; and timely processing of applications.
>
> In accordance with the policies and procedures established by the State Legislature in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 and 57000 et seq. of the California Government Code, the primary function of California LAFCos is to encourage the orderly growth, discouraging urban sprawl, preserving open space and prime agricultural lands and efficiently extending governmental services. LAFCo's responsibilities include review of and action on proposals for 1) formation of new local public agencies, 2) change in boundaries of existing local agencies, and 3) other changes in organization of local agencies, such as consolidations. In making such determinations, LAFCo's efforts are directed to encouraging the efficient and economic delivery of public services, while protecting other important state interests such as the preservation of agricultural and open-space lands.

Work Program for 2025-2026

MSR and SOI Updates/Special Projects

Plumas LAFCo has completed initial service reviews of all agencies over which it has jurisdiction and SOI updates for those agencies as well. For FY 24-25, the focus of the workplan has been the following: reorganization of fire districts, the MSR on Grizzly Lake CSD, the Plumas Eureka CSD, and continuation of a countywide fire MSR.

For FY 24-25, the Commission prioritized a countywide fire MSR. Wildfires continue to be a primary topic of concern in Plumas County and across the State as recent fires have become more destructive and substantially more expansive, as demonstrated by the Dixie Fire. These fires put a pressure on local fire departments to consider alternative structures and improvements to service levels in order to protect the safety of their citizens and lessen the impacts. MSRs were recently completed for the Eastern Plumas fire providers. Additionally, Quincy FPD, Indian Valley CSD, Crescent Mills FPD, and Chester PUD were identified as needing an MSR update, all of which are fire providers. The Commission determined that conducting an MSR on fire services throughout the County would capitalize on the information already gathered and produce a comprehensive review and analysis of all fire providers at the same point in time. The budget for FY 24-25 allocated funds to begin the efforts. Given the number of fire providers in the County, it may be necessary to extend this project into the next fiscal year for funding purposes. Of this budget item, $15,000 was budgeted for this MSR. It is recommended that $11,000 continue to be allocated towards this effort this fiscal year.

MSRs and support for applications was provided to Chester PUD, Peninsula FPD, Eastern Plumas Rural FPD, Beckwourth Peak FPD, Crescent Mills FPD, and Indian Valley CSD. Support is still required for the LAFCO-initiated consolidation of CMFPD and IVCSD. It is recommended that $7,000 by allocated towards these consolidation efforts.

The Commission approved an MSR on Plumas Eureka CSD, which is underway. It is recommended that $5,500 be allocated towards this item.

In total, these projects are proposed to be allocated $23,500 in FY 25-26. These projects are accounted for in the amount dedicated for MSRs and SOI updates/Special Projects in the Proposed Budget.

Agency Training

LAFCO has indicated an interest in assisting districts in operating legally and ensuring adequate levels of service. In that interest, the Commission has in the past allocated funds towards training of the agencies. Ideally, the needed training will be determined by the agencies themselves. At this time, there is no plan for use of these funds; however, should the Plumas Special Districts Association develop a proposal for future use of training funds, then continued allocation towards this purpose should be considered in future fiscal years.

Direct Projects – Projected

1. Small and medium reorganizations - For the 2025-2026 fiscal year, based on recent inquiries, LAFCo anticipates two small or medium reorganizations (i.e., annexations and detachments).

   Cost involved in processing small reorganizations include legal counsel, staff time, public inquiries, public hearing requirements including noticing (300 ft from site –voters and landowners), preparation of notices, staff reports and resolutions, LAFCo protest requirements (public noticing), incidental

travel, office supplies (copying), webpage posting, seeking comment from county departments (assessor, clerk and auditor), and general accounting.

Significant Municipal Annexations – At this time there is no activity anticipated on significant city annexations for 2025-2026 around the City of Portola.

District Consolidations (Agency Initiated) – At present the most promising reorganizations are the consolidation or annexation/dissolution between Indian Valley CSD and Indian Valley RPD. It is assumed that should any additional reorganizations be initiated by the districts, then the applications would be supported by the agency's fees. As such, these projects have not been budgeted for in the proposed 2025-2026 budget.

District Consolidations (LAFCo Initiated) – At present the most promising reorganizations are the consolidation or annexation/dissolution between Indian Valley CSD and Crescent Mills. LAFCO has initiated this project, but it still needs to be completed. LAFCo has the authority to initiate consolidations based on findings in a Service Review. The financial burden of these reorganizations therefore lies with LAFCo; therefore, it is recommended that LAFCo continue to allocate $7,000 towards future LAFCo-initiated actions as part of the MSR and special study budget item.

2. Major annexation proposals – Indian Valley CSD intends to annex the territory within its circle shaped boundaries. LAFCo is not empowered to initiate annexations and (or) detachments. If an unanticipated major annexation application should be received, then the project would be appropriately fee supported.

Administrative Projects and Operational Provisions

Work outlined here for the role of the Executive Officer has been accounted for in the flat monthly contract fee for executive officer services and other line items, including office supplies, printing, postage, communications etc.

2025-2026 Administrative Projects

It has become more and more necessary to hire a professional to meet all legal requirements for websites. The Budget Ad Hoc Committee recommends hiring Streamline to design and maintain the new website. Design will be $500 and $3,900 to maintain for the year.

In the interest of providing comprehensive information on LAFCo's website regarding the agencies within the County, it is planned that efforts will be made toward developing a "clearinghouse" of information on each agency, including maps, the most recent MSR, links to websites, and contact information.

Budget Development and Control

Budget development and control is currently handled by the Executive Officer. During the year, day-to-day administrative tasks (e.g., invoicing, and bill paying) are provided by the Executive Officer. This also includes working with City and County offices on these issues.

Preparation of the budget and budget justification documents and resolutions is a part of these activities. The preparation of claim forms for both the Commission and the County Auditor's office is included to ensure proper control. Implementation of LAFCo expenditure processes is an integral part of these tasks. Public inquiries regarding expenditures and expenditure priorities are handled by the Executive Officer. Incidental office supplies and communication resources are necessary to perform these functions.

LAFCo is directly billed for other County services, which are included in the Budget.

Communication and Public Relations

LAFCo needs continued communication with the City Council and Board of Supervisors. One of the legislative intents of LAFCo is to serve as neutral party or arbitrator with regards to organizational issues. For example, the required Sphere of Influence meeting between a City and the County. Additionally, regular meetings with County Planning and City Management have been planned to ensure issues are regularly addressed and projects are efficiently handled.

LAFCo staff needs to be available to discuss LAFCo matters with Special District representatives (staff and board members) or the Special District's Association. This will be a particular focus in the upcoming year in the form of attendance at special district meetings and presentations at community meetings. The budget for these activities includes preparation and meeting with district boards and incidental office supplies, legal advice, travel and communication.

As an extension of the already mentioned outreach activities, staff will conduct project-oriented workshops, as appropriate. This outreach will not only be directed at the public agencies under the jurisdiction of LAFCo, but also members of the public and other stakeholders. This activity may occur this year in various areas in the County.

Potential applicants seeking reorganization often require help traversing the LAFCo application process. This activity requires research and meeting with project proponents to determine approaches to solving service issues. These costs include legal, staff time, incidental travel, office supplies and communication resources.

Public inquiries regarding service issues are common involving a member of the public who is in need of a service or has a question about a service. This activity consumes legal, staff time and communication resources. The LAFCo webpage provides an outlet for LAFCo information. Responding to the public is necessary for informing individuals of LAFCo requirements to facilitate the process.

Like other public agencies, LAFCo must comply with the Brown Act, Public Records Act and Political Reform Act. Staff and legal time is required to comply with these laws. Including noticing, Form 700s, public records disclosure, citizen's inquiries, general compliance and written responses to records requests.

Environmental review is required for most LAFCo discretionary projects. Applicants pay direct project costs to cover the review costs; while CEQA work related to Spheres of Influence are LAFCO's responsibility. LAFCo is also required to comment on Environmental Reviews from various agencies. Costs associated with these activities include legal, communication, advertising, staff time. It is estimated the cost of this activity will be high if LAFCo has to pay Fish and Game Fees. This item is necessary to promote better customer service and comply with the CEQA law and CKH act with regard to the role of a responsible agency. Development requiring reorganization will take much longer if LAFCo is not involved in this process, as well as cost project applicants significantly more amounts of money. Since 2019, the State is requiring submittal of environmental documents on the State CEQA Clearinghouse, which creates a greater demand for staff time when dealing with even small projects.

Public Education and Outreach

This is an extension of the efforts identified under Communication and Public Relations. As a public agency, LAFCo must meet certain legal notification requirements, but also as a relatively unknown and often misunderstood entity, LAFCo must strive to educate the public on its mission and efforts. Means to educate the public include utilization of available media, speaking opportunities at community forums, and submittal of articles about LAFCo to journals and newspapers. Efforts this year will focus on continual updating of LAFCo's website to include more detailed information on each of the special districts.

Keeping the public and agencies informed of LAFCo's actions requires press releases on substantive actions, encouraging agencies to request regular LAFCo meeting agendas, and updating agencies on LAFCo Commission membership. These activities are important to inform the public and agencies about LAFCo. Numerous inquires come from citizens needing one service or another. These activities promote better customer service for all agencies by informing the public about what is going on with regards to LAFCo.

Resource Development

It is essential that LAFCo monitor new and proposed relevant legislation. Although LAFCo relies on CALAFCO for this activity, it is important that new legislation reflects our needs. This activity involves communication, staff time, and legal time. Legislation of importance to Plumas LAFCo impacts budget process and permit processes. To this end, the Executive Office continues to be a member of the CALAFCO Legislative Committee to remain abreast of the legislative activities.

Special Reports and Projects for the Commission

The CKH act and the Commission's bylaws allow the Commission to undertake special projects. Special projects may include being involved in General Plan updates, assisting in the development of agriculture conservation policies, being involved in water planning throughout the County, serving as a neutral party with regards to service issues, assisting the public and agencies with LAFCo applications and processes, establishing special district representation on the commission, developing annexation strategies for the City or districts and (or) any other proactive activity of benefit to the citizens and agencies as deemed necessary by the Commission. This budget does include funds for Special Projects in the proposed work plan previously discussed. Additionally, creating new policies and any efforts to garner special district representation on the Commission would be covered under the Executive Officer contract services amount. In FY 25-26, the primary special project will be updating LAFCO's website.

Commissioner Development – CALAFCO Conference

Ideally, the Commission's 2025-2026 budget should include funding for two commissioners and one staff to attend the Annual CALAFCO Conference and funds for two staff to attend the CALAFCO Staff Workshop in the spring. Our bylaws hold that the education afforded by the Conferences is necessary to assure Commissioners have the tools needed to carry out their responsibilities. Funds should be set aside for staff and commissioner training, as informed decision makers better serve the public. The annual CALAFCO Conference will be held in San Diego, CA.

Summary of the Proposed Budget:

Commissioner Stipends: In FY 21-22, the Commissioner stipend of $100 per LAFCo meeting was reinstated for all Commissioners. In 2017, the Commissioner passed Resolution 2017-0008 classifying Commissioners as independent contractors and repealing Resolution 2006-0006, which had previously classified Commissioners as employees. In February 2022, the State Social Security Administration

informed Plumas LAFCo that by legal standards the State Social Security Administration and the Internal Revenue Service consider the Commissioners to be employees and require that W-2s are issued to each Commissioner and the required social security and Medicare payments are made. In June 2022, the Commission approved Resolution 2022-0002 determining that Commissioners are employees to meet these requirements. It is recommended that $5,167.20 be budgeted in FY 25-26 to account for the $100 stipend plus the 7.65 percent employer share of social security and Medicare.

Liability Insurance and Workers Comp Insurance: LAFCo is required to carry insurance as an independent agency. LAFCo has insurance through SDRMA, which has projected a cost of $3,188 for Plumas LAFCo in 25-26, which is a 39 percent increase from the current year. SDRMA has not yet provided final premiums for the next fiscal year. Workers comp insurance from the State Compensation Insurance Fund is anticipated to remain $576.91.

Memberships: CALAFCO dues increased according to a consumer price index of 3.2 percent from $1,458 to $1,505. Since LAFCo receives SDRMA insurance, there is a $500.00 membership fee for the California Special Districts Association. This fee is anticipated to remain constant.

Office Expense-Printing: A majority of the costs associated with printing are attributed to agenda packet printing. Because Commissioners have chosen to not receive printed agendas, this cost is greatly reduced. It is recommended that the amount allocated to printing remain $400.

Postage: Similar to printing costs, postage costs are generally associated with mailing of the agenda packets to the Commissioners. Because the packets are no longer being mailed, it is recommended that the amount budgeted for postage increase to $300.

Communications: The County has transferred the LAFCo line over to its new phone system, which has greatly reduced costs associated with the landline. Additionally, the toll-free number was cancelled to further reduce communication costs. It is anticipated that there will be a continued need for Zoom services at $16.48 per month. An additional $35 is required for Docusign. With the implementation of these changes, it is recommended that the communications budget increase to $250.

Office Expense- Board Room Rental/General: This item has covered many budget categories in past years. A Dropbox cloud backup account has been created to put archives and current records online, which costs $450 a year for three users. Additionally, office supplies are not anticipated to exceed $300 for the year. Therefore, it is recommended that this item continue to be budgeted at $750 for the year.

Legal Services: This year it is recommended that $3,000.00 be budgeted for this activity to account for use of legal services at meetings and other potential issues. Fortunately, LAFCo has not needed Counsel present at its meetings and costs have been very minimal. In most cases, the need for Counsel to attend a meeting will be directly billable to a project applicant. Since LAFCo has become independent, separate LAFCo Counsel is necessary to represent LAFCo's interest as distinct from the County, independent special districts and the City. Project related legal costs would be billed to the project proponent through LAFCo's adopted fee structure. If additional costs are incurred LAFCo will have to use its contingency or seek a loan from the County to cover these costs. As the Commission recommends consolidations, Counsel will become necessary. In addition, Counsel should attend at least one meeting per year or meeting where controversial projects are heard. It is anticipated that legal counsel will be necessary in processing the fire reorganization application.

Staff Services: It is recommended that this item remain $48,720 given the increase last year in accordance with the CPI of 8.75%. This category includes general administrative work, meeting with Special Districts, and the staff activities enumerated in the "activities" report. Notwithstanding project

processing, Service Reviews, sphere of influence updates for Plumas LAFCo, this amount should cover LAFCo administration.

Note: Project related cost overruns relating to an application would normally be fee supported if an augmentation is needed in this category. A project proponent will pay all project related costs including legal costs.

Clerk Costs: It is recommended that $1,520 be budgeted for this item to account for $170 per meeting for agendas and minute posting, as well as a total of $500 for additional clerk tasks.

Legal Notices/Publications: $600 has been proposed for this item. Costs in FY 18-19 year exceeded the budgeted amount; however, in the last five years there have been minimal expenses for this item. While some portion is related to projects with associated fee deposits, it is good to have some extra for unanticipated costs such as in FY18-19. Additionally, there will be associated costs should LAFCo initiate reorganizations. Legal notices are required by state law and must be prepared for Municipal Service Reviews and Sphere of Influence Updates, all public hearings before the commission and protest hearings. Public hearing notices are required for many LAFCo actions.

Commissioner Mileage: Commissioners and Alternates receive mileage reimbursements. It is recommended that this budget item remain constant at $1,500 in the upcoming year based on year to date expenditures.

Transportation/Travel/Conf. Registration: It is recommended $6,000.00 be budgeted in this category. This amount budgeted would provide for attendance of two commissioners and one staff at the CALAFCO conference in Monterey, CA for a cost of around $4,800. Additionally, it would cover cost of attendance for staff at the CALAFCO Staff Workshop for approximately $1,200. Education afforded by the conferences is important to assure Commissioners have the tools needed to carry out their responsibilities. A decision as to whether the Commission desires to have a Commissioner to attend the conference will be required.

Sphere of Influence Updates and Service Reviews/Special Projects: It is recommended $23,500 be budgeted to cover the costs of reorganization efforts and MSRs as described in the work plan.

Financial Services: Financial Services are included in the County Contract and Misc. Services. It is recommended that in FY 25-26 $1,100 be budgeted consistent with actual expenses year to date.

File Scanning and Retention: This item will be appropriated to development of a new website for LAFCO and maintenance for $4,400.

Reserve Funds: During the 2019 update of the Bylaws, LAFCo adopted a minimum reserve balance of $100,000. Following a use of a portion of the reserves for the CalPERS buyout, there is now a balance of $48,863. It is recommended that the Reserve Fund be rebuilt by setting aside $9,000 annually.

Contingency: A contingency amount is essential to cover unexpected expenses. The contingency fund has historically been used minimally. Consequently, it is recommended that the contingency amount remained $3,000, and should any significant unanticipated costs arise, then additional funds can be used from the allocated reserve budget.

Anticipated re-budgeting of funds

Notwithstanding unexpected year-end expenses, at current expenditure rates the Commission will be able to re-budget approximately $9,000 from the 23-24 fiscal year budget.

Fee Deposit Liabilities

An estimate of $5,000 is proposed to be generated from fee deposits. These funds do not become revenue until work is actually performed and then funds are transferred into a revenue account for LAFCo. A conservative estimate of $5,000 is reasonable given previous years application fees.

Costs to City and County

Assuming a carryover of $10,000.00 is realized and estimated project revenues of $5,000 are realized, the committee is recommending the amount to be apportioned between the City and County to be $100,247 for FY 2025-2026, with a budget designed to minimize the impact of rising costs. The City and County would pay $50,123 each, assuming the existing allocation formula in Government Code 56381 is followed. This equates to an increase from the current fiscal year of 0.21%.

Recommendation

Approve LAFCo Resolution 2025-0001 adopting a proposed budget for fiscal year 2025-2026.

PROPOSED BUDGET
Acct 7020

Exhibit A
Plumas LAFCo
April 9, 2025

2025-2026
PLUMAS LAFCO
Budget Resolution 2025-0001

OBJECT LEVEL/ACCOUNT	FY 2023-2024 FINAL BUDGET	FY 2024-2025 FINAL BUDGET	FY 2024-2025 AS OF 3/17/2025	FY 2025-2026 PROPOSED BUDGET	
EXPENDITURES*					**NOTES**
Commissioner Stipends	$5,167.20	$5,167.00	$3,130.10	$5,237.00	$100 stipend plus employer share of social security and medicare of 7.65%. Plus $70 charged by Social Security.
Liability Insurance and Workers Comp Insurance	$3,506.50	$3,327.00	$2,795.00	$3,764.91	Based on maximum estimate received from SDRMA $3,188 and $576.91 for workers comp from State Compensation Insurance Fund.
Memberships	$1,924.00	$1,958.00	$1,958.00	$2,005.00	CALAFCO dues increased according to CPI of 3.2% from $1,458 to $1,505, $500 CSDA membership.
Office Expense – Printing	$400.00	$400.00	$80.60	$400.00	A majority attributed to agenda packet printing. Because Commissioners are not receiving printed agendas, this cost is greatly reduced.
Postage	$150.00	$300.00	$249.92	$300.00	Same as printing. Been trying to transition to email transmittals to the degree possible. Increased cost this year due to Express mailings of applications to BOE etc.
Communications	$200.00	$200.00	$226.58	$250.00	The primary costs associated with this item is Zoom services at $16.48 per month and weebly website hosting costs.
Office expenses/Board Room rental/general	$750.00	$750.00	$350.00	$750.00	Online Cloud services $450 plus $300 for incidentals. Note Dropbox payment goes out in June.
Professional Svcs. – Legal Counsel	$3,000.00	$3,500.00	$0.00	$3,000.00	Anticipate making more use of legal counsel given existing complexity of projects.
Professional Svcs. – LAFCo Staff	$48,720.00	$48,720.00	$36,540.00	$48,720.00	$4,060 per month. No change from previous year.
LAFCo Clerk Costs	$1,300.00	$1,520.00	$850.00	$1,520.00	$170 per meeting plus $500 for miscellaneous clerk needs.
Publications/Legal Notices	$500.00	$600.00	$863.00	$800.00	While some portion is related to projects with associated fee deposits, it is good to have some extra for unanticipated costs such as in FY18-19. Additionally, there will be associated costs should LAFCO initiate reorganizations. However, without local newspapers in print, publication costs have greatly reduced. Published notices average $200 per notice.
Personal Mileage - Commissioners	$1,500.00	$1,500.00	$1,426.00	$1,500.00	Amount budgeted to mileage remains consistent for the last 5+years.

Transportation & Travel (Special)	$5,000.00	$6,000.00	$2,559.00	$6,000.00	Conference for 2 Commissioners and 1 staff, Staff workshop for 2 staff. Conference in San Diego Oct 16-18. It is anticipated that registration and lodging costs are going to increase. Note: EO costs are split equally amongst 4 LAFCOs.
MSR/SOI Updates/Special Projects	$23,400.00	$24,000.00	$19,046.00	$23,500.00	Work plan - Countywide fire MSR to consider fire reorganization options. IVCSD and CMFPD Consolidation. CPUD support. Supplements for Commission supported reorganizations.
County Contract and Misc. Services	$1,000.00	$1,100.00	$405.40	$1,100.00	For accounting with County. Depends on amount of time spent, which could fluctuate, but has consistently been below $1,000.
Health Insurance-Gullixson	$2,276.43	$0.00	$0.00	$0.00	CalPERS contract cancelled.
PERS Unfunded Liability	$92,900.00	$0.00	$0.00	$0.00	Contract cancelled.
LAFCo File Management - Scanning	$3,000.00	$2,000.00	$2,475.00	$4,400.00	Recommend using this for transition to Streamline
Agency Training	$0.00	$0.00	$0.00	$0.00	
Total Services & Supplies	$194,694.13	$101,042.00	$72,954.60	$103,246.91	
RESERVE FUND	-$40,000.00	$10,000.00	$10,000.00	$9,000.00	Adopted policy in Bylaws to maintain a $100,000 reserve fund. Current balance is $48,863. Recommend rebuilding to achieve adopted reserve fund amount. End of FY 2026 fund balance would be $57,863.
CONTINGENCY	$3,000.00	$3,000.00		$3,000.00	Was reduced in last FY to lessen burden of CalPERS payoff on member agencies. May want to consider increasing to $5,000.
TOTAL LAFCO BUDGET	$157,694.13	$114,042.00		$115,246.91	
REVENUES AND DEPOSITS					
Anticipated Cash Balance as of July 1st	-$18,000.00	-$9,000.00	-$10,000.00	-$10,000.00	Current cash balance is $46,760. Conservative estimate to not rely on rollover into new year.
ANTIC FEE DEPOSIT LIABILITIES	-$5,000.00	-$5,000.00	-$2,875.00	-$5,000.00	While many applications are anticipated. The specific number in this FY cannot be predicted. Additionally, generally does not fund operations, just covers costs associated with applications. Additional application fees are anticipated this FY.
Interest	$0.00	$0.00	$2,252.18	$0.00	Interest is directed to Reserve Fund. Does not contribute to operating budget.
City Share – LAFCO Cost	$67,347.07	$50,021.00		$50,123.46	
County Share – LAFCO Cost	$67,347.07	$50,021.00		$50,123.46	
Total Due from Other Gov'ts.	$134,694.13	$100,042.00		$100,246.91	

Resolution 2025-0001
of the
Plumas Local Agency Formation Commission

A Resolution of Plumas Local Agency Formation Commission Adopting a Proposed Budget for 2025-2026

WHEREAS, Plumas LAFCo is required by Government Code Section 56381(a) to adopt annually, following a noticed public hearing, a proposed budget and a final budget by June 15th; and,

WHEREAS, the Commission has prepared a proposed budget for public review; and,

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified by law for adoption of the proposed budget and upon the date, time and place specified in said notice of hearing, the Commission heard, discussed and considered all oral and written testimony submitted including, but not limited to, the approved budget priorities for Fiscal Year 2025-2026 and the Executive Officer's report and recommendations; and

WHEREAS, the Commission has considered the attached Budget in light of the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the appropriations will allow the Commission to fulfill the purposes and programs as authorized by Chapter 3 of Part 2 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000;

NOW THEREFORE, Plumas Local Agency Formation Commission does hereby determine, resolve, and order the following:

1. That Plumas LAFCo hereby adopts the attached 2025-2026 proposed budget (Attachment A).

2. Directs the Executive Officer to transmit the proposed budget to the Auditor and all parties specified in Government Code Section 56381 (a) as promptly as possible.

PASSED AND ADOPTED by Plumas Local Agency Formation Commission at a regular meeting of said Commission held on the 14th day of April 2025 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 14th day of April 2025.

Attest:

_____
Jim Murphy, Chair
Plumas LAFCo

_____
Jennifer Stephenson, Executive Officer
Plumas LAFCo