

PLUMAS LAFCO

REGULAR MEETING AGENDA

MONDAY APRIL 11, 2016

10:00 AM

BOARD OF SUPERVISORS CHAMBERS
PLUMAS COUNTY COURTHOUSE
QUINCY, CALIFORNIA

Website: www.plumaslafco.org

Commissioners:

John Larrieu, City Member, Chair
Kevin Goss, County Member, Vice-Chair
Terry Swofford, County Member
Phil Oels, City Member
John Hafen, Public Member

Sherrie Thrall, County Member Alt.
Jeffrey Greening, Public Member Alt.
Bill Powers, City Member Alt.

Staff:

John Benoit, Executive Officer
Cheryl Kolb, Clerk
P. Scott Browne, Counsel

MEETING - CONVENES AT 10:00 A.M.

- 1. CALL TO ORDER and Roll Call**
- 2. Approval of Agenda (additions or deletions)**
- 3. Correspondence:**
- 4. CONSENT ITEM(S)**

a. Approval of the February 8, 2016 minutes

5. Public 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.

6. Authorize payment of Claims for March 2016 and ratify claims for February 2016

- a. Authorize payment of claims for March 2016 and ratify claims for February 2016*

7. Presentation regarding financing Healthcare Services and Hospital Finance for Healthcare Districts within Plumas County and continued discussion regarding Healthcare districts and services in Plumas County: Commissioners Thrall and Greening

- a. Receive presentation regarding Healthcare financing, services and operations from Healthcare Districts representatives within Plumas County*
b. Conduct discussion regarding Healthcare Districts (Indian Valley Healthcare, Plumas Healthcare, Eastern Plumas Healthcare and Seneca Healthcare Districts) in Plumas County.
c. Provide direction to staff regarding a comprehensive Sphere of Influence (SOI) for Plumas County Healthcare services countywide and set hearing for June 13, 2016.

Public hearing

8. Public Hearing regarding the proposed Plumas LAFCo 2016-2017 annual budget.

- a. Discuss and conduct public hearing on regarding the proposed 2016-2017 fiscal year annual budget.*
b. Consider Resolution 2016-0003 making determinations regarding the proposed FY 2016-2017 proposed LAFCo Budget

Information Items:

9. Discussion regarding Cemetery Districts in Indian Valley

- a) Provide direction to staff, as necessary.*

10. Report on the Calafco Annual Workshop in Los Angeles

- a. Receive Report on the Calafco Annual Conference in Los Angeles*

11. Executive Officer's Report:

- a. LAFCo Training June 13th 2016*
b. Chandler Ranch Homesites Annex to the QFPD

12. Commissioner Reports - Discussion

This item is placed on the agenda for Commissioners to discuss items and issues of concern to their constituency, LAFCO, and legislative matters.

13. Adjourn to next regular meeting to take place on June 13th, 2016.

The Commission may take action upon any item listed on the agenda. Unless otherwise noted, items may be taken up at any time during the meeting.

Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority

Government Code Section 56325.1

Accessibility

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, P.O. Box 2694 Granite Bay, CA 95746 or by email at johnbenoit@surewest.net or by fax at (916) 797-7631.

PLUMAS LAFCO MEETING MINUTES**MONDAY, February 8, 2015****PLUMAS COUNTY BOARD OF SUPERVISORS CHAMBERS****1. CALL TO ORDER - 10:00 a.m.**

Present: Kevin Goss, Terry Swofford, Phil Oels, John Hafen, John Larrieu

Also Present: Sherrie Thrall, Bill Powers, Jeffrey Greening and John Benoit

Absent: None

2. Approval of Agenda

Agenda approved as printed.

3. Correspondence

None.

4. CONSENT ITEM(S)

- a. Commissioner Hafen moved and Commissioner Oels seconded to approve the December 14, 2015 minutes as submitted. Unanimous approval, motion carried.

5. Public Comment

Dennis Clemens offered an update on the Chandler Ranch Subdivision Annexation Application. He is a homeowner there and is serving as a member of the Quincy Fire Protection District's committee negotiating an agreement on the tax exchange between the Fire District and the County. On September 8th, Assistant Fire Chief David Windle and Dennis Clemens met with the County Counsel, the Auditor and Supervisor Goss to negotiate a tax exchange for the fire district. In mid-October, they received a letter from County Counsel stating that the County would not agree to a tax exchange unless the fire district would agree to 1) impose a buy-in for assets already in place, 2) impose a fee to cover the cost of extending services and 3) impose an additional parcel tax which would be commensurate with the ad-valorem property taxes generated in the district prior to the passage of Prop 13. Mr. Clemens states the County has no authority to compel an independent special district to do any of the above; furthermore, before the process began, the district had already considered and rejected the buy-in due to the unique set of circumstances surrounding this proposed annexation. As for fees and parcel taxes, the district has no authority to impose fees or taxes. Prop 218 clearly vests that authority with the property owners. At the end of October, within the extended negotiation period, Fire District Board Chairman Mike Taborski responded to the County Counsel's letter and requested that the matter be submitted to the Board of Supervisors for a vote. Included was a proposal for the Board to consider: shift 7.455% of increment to the fire district. 7.455% is the average of the tax rate areas in the fire district that have a tax rate assigned to them

(not all TRA's have a tax rate assigned to them). It has been more than three months since Mr. Taborski responded to the Counsel's October letter and the matter has not received the Board of Supervisors. There has been very little communication since. Mr. Clemens states that he believes a big part of the problem is that the County negotiating team is hindered by outdated guidelines, which was discussed at the December 2014 LAFCo meeting. Mr. Clemens requests that their fire district receives a share of the ad valorem property taxes, as all the other districts do. Mr. Clemens will return in April to the Plumas LAFCo meeting with an update. Alternate Thrall requests this item be put on the April agenda so the Plumas LAFCo board may respond.

6. Authorize payment of Claims for January, 2016 and ratify claims for December, 2015

- a. Commissioner Oels moved for the approval of the payment of January, 2016 claims and the ratification of December, 2015 claims. Vice-Chair Goss seconded. Unanimous approval; motion carried.

**7. Continued discussion regarding Healthcare districts in Plumas County:
Commissioners Thrall and Greening – Continued**

- a. John Benoit started the discussion by stating that Tom Hayes from Eastern Plumas Healthcare and Jeffrey Kepple from Plumas District Hospital were absent today and Linda Wagner from Eastern Plumas Healthcare wanted to bring people from her district, so the discussion would be limited. In terms of consolidation, John Benoit had two other items he wanted to discuss and there's a common thread between all three of these items. We can discuss the pros and cons and just what is LAFCo's authority and consolidation and some of the options for consolidation LAFCo can do to be encouraging and proactive in a re-thinking of how LAFCo does things. Benoit points out there just isn't the population base to support so many districts. Benoit reminded the board that when LAFCo does a sphere, they are sending a clear signal that this is what LAFCo would like to see happen. It can be in geographic area, it can be in policy, or after the sphere is adopted LAFCo can send out a letter to the district and ask the district for an update of progress in six months. Commissioner Hafen has some concerns regarding the difference between consolidation and cooperation. Benoit says that consolidation is a hardline approach that LAFCo wants to see some progress toward consolidation. LAFCo can let the districts know that before consolidation, LAFCo would like to see certain things happen. Hafen asked what would happen if LAFCo did a zero-sphere for one of the districts. Benoit responded that there would have to be a plan for who would take over the services first. Benoit states that Eastern Plumas will be providing LAFCo with a presentation, which Linda Wagner confirmed that John Marshall, the CFO for Eastern Plumas Healthcare, will be presenting a "Reimbursement 101" class for Plumas LAFCo at the April meeting. Alternate Thrall handed out some information. Over the last number of months, Alternate Thrall and Alternate Greening have been working on the healthcare issue and gathering the demographic data. Thrall states the obvious trend everywhere in Plumas County is aging population and declining population. The California Dept of Finance has projected out based on current

trends that from 2010 to 2060, Plumas County will see a loss of 3,061 additional people, which puts Plumas County around 16,000 people county-wide by 2060. Thrall states that this touches on every discussion LAFCo will have. As LAFCo is looking at special districts, at this point they're just not sustainable. The County can't tell special districts, so that leaves LAFCo with the only type of authority to do this. Thrall introduced the 2010 Population Density map of Plumas County and reminded the Board of the population areas within the county, and what would be considered "opportunity areas," or areas for population growth. Thrall states that nobody wants their hospitals to close, but nobody wants to do a forced consolidation either, but what we want to see is enough pressure put on the healthcare districts to cooperate and collaborate. Thrall states that LAFCo has the power and the means to force a consolidation if they start to see failure. Thrall is in 100% support of a county-wide sphere for healthcare. Thrall has been going to Seneca Healthcare's meetings, and believes it would be really good for LAFCo could acquire some financial information from the other two districts. On a positive note, Thrall attended a meeting the other day with the admin for the hospital districts and the Chair of the Board to look at county mental health dollars to look at things like Cal-Med at the districts. They're coming up with a consolidated, collaborative, cooperative proposal to come to County Mental Health with the potential for that funding. There is positive movement, which Thrall believes some of which is a result of LAFCo opening the lines of communication. The class in April is a result of a meeting between Thrall and Hayes regarding the finances of the healthcare districts. Commissioner Hafen pointed out that it won't make any difference if LAFCo understands hospital funding if the hospital districts fail. Hafen says changing hospital reimbursement rates will never happen. Thrall states that's not what she's recommending, but rather that LAFCo recognizes this is one of the factors in why a district may be struggling. Alternate Greening agrees with Alternate Thrall in doing one county-wide sphere of influence to look at the whole picture and anticipate and address a solution. Linda Wagner, CEO of Seneca Healthcare District, pointed out that LAFCo is failing to recognize that the districts have already collaborated with each other through sharing of services. For example, they have an OBGYN who does one day a week in Chester and four days a week in Quincy. They also share a Pharmacist, a Dietitian and a Surgeon. They are aware of these difficulties and they are addressing them amongst themselves. Commissioner Hafen states that he doesn't mean to imply they aren't doing anything, but perhaps they're doing the wrong things. He pointed out what was lost in October and November. Linda Wagner responded that they budget for a loss in the winter months because they have a gain in the summer months. They already share some of their administrative services; they've lost their Health Information Manager, so they're looking at contracting with the Plumas HIM person. They are already looking at ways to cut their expenses. Alternate Greening points out that when we're referring to a sphere, what the sphere does is it makes everyone responsible for Plumas County, not just Lake Almanor, Quincy or Portola. The question of consolidation is only if it becomes imminently necessary; otherwise LAFCo is looking at everyone collectively. Linda Wagner states they're all already within one district, under the umbrella of Plumas County Healthcare Collaborative and the Plumas County Health

District and they're already working together. Benoit responded that they're working on it. Remember a sphere is a probable boundary that the commission establishes for a particular area. A sphere does not mean they would have to consolidate. It's something that would be revised every few years, and they've already done part of the first step. Benoit would like to see some financials. Linda says the finance person will be at the next meeting to review the financials and put them in layman's terms. The meeting after that Benoit would prepare a draft sphere report with sphere policies and a sphere map and then hold a public hearing. There are other alternatives to a consolidated sphere, which we'll talk about as well. Greening says that once we get the financials, we can look at doing a sphere, which is an extended process. LAFCo is then monitoring what's going on. Benoit will do a draft sphere and workshop for the April meeting. Discussion continued to next meeting in April.

CONTINUED PUBLIC HEARING:

- 8. Continued Public Hearing for the Sphere of Influence (SOI) update for the Crescent Mills FPD and for fire services provided by the Indian Valley CSD and sphere of influence update for services provided by the IVCSO. (Continued from February 9, June 8, October 5, 2015 and December 14, 2015).**
 - i. Benoit spoke with the volunteers and introduced Chris Gallagher, Manager of Indian Valley Community Services District. Benoit recommends doing a sphere of influence for fire services within the entire Indian Valley. Not a specific sphere for Crescent Mills, but a consolidated sphere. The consolidation between the two districts is not going to happen. This would send a signal to them that this is what LAFCo wants to see. In order for this to happen, Indian Valley Community Services District would have to divest itself of fire services and it would either be annexed to Crescent Mills or the creation of a fire district within Indian Valley to do just fire. Right now there are lots of issues they're working out. Benoit says he thinks we should let them work it out as a forced consolidation would likely fail. Right now they're collaborating on various things including training. Commissioner Hafen questioned why Indian Valley would have to divest itself of fire services. Benoit said it's been in the law for 30 years. Indian Valley would have to do a lot of due diligence, such as apportioning out how much property taxes go to water and sewer services. Another part of this item is the sphere of influence for parks, water and sewer. Right now the recommendation for water, sewer and parks is the same as the fire protection district with the exception of the area for the water treatment plant and a couple of other small areas as well. Other options would be to dissolve Crescent Mills Fire and have them annex into Indian Valley CSD. Benoit doesn't think it's feasible. Hafen asked for a status update on their discussions. Steve Allen was not present at their meeting on Sunday. Benoit was at the meeting and says his impression is that consolidation is not going to happen now but they're willing to work together on a few things. Chris Gallagher, GM at IVCSO gave an update. The board is interested in having Crescent Mills join with them, but they have no interest in forcing Crescent Mills to join. Gallagher doesn't see any advantage in divesting

themselves of the fire services and creating another bureaucracy. Gallagher says they are willing to help them, and will go forward if they wish to come to IVCSD in the future. Benoit said another option would be to have Crescent Mills contract with IVCSD for fire services. Alternate Greening asked how solvent and functional is Crescent Mills at this point. Benoit is under the impression they have no money. Steve Allen says they manage to work within their budget and save a few dollars each year. Personnel is a difficult matter as it is volunteer based. Crescent Mills board is open to discussing options but is not willing to commit to anything yet as there is too much not known at this time. Benoit recommends passing a resolution for a sphere of influence for fire and emergency medical services within Indian Valley and a separate sphere of influence for water, wastewater, parks and street lighting for Indian Valley CSD.

- a. Commissioner Oels moved to approve Resolution 2015-0007, establishing a SOI for fire and emergency medical services within the Indian Valley area of Plumas County. Vice-Chair Goss seconded. Roll call vote taken; unanimous approval; motion carried.
- b. Commissioner Oels moved to approve Resolution 2015-0008, establishing a SOI for water, wastewater, parks and street lighting for the Indian Valley CSD. Commissioner Swofford seconded. Roll call vote taken; unanimous approval; motion carried.

NEW PUBLIC HEARINGS:

9. Public Hearing regarding the Sphere of Influence Update for the Walker Ranch and Hamilton Branch CSD's.

Benoit has been working with Mike, the Manager at Hamilton Branch. LAFCo did the Fowler annexation about a year ago. The sphere boundary maps and report were done at that time, and these two had an overlapping sphere but now there's not. The only change between the existing sphere is the Fowler annexation, which is not in the sphere but in the district.

- i. Mike Barney, Manager at Hamilton Branch CSD. The area discussed is the area just north of Hamilton Branch near the Cove Drive location in the Trailhead Subdivision. It is not developed yet but there is some infrastructure in place. There is an area within the subdivision which has two separate and adjacent districts. Hamilton Branch CSD requests that all the water services within the Trailhead Subdivision be included in the Walker Ranch CSD. Hamilton Branch CSD has just enough water right now to provide services to existing customers without stressing their current supply. Alternate Thrall concurred with including in Walker Ranch CSD.
- ii. Vice-Chair Goss moved to approve Resolution 2016-0001, adopting a Sphere of Influence update for the Walker Ranch CSD and the Hamilton Branch CSD. Commissioner Swofford seconded. Roll call vote taken; unanimous approval, motion carried.

10. Public Hearing regarding the Sphere of Influence Update for the Beckwourth County Service Area.

Benoit has been working the Public Works Director regarding the Beckwourth CSA. The CSA never included the airport in the original sphere of influence. Benoit recommends including the airport in the SOI.

- a. Alternate Thrall concurs with including the airport in the sphere of influence update. No other public comment.
- b. Commissioner Swofford moved to approve Resolution 2016-0002, adopting a Sphere of Influence update for the Beckwourth County Service Area. Vice-Chair Goss seconded. Roll call vote taken; unanimous approval, motion carried.

11. Continued discussion regarding Consolidation of Cemetery Districts in Plumas County – Commissioner Hafen - Continued

- a. Vice-Chair Goss and Jennifer Stephenson had two meetings with Greenville and Taylorsville Cemetery Districts. Taylorsville had some concerns: Crescent Mills isn't collecting property tax to go toward their cemetery district (due to a Prop 13 issue). There is a concern on Greenville's management. Money is also a concern; where and how the money would be distributed. Taylorsville has some issues they're trying to address. They have some money in their bank account, which they've been advised to put to use in upgrading their cemetery and installing a sprinkler system. There were supposed to be some representatives from Taylorsville today but they were not present. Jennifer's impression was that the atmosphere was one of "we're just fine" and they seemed very defensive of their money and their cemetery and had no interest in consolidation at all. Their annual revenue is \$11,000 in Taylorsville. They have quite a bit of reserves. They talked about sustainability and the ability to provide services in the future. Jennifer felt it was a very productive meeting and it was well-attended with approximately 10 people in addition to the Taylorsville Cemetery board. Even though the consolidation discussion was not as productive as hoped, Jennifer and Kevin both felt the meeting was successful as far as opening the lines of communication. Commissioner Hafen pointed out that it wasn't long ago that the Taylorsville board could not tell LAFCo how much money they had or who had been buried recently, etc. Goss replied that they have done a complete about-face and really have taken control of the situation. Alternate Greening asked how Greenville's Cemetery District is doing economically. Goss replied that they're not doing as well as Taylorsville. Greening asked if they could stay afloat doing business as they are now. Goss replied they have a bookkeeper doing their books and a half-time person doing maintenance at the Cemetery. Taylorsville has one individual for maintenance as well, working a lot less hours than Greenville. Alternate Thrall asked why Crescent Mills isn't receiving property tax because they were established long before Prop 13. Jennifer Stephenson responded that they didn't believe at that moment they were receiving property tax. Dennis Clemens stated that he came across a similar situation in his research for the Chandler Road Ranch annexation, and some of the districts back in 1975-76 had a nice

surplus in their bank accounts at that time so they didn't collect any property tax, which meant that in future years they didn't collect anything. Benoit will present some sphere options in a sphere report, setting a consolidated sphere for some of the cemetery districts. Right now there are 50 cemetery districts in Plumas County, which is way too many for a County of this size. Proposals to be presented at April meeting.

12. Authorize staff to attend the Calafco Annual Workshop in Los Angeles.

Vice-Chair Goss moved to authorize Benoit to attend the Calafco Annual Workshop in Los Angeles on March 30th through April 1st. Commissioner Swofford seconded. Unanimous approval; motion carried.

13. Appoint the Plumas LAFCo Budget Committee (2 Commission members) for next year's upcoming 2016-2017 fiscal year budget.

Commissioner Swofford nominated Phil Oels and Kevin Goss to be on the budget committee. Vice-Chair Goss seconded.

14. Discussion of Annual Work Plan for Fiscal Year 2016-2017 and provide direction to staff.

The work program is fairly simple; there are approximately 14 or 15 spheres which Jennifer Stephenson is working on. Benoit and Stephenson will be continuing those and specifically looking at healthcare districts, fire and CSD's in Indian Valley and Quincy as well. Alternate Thrall asked if we could establish a line item to start budgeting a small amount each year to carry forward toward these larger projects.

Executive Officer's Report

Benoit reminded the LAFCo board to file the Form 700's with the County Clerk by April 1st. Benoit also will be doing the October training on June 13th on managing special districts. The County Counsel and Auditor will also be presenting. Meeting will be held at the Quincy Library.

15. Commissioner Reports – Discussion

Commissioner Swofford states that the County has been working with CareFlight for the last 6-8 months. CareFlight will be able to fly into Beckwourth, and they'll be putting up a fuel station for CareFlight there as well.

16. Adjourn to the next LAFCO meeting – April 11, 2016 at 10:00 a.m. at the Plumas County Board of Supervisors Chambers.

The next meeting will take place on April 11, 2016 at the Plumas County Board of Supervisors Chambers. Chair Larrieu adjourned the meeting at 11:29 a.m.

PLUMAS LAFCO MEETING MINUTES

MONDAY, February 8, 2016
PLUMAS COUNTY BOARD OF SUPERVISORS CHAMBERS

1. CALL TO ORDER - 10:00 a.m.

Present: Kevin Goss, Terry Swofford, Phil Oels, John Hafen, John Larrieu
Also Present: Sherrie Thrall, Bill Powers, Jeffrey Greening and John Benoit
Absent: None

2. Approval of Agenda

Agenda approved as printed.

3. Correspondence

None.

4. CONSENT ITEM(S)

- a. Commissioner Hafen moved and Commissioner Oels seconded to approve the December 14, 2015 minutes as submitted. Unanimous approval, motion carried.

5. Public Comment

Dennis Clemens offered an update on the Chandler Ranch Subdivision Annexation Application. He is a homeowner there and is serving as a member of the Quincy Fire Protection District's committee negotiating an agreement on the tax exchange between the Fire District and the County. On September 8th, Assistant Fire Chief David Windle and Dennis Clemens met with the County Counsel, the Auditor and Supervisor Goss to negotiate a tax exchange for the fire district. In mid-October, they received a letter from County Counsel stating that the County would not agree to a tax exchange unless the fire district would agree to 1) impose a buy-in for assets already in place, 2) impose a fee to cover the cost of extending services and 3) impose an additional parcel tax which would be commensurate with the ad-valorem property taxes generated in the district prior to the passage of Prop 13. Mr. Clemens states the County has no authority to compel an independent special district to do any of the above; furthermore, before the process began, the district had already considered and rejected the buy-in due to the unique set of circumstances surrounding this proposed annexation. As for fees and parcel taxes, the district has no authority to impose fees or taxes. Prop 218 clearly vests that authority with the property owners. At the end of October, within the extended negotiation period, Fire District Board Chairman Mike Taborski responded to the County Counsel's letter and requested that the matter be submitted to the Board of Supervisors for a vote. Included was a proposal for the Board to consider: shift 7.455% of increment to the fire district. 7.455% is the average of the tax rate areas in the fire district that have a tax rate assigned to them

Chair:

John Larrieu

Commissioners:

Kevin Goss V-Chair

Terry Swofford

Phil Oels

John Hafen

Sherrie Thrall, Alt

Jeffrey Greening, Alt

Bill Powers, Alt



LAFCO

#6

*The Local Agency Formation
Commission Serving Plumas County*

Executive Officer :

John Benoit

Clerk:

Cheryl Kolb

**Claim Authorization Form
February and March 2016 Expenses**

The Local Agency Formation Commission of Plumas County hereby authorizes the payment of the following claims from the FY 2015-2016 budget:

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
Mar 2, 2016	Staff Svcs Feb 2016	\$ 3,938.48
Feb 12, 2016	Phone Bill – A T and T*	\$ 22.53
Feb 21, 2016	Long Distance Costs- Primus*	\$ 15.00
Feb 16, 2016	2.16.16 Health Care- Gullixson	\$ 661.82
Feb 8, 2016	Comm Stipend Feb 8, 2016	\$ 985.67
Jan 13, 2016	Feather Pub. HBCSD, WRCSD and BCSA SOI	\$ 83.30
April 1, 2016	Staff Svcs and Expenses Mar 2016	\$ 5,400.70
Mar 12, 2016	Phone Bill – AT and T*	\$ 22.53
Mar 21, 2016	Long Distance Costs – Primus*	\$ 15.00
Mar 14, 2016	Gullixson Health Care	\$ 661.82
Oct 8, 2015	Feather Publishing	\$ 44.10

*Communication costs are estimates

TOTAL Feb and March 2016 - LAFCO expenses: \$ 11,850.95

DATED: April 11, 2016

APPROVED: April 11, 2016

John Larrieu, Chair or Kevin Goss, Vice-Chair Plumas Local
Agency Formation Commission

Attest:

John Benoit
Executive Officer

4/3/16

4/3/16

Policy Brief:

Health Care Districts in Plumas County

HHealth Care Districts were created to insure rural, low income communities' access to health care through public subsidies and incentives

Consolidating health care districts could present substantial increased costs to local government and taxpayers

The ability of 3 district hospitals to leverage state and federal funding per district (300%) would be lost due to consolidation (100%).

HHealth care districts demonstrate a high level of ongoing collaboration to provide effective, efficient and transparent services to all Plumas County residents.

The Plumas County Local Agency Formation Commission (LAFCo), prompted by concerns about the financial stability of Plumas County's three district hospitals, is exploring the concept of consolidating the current Plumas County health care districts. While LAFCo has the authority to initiate steps that could lead to the ultimate consolidation of health care districts, the process could present substantial costs to Plumas County and local taxpayers. In addition, there is a complex financing and statutory infrastructure governing district hospitals in California. Consolidation may threaten the network of supplemental funds earmarked for health care districts under this structure. Consolidation of health care districts could bring about the opposite result desired - reduced overall funding for local hospitals, and therefore restricted access to health care for Plumas County residents.

Background:

At the June 8, 2015, LAFCo Agenda, a discussion was held to explore potential efficiencies through coordination and collaboration by health care districts, including the possibility of consolidating districts. In December 2015, the Plumas LAFCo Executive Officer was directed to issue recommendations regarding Health Care Districts Alternatives, with the end goal of improving the efficient delivery of health care services throughout the county through potential savings in administrative and other operational costs. Recommendations and discussion points were issued in a February 8, 2016 memorandum to the LAFCo Commissioners, which included consideration of 1) a consolidated Sphere of Influence Update, which is the

first step in the possible consolidation of the current Health Care Districts, 2) the significant costs to the City of Portola and Plumas County associated with any changes to district boundaries, and 3) the continued involvement of LAFCo in the provision of efficient delivery of health care services throughout Plumas County.

Healthcare District Statute and History: Provisions of California Health and Safety Code Division 23, § 32000-32492 and Government Code § 56030 outline the steps to be taken should a LAFCo pursue health care district consolidation. Consolidation is defined in Gov. Code § 56030 as, “the uniting or joining of ...two or more districts into a single new successor district.” This change in organization may be initiated by a local agency (i.e. one or more of the health care districts) or a petition of landowners or registered voters.

LAFCo may also initiate the process of reorganization if it is consistent with a recommendation or conclusion of a study prepared pursuant to Section 56387[study], 56425 [sphere of influence], or 56430 [municipal service review], and the commission makes the determinations specified in subdivision (b) of Section 56881 (Gov. Code § 56375). To approve a change of organization initiated by LAFCO, the Commission must find that 1) public service costs are likely to be less than or substantially similar to the costs of alternative means of providing the service and that 2) a change of organization or reorganization promotes public access and accountability for community services needs and financial resources (Gov. Code, § 56881). Public hearings, and protests by an affected agency and landowners or registered voters protest, may trigger an election at a cost to Plumas County and possibly the City of Portola.

Health care districts originated from the Local Hospital District Law of 1945. This legislation intended to give rural, low income areas without ready access to hospital facilities a source of tax revenues to operate community hospitals and health care institutions. Their public, tax exempt status also allows for subsidies to finance public health care districts in areas where the private health care sector cannot survive. These supplemental funds could be put in jeopardy through a consolidation of districts, an action which could open the door to numerous other risks to the financial health of all health care districts.

The leadership of all four health care districts agrees that regional cooperation is essential to government that is, and appears to be, effective, efficient and transparent. The districts continue to work collaboratively on service delivery, financing, and health improvement planning efforts with each other and the larger health system partners. However, cooperation and coordination in areas related to management, organization, and service delivery are neither synonymous with nor necessitated by reorganization into a single health care district and will continue regardless of the outcome of LAFCO’s Sphere of Influence Update.

Fiscal and Operational Impact: Consolidation of health care districts has the potential to impose the following detrimental and costly courses of action and effects:

- Licensing - Reorganization potentially subjects each existing facility to reapplying for licensing under a newly organized district, and may incur the cost and workload of re-licensing.
- Capital Costs - A new application for facility licensing may require cost prohibitive seismic upgrades, currently waived until 2030 for ongoing licensees. If facilities must be

rebuilt to meet new seismic codes, estimates are approximately \$1 Million per bed for hospital construction.

- Election Costs - A newly consolidated district may require funding of an election of a new health care district board, representing areas within the new district boundary.
- Property Tax Redistribution - Each health care district currently has different long term debt and property tax assessments. Consolidation could potentially commit property owners in one area to take on the additional debt of another community. Also, in the case of tax revenues, property taxes from one community may not necessarily stay in that community, but be utilized to support needs in another community within a newly organized county wide district.
- Cost- Based Reimbursement Structure - Health care districts are currently financed and reimbursed based on actual costs. Cost savings, if any are realized by a consolidation, will not result in additional revenues but a reduction in financial leverage triggered by lower costs.
- Loss of Federal and State Funding - State and federal incentives for hospitals, under a consolidated health care district structure, could be reduced to one eligible hospital district. For example, the current PRIME Incentive Program offers a funding minimum of \$750,000 per year for three years to each eligible hospital. Under a consolidated structure, Plumas County may be reduced to one eligible district hospital receiving payment of \$2.25 Million as opposed to three, representing a loss of \$4.5 Million in countywide health care revenue in just this single program. Other Medicaid reimbursement programs related to district hospital cost and utilization, such as Inter-Governmental Transfers, may also be negatively impacted by consolidation.

In addition to placing an administrative and operating burden on current hospitals, a move to consolidate health care districts fracture the delicate financing system in place for district hospitals. The state and federal government has developed a network of subsidies and other support with the intent to enhance access to health care services in rural areas. While challenging and complex, this system helps to insure public district hospitals survive in areas where private health care simply cannot operate, because being profitable without leveraging state and federal subsidies is not a reality. The funding which protects the survival of public district hospitals could be drastically reduced should the current district hospitals consolidate.

Analysis: The health care districts share the mutual goal with LAFCo of efficient delivery of health care services in Plumas County. In pursuit of that goal, it is important to differentiate between consolidation and collaboration. Consolidation in private sector economics often means lower costs and greater efficiency. However, it is important to note that typical private sector economic principals do not apply to health care.

Given the current system of public health care financing, Plumas LAFCo would best support efficiencies and service delivery in health care districts by maintaining a separate Sphere of

Influence for each currently existing health care district, rather than a consolidated Sphere. By definition, public district hospitals are non-profit organizations. While the complicated financing structures for public district hospitals do not allow them to earn a “profit”, each of the hospitals have utilized numerous financing mechanisms available to them to close gaps in revenue created by lack of reimbursement for services. Consolidation will bring little to no benefit to the districts in terms of revenue, and will place unnecessary burdens on each existing facility that may put at risk their very existence.

In the case of local government as it relates to health care districts, consolidation refers to the collapsing of four health care districts and three district hospitals into a single district with a single elected board representing the entire county as a consolidated district. Pursuing this structure will add burdensome costs from which some facilities may not recover and diminish each current district’s ability to leverage funding.

Collaboration has many benefits and district hospitals have committed formally and informally to a number of shared efforts. It can save money, enhance leveraging of state and federal dollars, allow for more comprehensive services and increased access to care. These strategies can ultimately improve the quality of care while lowering costs, which leads to stronger financial positions for hospitals. The current district hospitals have demonstrated a commitment to work collaboratively and have partnered on many key endeavors to improve health care service delivery for Plumas County residents. The health care districts are committed to continue their increasingly collaborative work in the areas of operational efficiencies, coordinated health assessment and health improvement planning, utilization of federal and state subsidies, and service delivery improvements. Collaboration can occur regardless of whether the hospitals, as health care districts, are consolidated.

This March 31, 2016 Policy Brief is presented by Plumas County Public Health Agency in collaboration with Eastern Plumas Health Care District, Indian Valley Health Care District, Plumas District Hospital, and Seneca Hospital District.

Critical Access Hospital Finance Overview

Prepared for LAFCO Board Meeting
April 11, 2016

Presented by:
Jon Marshall, MBA
CFO, Seneca Healthcare District

Revenue and Expense Overview

- Patient Revenue
 - Daily cash flow depends on patient volume, service and payor mix
 - Not all patients and insurances pay the same amounts
 - Hospitals must have strong revenue cycle in order to optimize payments
 - What is a “revenue cycle”?
- Expense
 - Payroll is largest expense, paid bi-weekly
 - Physician fees are also significant
 - For small hospitals, most costs are fixed, we operate at minimum ‘core staffing’
 - Variable costs are largely in drugs and supplies

Revenue Details



- All patients, including Medicare
 - Payment only arrives after the service is provided, typically in 30-90 days
 - Payment amount not always known, different insurances pay different rates
 - Payment never guaranteed, insurance company games
 - Our billing processes and communication must be sharp and consistent
- Medicare end of year true-up of payment vs. cost
 - Cost Report similar in concept to personal tax return, with more nuances
 - Designed to cover 101% of 'allowable' costs attributable to Medicare patients
 - 18-24 months after start of year, payment adjustment is made
 - Cost based reimbursement should never be an excuse for taking on more cost

Differences in Designations - Differences in Reimbursements

- Critical Access Hospital vs General Acute Care Hospital
 - Cost based plus 1% and cost report adjustments vs DRG/FFS/Per Diem rates
- Distinct Part Skilled Nursing Facility vs Free Standing SNF
 - Higher Medi-Cal rates than freestanding
- Rural Health Clinic
 - Higher reimbursement per patient visit than independent physician office

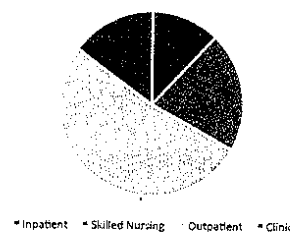
Differences in payment rates

- 3 patients have the exact same ER service on the same day
 - Patient A has Medi-Cal. Patient B is insured with a \$5,000 deductible that hasn't been met. Patient C is insured with a \$2,000 deductible that has been met.
- The bill for each patient is for \$6,000, and the bills are sent exactly one week after service.
- A: Medi-Cal pays very low \$500, money arrives via EFT exactly 3 weeks after we bill them.
- B: The insurance has a contract paying 80% of charges. So, 45 days after billing, they send an EOB showing 80% of \$6,000 is \$4,800, and the unmet deductible is \$5,000, so no insurance payment is received. Within a week, another bill is sent to the patient for \$4,800.
- C: The insurance has a contract paying 90% of charges. 30 days after billing, they send a denial stating the service isn't covered. We make numerous phone calls to research it and send an appeal in 2 weeks. Another 60 days later they agree and send a check for \$5,400.
- Timing and amount of payments are highly variable and influenced by many factors. We must be very good at processes and communication in order to optimize outcomes.

Sources of Patient Revenue

- Patient Revenue depends on:
 - Volume of patients
 - Service mix (Inpatient, Skilled Nursing, Outpatient, Clinic, etc)
 - Payor mix (Medicare, Medi-Cal, Insurance, Uninsured, etc)
 - All payors pay differently for all service lines and require different processes and time
 - Billing and revenue cycle proficiency
- Total Patient Revenue by patient type:
 - Inpatient 10-15%
 - Skilled Nursing 20-25%
 - Outpatient 50-55%
 - Clinic 15-20%
 - All areas are at risk if any one area is lost

Source of Patient Revenue



Timing of cash flows

- Sources and uses of cash are not timed to match each other
- Additional sources of cash also require close management
- Expenses are paid out in bi-weekly cycles (payroll, physicians, invoices)
- Revenues are received by hospitals 30-120 days after service
- Additional significant fluctuations:
 - Financial instruments that must be managed, listed below:
 - Medicare cost report true-up (2-4 years delay)
 - Intergovernmental Transfers with the State (1-2 years delay)
 - Property Tax revenues (twice per year)
 - Several other supplemental programs (not coordinated, throughout year)

Collaborative efforts among Plumas hospitals

- Constant collaboration among leaders
 - Plumas County hospital CEOs, leadership teams, and physicians
 - Significant involvement with statewide healthcare leaders and organizations
- Plumas County service collaboration
 - Obstetrics (new service line in Fall 2015 for Seneca)
 - Surgery (avoided duplicate services by coordinating schedules – shared Surgeons)
 - Plumas County Public Health
 - Community Health Assessment
 - Community Health Improvement Plan
 - Plumas Rural Health Initiative
- California Critical Access Hospital Network
- Immediate risks of consolidation
 - Seismic, alternative funding source “per entity” floors, cost of re-licensure/survey

Seneca Healthcare District

- Major improvements in financial health and structure

- Income Statement

- FY 2013 – Income from Operations (\$978k), EBITDA \$151k
 - FY 2014 – Income from Operations (\$903k), EBITDA \$1.02m
 - FY 2015 – Income from Operations (\$199k), EBITDA \$623k
 - FY 2016 YTD (8 months July-February) – Income from Operations \$382k, EBITDA \$554k

- Balance Sheet

- FY 2013 – Cash \$461k, AR \$1.92m, AP \$1.39m, Total Debt \$2.53m
 - FY 2014 – Cash \$1.66m, AR \$1.63m, AP \$457k, Total Debt \$2.15m
 - FY 2015 – Cash \$1.23m, AR \$1.43m, AP \$422k, Total Debt \$947k
 - FY 2016 YTD (as of February 29) – Cash \$1.14m, AR \$1.48m, AP \$476k, Total Debt \$856k

Questions?

Thank you!

Jon Marshall, MBA

CFO, Seneca Healthcare District

Cell: 775-335-9932

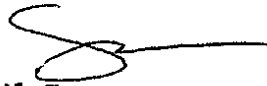
Email: jonmarshall04@gmail.com

**Plumas County LAFCO
c/o Linda Wagner
P.O. Box 737
Chester, CA 96020**

Linda,

It has come to our attention there is some talk of consolidating Seneca Hospital with the hospital in Quincy. I am writing to you to express concerns for the loss of the current hospital for the residents of Chester Etc. I feel that this would make the need for emergency medical care difficult and life threatening. I believe this plan should include input from the hospitals and medical experts.

Respectfully,



**Shawn and Maribeth Spencer
453 Ponderosa Dr
Lake Almanor ca 96137**

639 Pine Canyon Rd.
Lake Almanor, CA 96137
March 14, 2016

Plumas County LAFCO

Dear Sirs,

We are residents of the Lake Almanor Basin and support our Seneca Healthcare District.

We have also used the services of the District and have been happy with their level of service, and find that the financial management of the District has been very responsible.

If there is any consideration by LAFCO to change the status of our Healthcare District we are very opposed to any such move. Have you thought about what the long term consequences would be? Thoughts of consolidation or absorbing the debts of other Healthcare Districts is unwise, and would jeopardize our own District.

Yours truly,

Handwritten signatures of Robert and Barbara MacArthur. The signature on the left is "Robert MacArthur" and the signature on the right is "Barbara MacArthur".

Robert and Barbara MacArthur

Constance Hatcher

*189 Manor Dr.
Lake Almanor, CA*

March 15, 2016

Plumas County LAFCO Board

Dear Board Memebers,

I would like to voice my concern and disapproval of your plans to change any aspect of the Seneca Hospital District. Our hospital is running smoothly and is fiscally sound and disrupting the management of this hospital would not be of any benefit to us as citizens of this district.

I understand you have not given a complete listing of what your plans include and have not included input from the hospital personnel to be effected by a change. Please do not go forward with any plans without full input from those Hospital Districts and their leadership who will be effected and without full disclosure of what your plans will mean to them. They and we as citizens deserve to be involved and any decisions.

Respectfully,

Constance Hatcher

Constance Hatcher

Barbara Friday

491 Red River Dr.
Lake Almanor, CA 96137

March 22, 2016

Plumas County LAFCO

John Benoit, Executive Officer

Sherrie Thrall, Supervisor, County Member Alternate

Jeffrey Greening, Public Member Alternate

To: Plumas County LAFCO Members,

In 2009, when looking forward to retirement and where we wanted to live, there were many things we needed to consider. Living in the bustling southern California area of Santa Clarita, we knew we wanted a place with less traffic, a place where we could enjoy the outdoors and the many activities we liked to do, a place where family was not too far away, and a place where if need be we could get quality medical care. It didn't take us too long to decide that the Lake Almanor area was the place that met our needs and was where we wanted to be.

Shortly after buying our home and coming to vacation here (we weren't yet retired) I fell and broke my ankle. I went to Seneca Healthcare District and received excellent emergency medical care. It was a bad break and was going to require surgery. I was splinted and offered the services of an orthopedic, but chose to return to Santa Clarita for the surgery, so I could get the needed followup for the months to come. It was nice to have the emergency services so close in a time of need. We have since retired and permanently moved into our home. We have developed a relationship with our primary physician, someone we feel we can trust. Both my husband and I have had orthopedic surgery at Seneca, receiving excellent surgical and post op care. I have also had another visit to the emergency room for GI issues which were efficiently diagnosed and treated.

The following is travel miles/time to the closest medical services from our home:

Seneca Healthcare District: 8 miles, 12 minutes

Banner Lassen Medical Center: 34 miles, 44 minutes

Plumas District Hospital: 43 miles, 59 minutes

Enloe Medical Center: 75 miles, 1hr, 39 minutes

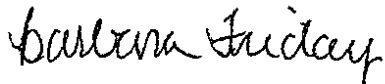
All of the above could possibly be difficult to get during the winter time due to snow, plus Banner and Enloe are not in the county and we would like to spend our money and support our own county if possible!

I am afraid that this proposed consolidation would take away our critical access hospital funding and Seneca District Hospital would be in jeopardy of closing. Not only does the hospital serve the local residents of the Chester/ Lake Almanor basin, it also serves those who come to enjoy the beauty and recreation of our area. The community depends on the hospital for emergency healthcare

services, in patient services, a local place for those who have family members requiring long term care, and it also provides jobs for many qualified healthcare workers.

PLEASE DO NOT consolidate the hospitals of Plumas County. I fear that it would have long lasting detrimental effects on the life and economy of the Chester/Lake Almanor Basin. Thank you for your consideration in this very important matter.

Sincerely yours,

A handwritten signature in cursive script that reads "Barbara Friday".

Barbara Friday

cc: Linda Wagner
PO Box 737
Chester, CA 96020

March 18, 2016

Toddy Cutler
627 W. Mountain Ridge Road
Lake Almanor, CA 96137

Sherrie Thrall
c/o John Bennoit
PO Box 2694
Granite Bay, CA 95746

Dear Ms Thrall,

I am writing in regards to LAFCO's position on Plumas County hospital districts. From the article appearing in the Chester Progressive March 9, 2016 I understand that you are not in favor of consolidating the healthcare districts in the county. I applaud you on that view and encourage you to stand by it.

I grew up in Chester and as a child had occasion to use Seneca Hospital when it first opened. My husband and I retired to Lake Almanor in 1997 and consider our local hospital an important factor in choosing a home for retirement. During our 19 years here (we are full time residents), we have been thankful to have Seneca Hospital District in Chester. On two occasions my husband required immediate care without which he could have died. Close distance to quality care was definitely a factor.

I majored in Bacteriology and Public Health in college and have worked in several large hospitals in California, Nevada and Illinois. I currently volunteer at Seneca Hospital District. I find Seneca to be a gem that serves a very diverse group of patients. The services that are presently shared with other districts work very well. The hospital staff is caring and the management under direction of Linda Wagner is knowledgeable, professional and committed to the future of SHD. Because of these factors, positive financial strides have been made. We must retain the "Critical Access Hospital" status we now have.

Seneca Healthcare District must not be involved in a consolidation with the other healthcare districts of Plumas County. Sharing of services can always be encouraged. Healthcare is not like any other business and cannot be treated as such. Please encourage the other members of LAFCO to learn from and trust Linda Wagner's hard earned experience in these matters.

Sincerely,

Toddy Cutler

March 18, 2016

Toddy Cutler
627 W. Mountain Ridge Road
Lake Almanor, CA 96137

Jeffrey Greening
c/o John Bennoit
PO Box 2694
Granite Bay, CA 95746

Dear Mr. Greening,

I am writing in regards to LAFCO's position on Plumas County hospital districts. From the article appearing in the Chester Progressive March 9, 2016 it appears that Sherrie Thrall is not in favor of consolidating the healthcare districts in the county. I applaud her on that view and encourage you to consider your views on the matter with great care.

I grew up in Chester and as a child had occasion to use Seneca Hospital when it first opened. My husband and I retired to Lake Almanor in 1997 and consider our local hospital an important factor in choosing a home for retirement. During our 19 years here (we are full time residents), we have been thankful to have Seneca Hospital District in Chester. On two occasions my husband required immediate care without which he could have died. Close distance to quality care was definitely a factor.

I majored in Bacteriology and Public Health in college and have worked in several large hospitals in California, Nevada and Illinois. I currently volunteer at Seneca Hospital District. I find Seneca to be a gem that serves a very diverse group of patients. The services that are presently shared with other districts work very well. The hospital staff is caring and the management under direction of Linda Wagner is knowledgeable, professional and committed to the future of SHD. Because of these factors, positive financial strides have been made. We must retain the hard earned "Critical Access Hospital" status we now have.

Seneca Healthcare District must not be involved in a consolidation with the other healthcare districts of Plumas County. Sharing of services can always be encouraged. Healthcare is not like any other business and cannot be treated as such. Please learn from and trust Linda Wagner's hard earned experience in these matters.

Sincerely,

Toddy Cutler

To Chester and the greater Lake Almanor Basin area

It seems the Local Agency Formation (lafco) has undertaken a review of restructuring the two hospital districts, Plumas and Seneca into one merged entity. According to a Municipal Service Review that was conducted in October of 2012, that Seneca was in dire financial difficulties and that shared facilities was a reasonable conclusion, but that is no longer accurate.

I have lived in this community for 15 years and have observed the problems of Seneca Hospital to survive. First there was a lapse in ability to collect fees for service and this caused a large deficit in their finances. Then Seneca was administered by Enloe Medical of Chico, and Renown Medical of Reno, Nevada. These entities were not successful in helping Seneca with its' financial difficulties, but in fact added to the problem because of their fees.

Now there is an existing Sphere of Influence that allows for collaboration between Plumas and Seneca Hospital districts, without merging the two in any other way, and I encourage you to contact the names listed on the bottom who have influence in this matter.

Seneca Hospital is emerging from dire financial straits to being more profitable and because they are local, serve a very real need in this community.

On a personal note I have had the direct opportunity to see first hand how the Seneca emergency and hospital function. I have had 40 years in the medical profession, and the staff at the Seneca Hospital were as professional, caring and friendly as I have seen. Oh, I know it is an older facility, but every effort was made to make it clean and homey. This is especially important in this age of super bacteria, such as MRSA, a bug that is veritably, impossible to treat with current anti-biotics and very prevalent in larger municipal hospitals such as in Reno or Chico.

From the intake person, to the registering nurse, to the hematologist, to the respiratory therapist, to the radiologist, to the attending physician Dr. Ward: all were as personable and professional as I have seen. And I have worked critical care hospitals, nursing home facilities, intermediate care, outpatient clinics and prison clinics.

So to the officials below: DO NOT consider changing the Sphere of Influence for SHD to include a consolidation of health care districts. This would limit access to care, couple the financial burdens of each, and cause relicensure. This at a time when Seneca can be financially be viable.

Joel S Rondon

Local LAFCO members and supervisors: Sherrie Thrall, Jeffrey Greening.
LAFCO exec officer John Benoit POBox 2694, Granite Bay, CA 95476

March 24, 2016

Lafco Board Members

Re: Consolidating health care districts

I have been on the Plumas District Hospital Board for over fourteen years. I wanted to put my two cents in as to consolidation.

At this time I do not believe consolidation would serve our citizens well. I know there is a lot of reimbursement issues but the points I want to make is the advantage of local governance and management in a county that is larger than a couple of states.

The reason for local management and governance:

- 1) Each region of the county is captain of their own ship and intimately understands the needs and financial resources of its community. The community leaders and hospital leadership are best able to make the best decision for their district and can more easily determine a consensus of opinion. When it gets to the hard decisions a local consensus is much better than a faraway bureaucracy. This intimacy of the needs of a community get lost on a county wide board.
- 2) Fundraising: I have been a board member of a county wide nonprofit that supports the local schools. This nonprofit had good intentions but practically was doomed for failure. The reason is that people want to donate to their local school not to the entire district. In the same way donors want to donate to their local hospital where the goodwill was generated.
- 3) Borrowing: Local bonds and borrowing would be much more difficult if not impossible on a county wide arena. Why would Portola want to pay for infrastructure for Quincy and Chester. Would county wide taxpayers in Chester want to be hit for extra taxes for Portola hospital remodel.
- 4) Management: With our districts so far apart and roads difficult in winter how can one manager oversee all hospitals? Hospital business is complex enough versus the added complexity of distance and different community expectations and needs. Doling out limited resources would be a nightmare.

I do understand there can be savings in administrative areas but believe the disadvantages far outweigh the advantages. It is tax season so have few minutes to state my ideas but please accept in advance my lack of eloquence and clarity.

Sincerely,

John A, Kimmel, CPA
PDH Board member

On 3/21/2016 8:17 PM, Douglas Ghiselin wrote:

Please do what is necessary to stop consolidation of the Seneca Hospital District. Thank you.

Sincerely, Douglas Ghiselin
1045 Peninsula Drive
Lake Almanor Peninsula, CA

To the LAFCo Commissioners

Jeffrey Greening - Public Member Alternate

Sherrie Thrall Supervisor - County Member Alternate

As a resident of the Lake Almanor and Chester community, it would seem to be of no benefit to the Seneca Healthcare District to bring about change, but in fact, could very possibly bring negative results. Therefore, I am fully against this plan for Consolidation.

The ability of having Seneca Hospital in such close proximity, did in fact, save the life of my husband on one occasion. I ask careful consideration in this matter, as stated above.

Sincere Regards,

Sileen Kennelly
1049 Peninsula Drive
Lake Almanor,
CA 96137

Plumas LAFCO
2016-2017 Proposed Work Program

LAFCO's 2016-2017 proposed work program is described below. While LAFCO remains mindful of the budget constraints of the City and the County the following proposed work program reflects substantial limitations especially in light of a continuing recession. However the Budget Committee is recommending certain items such as taking a more proactive role in the organization of districts have become apparent and are needed. LAFCO is also in need of a reserve fund. This budget does not include funding a reserve fund. The proposed budget historically has suggested using staff as much as possible in the preparation of the service reviews and Sphere Updates. Use of a fully staffed consulting firm would result in the need to have a much higher Service Review and SOI budget as well as significant increases in LAFCO's administrative overhead.

Since the passage of AB-2838, based on the recommendations of the Commission for Local Governance, LAFCO has become an independent agency. The start-up activities have been completed although continuously amended to keep up with new legislation; continued activities need to take place such as continuing with the mandated Municipal Service Reviews and Sphere of Influence updates.

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 2016-2017

Direct Projects – Projected

1. Small and medium reorganizations - For the 2016-2017 fiscal year, based on recent inquiries, LAFCO anticipates one or 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 2016-2017 around the City of Portola. Nevertheless, LAFCO will be participating in the environmental review for various proposals with the City and County as a responsible agency.

These costs 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).

District Consolidations – At this time staff has heard of no district consolidations. With chronic State Budget problems there is a possibility agencies will be left without funding to perform basic functions. This may ultimately result in consolidation. LAFCo has the authority to initiate consolidations based on findings in a Service Review. This budget includes funding to initiate the discussion of consolidations in certain circumstances such as Healthcare and Cemetery Districts.

2. Major annexation proposals - Staff does not foresee a Major Annexation Proposal for the next fiscal year at this time. However, the need for thought continues to be given to annexing territory into various Fire Protection Districts. With the passage of SB 88, LAFCo could see some activity regarding water districts. LAFCO is not empowered to initiate annexations and (or) detachments.

Administrative Projects and Operational Provisions

Ongoing administrative activities include:

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. Work with City and County offices on these issues.

Preparation of the budget and budget justification documents and resolutions are included in these activities. Legal advice when needed is required regarding expenditure requests. 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 included. Public inquires regarding expenditures and expenditure priorities are handled by the Executive Officer. Incidental office supplies and communication resources are needed to perform these functions.

Special administrative projects such as coordinating agreements i.e. agreements for the provision of insurance or responding to a Commission directive or minute order.

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

Communication

This budget includes conducting organizational LAFCO workshops. This should occur at a separate meeting with LAFCO staff and special district or city staff.

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.

Communicate with independent special districts. LAFCO staff needs to be available to discuss LAFCO matters with Special District representatives (staff and board members) or the Special District's Association. The budget for these activities includes preparation and meeting with district boards and incidental office supplies, legal advice, travel and communication.

Conduct project-oriented workshops, as appropriate. This activity may occur this year in various areas in the County.

Work with potential applicants seeking reorganization. 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. An example is to discuss LAFCO with the Grand Jury to assist them in their role and taking correct action.

Responding to public inquires. Public inquires 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. There is no one else who will provide the public with correct information about LAFCO. This may cause substantial cost savings for the public by having correct information to make business decisions.

Brown Act, Public Records Act and Political Reform Act compliance. Staff and legal time is required to comply with these laws. Including noticing, Form 700's, public records disclosure, citizen's inquires, general compliance and written responses to records request. These are state laws and must be followed. If not substantial costs could occur.

Environmental Reviews: CEQA is required for most LAFCO discretionary projects. Applicants pay direct project costs; Spheres of Influence are LAFCO's responsibility. LAFCO is also required and should want to comment on Environmental Reviews from various agencies. These costs 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.

Public Education

Utilize media and speaking opportunities and submit articles about LAFCO to journals and newspapers. This activity is fairly minimal.

Submit press releases on substantive actions; encourage agencies to request regular LAFCO meeting agendas and update 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. This budget includes funding for Special District and other agency Training in financial and governance matters.

Resource Development

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. Plumas LAFCO did not participate in the Commission for Local Governance for the 21st century. Some legislation may have been proposed of interest to Plumas LAFCO had this happened. For example, changes in the definition of districts, which are subject to LAFCO.

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 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 includes funds for consolidation studies.

Commissioner Development – CALAFCO Conference

Ideally, the Commission's 2016-2017 budget should include funding for attendees at the Annual CALAFCO Conference and a portion of the staff workshop costs. Since the passage of AB 2838, the Commission and our bylaws have held 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. If the Commission does not understand the CKH act or does not have experiences related by other LAFCO's, decisions made will be merely staff recommendations without an understanding of why these decisions are being made in a particular manner. The annual Calafco conference is scheduled for October 26-28, 2016 in Santa Barbara, California. Informed decision makers better serve the public.

Insurance is provided through the SDRMA. Staff proposes no changes this year in insurance this year.

Service Reviews and Sphere of Influence Updates

Cortese-Knox-Hertzberg (§ 56430)

LAFCO must update all spheres of influence every 5 years as necessary, and must prepare a review of each municipal service before or in conjunction with sphere of influence updates.

The purpose of a service review is to support preparation and update of Spheres of Influence, in accordance with the provisions of the Cortese-Knox-Hertzberg Act. The objective of a Municipal Service Review (service review) is to develop recommendations that will promote more efficient and higher quality service patterns; identify areas for service improvement; and assess the adequacy of service provision as it relates to determination of appropriate sphere boundaries based on a specific growth period and a realistic growth rate adopted for that period. This is particularly troublesome in Plumas County

since, absent State Department of Finance projections, there exists no credible population projections. This may occur when the County or City updates its General Plan.

For a service review to be of value, the Commission needs to review services comprehensively, on a service-by-service basis within logical sub-regions, given consistent and specific target growth periods and a realistic estimate of growth adopted for that period. Some studies will review multiple services, if the Commission deems such grouping appropriate (For example, the wastewater service review). When appropriate, the Commission will follow the methodology developed by the Governor's Office of Planning and Research as provided in the State's Service Review Guidelines.

The following items are required to be analyzed in a Municipal Service Review:

Growth and population projections for the affected area

Disadvantaged Unincorporated Communities

Capacity and Infrastructure

Financial Ability

Opportunities for shared facilities

Government structure and accountability

The current work program includes initiation of the following sphere and (or) service review updates:

- Eastern Plumas Municipal Service Review (FY 2010-2011) completed
- Eastern Plumas Fire SOI reports (FY 2016-2017) completed
- Lake Amador Municipal Service Review (FY 2011-2012 and FY 2011-2012) completed
- Lake Amador Fire SOI reports (FY 2013-2014) completed.
- All remaining Fire Agencies –completed October 2013
- Adopted in FY 15-16
 1. Central Plumas Recreation and Park District
 2. Crescent Mills Cemetery District
 3. Crescent Mills Lighting District
 4. Greenville Cemetery District
 5. East Quincy Community Services District
 6. Indian Valley Healthcare District
 7. Indian Valley Recreation and Park District
 8. Plumas Hospital District
 9. Quincy Community Services District
 10. Quincy Lighting District
 11. Quincy-La Porte Cemetery District
 12. Taylorsville Cemetery District
 13. County Service Area 6 – Genessee Valley

14. County Service Area 11 - Ambulance

To be initiated in FY 16-17.

1. Cromberg Cemetery District
2. Dixie Valley Community Services District
3. Feather River Canyon Community Services District
4. Feather River Resource Conservation District
5. Graeagle Community Services District
6. Johnsville Public Utility District
7. Meadow Valley Cemetery District
8. Mohawk Valley Cemetery District
9. CSA 7 – Warner Valley
10. CSA 10 – Big Meadows
11. CSA 12 - Transportation
12. Sierra Valley Groundwater Management District
13. Plumas County Flood Control & Water Conservation District (Has this ever exempted this one?)

A decision regarding the Completion of the Service Reviews vs. working on various Sphere of Influence Updates. Most LAFCo's have completed all the required MSR's and SOI's. Plumas LAFCo still need to complete 13 MSR's. The Commission will need to prioritize activities for the upcoming fiscal year. Sphere Updates, for most districts are still in need of completion. For this fiscal year the Sphere of Influence updates for the following should be initiated and completed.

1. The Healthcare Districts – Initiated and Pending
2. The SOI for those Cemetery Districts in those areas where a MSR has been completed - initiated.
3. The SOI for the Walker Ranch CSD and Hamilton Branch CSD - Completed
4. The SOI for the Beckwourth CSA - Completed
5. The SOI for the Crescent Mills and IVCSO (fire) - Completed

A Service Review is required prior to preparing a Sphere of Influence Update. The Sphere of Influence is LAFCO's planning document for the probable service boundary for a service provider. Prior to adopting a Sphere of Influence Map and Sphere Policies, the Commission must make determinations based on supporting evidence with regard to the following:

“The present and planned land uses in the area.

The Location of Disadvantaged Unincorporated Communities.

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

The present capacity of public facilities and adequacy of public services, which the agency provides or is, authorized to provide.

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

The total cost of the above projects and activities exceeds the actual budget amount to be requested. Some of the above activities could be funded by private parties or rollover from the current years budget or deferred to a later time. It is expected if project related activities are not realized, work would be performed on other activities as needed or work on project related activities would occur in a subsequent budget year. To save money it is recommended LAFCO utilize the County's Environmental Impact Report prepared for the County's General Plan to meets its CEQA obligations with respect to Spheres of Influence and rely upon the development patterns and policies in the County's general plan to assist in the determination of Spheres of Influence. Any proposals for sphere amendments should be funded by sources other than Plumas County and the City of Portola.

Summary of the Proposed Budget:

Commissioner Stipends: Commissioners and Alternates receive mileage and \$100 per LAFCo meeting. If LAFCo were to have 12 meetings per year it would cost \$986.00 per meeting. These costs are proposed to remain reduced this year to limit the number of meetings to a maximum 6 as approved by the Commission last year, which the Commission approved to having meetings every other month. As a result the proposed costs would be \$4,800 per year in meeting stipends and \$2,000.00 in personal mileage. Should an extra meeting be needed, we will use contingency funds to pay for the meeting or the costs would be paid by the party who is requesting LAFCo conduct a meeting.

Liability Insurance: LAFCO is required to carry insurance as an independent agency. LAFCo's Insurance cost was reduced last year. However, costs were \$1079.60. Staff recommends remaining with SDRMA and budgeting \$1150.00 for liability Insurance.

Memberships: CALAFCO dues will be increased next year from \$785.00 to \$840.00. It is important LAFCO remain in its statewide professional organization and participate in LAFCO issues of common concern for the benefit of Plumas LAFCO and its agencies. Since LAFCo receives SDRMA insurance, there is a \$500.00 membership fee for the California Special Districts Association.

Office Expense-Printing and Office Expenses/ Board Room Rental: This item has covered many budget categories in past years. This year this item will again cover Printing and Board of Supervisor's room rental totaling \$1,750.

Postage: This item was \$750.00 this year five years ago. Next year it is proposed to be \$450.00, which will cover the costs of mailing notices and LAFCO packets.

Communications: This item is requested to be \$900 since phone costs have been continuously lowered in the past.

Legal Services: This year the Committee recommended \$4,000.00 for this activity. 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.

Staff Services: The budget committee recommended this item be at \$39,000 Should there be unanticipated workload, a budget amendment may be necessary in this as well as other categories.

Project activity may consist of a City or District Annexations now that the City's service review is completed. This category includes general administrative work, project processing, meeting with Special Districts, the Grand Jury and environmental review on Spheres of Influence updates and the staff activities enumerated in the "activities" report. Notwithstanding a very complex reorganization (application), controversial Service Review, sphere of influence or incorporation project for Plumas LAFCO, this amount should also cover LAFCO administration and potentially also allow time to work to continue on the Municipal Services Reviews and Sphere Studies.

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.

Legal Notices/Publications: \$750 has been proposed for this item, an increase from last year but a reduction from prior years. Publication costs are significantly higher than adjacent counties. 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.

Transportation/Travel/Conf. Registration: The Committee recommended \$150.00 be budgeted in this category. This amount budgeted would provide for a portion of staff's attendance at CALAFCO activities to represent Plumas LAFCO at the Staff workshop. This upcoming year, the conference will be in Santa Barbara at a cost of around \$1,600 per person. This year several commissioners attended the Conference in Sacramento. If the Commission desires to send a member to the Calafco Conference in Santa Barbara, the Budget for this category should be increased by \$1,600 per attendee.

Since the passage of AB 2838, with the changes in LAFCO, 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: This year the Committee recommended \$35,000 to cover the costs of working on Service Reviews and Spheres of Influence Updates and to complete these mandates sooner, which is required by the LAFCO Act. As noted earlier, there are several service reviews in progress and others yet to be reviewed. Several Sphere updates need to be completed.

Plumas LAFCo is significantly behind in compliance with this mandate that extra effort needs to be focused on completing the Service Reviews and Sphere Updates countywide without incurring CEQA costs beyond the capacity of Plumas LAFCO to fund.

File Scanning and Retention Plumas LAFCo has generated several files over the years. Plumas LAFCo adopted a File Retention Policy on December 9, 2013. To implement the policy, the files need to be scanned and placed into electronic format as are files in most county and city departments. This is a one-time expense estimated to be \$5,000. In addition, the files will be able to be accessed to the public via LAFCo's webpage. The immediate tasks are to review and dispose of files consistent with LAFCo's adopted Records Retention Policy and to scan and index these files for accessibility to agencies, the public and lafco staff. Once the files are scanned, these files will then be made more accessible. It will be later determined if LAFCo will need to prepare a Microsoft Access database for LAFCo.

Mapping: LAFCO has set aside funds for mapping Spheres of Influence and District Boundaries in the line item budget for Sphere of Influence Updates and Service Reviews categories.

Financial Services: Financial Services are included in the County Contract and Misc. Services in the amount of \$1,000.00.

Retirement and Retirement Medical Costs: LAFCO is required to pay for a portion of a past Executive Officer's health insurance. Two years ago the premium was lowered from \$12,000 to \$7,200 per year. It is unknown if these costs will remain due to cost increases in health insurance in general. This item is increased this year to fund PERS unfunded liability and increasing healthcare insurance costs to \$9,450.00 for this year.

Contingency: The Contingency has been set at slightly less than ten percent of the budget at \$10,000. This year the Contingency amount will be set at \$5,000.00

Reserve Funds: In the past, Plumas LAFCo has had no reserve funds. If unanticipated expenses were to occur the county would be asked to loan LAFCo the funds to meet the unanticipated expense. The County is not obligated to loan the funds to LAFCo. LAFCo would then be required to budget for any unanticipated expenses during its budget process in the following year. Without funds in a reserve the Commission needs to be aware that if needed, additional LAFCo contributions would be necessary. This year staff is proposing \$10,000 in carryover funds to be allocated to the reserve rather than being re-budgeted.

Anticipated re-budgeting of funds

Notwithstanding unexpected year-end expenses, at current expenditure rates the Commission will be able to re-budget approximately \$16,750 from the 15-16 fiscal year budget of which \$10,000 will be allocated to the General Reserve and \$5,000 to be budgeted to LAFCo File Management including file organization and scanning.

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. Unfortunately, due to the recession and the County's declining population, there are few applications being contemplated at this time although there are signs the recession is ending. In recent years Plumas LAFCo has not met revenue estimates.

Costs to City and County

Assuming a carryover of \$16,750 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 \$100,710.00 for FY 2016-2017, which is about the same as last year. The City and County would pay \$50,355.00 each assuming the existing allocation formula in Government Code 56381 is followed.

Recommendation

Approve LAFCO Resolution 2016-0003 adopting a proposed budget for fiscal year 2016-2017

Resolution 2016-0003
of the
Plumas Local Agency Formation Commission

A Resolution of Plumas Local Agency Formation Commission Adopting a Proposed Budget for Fiscal Year 2016-2017

WHEREAS, Plumas LAFCO is required by Government Code Section 56381(a) to adopt annually, following a noticed public hearing, a proposed budget by May 1st 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 2016-2017 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;

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

1. That Plumas LAFCo hereby adopts the attached 2016-2017 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.
3. Desires to establish a LAFCo Reserve Fund to be funded by prior year carryover funds.

PASSED AND ADOPTED by Plumas Local Agency Formation Commission at a regular meeting of said Commission held on the 11th day of April 2016 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 11th day of April 2016.

John Larrieu, Chair
Plumas LAFCo

Attest:

John Benoit, Plumas LAFCo Executive Officer
Plumas LAFCO
Proposed 16-17 Budget, Resolution 2016-0003
April 11, 2016

Exhibit A
Plumas LAFCo

Exhibit A
2016-2017 PLUMAS LAFCO
PROPOSED BUDGET

OBJECT LEVEL/ACCOUNT	FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2015-2016 Expenses as of 1-Mar-16	FY 2016-2017 PROPOSED BUDGET
EXPENDITURES*						
Commissioner Stipends	\$5,600.00	\$4,800.00	\$4,800.00	\$4,800.00	(3,455.49)	\$4,800.00
Liability Insurance	\$1,866.04	\$1,675.60	\$1,675.60	\$1,146.60	(1,079.60)	\$1,150.00
Memberships	\$741.00	\$758.00	\$769.00	\$785.00	(1,285.00)	\$1,340.00
Office Expense - Printing	\$2,000.00	\$1,600.00	\$1,600.00	\$1,250.00	(434.53)	\$1,250.00
POSTAGE	\$500.00	\$400.00	\$450.00	\$450.00	(106.38)	\$450.00
COMMUNICATIONS	\$900.00	\$900.00	\$900.00	\$900.00	(313.84)	\$900.00
OFFICE EXPENSES/ESRI/Board Room rental/general	\$1,000.00	\$1,000.00	\$1,000.00	\$750.00		\$500.00
Professional Svcs. - Legal Counsel	\$1,500.00	\$1,500.00	\$1,500.00	\$6,000.00	-	\$4,000.00
Professional Svcs. - LAFCO STAFF	\$42,000.00	\$40,000.00	\$40,000.00	\$39,000.00	(25,832.50)	\$39,000.00
LAFCo Clerk Costs	\$840.00	\$720.00	\$720.00	\$720.00	(480.00)	\$720.00
Publications/Legal Notices	\$750.00	\$1,000.00	\$1,000.00	\$1,000.00	(127.40)	\$750.00
Personal Mileage - Commissioners	\$1,250.00	\$1,250.00	\$1,250.00	\$2,000.00	(1,747.40)	\$2,000.00
Transportation & Travel (Special)	\$250.00	\$250.00	\$1,500.00	\$1,500.00	(1,275.00)	\$150.00
MSR/SOI UPDATES	\$38,000.00	\$28,000.00	\$33,000.00	\$33,000.00	(9,376.25)	\$35,000.00
County Contract and Misc. Services	\$2,500.00	\$2,500.00	\$2,500.00	\$2,000.00	(240.95)	\$1,000.00
Health Insurance-Gullisison	\$12,000.00	\$12,000.00	\$7,200.00	\$7,500.00	(5,718.10)	\$9,450.00
LAFCo File Management - Scanning						\$5,000.00
Special District Training CSDA			\$1,000.00	\$0.00		
Total Services & Supplies	\$111,697.04	\$98,353.60	\$100,864.60	\$102,801.60	(51,472.44)	\$107,460.00
RESERVE FUND			\$0.00	\$0.00		\$10,000.00
CONTINGENCY	\$10,000.00	\$10,000.00	\$7,500.00	\$5,000.00		\$5,000.00
TOTAL LAFCO BUDGET	\$121,697.04	\$108,353.60	\$108,364.60	\$107,801.60		\$122,460.00
REVENUES AND DEPOSITS						
Anticipated Cash Balance as of July 1st	\$2,000.00	-\$1,000.00	-\$1,000.00	-\$1,000.00		-\$16,750.00
ANTIC FEE DEPOSIT LIABILITIES	\$18,207.04	-\$6,000.00	-\$6,000.00	-\$6,000.00		-\$5,000.00
Interest						
City Share - LAFCO Cost	\$50,745.00	\$50,676.80	\$50,682.30	\$50,400.80		\$50,355.00
County Share - LAFCO Cost	\$50,745.00	\$50,676.80	\$50,682.30	\$50,400.80		\$50,355.00
Total Due from Other Gov'ts.	\$101,490.00	\$101,353.60	\$101,364.60	\$100,801.60		\$100,710.00

Best Management Practices For Small Districts

Plumas LAFCo announces a training session to help small districts improve management and governance practices

District board members and staff are encouraged to attend this workshop. The session will cover agendas and meeting practices, bylaws, finance, budgets, purchasing, infrastructure planning and other topics.

WHEN AND WHERE:

Monday, June 13th, 2016, 1:00– 3:00 pm
Quincy (Plumas County) Library
445 Jackson Street
Quincy, Calif.

PRESENTERS:

SR Jones, Moderator Executive Officer, Nevada LAFCo
Craig Settlemire, Plumas County Counsel
Roberta Allen, Plumas County Auditor-Controller
Scott Browne, Legal Counsel, Plumas LAFCo

There is no cost to attend

Please RSVP by email to Plumas LAFCo: johnbenoit@surewest.net

If you have questions please contact Plumas LAFCo (530) 283.7069