

Mono County Local Agency Formation Commission

PO Box 347
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commdev@mono.ca.gov

PO Box 8
Bridgeport, CA 93517
760.932.5420, fax 932.5431
<https://monocounty.ca.gov/lafco>

REGULAR MEETING AGENDA

June 13, 2024 – 3:00 pm

Mono County Civic Center – Dana Room
1290 Tavern Rd. (Dana Room on 2nd Floor) Mammoth Lakes, CA

The meeting may be joined by video at

<https://monocounty.zoom.us/j/87926759922?pwd=8wFxfUtxVHzHp9HgwGwlq2akzXOIaR.1>

or by telephone at: 669-900-6833 (**Meeting ID#** is 879 2675 9922, **password 5678**) where members of the public shall have the right to observe and offer public comment.

An alternate method to access the video meeting is <https://zoom.us/join> and enter **Meeting ID: 879 2675 9922, password 5678**)

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE**
2. **PUBLIC COMMENT**
3. **CONSENT ITEMS:**
 - A. Review and approve regular meeting minutes of April 30, 2024 (pg. 1)
4. **ADMINISTRATION**
 - A. Review LAFCO Membership (Vacancies & Term Expirations) (pg. 3)
5. **3:05 PM PUBLIC HEARING: FISCAL YEAR 2024-25 FINAL BUDGET** (pg. 7)
 - Receive staff report
 - Questions of staff
 - Open the public hearing, receive any public comments, close public hearing
 - Commission discussion; provide any desired direction to staff on the 2023-24 final budget
6. **LAFCO BUSINESS**
 - A. Municipal Service Reviews (MSR) update (pg. 15)
7. **EXECUTIVE OFFICER'S REPORT**
8. **COMMISSIONER'S REPORTS**
9. **UPCOMING AGENDA ITEMS**
 - A. Adopt Priority One MSR/SOI Reports
10. **ADJOURN** to Fall 2024 Special Meeting

LAFCO COMMISSIONERS

Paul McFarland, Tom Cage, Sarah Rea, Chris Bubser, Jennifer Kreitz, Bob Gardner, Bruce Woodworth

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Draft Minutes April 30, 2024 – 3 pm

1. **CALL TO ORDER/PLEDGE OF ALLEGIANCE:** Meeting called to order at 3:01 pm and the Commission lead the Pledge of Allegiance.

2. **PUBLIC COMMENT:** No public comment.

3. **CONSENT ITEMS:**

- A. Review and approve regular meeting minutes of October 12, 2023

Motion: Approve the minutes from meeting on October 12, 2023, as presented.

Rice motion; McFarland second.

Roll-call vote – Ayes: Woodworth, Rice, Duggan, Rea, McFarland, Cage.

Motion Passed 6-0

4. **ADMINISTRATION**

- A. Review LAFCO Membership (Vacancies & Term Expirations)

- Annual election of Chair and Vice Chair

Motion: Elect Commissioner Woodworth as the Vice Chair.

Rice motion; McFarland second.

Roll-call vote – Ayes: Rice, Duggan, Rea, McFarland, Cage. Abstain: Woodworth

Motion Passed 5-0 with one abstention.

Motion: Re-elect Chair Cage as the Chair of LAFCO.

Rice motion; McFarland second.

Roll-call vote – Ayes: Rice, Duggan, Rea, McFarland, Cage. Abstain: Woodworth

Motion Passed 5-0 with one abstention.

- Initiate 2024 Election Process- Commission gave direction to staff to initiate the 2024 election process for LAFCO vacancies.

5. **10:35 AM PUBLIC HEARING: FISCAL YEAR 2024-25 PRELIMINARY BUDGET**

- Receive staff report
- Calloway gave a brief staff report and answered questions from the Commission.
- Open the public hearing at 3:50 pm.

LAFCO COMMISSIONERS

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- No public comment.
- Close public hearing at 3:51
- Commission discussion; provide any desired direction to staff on the 2023-24 preliminary budget.

Motion: Adopt the preliminary budget despite the proposed preliminary budget is less than the previous fiscal year the Commission finds that by adopting the proposed preliminary budget will not reduce staffing and that with the budget LAFCO staff can still fulfill the purposes and requirements of LAFCO.

Duggan motion; McFarland second.

Roll-call vote – Ayes: Rice, Duggan, Rea, McFarland, Cage. Nay: Woodworth.

Motion Passed 5-1

6. LAFCO BUSINESS

- A. Municipal Service Reviews (MSR) update
 - Calloway went over MRS updates and priorities.
- B. CALAFCO Legislative Update
 - Calloway updated LAFCO on the new legislation applicable to LAFCO.

7. EXECUTIVE OFFICER'S REPORT

- Calloway gave a officers report and answered questions from the Commission.

8. COMMISSIONER'S REPORTS

- No Commissioner reports.

9. UPCOMING AGENDA ITEMS

- A. Adopt final budget
- B. Review Priority One MSR/SOI Reports
- C. Main Lodge redevelopment

10. ADJOURN at 4:36 pm to June 13, 2024.

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June 13, 2024

To: Mono LAFCO

From: Brent Calloway, Executive Officer
Kelly Karl, Planning Analyst

RE: LAFCO Membership Update

Recommendation: Receive staff report

Background:

Two Special District positions (Member and Alternate) were open for nominations in 2024. Per Government Code (GC) Section 56332 (f)(3)(4) a call for nominations was sent to Special Districts via electronic mail on May 3 and a 30-day nomination period ran from May 3, 2024 - June 3.

Discussion:

Special District Member & Alternate

Two Special District nominations were received by the June 3, 2024 deadline and no additional nominations were received after the deadline. The Mammoth Community Water District nominated Gary Thompson for the Alternate position and the Mammoth Lakes Fire Protection District nominated Jeffrey Sutch. Per GC Section 56332 (c)(1)(2), since only two nominations were received for the two open positions, those candidates are deemed appointed. Jeffrey Sutch will assume position on the Commission upon the ineligibility or resignation date of current Special District Member Paul McFarland.

Public Member & Alternate

The Public Member's term was renewed by LAFCO during the April 30, 2024, meeting. The Alternate Public Member remains vacant.

2024 LAFCO Roster

MONO COUNTY

- Jennifer Kreitz
- Bob Gardner
- Rhonda Duggan (Alternate)
- Tom Cage (2024 Chair) [**May 04, 2026**]
- Paul McFarland (**becomes ineligible January 1, 2025**)
- Jeffrey Sutch [**May 01, 2028**]
- Gary Thompson (Alternate) [**May 01, 2028**]

TOWN OF MAMMOTH LAKES

- Sara Rea
- Amanda Rice
- Christine Bubser (Alternate)

PUBLIC MEMBERS

- Bruce Woodworth (2024 Vice Chair) [**May 01, 2028**]
- Vacant

SPECIAL DISTRICTS

ATTACHMENTS

LAFCO COMMISSIONERS

Paul McFarland, Tom Cage, Sarah Rea, Amanda Rice, Jennifer Kreitz, Bob Gardner, Bruce Woodworth

1. Mammoth Community Water District Nomination – Gary Thompson
2. Mammoth Lakes Fire Protection District Nomination – Jeffrey Sutch

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Nomination for Special District Alternate Member

Name of Nominee: Gary Thompson

Nominating Special District: Mammoth Community Water District

Certified by: Mark Busby 

Title: General Manager/Board Secretary

Date: May 16, 2024

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Nomination for Special District Member

Name of Nominee: _____

Nominating Special District: _____

Certified by: _____

Title: _____

Date: _____

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Staff Report

June 13, 2024

To: Mono County LAFCO

From: Brent Calloway, Executive Officer

RE: FY 24-25 Final Budget

RECOMMENDATION

Make the finding contained in the staff report and adopt the FY 24-25 final budget, with any desired modifications, and provide any desired direction to staff.

BACKGROUND

This is a public hearing item. After staff presentation and questions of staff by the Commission, open the public hearing and take any comments, deliberate, make any desired modifications, make the required finding, and adopt the budget.

The Budget for fiscal year (FY) 2024-25 must be at least equal to the budget adopted for the previous fiscal year unless the Commission finds that reducing staffing or program costs will still allow the LAFCO to fulfill the purposes and requirements of the Act. The preliminary FY 24-25 budget adopted at the April 30, 2024 meeting is less than the final adopted FY 23-24 budget.

ALTERNATIVE APPORTIONMENT

The Cortese-Knox-Hertzberg Act (CKH) establishes methods for apportioning LAFCO staffing and program costs among the County, Town and Special Districts. The law allows alternative apportionment methods, which Mono LAFCO has used to avoid impacting financially constrained special districts. Prior to using an alternative apportionment method, LAFCO costs were fully borne by the Town of Mammoth Lakes and Mono County. In recent years, the Commission applied an alternative apportionment method consisting of a third from Mono County; a third from the Town of Mammoth Lakes; and a third from special districts, with the special district share provided exclusively from the Southern Mono Healthcare District and the Mammoth Community Water District, rather than from all independent special districts.

The proposed final budget reflects this same alternative budget apportionment method, which consists of a third (\$5,451) from Mono County; a third from the Town of Mammoth Lakes; and a third from the special districts. Instead of all independent special districts in Mono County contributing, this alternative apportionment consists of \$2,725 from Southern Mono Hospital District and \$2,725 from the Mammoth Community Water District.

Proposed FY 24-25 Budget & Findings

The preliminary budget staff report (attachment C) presented at the April 30, 2024, meeting included a summary of FY 23-24 staff activities

FY 24-25 Projected Activity

LAFCO activity in FY 24-25 is expected to be similar to FY 23-24. There are several potential applications that could be submitted by project applicants that may require LAFCO action, however applicants are being advised that the Mono LAFCO budget is not intended to cover project processing costs and that Mono LAFCO intends to seek full cost recovery for projects initiated by applicants. The LAFCO budget is sufficient for staff to research and respond to questions from the public and agencies, continue progress on the MSR update project, keep staff up to date on current laws and regulations effecting LAFCO including attending trainings and conferences and hold meetings of the Commission as required by the CKH.

Three preliminary budget options were presented to the Commission for consideration at the April 30, 2024 meeting. The Commission adopted with a vote of 5-1 the option that included a 10% increase in staff salary to account for increased County staff costs and a significant increase in the contribution to the reserve fund to reestablish a reserve fund of approximately 100% of the annual operating budget.

Revenue

If adopted as a final budget, the adopted preliminary budget would increase the contribution amount by funding agencies from \$3,715 to \$5,451 for the County and Town of Mammoth Lakes and from \$1,857 to \$2,725 for the contributing special districts (Mammoth Community Water District and Southern Mono Healthcare District). The budget does not include revenue for application fees.

Fund Balance Reserves

Historically, unspent revenue at the close of each fiscal year has been rolled into a fund balance account that has effectively served as a reserve fund for Mono LAFCO. Significant withdrawals from the reserve fund in FY 23-23 and FY 23-24 were approved by the Commission for outside consultant staffing for the ongoing comprehensive MSR update project. The projected reserve fund at the close of FY 23-24 is \$5,792 or approximately 30% of annual operating expenditures. While there is no adopted reserve fund policy in the current Mono LAFCO bylaws, a reserve fund workshop at the June 2023 Mono LAFCO meeting indicated strong support by the Commission to reestablish a reserve fund at approximately 100% of the annual operating expenditures. The preliminary FY 24-25 budget adopted at the April 30, 2024 meeting included an increase in revenue and an increase in contribution to the reserve fund that would bring the projected reserve fund at the end of FY 24-25 to approximately 100% of annual operating expenses.

Finding

The Budget for fiscal year (FY) 2024-25 must be at least equal to the budget adopted for the previous fiscal year unless the Commission finds that reducing staffing or program costs will still allow the LAFCO to fulfill the purposes and requirements of the Act.

Mono County LAFCO finds that reducing staffing or program costs in the FY 24-25 budget will still allow the LAFCO to fulfill the purposes and requirements of the Act.

Please contact Brent Calloway at 760-924-1805 or bcalloway@mono.ca.gov with any questions.

Attachments:

- A. Proposed FY 24-25 Final Budget
- B. Public Hearing Notice
- C. Preliminary Budget Staff Report 4/30/24

Mono LAFCO FY 24-25 Proposed Final Budget

Adopted Preliminary

Revenue	FY 23-24 Approved	FY 23-24 Actual	FY 24-25 Proposed C
TOML contribution	3,715	3,715	5,451
Mono Co contribution	3,715	3,715	5,451
Health Dist. contribution	1,857	1,857	2,725
MCWD contribution	1,857	1,857	2,725
Application Fees	1,000	495	0
Withdrawal from Reserve	7,871	7,871	0
Total	20,015	19,510	16,352

Expenditures	FY 23-24 Approved	FY 23-24 Projected	FY 24-25 Proposed C
Salary/Benefits	15,415	15,415	6,600
Membership Fees	1,300	1,348	1,400
Publications & Legal	300	150	150
Travel and Training	3,000	980	3,000
Contract Services	0	0	0
Contribution to Reserve	0	1,617	5,202
Total	20,015	19,510	16,352

Fund Balance	FY 23-24 Approved	FY 23-24 Projected	FY 24-25 Proposed C
Beginning Balance	11,746	4,025	5,792
Contributions	0	1,617	5,202
Interest Earned	150	150	150
Withdrawal	-7,871	0	0
Ending Balance	4,025	5,792	11,144
Percent of Operating	20.1%	29.7%	99.9%

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May 14, 2024

To: The Sheet

From: Heidi Willson

Re: Legal Notice for **May 18 edition**

Invoice: Heidi Willson, PO Box 347, Mammoth Lakes, CA 93546

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that Mono County Local Agency Formation Commission (LAFCO) will conduct a public hearing on **June 13 at 2:05 p.m.** in the Mono County Civic Center, Dana Room (2nd Floor), 1290 Tavern Road in Mammoth Lakes. The final budget for the 2024/25 fiscal year will be considered and changes shall be made to the budget based on input during the public hearing. For more information, contact Brent Calloway at 760-924-1805 or bcalloway@mono.ca.gov or the LAFCO website: <https://monocounty.ca.gov/lafco>

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April 11, 2024

To: Mono County LAFCO

From: Brent Calloway, Executive Officer

RE: FY 24-25 Preliminary Budget

Recommendation

Review preliminary budget options and provide any desired direction to staff on draft Fiscal Year 2024-25 budget, and adopt preliminary FY 24-25 budget.

Background

This is a public hearing item. After staff presentation and questions of staff by the Commission, open the public hearing and take any comments, deliberate, and provide direction to staff.

The proposed preliminary budget options for (FY) 2024-25 are all less than the (FY) 2023-24 due to a significant one-time expenditure from the reserves in (FY) 2023-24. The reserve expenditure was utilized for consultant staffing to update the Municipal Service Reviews. As required by the Cortese-Knox-Hertzberg Act (CKH), if adopting a budget less than the previous fiscal year, the Commission must find that reducing staffing or program costs will still allow the LAFCO to fulfill the purposes and requirements of the Act.

Alternative Apportionment

The Cortese-Knox-Hertzberg Act (CKH) establishes methods for apportioning LAFCO staffing and program costs among the County, Town and Special Districts. The law allows alternative apportionment methods, which Mono LAFCO has used to avoid impacting financially constrained special districts. Prior to using an alternative apportionment method, LAFCO costs were fully borne by the Town of Mammoth Lakes and Mono County. In recent years, the Commission applied an alternative apportionment method consisting of a third from Mono County; a third from the Town of Mammoth Lakes; and a third from special districts, with the special district share provided exclusively from the Southern Mono Healthcare District and the Mammoth Community Water District, rather than from all independent special districts. The proposed preliminary budget reflects this same alternative budget apportionment method.

FY 23-24 Budget Review

Summary of FY 23-24 Mono LAFCO activity.

Birchim Community Service District Annexation – This project included a staff completed update to the Municipal Service Review, an amendment of the Sphere of Influence, and Annexation into the district, and filing of paperwork with the Board of Equalization.

Municipal Service Review Updates (additional staff report agenda item 6.A)

Staff responded to the following inquiries and ongoing discussion items:

- Mammoth Lakes Mosquito Abatement District – ongoing discussions regarding the annexation of Snowcreek VIII parcels as required by the approved master plan.
- Rock Creek Ranch – an application for the formation of a new Community Service District was submitted, reviewed and determined to be incomplete.
- Mammoth Lakes Community Service District – research and responded to inquiry regarding function of district based on citizen inquiry.
- June Lake Public Utility District – research and responded to inquiry regarding public meeting laws based on citizen inquiry.
- Significant increase in minor inquiries due to MSR update activity.

Other activities this past year included the following:

- Attendance of the upcoming annual CALAFCO staff workshop (April 24-26)
- Educational trainings, including webinars on Ethics and Executive Officer responsibilities.
- Continued revisions of LAFCO applications to reflect current requirements.
- Tracking CALAFCO correspondence for issues of importance including emerging legislation.

The projected fund balance reserve for FY 23-24 is \$5,792 or approximately 30% of operating costs.

Proposed FY 24-25 Activity & Budget Options

LAFCO activity in FY 24-25 is expected to be similar to FY 23-24. There are several potential projects that could require LAFCO action, however, project applicants are being advised that the Mono LAFCO budget is not intended to cover project processing costs and that Mono LAFCO intends to seek full cost recovery for projects initiated by applicants.

Three options for the preliminary FY 24-25 budget have been developed for consideration of the Commission, a status quo option, a 10% salary and benefits increase option and a 100% reserve fund option.

Option A. Status Quo

The first option is a status quo expenditures and revenues budget. Projected revenues are identical to FY 23-24 and projected expenses include minor adjustments based on 23-24 actuals. Option A includes a projected contribution to the reserve fund of \$1,594 and a reserve balance of 62% of operating costs.

Option B. 10% Salary Increase

The second option includes the same minor adjustments as the status quo budget and a 10% increase in the Salary/Benefits line item that reflects actual salary/benefit cost increases of County staff. Projected revenues are identical to FY 23-24. This budget represents a status quo workload budget as LAFCO salary/benefits budget is increased to reflect the actual cost increase of County staff. Option B includes a projected contribution to the reserve fund of \$994 and a reserve balance of 57% of operating costs.

Option C. 100% Reserve Funding

The third option includes the expenditure adjustments of Option B plus an increase of revenues to bring the projected reserve fund to 100% of operating costs. This option would increase the Mono County and Town of Mammoth Lakes contribution from \$3,715 to \$5,451, and increase the contribution from Mammoth Community Water District and Southern Mono Healthcare District from \$1,857 to \$2,725. Option C includes a projected contribution to the reserve fund of \$6,202 with a reserve balance of 100% operating costs. Assuming no withdrawal from the reserve fund is necessary, this revenue increase would be a one-time increase and contributions would return to FY 23-24 levels or decrease to maintain a status quo budget in FY 25-26.

Please contact Brent Calloway at 760-924-1805 or bcalloway@mono.ca.gov with any questions.

Attachments:

1. Proposed FY 24-25 budget options, with FY 23-24 projected actuals.

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June 13, 2024

To: Mono LAFCO

From: Brent Calloway, Executive Officer
Kelly Karl, Planning Analyst

RE: Status Update – 2024 Municipal Service Reviews & Sphere of Influence Reports

Recommendation: Receive staff report

Discussion:

Mono County Local Agency Formation Commission's (LAFCO) last comprehensive update of the Municipal Service Reviews & Sphere of Influence Reports (Reports) for Special Districts in Mono County occurred in 2009/2010. Five draft Reports (see list below) for Public Utility Districts and Community Services Districts in unincorporated Mono County were released for a two-week administrative review by Special Districts (May 10 - May 24) prior to being posted on the LAFCO website for public review. LAFCO staff will prepare final draft Reports by incorporating edits/comments received from Special Districts and will aim to have them ready for potential LAFCO adoption in Fall 2024.

Links to Draft Reports (Priority 1)

1. [Bridgeport Public Utility District](#)
2. [Hilton Creek Community Services District](#)
3. [June Lake Public Utility District](#)
4. [Lee Vining Public Utility District](#)
5. [Wheeler Crest Community Services District](#)

LAFCO staff drafted these Reports utilizing the edits/updates indicated by Resource Concepts Inc. as part of a project being funded by a California Development Block Grant. These Reports have an updated style format, incorporate new findings and determinations required by recent updates to the CKH, and updated Special District information.