



Inyo Local Agency Formation Commission
168 North Edwards Street
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Independence, California 93526

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E-Mail: inyolafco@inyocounty.us

INYO LOCAL AGENCY FORMATION COMMISSION AGENDA

April 29, 2020 - 9:00 a.m.

To be held at: **NOTICE TO THE PUBLIC:** In order to minimize the spread of the COVID-19 virus, Governor Newsom has issued Executive Orders that temporarily suspend certain requirements of the Brown Act. Please be advised that the LAFCO will be conducting its hearing exclusively via videoconference by which LAFCO Members and staff will be participating. The videoconference will be accessible to the public by computer, tablet or smartphone at:

<https://zoom.us/j/3326050668?pwd=UHNQbml2cjEwbW1tWtkV0cwdeZmQT09>

You can also dial in using your phone at 1-669-900-6833 and then enter Access Code: 332 605 0668.

Commissioners: Rick Pucci (Inyo County)
Jeff Griffiths (Inyo County)
Laura Smith (City of Bishop) Vice Chairperson
Stephen Muchovej (City of Bishop) Chairperson
Alan Tobey (Public)

Alternates: Dan Totheroh (Inyo County), Jim Ellis (City of Bishop)

Executive Officer: Cathreen Richards

Staff Analyst/Clerk: Paula Riesen

Counsel: Marshall Rudolph

Items will be heard in the order listed on the agenda unless the Inyo Local Agency Formation Commission (LAFCO) rearranges the order or the items are continued.

The LAFCO Chairperson will announce when public testimony can be given for items on the agenda. Please be aware that the Commission will consider testimony on both the project and related environmental documents.

If you challenge in Court any findings, determination or decision made following any Public Hearing announced in this agenda in Court, you may be limited to raising only those issues you or someone else rose at the Public Hearing, or in written correspondence delivered to the Inyo LAFCO at, or prior to, the Public Hearing.

Public Notice: In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact Inyo LAFCO at (760) 878-0263 (28 CFR 35.102-3.104 ADA Title II). Notification 48 hours prior to the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting. Should you because of a disability require appropriate alternative formatting of this agenda, please notify Inyo LAFCO at least 72 hours prior to the meeting to enable the Commission to make the agenda available in a reasonable alternative format (Government Code Section 54954.2).

ITEM 1: Pledge of Allegiance

ITEM 2: Roll Call – Roll call will be taken by staff.

ITEM 3: Public Comment Period – This is the opportunity for anyone in the audience to address the Commission on any relevant subject that is not scheduled on the Agenda.

Open Session:

- ITEM 4: Approval of Minutes (Action Item)** – the Commission will consider the minutes from, March 19, 2020.
- ITEM 5: Approval of the 2020-2021 Preliminary Budget (Public Hearing & Action Item - Requires 3/5 vote)** – The Inyo LAFCO Executive Officer’s FY 2020-2021 Preliminary Budget will be presented for discussion and Commission approval.
- ITEM 6: Public Comment Period** – This is the opportunity for anyone in the audience to address the Commission on any relevant subject that is not scheduled on the Agenda.
- ITEM 7: Executive Officer’s and Commissioners’ Reports**
- ITEM 8: Determine Time and Location for the Next Meeting of Inyo LAFCO**
- ITEM 9: Adjournment**



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Commissioners:

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Laura Smith - City of Bishop
Allen Tobey – Public (Chair)
Stephen Muchovej – City of Bishop
Jeff Griffiths – Inyo County

Alternates:

Dan Totheroh (Inyo County)
Jim Ellis (City of Bishop)

LAFCO Staff:

Cathreen Richards – Inyo County - (Executive Officer)
Marshall Rudolph (Counsel)
Paula Riesen – Inyo County – (Project Coordinator)

Minutes for Thursday, March 19, 2020 – Special Meeting

These Minutes are for consideration for approval by Inyo LAFCO at its next meeting.

The Inyo Local Agency Formation Commission met on Thursday, March 19, 2020, at City of Bishop Council Chambers, Bishop, CA. Chair Tobey opened the meeting at 9:01 a.m.

ITEM 1: Pledge of Allegiance – All recited the Pledge of Allegiance.

ITEM 2: Roll Call – Roll Commissioners Present: Chair Allen Tobey, Laura Smith, Jeff Griffiths, Stephen Muchovej.

Staff present: Cathreen Richards, Executive Officer, Marshall Rudolph, County Counsel and Paula Riesen, Project Coordinator.

ITEM 3: Public Comment Period – This is the opportunity for anyone in the audience to address the Commission on any relevant subject not scheduled on the Agenda.

No one from the Public wished to speak at this time. 9:03 a.m.

Closed Session:

ITEM 4: Conference with Legal Counsel – Existing Litigation. (Paragraph (1) of subdivision (d) of Government Code Section 54956.9) Name of case(s): *Inyo LAFCO and Northern Inyo Healthcare District v. Southern Mono Healthcare District* (Sacramento Superior Court and California Court of Appeal, Third District).

CFO John Tremble from Northern Inyo Hospital District was present.

A Teleconference call was made to Andrew D Bluth, attorney to give details on litigation.

Closed Session ended at 9:37 a.m.

Open Session:

ITEM 5: Report on Closed Session as required by law.

ITEM 6: **Approval of Minutes (Action Item)** – the Commission will consider the minutes from Thursday, March 19, 2020.

Stephen Muchovej made a motion to approve and seconded by Laura Smith.
The motion passed 5-0.

ITEM 7: **Approval of an Out of Area Service Contract (Action Item)** - Northern Inyo Hospital District to Southern Inyo Hospital District for Occupational Therapy to be located at the Owens Valley School in Independence.

Rick Pucci made a motion to approve and was seconded by Stephen Muchovej.
The motion passed 5-0.

ITEM 8: **Approval of an Out of Area Service Contract (Action Item)** - Northern Inyo Hospital District to Southern Inyo Hospital District for medical services including but not limited to pediatrics and orthopedics to be located at the Southern Inyo Rural Health building in Lone Pine.

Jeffery Griffiths made a motion to approve and was seconded by Laura Smith.
The motion passed 5-0.

ITEM 9: **Election of the Chair (Action Item)** – the Commission will entertain motions and conduct an election for the Chair.

Rick Pucci made a nomination for Stephen Muchovej for the position of Chair, and was seconded by Laura Smith. Stephen Muchovej accepted the nomination. The motion passed 5-0.

ITEM 10: **Election of the Vice-Chair (Action Item)** – the Commission will entertain motions and conduct an election for the Vice-Chair.

Jeffery Griffiths made a nomination for Laura Smith and was seconded by Stephen Muchovej. Laura Smith accepted the nomination. The motion passed 5-0.

ITEM 11: **Public Comment Period** – This is the opportunity for anyone in the audience to address the Commission on any relevant subject that is not scheduled on the Agenda.
No one from the Public wished to speak at 10:00 am

ITEM 12: **Executive Officer's and Commissioners' Reports**

Chair Muchovej thanked everyone for working together to get these processes started.

ITEM 13: Directors Report - Cathreen Richards, Planning Director said there will be two more meetings coming up. One for introducing the preliminary budget, and the second one for adopting the Lafco Budget for 2020-2021.

ITEM 14: Determine Time and Location for the Next Meeting of Inyo LAFCO

Next meeting will be scheduled for Wednesday, April 29, 2020 at 9:00 a.m.

ITEM 14: Adjournment – Chair Muchovej adjourned meeting at 10:10 am.



Inyo Local Agency Formation Commission

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LAFCO STAFF REPORT

AGENDA ITEM No. 5 (Action Item & Public Hearing)
DATE OF MEETING: April 29, 2020
SUBJECT: Inyo LAFCO Fiscal Year 2020-2021 Preliminary Budget

EXECUTIVE SUMMARY

This report presents the Executive Officer's budget recommendations for adoption of a budget for the Fiscal Year (FY) 2020-2021. The proposed budgeted expenditures for FY 2020-2021 are **\$35,693** an increase of \$3,400 from the FY 2019-2020 amended budget. The Inyo LAFCO Budget for FY 2020-2021 proposes funding from the County of Inyo and the City of Bishop in the amount of \$15,000 each, for a total contribution of \$30,000.

The total budget recommended by staff reflects revenues of **\$37,190** and expenditures of **\$35,693**. A cash fund balance of \$1,497 is projected to remain from FY 2019-2020 increasing funds available for the FY 2020-2021 budget. The total projected cash fund balance through previous FY is projected to be \$55,318, funding for the FY 2020-2021 budget is not recommending utilizing fund balance as was done previous years. Staff is recommending that the LAFCO continue to build the fund balance for the very real possibility that Inyo LAFCO will be required to conduct Municipal Service Reviews in the near future.

Recommended Action: Conduct a public hearing and adopt the attached preliminary budget as recommended by staff for FY 2020-2021 and find that the proposed staffing and program costs will allow the Commission to fulfill the purposes and programs of the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 and authorize the Chairperson to sign.

Alternatives:

- 1) Amend the preliminary budget for FY 2020-21
- 2) Continue the public hearing and provide direction to staff regarding changes to the final budget for FY 2020-2021; this is not recommended as the final budget is required to be adopted by June 15th.

BACKGROUND INFORMATION

The Inyo Local Agency Formation Commission (LAFCO) is a state-mandated program. The Commission's five members include one public representative, two Board of Supervisors representatives, and two Bishop City Council representatives. The objectives of LAFCO include

the encouragement of orderly growth and development, the preservation of prime agricultural lands, discouragement of sprawl through coordination of local governmental boundaries, and establishment of spheres of influence and community service priorities that reflect local circumstances, conditions, and financial resources. LAFCO is funded jointly by the City of Bishop and Inyo County pursuant to Government Code 56381(a) and 56381 (b) (2), which state:

- (a) *The commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and final budget by June 15. At a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the commission finds that reduced staffing or program costs will nevertheless allow the commission to fulfill the purposes and programs of this chapter. The commission shall transmit its proposed and final budgets to the board of supervisors, to each city, and to each independent special district.*
- (b) (2) *In counties in which there is no independent special district representation on the commission, the county and its cities shall each provide a one-half share of the commission's operational costs. The cities' share shall be apportioned in the manner described in paragraph (1).*

Inyo LAFCO does not include independent special district representation, therefore, the City and County are each responsible for half of the commission's operation costs. Unless the County and City agree under the conditions set forth in 56381 (b) (4) (Attachment – 56381)

Presently, the Commission contracts with the Inyo County Planning Department for the services of LAFCO Executive Officer and support staff. The Commission also contracts with the Inyo County Office of the County Counsel for legal services. A single contract between LAFCO and Inyo County covers both staff and counsel services.

Inyo LAFCO Accomplishments for FY 2019-2020

- Processed an annexation.
- Processed two out of area service contracts.
- Entered into a contract with the Inyo County Planning Department/Inyo County Office of the County Counsel that provided staff and legal services to the Commission.
- Maintained the Inyo LAFCO website in compliance with Government Code Section 56661.
- Maintained membership in the California Association of LAFCOs (CALAFCO).
- Worked on the Independent Special District information.
- Provided a high level of customer service.

- Continued to lead efforts regarding the litigation with Southern Mono Healthcare District (SMHD).
- Monitored the challenges being experienced by the Southern Inyo Healthcare District.

Inyo LAFCO Goals for FY 2020-2021

- Enter into a contract with the Inyo County Planning Department/Office of County Counsel to provide staff and legal services to the Commission.
- Maintain Inyo LAFCO membership and participation in CALAFCO, which provides training to LAFCO Commissioners and staff at annual and staff conferences.
- Replace any vacant seats on LAFCO as necessary to keep LAFCO active.
- Process and consider applications for special district formations, annexations, reorganizations, out-of-area service agreements, and others in compliance with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act.
- Continue to maintain the Inyo LAFCO website in compliance with Government Code Section 56661.
- Continue to update the Independent Special District information.
- Continue to assist any efforts regarding the litigation with SMHD.
- Provide a high level of customer service.

EXECUTIVE OFFICER'S BUDGET REQUEST FOR FY 2020-2021

During FY 2019-2020 the final adopted LAFCO budget proposed \$15,000 funding contributions from the City of Bishop and the County of Inyo each, for a total of \$30,000. Staff recommends \$15,000 in contributions from the County of Inyo and the City of Bishop for FY 2020-2021. This level of contribution meets the budgeted expenses for FY 2020-2021 and provides a reliable budget (Attachment – recommended budget supporting tables (yellow)).

The City of Bishop is requesting a lesser amount for the FY 2020-2021. Staff does not recommend this; however, lowering the amount to \$10,000 each from the City of Bishop and Inyo County is an option as \$20,000 would allow the commission to fulfill the purposes and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act as required by 56381(a). Staff prepared a reduced contribution budget to evaluate this (Attachment – reduced contribution budget supporting tables (green)). The reduction in contribution can be achieved if staff and commissioners do not attend training conferences during the 2020-2021 FY and the budget includes fewer meetings than are usually programmed. This effectively removes \$13,341 in expenses reflected in the recommended budget to meet the \$10,000 reduction to contributions. Staff and commissioners did not attend training conferences during the 2019-2020 FY due to staff health issues and scheduling conflicts. Staff and/or Commissioners should probably attend

them in FY 2020-2021, but this is the most practical place in the LAFCO budget to cut expenses, everything else is required.

The City of Bishop is requesting that the shared amount be \$5,000 for FY 2020-2021. This would require dipping into the fund balance to ensure Inyo LAFCO meets its obligations under 56381(a) and staff is not recommending it. For the 2014-2015 FY the LAFCO Commission lowered the contribution amount from \$11,000 to \$5,000. This was repeated for FY 2015-2016 and 2016-2017. Staff and the commission at that time thought it wise to use the fund balance to lower the annual cost for the City and County during difficult economic times. When the budget was being prepared for 2017-2018 staff found that the fund balance ran out and Inyo LAFCO was facing a deficit of \$5,081. Current staff and the commission did not agree with this strategy and increased the shared amount to \$15,000 to fund FY 2017-2018 and re-stabilize the fund balance. This has worked and Inyo LAFCO now has a healthy estimated fund balance of \$53,821 going into FY 2020-2021.

Staff also believes that the fund balance should continue to be grown as it is likely that Inyo LAFCO will be required to conduct Municipal Service Reviews (MSRs). According to estimates provided by other LAFCO's Executive Officers the current amount needed conduct MSRs is about \$5,000 per district. Inyo LAFCO includes twenty-seven community service districts and twelve municipal water companies this would result in a cost of \$135,000 for the community service districts and \$60,000 for the municipal water companies. If the commission choses to not grow the fund balance, at the very least, it should not be reduced by using it to lower the annual cost to run Inyo LAFCO properly.

Adoption of the annual budget for Inyo LAFCO requires adoption at a noticed public hearing by a three-fifths vote. Amendment of the adopted budget requires a four-fifths vote of the Commission.

Expenditures

Applications

Although there are no known applications on the horizon, staff recommends including funding in case one is submitted. If no applications are submitted, these funds will not be utilized – no revenues or expenses will be incurred.

Annual Audit

Inyo LAFCO's cost for the annual mandated agency audit is project to be **\$2,700**. Inyo LAFCO is currently processing a letter of engagement with Clifton Larson Allen to continue to provide this service. The amount for Clifton Larson Allen's services will go up after this year. Staff is recommending that Inyo LAFCO continues with three-year contracts for this service as it gives a lower overall price.

This amount will not change under any budget scenario.

LAFCO Meetings

The FY 2019-2020 budget assumed five Inyo LAFCO meetings, with participation by the Executive Officer, staff, Counsel, and Commissioners. Staff has budgeted approximately **\$7,941** in FY 2020-2021 for Commissioners' attendance fees, Commissioners' travel expenses, staff attendance, and staff transportation to Commission meetings.

If the Commission chooses to lower the annual shared amount the budget for three meetings would be \$4,996.

CALAFCO Conferences

Participation in the CALAFCO annual conference and staff workshop for Inyo LAFCO Commissioners and staff is a goal again for 2020-2021. The last two years staff and commissioners have not been able to attend any of these conferences. The FY 2020-2021 budget assumes one annual conference, with one commissioner and one staff member attending, and one staff workshop, with one staff member attending. Staff budgeted approximately **\$10,887** in FY 2020-2021 for both staff time and staff and commissioner travel expenses, which includes: registration, transportation, hotel, mileage and per diem.

If the Commission chooses to lower the annual shared amount the budget for conferences would be \$0.

Proposed expenditures by Object Code for FY 2020-2021

1. Advertising (Object Code 5263)

The recommended amount in this object code is **\$300** which is the same as the FY 2019-2020 Budget to reflect any possible applications. For FY 2020-2021 this cost includes public notices for five anticipated LAFCO meetings.

This is will not change under either budget scenario.

2. Professional and Special Service (Object Code 5265)

The recommended amount in this object code is **\$25,695** which is approximately \$1,803 higher than the FY 2019-2020 Budget. The amount is higher for this FY to reflect increases in staff costs. The recommended amount includes: meeting payments for commissioners and staff (\$7,941), staff time for annual conferences (\$5,299) and staff time to process projects, regular LAFCO administrative duties (11,118) and the FY 2019-2020 audit (\$2,700).

Under the reduced contribution estimates the amount in this object code is \$17,765. This is \$7,930 less than the recommended budget proposes. Meeting payments would be \$3,946 and staff time for conferences \$0. Staff time to process projects, regular LAFCO administrative duties and the FY 2020-2021 audit would remain the same.

3. General Operating Expense (Object Code 5311)

The recommended amount in this object code is **\$1,558**, which is higher (\$333) than FY 2019-2020 Budget. This category of expenditures includes purchases of supplies, miscellaneous supplies, and the CALAFCO Membership dues, which have increased from

last year and are the reason for the increase. This will continue to increase in the coming budget years.

This is will not change under either budget scenario.

4. County Cost Plan (Object Code 5315)

The recommended amount in this object code is \$0, which is the actual cost from FY 2019-2020. This category is the suggested amount by the County Auditor to cover expenses from that department.

Travel Expenses (Object Code 5331)

This object code includes expenses for CALAFCO annual conference travel, CALAFCO staff workshop travel, and travel mileage for the Inyo LAFCO meetings. The recommended amount in this object code is \$4,972, which increased \$21 from the FY 2019-2020 Budget due to slight changes in travel and conference/staff estimated workshop costs.

This amount would be \$336 under the reduced contribution estimated budget.

6. Motor Pool (Object Code 5333)

Expenditures in this object code include Motor Pool travel to LAFCO Meetings in Bishop, and the CALAFCO conference and staff workshop. The recommended amount in this object code is \$1,236, which is the same as the FY 2019-2020 Budget.

This amount would be \$170 under the reduced contribution estimated budget.

7. Contingencies (Object Code 5901)

The recommended amount in this object code is \$0. In the past, LAFCO has budgeted contingencies in case of unexpected costs. However, since a budget amendment is required to access these funds, fund balance may be utilized in case such funds are required.

Revenues

All revenues received are the result of LAFCO fees for services and payments from the County of Inyo and City of Bishop. LAFCO's fee schedule provides for the recovery of actual costs in processing applications for changes in organization under the Cortese-Knox-Hertzberg Act and environmental review and processing under the California Environmental Quality Act. Beyond the recovery of fees for services, Government Code Section 56381(b)(2) provides "in counties where there is no special district representation on the commission, the county and its cities shall each provide a one-half share of the commission's operational costs."

Details for each revenue category are as follows:

1. LAFCO Fees (Object Code 4817)

The recommended amount in this revenue code is \$7,000 which is the same as the FY 2019-2020 Budget. This is for possible applications in the 2020-2021 FY and estimated for one large project at \$5,000 and one small project at \$2,000 that includes staff time.

This cannot change as these funds are required for the general operations of Inyo LAFCO.

2. Aid from Other Governmental Agencies (Object Code 4562 and 4599)

The recommended amount in these revenue codes is \$30,000 which is the same as the FY 2019-2020 Budget. Staff recommends requesting \$15,000 in additional revenues from both the County of Inyo and the City of Bishop in FY 2020-2021. This level of funding is cost neutral and does not utilize fund balance as was done in previous years in fact it should help to continue to replace the funds balance, which will be necessary if LAFCO is required to conduct Municipal Service Reviews.

The total amount would change to \$20,000 under the reduced contribution estimates.

3. Interest form Treasury (Object Code 4301)

The recommended amount in this revenue code is \$190.00, which is \$90 higher than 2019-2020 based on the increase in the fund balance.

Alternatives

Government Code Section 56425(g) requires that the Commission, as necessary, review and update spheres of influence every five years. Government Code Section 56425 indicates that the Commission shall conduct Municipal Service Reviews (MSR) to prepare and update spheres of influence. In 2007 Inyo LAFCO updated spheres of influence, including conducting MSRs. More than five years have passed since the last round of sphere updates and MSRs were completed, and if the Commission finds it necessary to review and update any spheres of influence, another round of sphere studies and/or MSRs could be undertaken. Funding for such investigation would need to be provided from Inyo LAFCO (the City and County) and a healthy fund balance would help to offset these costs.

The FY 2020-2021 budget includes expected revenues and expenses for anticipated applications. The Commission could choose to not include these funds in its budget; this is not recommended because it may increase costs to process the application if a budget amendment becomes necessary.

The Commission may choose to request even less of a contribution from the City of Bishop and the County of Inyo as disused above and utilize fund balance for a portion of the FY 2020-2021 budget. Staff recommends if the Commission chooses to do this that the \$10,000 annual amount for the City and County be used as Inyo LAFCO should keep growing or at least retaining the fund balance in the event of an unexpected need for resources, such as MSRs.

STAFF RECOMMENDATION

Staff recommends following the public hearing the Commission approve the staff recommended preliminary budget for FY 2020-2021 by taking the following action:

"Move to approve the Inyo Local Agency Formation Commission budget for fiscal year 2020-2021 as recommended by the Executive Officer and find that reduced staffing

and program costs will allow the Commission to fulfill the purposes and programs of the Cortese Knox Hertzberg Local Government Reorganization Act of 2000."

Respectfully Submitted

Cathreen Richards, Executive Officer

Attachments: Exhibit A – Actual Expenditures for the 5 previous years
Exhibit B – Budget Worksheets

Attachment

Cortese – Knox – Hertzberg Local Government Reorganization Act of 2000

Annual budget 56381.

(a) The commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and final budget by June 15. At a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the commission finds that reduced staffing or program costs will nevertheless allow the commission to fulfill the purposes and programs of this chapter. The commission shall transmit its proposed and final budgets to the board of supervisors, to each city, and to each independent special district. Apportionment by auditor

(b) After public hearings, consideration of comments, and adoption of a final budget by the commission pursuant to subdivision (a), the auditor shall apportion the net operating expenses of a commission in the following manner: Commissions with city and district representation

(1) (A) In counties in which there is city and independent special district representation on the commission, the county, cities, and - 55 - independent special districts shall each provide a one-third share of the commission's operational costs.

(B) The cities' share shall be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county, or by an alternative method approved by a majority of cities representing the majority of the combined cities' populations. Intergovernmental revenue

(C) The independent special districts' share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. Except as provided in subparagraph

(D), an independent special district's total revenue shall be calculated for nonenterprise activities as total revenues for general purpose transactions less intergovernmental revenue and for enterprise activities as total operating and nonoperating revenues less intergovernmental revenue,, as reported in the most recent edition of the "Special Districts Annual Report" published by the Controller, or by an alternative method approved by a majority of the agencies, representing a majority of their combined populations. For the purposes of fulfilling the requirement of this section, a multicounty independent special district shall be required to pay its apportionment in its principal county. It is the intent of the Legislature that no single district or class or type of district shall bear a disproportionate amount of the district share of costs.

(D) (i) For purposes of apportioning costs to a health care district formed pursuant to Division 23 (commencing with Section 32000) of the Health and Safety Code that operates a hospital, a health care district's share, except as provided in clauses (ii) and (iii), shall be apportioned in proportion to each district's net from operations as reported in the most recent edition of the hospital financial disclosure report form published by the Office of Statewide Health Planning and Development, as a percentage of the combined independent special districts' net operating revenues within a county.

(ii) A health care district for which net from operations is a negative number may not be apportioned any share of the commission's operational costs until the fiscal year following positive net from operations, as

reported in the most recent edition of the hospital financial disclosure report form published by the Office of Statewide Health Planning and Development.

(iii) A health care district that has filed and is operating under public entity bankruptcy pursuant to federal bankruptcy law, shall not be apportioned any share of the commission's operational costs until the fiscal year following its discharge from bankruptcy.

(iv) As used in this subparagraph "net from operations" means total operating revenue less total operating expenses. - 56 -

(E) Notwithstanding the requirements of subparagraph (C), the independent special districts' share may be apportioned by an alternative method approved by a majority of the districts, representing a majority of the combined populations. However, in no event shall an individual district's apportionment exceed the amount that would be calculated pursuant to subparagraphs (C) and (D), or in excess of 50 percent of the total independent special districts' share, without the consent of that district. Commissions without district representation

(F) Notwithstanding the requirements of subparagraph (C), no independent special district shall be apportioned a share of more than 50 percent of the total independent special districts' share of the commission's operational costs, without the consent of the district as otherwise provided in this section. In those counties in which a district's share is limited to 50 percent of the total independent special districts' share of the commission's operational costs, the share of the remaining districts shall be increased on a proportional basis so that the total amount for all districts equals the share apportioned by the auditor to independent special districts.

(2) In counties in which there is no independent special district representation on the commission, the county and its cities shall each provide a one-half share of the commission's operational costs. The cities' share shall be apportioned in the manner described in paragraph (1). Counties with no cities

(3) In counties in which there are no cities, the county and its special districts shall each provide a one-half share of the commission's operational costs. The independent special districts' share shall be apportioned in the manner described for cities' apportionment in paragraph (1). If there is no independent special district representation on the commission, the county shall pay all of the commission's operational costs. Alternative apportionment

(4) Instead of determining apportionment pursuant to paragraph (1), (2), or (3), any alternative method of apportionment of the net operating expenses of the commission may be used if approved by a majority vote of each of the following: the board of supervisors; a majority of the cities representing a majority of the total population of cities in the county; and the independent special districts representing a majority of the combined total population of independent special districts in the county. However, in no event shall an individual district's apportionment exceed the amount that would be calculated pursuant to subparagraphs (C) and (D) of paragraph (1), or in excess of 50 percent of the total independent special districts' share, without the consent of that district

FY 2020-2021

Object Code		
Revenues		
4301 - Interest from Treasury	\$	190
4562 - County Contributions	\$	15,000
4599 - Other Agencies	\$	15,000
4817 - LAFCO Fees	\$	7,000
4998 - Operating Transfer	\$	-
Total	\$	37,190
Expenses		
5001 - Salaried Employees	\$	500 *
5021 - Retirement & Social Security	\$	38
5022 - PERS Retirement	\$	41
5031 - Medical Insurance	\$	65
5043 - Other Benefits	\$	100
5263 - Advertising	\$	300
5265 - Professional & Special Services	\$	25,695 *
5311 - General Operating Expense	\$	1,558 *
5331 - Travel Expense	\$	4,972 *
5315 - County Cost Plan	\$	1,189
5333 - Motor Pool	\$	1,236 *
Total	\$	35,693
Projected FY 2019-2020 Beginning Balance	\$	1,497
FY 2018-19 End Balance	\$	53,821
Projected Balance 6/30/2020	\$	55,318
	\$	30,000

* See attached Worksheets for details

FY 2020-2021 Prelim Budget

Description-Salary #5001		\$
5 meetings w/ 2 Commissioners *	= \$	500
	\$	500

* Board Of Supervisor Members are paid through regular payroll

FY 2020-2021 Prelim Budget

Description-Prof Service #5265	\$	
5 meetings w/ 4 Commissioners	= \$ 1,000	
Staff Time for meetings	= \$ 3,312	*
County Counsel for meetings	= \$ 2,265	
Staff Conference	= \$ 1,997	*
Annual Conference	= \$ 3,302	*
Special District Update	= \$ 499	*
Prep of prelim annual budget	= \$ 499	*
Prep of annual budget	= \$ 499	*
Staff time for the Audit	= \$ 374	*
Staff time for Sm Project	= \$ 2,000	*
Staff time for Lrg Proect (NIH)	= \$ 5,000	*
Audit cost (Gallina)	= \$ 2,700	*
Misc. acct	= \$ 749	*
Various public inquiries	= \$ 1,498	*
Meyers Nave Contract	= \$ -	
	\$ 25,695	

* Includes 20% Overhead charge

FY 2020-2021 Prelim Budget

Description-Gen Op #5311		\$
CALAFCO Membership	= \$	1,258
Misc. materials	= \$	300
	\$	1,558

FY 2020-2021 Prelim Budget

Description-Travel #5331		\$
3 meetings w/ 6 Commissioners	= \$	336
Staff Conference registration	= \$	400
Staff Conference per diem	= \$	320
Staff Conference hotel	= \$	700
Annual Conference registration	= \$	1,034
Annual Conference per diem	= \$	396
Annual Conference hotel	= \$	1,310
Annual Conference mileage	= \$	476
	\$	4,972

FY 2020-2021 Prelim Budget

Description-Motor Pool #5333		\$
5 meetings in Bishop	= \$	284
Annual Conference	= \$	476
Staff Conference	= \$	476
	\$	1,236

FY 2020-2021 Prelim Budget

LAFCO Meetings

5 meetings w/ 6 commissioners	\$ 1,744	Object 5265 plus Salary object codes
Staff Time for meetings	\$ 3,312	
County Counsel for meetings	\$ 2,265	
Commissioner Travel	\$ 336	
Staff Travel	\$ 284	
	<hr/>	
	\$ 7,941	

FY 2020-2021 Prelim Budget

LAFCO Conference

Staff time for Annual Conf	\$	3,302
Travel for Annual Conf (Reg, PD, Hotel, MP)	\$	3,692
Staff time for Staff Conf	\$	1,997
Travel for Staff Conf (Reg, PD, Hotel, MP)	\$	1,896
	\$	10,887

FY 2020-2021 Fund Balance

Object Code	Budgeted FY1920	Actual as of 3/31/2020	Projected 6/30/2021
Revenues			
4301 - Interest from Treasury	\$ 100	\$ 187	187
4562 - County Contributions	\$ 15,000		\$ 15,000
4599 - Other Agencies	\$ 15,000		\$ 15,000
4817 - LAFCO Fees	\$ 7,000	\$ 2,089	\$ 2,200
4998 - Operating Transfer	\$ 7,983	-	\$ -
Total	\$ 45,083	\$ 2,276	\$ 32,387
Expenses			
5001 - Salaried Employees	\$ 500	\$ 250	\$ 450
5021 - Retirement & Social Security	\$ 38	\$ 19	\$ 21
5022 - PERS Retirement	\$ 41	\$ 14	\$ 41
5031 - Medical Insurance	\$ 11	\$ 60	\$ 61
5043 - Other Benefits	\$ 100	\$ 4	\$ 100
5263 - Advertising	\$ 300	\$ 42	\$ 300
5265 - Professional & Special Services	\$ 39,612	\$ 4,587	\$ 39,612
5311 - General Operating Expense	\$ 1,200	\$ 1,075	\$ 1,200
5331 - Travel Expense	\$ 4,838	\$ 551	\$ 4,480
5315 - County Cost Plan	\$ 1,883	\$ -	\$ 1,883
5333 - Motor Pool	\$ 1,152	\$ 340	\$ 1,152
Total	\$ 49,675	\$ 6,942	\$ 49,300
Est. Ending Balance Budget FY18/19	\$ 19,083	\$ (4,666)	\$ (16,913)
Beg. Fund Balance FY19/20	\$ 34,738	\$ 34,738	\$ 34,738
Est. Fund Bal Aval. FY20/21	\$ 53,821	\$ 30,072	\$ 17,825

FY 2020-2021

Object Code			
Revenues			
4301 - Interest from Treasury	\$	190	
4562 - County Contributions	\$	10,000	
4599 - Other Agencies	\$	10,000	
4817 - LAFCO Fees	\$	7,000	
4998 - Operating Transfer	\$	-	
Total	\$	27,190	
Expenses			
5001 - Salaried Employees	\$	300 *	
5021 - Retirement & Social Security	\$	38	
5022 - PERS Retirement	\$	41	
5031 - Medical Insurance	\$	65	
5043 - Other Benefits	\$	100	
5263 - Advertising	\$	300	
5265 - Professional & Special Services	\$	17,765 *	
5311 - General Operating Expense	\$	1,558 *	
5331 - Travel Expense	\$	336 *	
5315 - County Cost Plan	\$	1,189	
5333 - Motor Pool	\$	170 *	
Total	\$	21,862	
Projected FY 2019-2020 Beginning Balance	\$	5,328	
FY 2018-19 End Balance	\$	53,821	
Projected Balance 6/30/2020	\$	59,149	
	\$	20,000	

* See attached Worksheets for details

FY 2020-2021 Prelim Budget

Description-Salary #5001		\$
3 meetings w/ 2 Commissioners *	= \$	300
	\$	300

* Board Of Supervisor Members are paid through regular payroll

FY 2020-2021 Prelim Budget

Description-Prof Service #5265	= \$	\$	
3meetings w/ 4 Commissioners	= \$	600	
Staff Time for meetings	= \$	1,987	*
County Counsel for meetings	= \$	1,359	
Staff Conference	= \$	-	*
Annual Conference	= \$	-	*
Special District Update	= \$	499	*
Prep of prelim annual budget	= \$	499	*
Prep of annual budget	= \$	499	*
Staff time for the Audt	= \$	374	*
Staff time for Sm Project	= \$	2,000	*
Staff time for Lrg Proect (NIH)	= \$	5,000	*
Audit cost (Gallina)	= \$	2,700	*
Misc. acct	= \$	749	*
Various public inquiries	= \$	1,498	*
Meyers Nave Contract	= \$	-	
		\$ 17,765	

* Includes 20% Overhead charge

FY 2020-2021 Prelim Budget

Description-Gen Op #5311		\$
CALAFCO Membership	= \$	1,258
Misc. materials	= \$	300
	\$	1,558

FY 2020-2021 Prelim Budget

Description-Travel #5331		\$
3 meetings w/ 6 Commissioners	= \$	336
Staff Conference registration	= \$	-
Staff Conference per diem	= \$	-
Staff Conference hotel	= \$	-
Annual Conference registration	= \$	-
Annual Conference per diem	= \$	-
Annual Conference hotel	= \$	-
Annual Conference mileage	= \$	-
	\$	336

FY 2020-2021 Prelim Budget

Description-Motor Pool #5333		\$
3 meetings in Bishop	= \$	170
Annual Conference	= \$	-
Staff Conference	= \$	-
	\$	170

FY 2020-2021 Prelim Budget

LAFCO Meetings

3meetings w/ 6 commissioners	\$ 1,144	Object 5265 plus Salary object codes
Staff Time for meetings	\$ 1,987	
County Counsel for meetings	\$ 1,359	
Commissioner Travel	\$ 336	
Staff Travel	\$ 170	
	<hr/>	
	\$ 4,996	

FY 2020-2021 Prelim Budget

LAFCO Conference

Staff time for Annual Conf	\$	-
Travel for Annual Conf (Reg, PD, Hotel, MP)	\$	-
Staff time for Staff Conf	\$	-
Travel for Staff Conf (Reg, PD, Hotel, MP)	\$	-
	\$	-

FY 2020-2021 Fund Balance

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