

Patrick Jones  
County Member

Janice Powell  
City Member

Tim Garman  
County Member

Tenessa Audette  
City Member

Mary Rickert  
County Member Alternate

Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member

Ronnean Lund  
Special District Member

Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

## **SPECIAL COMMISSION MEETING**

Monday, April 8, 2024 at 9:00 a.m.  
City of Shasta Lake Council Chambers  
4477 Main Street, Shasta Lake, CA 96019

## **AGENDA**

### **1. CALL TO ORDER**

- a. Roll Call
- b. Pledge of Allegiance

### **2. PUBLIC COMMENT**

*During this special meeting, members of the public are invited to address the Commission on items scheduled for discussion as part of this agenda, and that are within the jurisdiction of LAFCo. Comments may be limited to three (3) minutes per person. Comments on items not listed on the agenda may be provided to the Executive Officer after the meeting, by mail, or by email.*

### **3. AGENDA ADOPTION**

- a. Agenda - Additions/ Changes\*
- b. Business/ Campaign Conflict Disclosures

*Note: Only the following additions/changes are permitted: (1) to change the order of noticed agenda items, (2) determine to continue or not consider a noticed agenda item, or (3) discussion/action on an item not appearing on the posted agenda if a defined statutory emergency situation is determined to exist by majority vote (G.C. 56954.2(b)(1) and G.C. 54956.5).*

### **4. SPECIAL PRESENTATIONS - NONE**

### **5. CONSENT CALENDAR - ACTION ITEM**

*All consent items are considered routine and may be enacted by the Commission under one motion. With concurrence of the Chair, a Commissioner may request that an item be removed for discussion.*

- a. February 1, 2024 Draft Meeting Minutes
- b. FY 2023-24 Quarter 3 Summary and Bank Statements
- c. Non-substantial Changes to Shasta LAFCO Executive Committee Policy
- d. Letter of Support AB 3277
- e. Letter of Support SB 1209

### **6. CORRESPONDENCE - NONE**

# SHASTA LAFCO

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## 7. SCHEDULED PUBLIC HEARINGS

Any member of the public may address the Commission on scheduled public hearing items. The Chair may regulate the order of such presentations and reserves the right to limit the time allowed for each person to speak.

a. Proposed FY2024-25 Budget

The Commission will consider adopting the FY2024-25 proposed budget for distribution to member agencies.

## 8. BUSINESS ITEMS

Business items are for review and possible action by the Commission.

a. LAFCo Equipment and Mailing Address

The Commission will consider requests from the Executive Officer regarding location of office equipment and a new mailing address for LAFCo business.

b. FY 2022/23 Audit

The Commission will receive a report from the Executive Officer regarding the status of audit services.

c. Planwest Partners February & March 2024 Invoice

The Commission will review and consider approval for the Planwest Partners invoice for staffing services.

## 9. EXECUTIVE OFFICER REPORT (INFORMATIONAL ONLY)

An applicant or member of the public may provide comments on an item at the discretion of the Chair. General direction to staff for future action may be provided by the Commission.

a. Status of Municipal Service Review/Sphere of Influence Update Preparations

The Commission will receive an update on MSR/SOI preparation for the City of Anderson, Intermountain Regional Fire Services, and CSA #1 - County Fire.

b. Status of Current and Future Applications

The Commission will receive an update on current and future applications including current annexation to CSA #8, potential future annexation to the City of Redding, and formerly proposed annexation to Bella Vista Water District.

c. CALAFCO Daily Legislative Report (March 2024)

The Commission will receive an update on current legislation that is being tracked by CALAFCO.

## 10. CLOSED SESSION - NONE

## 11. COMMISSIONER ANNOUNCEMENTS (INFORMATIONAL ONLY)

## 12. STAFF ANNOUNCEMENTS

## 13. ADJOURNMENT

The next Regular Commission Meeting is scheduled for Thursday June 6, 2024 at 9:00am at the City of Redding Council Chambers located at 777 Cypress Avenue, Redding, CA.

If you choose not to observe the LAFCo meeting but wish to make a comment on a specific agenda item, please submit your comment via email by 5:00 p.m. the day prior to the meeting. Please submit your comment to [krystle@shastalafco.org](mailto:krystle@shastalafco.org). Your comment will be placed into the record at the LAFCo meeting.

## SHASTA LAFCO

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*Notice:*

This agenda has been posted at least 72 hours prior to the meeting in a location freely accessible to members of the public, in accordance with the Brown Act. The full agenda packet (including staff reports) is also available on the LAFCO website at [www.shastalafco.org](http://www.shastalafco.org).

For items appearing on the agenda, the public is invited to make comments at the time the item comes up for consideration by the Commission. The Chair will call for public comment as each item is heard by the Commission. For items not appearing on the agenda, the public is invited to make comments during the Public Comment period for non-agenda items. All speakers are invited to state their names but are not required to do so. If you wish to submit written material at the meeting, please supply 10 copies.

*FPPC - Notice to All Parties and Participants in LAFCO Proceedings:*

State law requires that a participant in LAFCO proceedings who has a financial interest in the decision and who has made a campaign contribution to any Commissioner in the past year must disclose the contribution. If you are affected, please notify LAFCO staff before the hearing.

*Americans with Disabilities Act:*

Commission meetings are held in a wheelchair accessible facility. Individuals requiring special accommodation to participate in this meeting are requested to contact the LAFCO representatives at (707) 825-8260. Notification 48 hours prior to the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting.

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Rosemary Smith  
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Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

## **REGULAR COMMISSION MEETING**

Thursday, February 1, 2024, at 9:00 a.m.

Shasta County Board of Supervisors Chambers, 1450 Court St #308B, Redding, California

## **DRAFT MINUTES**

### **1. CALL TO ORDER**

Chairman Russell called meeting to order at 9:00 a.m. at Shasta County Board of Supervisors Chambers

- a. Roll Call

**Present:** Chairman Russell; Commissioners Garman, Powell, Audette, Ryness, and Lund; and Alternates Neutze, Rickert\*, Smith, and Spencer

*\*Alternate Rickert arrived and was seated as a County voting member as of 9:22 AM.*

**Absent:** Commissioner Jones

**Staff Present:** Executive Officer Krystle Heaney, Legal Counsel Jim Underwood

- b. Pledge of Allegiance - Commissioner Garman

### **2. PUBLIC COMMENT**

Speakers: Public member and volunteer firefighter John Whitmore requested a Municipal Service Review of the Shasta County Fire Department be conducted due to recent changes in the Department around SOI issues involving the increase of Schedule A stations, equipment, and personnel.

### **3. AGENDA ADOPTION**

- a. Agenda Additions/Changes
- b. Business/Campaign Conflict Disclosures

No changes were made to the agenda or disclosures made.

**Motion** to adopt the agenda by Commissioner Ryness, seconded by Commissioner Powell, and passed by a 6-0-0 vote.

### **4. SPECIAL PRESENTATIONS**

- a. Recognition of Incoming Commissioners - Tim Garman, Janice Powell, Tenessa Audette, and Rosemary Smith
- b. Certificate of Appreciation - Kevin Crye, Michael Dacquisto, and Pamelyn Morgan

Commissioners gave thanks for prior members' participation and welcomed the new commissioners.

### **5. CONSENT CALENDAR - (Action Item)**

- a. December 7, 2023 Draft Meeting Minutes

Commissioner Ryness provided a report that the Fall River Valley Fire Protection District Chief indicated that the many concerns with the District have been resolved.

b. FY 2023-24 Quarter 2 Summary and Bank Statements

**Motion** to approve consent calendar by Commissioner Lund, seconded by Commissioner Ryness, and passed by a 6-0-0 vote.

**6. CORRESPONDENCE - None**

**7. SCHEDULED PUBLIC HEARINGS - None**

**8. BUSINESS ITEMS**

a. Designation of Chair/Vice-Chair

**Motion** to approve the designation of Commissioner Russell as Chair by Commissioner Ryness, seconded by Commissioner Lund, and passed by a 6-0-0 vote.

**Motion** to approve the designation of Commissioner Ryness as Vice-Chair by Commissioner Russell, seconded by Commissioner Ryness, and passed by a 6-0-0 vote.

b. FY 2022-23 Audit (*Informational - No Action*)

c. Planwest Partners December 2023 Invoice

**Motion** to approve the invoice for staffing services by Commissioner Ryness, seconded by Commissioner Lund, and passed by a 6-0-0 vote.

**9. EXECUTIVE OFFICER REPORT**

a. Status of MSR/SOI Update Preparation

b. Status of Current and Future Applications

c. CALAFCO Daily Legislative Report (January 2024)

The Executive Officer provided an overview of the proposed MSR/SOI process for the Intermountain Regional MSR/SOI Update and plans for the City of Anderson MSR/SOI Update. The status of current applications was also discussed, all of which are currently on hold. The CALAFCO Daily Legislative Report was also presented for informational purposes.

**10. CLOSED SESSION - None**

**11. COMMISSIONER ANNOUNCEMENTS**

a. Commissioner Ryness announced that he is on the CSDA Board and will be attending a member services committee meeting on February 2, 2024.

b. Commissioners inquired on when the Shasta County Fire Department is due for a MSR/SOI update. Executive Officer Heaney proposed bringing forth an MSR/SOI Update Schedule at the next Commission meeting.

c. Commissioner Russell brought up the Executive Committee and asked the Commission to propose a third Executive Committee member to attend meetings in addition to the Chair and Vice-Chair. Jim Underwood proposed putting this topic on the agenda for the next Commission meeting in April.

**12. STAFF ANNOUNCEMENTS**

- a. Executive Officer Heaney informed the commissioners that she is available to send out LAFCo information materials to interested commissioners or provide a LAFCo presentation at the next Commission meeting. Commissioner Rickert proposed that Executive Officer Heaney provide an informational presentation to the Shasta County Board of Supervisors in the near future.
- b. Next Regular Meeting is scheduled for Thursday, April 4, 2024, at 9:00 a.m. at the City of Shasta Lake Council Chambers, 4477 Main Street, Shasta Lake, CA 96019.

**13. ADJOURNMENT - 9:36 AM**



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## INFORMATION YOU SHOULD KNOW

**Price changes for U.S. Bank Business Checking, Savings and Treasury Management Services are effective Jan. 1, 2024.**

You can view revised pricing (only those prices that changed) at <https://cashmgmt.usbank.com/repricing> beginning Dec. 1, 2023. Please enter the Access Code listed below to view price changes that may apply. If you experience difficulty accessing this information, please call Customer Service at the number listed in the upper-right corner of this statement or send an email to [commercialsupport@usbank.com](mailto:commercialsupport@usbank.com).

Access Code: 0A-6C30-D0E2-F329

**New Services Terms and Conditions will be effective for U.S. Bank business clients on February 1, 2024.** You can view the new Services Terms and Conditions at [usbank.com/tmtermsandconditions](http://usbank.com/tmtermsandconditions). Use access code "terms2024." If you are unable to access this information for any reason, please reach out to your U.S. Bank contact or Commercial Customer Service team for assistance. If you are a former MUBG Union Bank National Association (MUB) client, the Services Terms and Conditions replaces the MUB Transaction Banking Agreement.

Effective February 12, 2024, please review updates made to the *Your Deposit Account Agreement* document which may affect your rights.

Beginning January 8, 2024, you can review the full revised document at [usbank.com/YDAA-upcoming-version](http://usbank.com/YDAA-upcoming-version), by calling 24-Hour Banking at 800-USBANKS (872-2657) or by visiting your local U.S. Bank branch. We accept relay calls.

### Here's what you should know:

- Added references to the *U.S. Bank Business Essentials® Pricing Information* disclosure throughout the document.
- Under **Insufficient Funds and Overdrafts** section, "**Available Balance**" sub-section, updated the language to state that debit card authorizations will be reflected as pending transactions and/or will reduce your Available Balance from the time we receive the authorization until the merchant presents the item for payment. If the debit card transaction has not been presented for payment within seven business days, it may be removed from your pending transactions and your Available Balance may no longer be reduced by the authorization amount.
- Under **Overdraft Handling** section, **ATM and Debit Card Overdraft Coverage** sub-section, updated language to state that upon opening your U.S. Bank consumer checking or money market account, or after your account is opened, you have the options to say 'Yes' or 'No' to ATM and Debit Card Overdraft Coverage.
- Under **Electronic Fund Transfers For Consumer Customers** and **Electronic Fund Transfers For Business Customers** sections, **Limits on Transfers** sub-section, **Debit Card Transactions**, updated the language to state that debit card authorizations will be reflected as pending transactions and/or will reduce your Available Balance from the time we receive the authorization until the merchant presents the item for payment. If the debit card transaction has not been presented for payment within seven business days, it may be removed from your pending transactions and your Available Balance may no longer be reduced by the authorization amount.
- Under **Electronic Fund Transfers For Consumer Customers** and **Electronic Fund Transfers For Business Customers** sections, **Fees** sub-section, **ATM Surcharge**, updated the language for how to locate a MoneyPass® network ATM.

If you have questions, please call us at 800-673-3555. Our business bankers are here to help 8 a.m. to 8 p.m. CT Monday through Friday and 8 a.m. to 6:30 p.m. CT on Saturday. You can also schedule an appointment at [usbank.com/book](http://usbank.com/book) to speak with a banker in person, by phone or virtually.



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Statement Period:  
 Jan 2, 2024  
 through  
 Jan 31, 2024



**SILVER BUSINESS CHECKING**

**Member FDIC**

U.S. Bank National Association

**Account Summary**

	# Items		
Beginning Balance on Jan 2		\$	140,828.27
Other Withdrawals	1		22.00-
Checks Paid	6		6,154.37-
<b>Ending Balance on Jan 31, 2024</b>		<b>\$</b>	<b>134,651.90</b>

**Other Withdrawals**

<u>Date</u>	<u>Description of Transaction</u>	<u>Ref Number</u>	<u>Amount</u>
Jan 16	Analysis Service Charge	1600000000	\$ 22.00-
<b>Total Other Withdrawals</b>			<b>\$ 22.00-</b>

**Checks Presented Conventionally**

<u>Check</u>	<u>Date</u>	<u>Ref Number</u>	<u>Amount</u>	<u>Check</u>	<u>Date</u>	<u>Ref Number</u>	<u>Amount</u>
3482	Jan 16	8314941908	2,256.60	3485	Jan 31	8614153478	600.00
3483	Jan 11	8914019083	2,039.80	3486	Jan 30	8310983067	132.97
3484	Jan 2	8318089563	600.00	3487	Jan 30	8313660524	525.00
<b>Conventional Checks Paid (6)</b>							<b>\$ 6,154.37-</b>

**Balance Summary**

<u>Date</u>	<u>Ending Balance</u>	<u>Date</u>	<u>Ending Balance</u>	<u>Date</u>	<u>Ending Balance</u>
Jan 2	140,228.27	Jan 16	135,909.87	Jan 31	134,651.90
Jan 11	138,188.47	Jan 30	135,251.90		

Balances only appear for days reflecting change.





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Access Code: 0A-6C30-D0E2-F329

**New Services Terms and Conditions will be effective for U.S. Bank business clients on February 1, 2024.** You can view the new Services Terms and Conditions at [usbank.com/tmtermsandconditions](http://usbank.com/tmtermsandconditions). Use access code "terms2024." If you are unable to access this information for any reason, please reach out to your U.S. Bank contact or Commercial Customer Service team for assistance. If you are a former MUFG Union Bank National Association (MUB) client, the Services Terms and Conditions replaces the MUB Transaction Banking Agreement.

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If you have questions or need to request a copy of the current *Your Deposit Account Agreement*, visit [usbank.com/tmtermsandconditions](http://usbank.com/tmtermsandconditions) or please call your customer service team at the phone number listed at the top of this statement.



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**MUNICIPAL INVESTOR**

**Member FDIC**

U.S. Bank National Association

**Account Summary**

Beginning Balance on Jan 2	# Items	\$	1,730.16	Annual Percentage Yield Earned		0.09531%
Other Deposits	1		0.14	Interest Earned this Period	\$	0.14
<b>Ending Balance on Jan 31, 2024</b>		<b>\$</b>	<b>1,730.30</b>	Interest Paid this Year	\$	0.14
				Number of Days in Statement Period		31

**Other Deposits**

<i>Date</i>	<i>Description of Transaction</i>	<i>Ref Number</i>	<i>Amount</i>
Jan 31	Interest Paid	3100000259	\$ 0.14
<b>Total Other Deposits</b>			<b>\$ 0.14</b>



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# Business Statement

Statement Period:  
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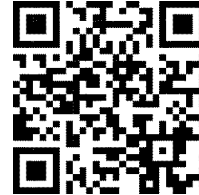
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## SILVER BUSINESS CHECKING

Member FDIC

U.S. Bank National Association

### Account Summary

	# Items		
Beginning Balance on Feb 1		\$	134,651.90
Customer Deposits	1		2,181.27
Other Withdrawals	2		573.50-
Checks Paid	3		12,367.87-
<b>Ending Balance on Feb 29, 2024</b>		<b>\$</b>	<b>123,891.80</b>

### Customer Deposits

Number	Date	Ref Number	Amount
	Feb 2	9213804853	2,181.27

**Total Customer Deposits \$ 2,181.27**

### Other Withdrawals

Date	Description of Transaction	Ref Number	Amount
Feb 5	Electronic Withdrawal REF=240360039617120N00	To INTUIT * 0000756346Payroll 6436890	\$ 550.00-
Feb 14	Analysis Service Charge	1400000000	23.50-

**Total Other Withdrawals \$ 573.50-**

### Checks Presented Conventionally

Check	Date	Ref Number	Amount	Check	Date	Ref Number	Amount
3488	Feb 6	8315905117	10,486.87	3492*	Feb 29	8913917952	600.00
3489	Feb 5	8017053005	1,281.00				

**Conventional Checks Paid (3) \$ 12,367.87-**

### Balance Summary

Date	Ending Balance	Date	Ending Balance	Date	Ending Balance
Feb 2	136,833.17	Feb 5	135,002.17	Feb 6	124,515.30

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**Business Statement**

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**SILVER BUSINESS CHECKING**

**(CONTINUED)**

U.S. Bank National Association

**Balance Summary (continued)**

<u>Date</u>	<u>Ending Balance</u>	<u>Date</u>	<u>Ending Balance</u>
Feb 14	124,491.80	Feb 29	123,891.80

Balances only appear for days reflecting change.



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# Business Statement

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## MUNICIPAL INVESTOR

**Member FDIC**

U.S. Bank National Association

### Account Summary

	# Items				
Beginning Balance on Feb 1		\$	1,730.30	Annual Percentage Yield Earned	0.0946%
Other Deposits	1		0.13	Interest Earned this Period	\$ 0.13
<b>Ending Balance on Feb 29, 2024</b>		<b>\$</b>	<b>1,730.43</b>	Interest Paid this Year	\$ 0.27
				Number of Days in Statement Period	29

### Other Deposits

<u>Date</u>	<u>Description of Transaction</u>	<u>Ref Number</u>	<u>Amount</u>
Feb 29	Interest Paid	2900000295	\$ 0.13
<b>Total Other Deposits</b>			<b>\$ 0.13</b>

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**BALANCE YOUR ACCOUNT**

To keep track of all your transactions, you should balance your account every month. Please examine this statement immediately. We will assume that the balance and transactions shown are correct unless you notify us of an error.

**Outstanding Deposits**

DATE	AMOUNT
TOTAL	\$

**Outstanding Withdrawals**

DATE	AMOUNT
TOTAL	\$

- List any deposits that do not appear on your statement in the Outstanding Deposits section at the left. Record the total.
- Check off in your checkbook register all checks, withdrawals (including Debit Card and ATM) and automatic payments that appear on your statement. Withdrawals that are NOT checked off should be recorded in the Outstanding Withdrawals section at the left. Record the total.
- Enter the ending balance shown on this statement. \$ \_\_\_\_\_
- Enter the total deposits recorded in the Outstanding Deposits section. \$ \_\_\_\_\_
- Total lines 3 and 4. \$ \_\_\_\_\_
- Enter the total withdrawals recorded in the Outstanding Withdrawals section. \$ \_\_\_\_\_
- Subtract line 6 from line 5. This is your balance. \$ \_\_\_\_\_
- Enter in your register and subtract from your register balance any checks, withdrawals or other debits (including fees, if any) that appear on your statement but have not been recorded in your register.
- Enter in your register and add to your register balance any deposits or other credits (including interest, if any) that appear in your statement but have not been recorded in your register.
- The balance in your register should be the same as the balance shown in #7. If it does not match, review and check all figures used, and check the addition and subtraction in your register. If necessary, review and balance your statement from the previous month.

**IMPORTANT DISCLOSURES TO OUR CONSUMER CUSTOMERS**

**In Case of Errors or Questions About Your Checking, Savings, ATM, Debit Card, ACH, Bill Pay and Other Electronic Transfers**

If you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt, we must hear from you no later than 60 days\* after we sent you the FIRST statement on which the error or problem appeared. Telephone us at the number listed on the front of this statement or write to us at U.S. Bank, EP-MN-WS5D, 60 Livingston Ave., St. Paul, MN 55107.

- Tell us your name and account number.
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, we may take up to 45 days to investigate your complaint. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

\*Please note: Paper draft and paper check claims must be disputed within 30 days per Your Deposit Account Agreement.

**IMPORTANT DISCLOSURES TO OUR BUSINESS CUSTOMERS**

Errors related to any transaction on a business account will be governed by any agreement between us and/or all applicable rules and regulations governing such transactions, including the rules of the National Automated Clearing House Association (NACHA Rules) as may be amended from time to time. If you think this statement is wrong, please telephone us at the number listed on the front of this statement immediately.

**CONSUMER BILLING RIGHTS SUMMARY REGARDING YOUR RESERVE LINE**

**What To Do If You Think You Find A Mistake on Your Statement**

If you think there is an error on your statement, write to us at:

U.S. Bank, P.O. Box 3528, Oshkosh, WI 54903-3528.

In your letter, give us the following information:

- Account information:** Your name and account number.
- Dollar Amount:** The dollar amount of the suspected error.
- Description of problem:** If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement.

You must notify us of any potential errors *in writing*. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

While we investigate whether or not there has been an error, the following are true:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But, if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

**Reserve Line Balance Computation Method:** To determine your **Balance Subject to Interest Rate**, use the dates and balances provided in the Reserve Line Balance Summary section. The date next to the first Balance Subject to Interest is day one for that balance and is applicable up to (but not including) the date of the next balance (if there is one). We multiply the Balance Subject to Interest by the number of days it is applicable and add them up to get the same number of days in the billing cycle. We then divide the result by the number of billing days in the cycle. This is your **Balance Subject to Interest Rate**. Any unpaid interest charges and unpaid fees are not included in the Balance Subject to Interest. The **\*\*\*INTEREST CHARGE\*\*\*** begins from the date of each advance.

**REPORTS TO AND FROM CREDIT BUREAUS FOR RESERVE LINES**

We may report information about your account to credit bureaus. Late payments, missed payments or other defaults on your account may be reflected in your credit report.

**CONSUMER REPORT DISPUTES**

We may report information about account activity on consumer and small business deposit accounts and consumer reserve lines to Consumer Reporting Agencies (CRA). As a result, this may prevent you from obtaining services at other financial institutions. If you believe we have inaccurately reported information to a CRA, you may submit a dispute by calling 844.624.8230 or by writing to: U.S. Bank Attn: Consumer Bureau Dispute Handling (CBDH), P.O. Box 3447, Oshkosh, WI 54903-3447. In order for us to assist you with your dispute, you must provide: your name, address and phone number; the account number; the specific information you are disputing; the explanation of why it is incorrect; and any supporting documentation (e.g., affidavit of identity theft), if applicable.





P.O. Box 1800  
Saint Paul, Minnesota 55101-0800

3843 TRN S Y ST01

Statement Period:  
Mar 1, 2024  
through  
Mar 29, 2024

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Page 1 of 2

SHASTA LOCAL AGENCY FORMATION  
COMMISSION  
999 MISSION DE ORO DR STE 106  
REDDING CA 96003-3861



To Contact U.S. Bank

Commercial Customer

Service:

877-295-2509

U.S. Bank accepts Relay Calls

Internet:

usbank.com

## NEWS FOR YOU

Scan here with your phone's camera to download the U.S. Bank Mobile App.



## INFORMATION YOU SHOULD KNOW

Effective May 13, 2024, we would like to inform you of the upcoming changes to the *Business Pricing Information* and the *U.S. Bank Business Essentials® Pricing Information* documents that may impact your account. To obtain a current copy of the *Business Pricing Information* and *U.S. Bank Business Essentials® Pricing Information* disclosures, visit your local branch.

### Primary updates in your revised *Business Pricing Information* disclosure

- Effective January 2024, the following fees are no longer being charged. The references to these fees were removed or changed to "no charge" throughout the document:
  - Mini and Full Statement Fee at a U.S. Bank ATM
  - Safe Deposit Box Paper Invoice
  - Tracer Fee
  - Foreign Draft Purchases
- Checks on Select Countries/Banks (non-collection) name is changed to Foreign Currency Check Deposit - Select Countries
- Domestic Internal Wire Transfer Fee clarification is being added for the following:
  - Internal Wire - outgoing - \$11.00
- The footnote for Business Overdraft Protection was updated to refer to the *Your Deposit Account Agreement* document in the section titled "Overdraft Protection Plans," under "Business Banking Overdraft Protection" for additional information.

Beginning May 13, 2024, a copy of the *Business Pricing Information* and the *U.S. Bank Business Essentials® Pricing Information* documents will be available by calling 800-673-3555 or by visiting your local branch.

If you have any questions, you can call us at 800-673-3555. Our business bankers are here to help 8 a.m. to 8 p.m. CT Monday through Friday and 8 a.m. to 6:30 p.m. CT on Saturday. We accept relay calls. Our bankers are also available to help at your local branch via appointment.

Effective May 13, 2024, please review updates made to the *Your Deposit Account Agreement* document which may affect your rights.

Beginning April 8, 2024, you can review the full revised document at [usbank.com/YDAA-upcoming-version](https://usbank.com/YDAA-upcoming-version), by calling 24-Hour Banking at 800-USBANKS (872-2657) or by visiting your local U.S. Bank branch. We accept relay calls.

### Here's what you should know:

Products and services available in U.S. only. Eligibility requirements and restrictions apply. For additional information, contact a U.S. Bank branch or call 800-872-2657.



Statement Period:  
Mar 1, 2024  
through  
Mar 29, 2024

**INFORMATION YOU SHOULD KNOW**

**(CONTINUED)**

- Under the **Overdraft Protection Plans** section, **Business Banking Overdraft Protection** sub-section, updated the language to state that when a checking account has a linked Business Reserve Line of Credit, the system will automatically draw from that account first, which may incur a fee. If a checking account has a deposit product and credit product linked as overdraft protection, the order of eligible accounts is updated to always draw from the deposit product first, which will not incur a fee, unless the checking account has a linked Business Reserve Line of Credit. If the deposit product has insufficient funds available to transfer, funds will draw from the credit product.
- Under the **Closing Your Account** section, added a paragraph for **How the account closure works** that says, for consumer checking, savings and money market accounts, when you request an account closure, your account will be placed in a 'pending closure' status for a period of 10 business days. During this 10 business day 'pending closure' period, we will allow pending deposits to be cleared and/or post to your account and we will allow pending debit card transactions that you authorized prior to initiating closure to be cleared and/or post to your account. Your debit card will be declined and transactions will no longer be approved when the account is in 'pending closure' status. Once your account is fully closed, transactions will not be allowed to post to the account except under limited circumstances. For example, transactions may be processed after closure if necessary for fraud investigations, transaction dispute claims, merchant credits, or deposit adjustments due to errors.

If you have questions, please call us at 800-673-3555. Our business bankers are here to help 8 a.m. to 8 p.m. CT Monday through Friday and 8 a.m. to 6:30 p.m. CT on Saturday. You can also schedule an appointment at [usbank.com/book](https://usbank.com/book) to speak with a banker in person, by phone or virtually.

**SILVER BUSINESS CHECKING**

**Member FDIC**

U.S. Bank National Association

**Account Summary**

	# Items		
Beginning Balance on Mar 1		\$	123,891.80
Customer Deposits	1		750.00
Other Withdrawals	3		265.72-
Checks Paid	4		16,583.26-
<b>Ending Balance on Mar 31, 2024</b>		<b>\$</b>	<b>107,792.82</b>

**Customer Deposits**

Number	Date	Ref Number	Amount
	Mar 29	9213234605	750.00

**Total Customer Deposits \$ 750.00**

**Other Withdrawals**

Date	Description of Transaction	Ref Number	Amount
Mar 14	Analysis Service Charge	1400000000	\$ 23.50-
Mar 14	Electronic Withdrawal REF=240730171200910Y00	To DELUXE BUS SYS. 1411877307BUS PRODS 15965564	102.24-
Mar 25	Electronic Withdrawal REF=240820161026750N00	To SPECTRUM 0000358635SPECTRUM 1188644	139.98-
<b>Total Other Withdrawals</b>			<b>\$ 265.72-</b>

**Checks Presented Conventionally**

Check	Date	Ref Number	Amount	Check	Date	Ref Number	Amount
3490	Mar 1	9214915585	1,015.00	3493*	Mar 7	8914188622	1,250.00
3491	Mar 7	8911663447	14,234.26	3494	Mar 13	8614051408	84.00

\* Gap in check sequence

**Conventional Checks Paid (4) \$ 16,583.26-**

**Balance Summary**

Date	Ending Balance	Date	Ending Balance	Date	Ending Balance
Mar 1	122,876.80	Mar 13	107,308.54	Mar 25	107,042.82
Mar 7	107,392.54	Mar 14	107,182.80	Mar 29	107,792.82

Balances only appear for days reflecting change.





P.O. Box 1800  
Saint Paul, Minnesota 55101-0800

3843 TRN S Y ST01

Statement Period:  
Mar 1, 2024  
through  
Mar 31, 2024

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Page 1 of 1



SHASTA LOCAL AGENCY FORMATION  
COMMISSION  
999 MISSION DE ORO DR STE 106  
REDDING CA 96003-3861



To Contact U.S. Bank

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Service:

877-295-2509

U.S. Bank accepts Relay Calls

Internet:

usbank.com

**INFORMATION YOU SHOULD KNOW**

Effective May 13, 2024, please review updates made to the *Your Deposit Account Agreement* document which may affect your rights.

Beginning April 8, 2024, you can review the full revised document at [usbank.com/YDAA-upcoming-version](https://usbank.com/YDAA-upcoming-version), by calling 24-Hour Banking at 800-USBANKS (872-2657) or by visiting your local U.S. Bank branch. We accept relay calls.

**Here's what you should know:**

- Under the **Overdraft Protection Plans** section, **Business Banking Overdraft Protection** sub-section, updated the language to state that when a checking account has a linked Business Reserve Line of Credit, the system will automatically draw from that account first, which may incur a fee. If a checking account has a deposit product and credit product linked as overdraft protection, the order of eligible accounts is updated to always draw from the deposit product first, which will not incur a fee, unless the checking account has a linked Business Reserve Line of Credit. If the deposit product has insufficient funds available to transfer, funds will draw from the credit product.
- Under the **Closing Your Account** section, added a paragraph for **How the account closure works** that says, for consumer checking, savings and money market accounts, when you request an account closure, your account will be placed in a 'pending closure' status for a period of 10 business days. During this 10 business day 'pending closure' period, we will allow pending deposits to be cleared and/or post to your account and we will allow pending debit card transactions that you authorized prior to initiating closure to be cleared and/or post to your account. Your debit card will be declined and transactions will no longer be approved when the account is in 'pending closure' status. Once your account is fully closed, transactions will not be allowed to post to the account except under limited circumstances. For example, transactions may be processed after closure if necessary for fraud investigations, transaction dispute claims, merchant credits, or deposit adjustments due to errors.

If you have questions or need to request a copy of the current *Your Deposit Account Agreement*, visit [usbank.com/tmtermsandconditions](https://usbank.com/tmtermsandconditions) or please call your customer service team at the phone number listed at the top of this statement.

**MUNICIPAL INVESTOR**

Member FDIC

U.S. Bank National Association

**Account Summary**

	# Items				
Beginning Balance on Mar 1		\$	1,730.43	Annual Percentage Yield Earned	0.08848%
Other Deposits	1		0.13	Interest Earned this Period	\$ 0.13
<b>Ending Balance on Mar 31, 2024</b>		<b>\$</b>	<b>1,730.56</b>	Interest Paid this Year	\$ 0.40
				Number of Days in Statement Period	31

**Other Deposits**

Date	Description of Transaction	Ref Number	Amount
Mar 29	Interest Paid	2900000303	\$ 0.13
<b>Total Other Deposits</b>			<b>\$ 0.13</b>

Products and services available in U.S. only. Eligibility requirements and restrictions apply. For additional information, contact a U.S. Bank branch or call 800-872-2657.

Patrick Jones  
County Member

Tim Garman  
County Member

Mary Rickert  
County Member Alternate

Janice Powell  
City Member

Tenessa Audette  
City Member

Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member

Ronnean Lund  
Special District Member

Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

## AGENDA ITEM 5.c.

**Date:** April 8, 2024

**From:** Krystle Heaney, Executive Officer

**Subject:** **Non-Substantial Changes to Shasta LAFCO Executive Committee Policy**

The Commission will consider non-substantial changes to current Shasta LAFCO policy regarding the composition of the Executive Committee.

### BACKGROUND

Shasta LAFCO has existing Policies and Procedures that were last updated on February 1, 2018. This document provides direction on Commission business including organization, operations, administration. It also provides policies on changes or organization, agricultural and open space, Disadvantaged Unincorporated Communities, and MSR/SOI Updates.

### DISCUSSION

Shasta LAFCO Policies and Procedures Section 4 - Executive Committee describes the authority of the Executive Committee and the composition. Currently, the composition is detailed as:

*"The Executive Committee shall be composed of the chair, vice-chair and one other commission member. The third member should represent a commissioner types (County, City, Special District, Public) not already represented by the chair and vice-chair."*

Based on input from the existing Executive Committee and legal counsel, it is recommended that the language be updated to clarify whether alternate commissioners can participate on the committee. Suggested language is as follows:

*"The Executive Committee shall be composed of the chair, vice-chair and one other regular or alternate commission member. The third member should represent a commissioner types (County, City, Special District, Public) not already represented by the chair and vice-chair."*

### RECOMMENDATION

Staff recommends the Commission consider the proposed changes to the Executive Committee composition and approve the changes as part of the consent calendar.

Patrick Jones  
County Member

Janice Powell  
City Member

Tim Garman  
County Member

Tenessa Audette  
City Member

Mary Rickert  
County Member Alternate

Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member

Ronnean Lund  
Special District Member

Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

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## AGENDA ITEM 5.D.

**Date:** April 8, 2024

**From:** Krystle Heaney, Executive Officer

**Subject:** **Letter of Support for Assembly Bill 3277**

The Commission will receive a report regarding AB 3277 which is currently being considered by the state legislature. This bill, if enacted, would clarify the tax exchange process for special district formations, explicitly when subject agencies waive the exchange of property tax revenue.

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### BACKGROUND

The State Legislature reconvened from the winter recess on January 3, 2024. Approximately 2,100 bills were introduced during the 2024 legislative session, which included an estimated 1,500 bills in the Assembly and 600 in the Senate. The deadline to introduce a bill was February 17. All bills must pass out of their house of origin (Assembly or Senate) no later than May 17. Afterwards, all bills must pass through both houses by August 31 with a 30-day period for the Governor to either sign or veto passed bills. More information is available on <http://leginfo.legislature.ca.gov/>.

LAFCo staff, through participation with the California Association of LAFCOs (CALAFCO), monitors proposed LAFCo-related legislation. During the January 12th and February 16th CALAFCO Legislative Committee Meetings, CALAFCO provided an update on bills continued from the 2023 legislative session and this year's Omnibus Bill. CALAFCO and the Assembly Committee on Local Government regularly co-sponsor the annual Omnibus Bill to propose technical and non-substantive amendments to the CKH Act.

### DISCUSSION

The 2024 Omnibus Bill initially included five proposed amendments to the CKH Act to clarify LAFCo processes and authority. However, through a recent review by the legislative staff of the proposed amendments, only one was deemed qualified to be in this year's Omnibus Bill - the other four proposals were determined to have substantive changes to the CKH Act and therefore unqualified to move forward. As a result, this year's bill will only include proposed language that would clarify the tax exchange process for special district boundary changes explicitly when subject agencies waive the exchange of property tax revenue, as described below. This bill is currently in print and is scheduled to be presented to the floor in April.

Government Code Section 56810 provides the process and authority for LAFCo to determine the amount of property tax revenue to be exchanged by an affected local agency involving the formation of a new special district. However, current law is unclear on guidelines for agencies seeking or not seeking a share of the ad valorem property taxes. The proposed change under the Omnibus Bill would add language maintaining the authority and requirement for a LAFCo to determine the property tax

revenues to be exchanged for an affected agency in applications involving the formation of a special district whereby the affected agency is seeking a share of the 1% ad valorem property taxes, while excluding this requirement for LAFCo if the applicant has indicated that the agency will not seek a share of the 1% ad valorem property taxes. The bill's language is shown in Attachment A for further review.

**RECOMMENDATION**

Staff recommends the Commission consider action on recommendation to support AB3277 and direct the Executive Officer to submit a letter of support for all stages of the legislative process.

***Attachments***

*Attachment A - AB 3277 (Omnibus Bill)*

*Attachment B - AB 3277 Letter of Support*



**AB-3277 Local agency formation commission: districts: property tax.** (2023-2024)

SHARE THIS:

Date Published: 02/27/2024 09:00 PM

CALIFORNIA LEGISLATURE— 2023–2024 REGULAR SESSION

**ASSEMBLY BILL**

**NO. 3277**

**Introduced by Committee on Local Government**

**February 27, 2024**

An act to amend Section 56810 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 3277, as introduced, Committee on Local Government. Local agency formation commission: districts: property tax.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, establishes the sole and exclusive authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. Existing law requires proceedings for the formation of a district to be conducted as authorized by the principal act of the proposed district, and authorizes the local agency formation commission in each county to serve as the conducting authority, as specified. Existing law requires a commission to determine the amount of property tax revenue to be exchanged by an affected local agency, as specified, if the proposal includes the formation of a district, as defined.

This bill would, instead, require a commission to determine the amount of property tax revenue to be exchanged by an affected local agency if the proposal includes the formation of a district and the applicant is seeking a share of the 1% ad valorem property taxes. By adding to the duties of a local agency formation commission, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 56810 of the Government Code is amended to read:

**56810.** (a) (1) If the proposal includes the incorporation of a city, as defined in Section 56043, the commission shall determine the amount of property tax revenue to be exchanged by the affected local agency pursuant to this section and Section 56815.

(2) If the proposal includes the formation of a district, as defined in Section 2215 of the Revenue and Taxation Code, *and if the applicant is seeking a share of the 1 percent ad valorem property taxes*, the commission shall determine the amount of property tax to be exchanged by the affected local agency pursuant to this section.

(b) The commission shall notify the county auditor of the proposal and the services which the new jurisdiction proposes to assume within the area, and identify for the auditor the existing service providers within the area subject to the proposal.

(c) If the proposal would not transfer all of an affected agency's service responsibilities to the proposed city or district, the commission and the county auditor shall do all of the following:

(1) The county auditor shall determine the proportion that the amount of property tax revenue derived by each affected local agency pursuant to subdivision (b) of Section 93 of the Revenue and Taxation Code bears to the total amount of revenue from all sources, available for general purposes, received by each affected local agency in the prior fiscal year. For purposes of making this determination and the determination required by paragraph (3), "total amount of revenue from all sources available for general purposes" means the total amount of revenue which an affected local agency may use on a discretionary basis for any purpose and does not include any of the following:

(A) Revenue which, by statute, is required to be used for a specific purpose.

(B) Revenue from fees, charges, or assessments which are levied to specifically offset the cost of particular services and do not exceed the cost reasonably borne in providing these services.

(C) Revenue received from the federal government which is required to be used for a specific purpose.

(2) The commission shall determine, based on information submitted by each affected local agency, an amount equal to the total net cost to each affected local agency during the prior fiscal year of providing those services which the new jurisdiction will assume within the area subject to the proposal. For purposes of this paragraph, "total net cost" means the total direct and indirect costs that were funded by general purpose revenues of the affected local agency and excludes any portion of the total cost that was funded by any revenues of that agency that are specified in subparagraphs (A), (B), and (C) of paragraph (1).

(3) The commission shall multiply the amount determined pursuant to paragraph (2) for each affected local agency by the corresponding proportion determined pursuant to paragraph (1) to derive the amount of property tax revenue used to provide services by each affected local agency during the prior fiscal year within the area subject to the proposal. The county auditor shall adjust the amount described in the previous sentence by the annual tax increment according to the procedures set forth in Chapter 6 (commencing with Section 95) of Part 0.5 of Division 1 of the Revenue and Taxation Code, to the fiscal year in which the new city or district receives its initial allocation of property taxes.

(4) For purposes of this subdivision, in any county in which, prior to the adoption of Article XIII A of the California Constitution, and continuing thereafter, a separate fund or funds were established consisting of revenues derived from the unincorporated area of the county and from which fund or funds services rendered in the unincorporated area have been paid, the amount of property tax revenues derived pursuant to paragraph (3), may, at the discretion of the commission, be transferred to the proposed city over a period not to exceed 12 fiscal years following its incorporation. In determining whether the transfer of the amount of property tax revenues determined pursuant to paragraph (3) shall occur entirely within the fiscal year immediately following the incorporation of the proposed city or shall be phased in over a period not to exceed 12 full fiscal years following the incorporation, the commission shall consider each of the following:

(A) The total amount of revenue from all sources available to the proposed city.

(B) The fiscal impact of the proposed transfer on the transferring agency.

(C) Any other relevant facts which interested parties to the exchange may present to the commission in written form.

The decision of the commission shall be supported by written findings setting forth the basis for its decision.

(d) If the proposal would transfer all of an affected agency's service responsibilities to the proposed city or district, the commission shall request the auditor to determine the property tax revenue generated for the affected service providers by tax rate area, or portion thereof, and transmit that information to the commission.

(e) The executive officer shall notify the auditor of the amount determined pursuant to paragraph (3) of subdivision (c) or subdivision (d), as the case may be, and, where applicable, the period of time within which and the procedure by which the transfer of property tax revenues will be effected pursuant to paragraph (4) of subdivision (c), at the time the executive officer records a certificate of completion pursuant to Section 57203 for any proposal described in subdivision (a), and the auditor shall transfer that amount to the new jurisdiction.

(f) The amendments to this section enacted during the 1985–86 Regular Session of the Legislature shall apply to any proposal described in subdivision (a) for which a certificate of completion is recorded with the county recorder on or after January 1, 1987.

(g) For purposes of this section, "prior fiscal year" means the most recent fiscal year for which data on actual direct and indirect costs and revenues needed to perform the calculations required by this section are available preceding the issuance of the certificate of filing.

(h) An action brought by a city or district to contest any determinations of the county auditor or the commission with regard to the amount of property tax revenue to be exchanged by the affected local agency pursuant to this section shall be commenced within three years of the effective date of the city's incorporation or the district's formation. These actions may be brought by any city that incorporated or by any district that formed on or after January 1, 1986.

(i) This section applies to any city that incorporated or district that formed on or after January 1, 1986.

(j) The calculations and procedures specified in this section shall be made prior to and shall be incorporated into the calculations specified in Section 56815.

**SEC. 2.** If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

Patrick Jones  
County Member

Tim Garman  
County Member

Mary Rickert  
County Member Alternate

Janice Powell  
City Member

Tenessa Audette  
City Member

Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member

Ronnean Lund  
Special District Member  
Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

April 8, 2024

Agenda Item 5d  
Attachment B

Honorable Juan Carrillo, Chair  
Assembly Local Government Committee  
1020 N St.  
Rm. 157  
Sacramento, CA 95814

**RE: SUPPORT of AB 3277, Local agency formation commission: districts: property tax**

Dear Senator Carrillo,

The Shasta Local Agency Formation Commission (LAFCo) is pleased to **Support Assembly Bill 3277**, sponsored by the California Association of Local Agency Formation Commissions (CALAFCO), which makes a clarifying change to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act).

Under existing statute, a commission must perform a financial analysis of ad valorem property taxes when a proposal is received that includes the incorporation of a city and the formation of a district. The only purpose of the analysis is to determine how best to apportion the property taxes between the agencies. However, occasionally, an application is received in which the district waives any portion of the ad valorem taxes. In those situations, no analysis is needed for the process, yet it remains required by statute.

This bill will add language that clarifies that the performance of the financial analysis in that situation only needs to be performed in those instances where a portion of the ad valorem property taxes is being sought.

By making this minor change, **AB 3277** will apply this time-consuming process only to those applications that require it.

For the reasons noted above, Shasta LAFCO **Supports AB 3277**.

Yours sincerely,

Krystle Heaney, AICP  
Executive Officer  
Shasta LAFCo

cc: Members and Consultants, Assembly Local Government Committee  
William Weber, Consultant, Assembly Republican Caucus  
René LaRoche, Executive Director, CALAFCO  
Larry Russell, Shasta LAFCo Chair



Patrick Jones  
County Member

Janice Powell  
City Member

Tim Garman  
County Member

Tenessa Audette  
City Member

Mary Rickert  
County Member Alternate

Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member

Ronnean Lund  
Special District Member

Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

## AGENDA ITEM 5.E.

**Date:** April 8, 2024

**From:** Krystle Heaney, Executive Officer

**Subject:** **Letter of Support for Senate Bill 1209**

The Commission will receive a report regarding SB 1209 which is currently being considered by the state legislature. This bill, if enacted, would authorize LAFCo to require an indemnification agreement as part of an application for reorganization or change in service.

### BACKGROUND

The State Legislature reconvened from the winter recess on January 3, 2024. Approximately 2,100 bills were introduced during the 2024 legislative session, which included an estimated 1,500 bills in the Assembly and 600 in the Senate. The deadline to introduce a bill was February 17. All bills must pass out of their house of origin (Assembly or Senate) no later than May 17. Afterwards, all bills must pass through both houses by August 31 with a 30-day period for the Governor to either sign or veto passed bills. More information is available on <http://leginfo.legislature.ca.gov/>.

LAFCo staff, through participation with the California Association of LAFCOs (CALAFCO), monitors proposed LAFCo-related legislation. During the January 12th and February 16th Legislative Committee Meetings, CALAFCO provided an update on bills continued from the 2023 legislative session and this year's Omnibus Bill. Of note, is Senate Bill 1209 relating to indemnification.

### DISCUSSION

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 continues the existence of a local agency formation commission (LAFCo) in each county that consists of members appointed, as specified, that oversee changes of organization and reorganization. The act authorizes a LAFCo to, among other things, review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, as specified. SB 1209 would authorize a LAFCo to require, as a condition for, among other things, processing a change of organization or reorganization, that the applicant agrees to defend, indemnify, and hold harmless the LAFCo, its agents, officers, and employees from and against any claim, action, or proceeding, as specified, arising from or relating to the action or determination by the LAFCo.

Since LAFCOs rely on member contributions to fund the daily operations of the commission and conduct municipal services reviews, annual budgets typically do not include contingencies for substantial legal fees, and reserves can be limited. In the event of a major claim, action, or other proceeding against the commission, the associated legal fees could quickly deplete Commission resources. Indemnification would help protect LAFCOs from these types of major legal fees.

**RECOMMENDATION**

Staff recommends the Commission consider action on recommendation to support SB 1209 and direct the Executive Officer to submit a letter of support for all stages of the legislative process.

***Attachments***

*Attachment A - SB 1209 (Indemnification)*

*Attachment B - SB 1209 Letter of Support*


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## SB-1209 Local agency formation commission: indemnification. (2023-2024)

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Date Published: 02/15/2024 09:00 PM

CALIFORNIA LEGISLATURE— 2023–2024 REGULAR SESSION

### SENATE BILL

**NO. 1209**

Introduced by Senator Cortese

February 15, 2024

An act to add Section 56383.5 to the Government Code, relating to local government.

### LEGISLATIVE COUNSEL'S DIGEST

SB 1209, as introduced, Cortese. Local agency formation commission: indemnification.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. The act continues in existence in each county a local agency formation commission (LAFCO) that consists of members appointed, as specified, and oversees those changes of organization and reorganization. The act authorizes a LAFCO to, among other things, review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, as specified.

This bill would authorize a LAFCO to require, as a condition for, among other things, processing a change of organization or reorganization, that the applicant agrees to defend, indemnify, and hold harmless the LAFCO, its agents, officers, and employees from and against any claim, action, or proceeding, as specified, arising from or relating to the action or determination by the LAFCO.

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 56383.5 is added to the Government Code, to read:

**56383.5.** The commission may require, as a condition for processing a change of organization or reorganization, a sphere amendment or a sphere update, or any other action or determination requested from the commission, that the applicant agrees to defend, indemnify, and hold harmless the commission, its agents, officers, and employees from any claim, action, or proceeding against the commission, its agents, officers, or employees arising from or relating to the action or determination by the commission.

Patrick Jones  
County Member  
  
Tim Garman  
County Member  
  
Mary Rickert  
County Member Alternate

Janice Powell  
City Member  
  
Tenessa Audette  
City Member  
  
Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member  
  
Ronnean Lund  
Special District Member  
  
Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member  
  
Michael Spencer  
Public Member Alternate

April 8, 2024

Agenda Item 5e  
Attachment B

Honorable David Cortese  
California State Senate  
1021 O Street, Suite 6630  
Sacramento, CA 95814

RE: **SB 1209 (Cortese): Local agency formation commission: indemnification – SUPPORT  
Awaiting hearing – Senate Local Government Committee**

Dear Senator Cortese:

The Shasta Local Agency Formation Commission (LAFCO) is pleased to support Senate Bill 1209, sponsored by the California Association of Local Agency Formation Commissions (CALAFCO). SB 1209 would add a new section into Government Code authorizing LAFCOs to enter into an indemnification agreement with an applicant. Counties and cities are already empowered to require indemnification, and routinely do so with respect to discretionary land-use approvals. SB 1209 would merely provide LAFCOs with the same authority.

This bill addresses a 2022 decision of the Second District Court of Appeals, which found that existing State law does not provide explicit authority to require indemnification. Absent indemnification authority - and because LAFCO funding is statutorily required in a specified ratio from the county, cities, and special districts within a county - the costs to defend litigation must be absorbed by all of LAFCO's funding agencies.

Consequently, **SB 1209** will:

- Provide LAFCOs with the ability to use a tool already in use by counties and cities;
- Prevent costs to defend litigation from being shifted to a county, its cities, and its special districts; and
- Remove the possibility that an applicant threatens litigation to coerce a desirable LAFCO determination.

Thus, for the above reasons, Shasta LAFCO is in strong *support of SB 1209*.

Sincerely,

Krystle Heaney, AICP  
Executive Officer  
Shasta LAFCO

cc: The Honorable Maria Elena Durazo, Chair, and Members, Senate Local Government Committee  
Anton Favorini-Csorba, Chief Consultant, Senate Local Government Committee  
Ryan Eisberg, Consultant, Senate Republican Caucus  
Rene' LaRoche, Executive Director, California Association of Local Agency Formation Commissions  
Larry Russell, Shasta LAFCO Chair

Patrick Jones  
County Member

Janice Powell  
City Member

Tim Garman  
County Member

Tenessa Audette  
City Member

Mary Rickert  
County Member Alternate

Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member

Ronnean Lund  
Special District Member

Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

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## AGENDA ITEM 7.A.

**Date:** April 8, 2024

**From:** Krystle Heaney, Executive Officer

**Subject: Proposed FY 2024-25 Budget**

The Commission will review and take action on the proposed budget for FY 2024-25.

---

### BACKGROUND

Under California Government Code Section 56381, LAFCOs are responsible for annually adopting a proposed budget by May 1st and a final budget by June 15th. State law specifies the proposed and final budgets shall, at a minimum, be equal to the budget adopted for the previous fiscal year unless LAFCO finds the reduced costs will nevertheless allow agency to fulfill its prescribed regulatory and planning duties.

### DISCUSSION

The proposed FY 2024-25 budget will be provided to all member agencies upon approval. The budget proposes a small increase in member contributions similar to prior years' budgets.

#### Funding Sources:

Shasta LAFCO's annual operating expenses are principally funded through appropriations from the County, Cities and Special Districts, in addition to application fees and interest earnings. Each fiscal year, after the Commission adopts the final budget, the County Auditor apportions operating expenses by one-third shared between the County, the Cities, and the independent special districts.

#### Operating Expenses:

Proposed operating expenses reflect anticipated staffing services, and daily operational needs. Notable expenses as follows:

- Retirement - PERS (three more annual payments)
- Fiscal/Audit Services
- Memberships with CALAFCO and CSDA
- Liability costs with SDRMA
- MSR/SOI Updates

#### MSR/SOI Updates Compliance Work Plan

For FY 2023-24, the following MSR/SOI Updates are scheduled: Intermountain Regional Fire Services, CSA #1 - County Fire Services, the City of Anderson, CSA #3 - Castella, and CSA #6 - Jones Valley.

### EXECUTIVE COMMITTEE

The Executive Committee was given the opportunity to review the proposed budget at their March 25, 2024 meeting. General comments were that the proposed increase is very limited however this will also mean a slight increase for contributing members. The Committee recommended the proposed budget to the entire Commission for review approval and distribution to member organizations.

**RECOMMENDATION**

This item has been agendized for consideration as part of a noticed public hearing. The following procedures are recommended with respect to the Commission’s consideration of this item:

- 1) Receive verbal report from staff;
- 2) Open the public hearing and invite testimony (mandatory); and
- 3) Discuss item and - if appropriate - close the hearing and consider action on recommendation:

*"I move to: 1) adopt Resolution No. 24-03, approving the proposed budget for fiscal year 2024-25, as provided in Attachment A, and 2) direct the Executive Officer to distribute the proposed budget to cities, special districts and the county and schedule the final budget for a public hearing on June 6, 2024."*

**Attachments:**

*Attachment A - Proposed FY2024-25 Budget*

*Attachment B - Draft Resolution No. 2024-01*

Proposed FY 2024-2025 Shasta LAFCO Budget

BUDGET CATEGORIES	FY 2021/22	FY 2022/23	FY 2023/24	FY 2023/24 Amended	FY 2024/25
<b>REVENUES</b>					
CD Interest	\$0	\$0	\$0	\$0	\$0
Funding Agencies' Apportionments					
<i>Cities</i>	\$68,200	\$68,200	\$69,500	\$69,500	\$70,500
<i>Shasta County</i>	\$68,200	\$68,200	\$69,500	\$69,500	\$70,500
<i>Special Districts</i>	\$68,200	\$68,200	\$69,500	\$69,500	\$70,500
Total Apportionments	\$204,600	\$204,600	\$208,500	\$208,500	\$211,500
<b>TOTAL REVENUES</b>	<b>\$204,600</b>	<b>\$204,600</b>	<b>\$208,500</b>	<b>\$208,500</b>	<b>\$211,500</b>
		0%	2%	0%	1%
<b>EXPENSES</b>					
Payroll, Benefits & Retirement Payout					
Employer Expenses					
<i>Clerk/Administrator</i>	\$36,260	\$32,800	\$35,000	\$1,000	\$0
<i>CalPERS Annual Payout<sup>1</sup></i>	\$50,498	\$50,498	\$50,498	\$50,498	\$50,500
<i>Employer Taxes</i>	\$1,784	\$6,030	\$6,300	\$300	\$0
Total Employer Expense	\$88,542	\$89,328	\$91,798	\$51,798	\$50,500
<b>Total Payroll, Benefits &amp; Retirement</b>	<b>\$88,542</b>	<b>\$89,328</b>	<b>\$91,798</b>	<b>\$51,798</b>	<b>\$50,500</b>
Professional Services					
Executive Officer & Staffing Services					
<i>Executive Officer and Clerk</i>	\$51,000	\$52,500	\$57,500	\$84,000	\$84,000
<i>MSR/SOI Preparation</i>	\$29,160	\$25,660	\$20,260	\$19,000	\$25,000
<i>GIS Services</i>	\$5,500	\$4,000	\$4,500	\$4,500	\$5,000
Total EO and Staffing Services	\$85,660	\$82,160	\$82,260	\$107,500	\$114,000
Legal Counsel Services	\$10,000	\$10,000	\$12,500	\$12,500	\$12,500
Website Hosting and Maintenance	\$720	\$720	\$120	\$2,000	\$2,000
Information/Technology (IT) Services	\$250	\$250	\$750	\$3,000	\$2,000
Fiscal Audit Services (Biannual)	\$0	\$5,500	\$0	\$8,500	\$8,500
<b>Total Professional Services</b>	<b>\$96,630</b>	<b>\$98,630</b>	<b>\$95,630</b>	<b>\$133,500</b>	<b>\$139,000</b>
Office & Supplies					
Rent	\$6,000	\$7,200	\$7,200	\$7,200	\$7,200
PO Box Rental					\$70
Communications (Phone/Internet)	\$1,420	\$1,620	\$1,620	\$2,500	\$1,620
Tools/ Equipment/ Software	\$378	\$0	\$1,012	\$1,500	\$1,300
Office Cleaning	\$420	\$0	\$0	\$0	\$0
Office Supplies Expense	\$1,150	\$950	\$1,300	\$1,000	\$600
Postage, Shipping & Printing	\$690	\$640	\$600	\$600	\$610
<b>Total Office Services &amp; Supplies</b>	<b>\$10,058</b>	<b>\$10,410</b>	<b>\$11,732</b>	<b>\$12,800</b>	<b>\$11,400</b>
Memberships and Fees					
Bank & Transfer Fees	\$120	\$300	\$300	\$300	\$300
CALAFCO Membership	\$4,850	\$3,650	\$4,000	\$4,000	\$4,000
CSDA Membership	\$0	\$0	\$0	\$1,250	\$1,300
SDRMA Liability Insurance	\$3,400	\$3,900	\$3,900	\$3,712	\$3,800
Legal Notices	\$1,000	\$1,000	\$1,140	\$1,140	\$1,200
Total Memberships & Fees	\$9,370	\$8,850	\$9,340	\$10,402	\$10,600
<b>TOTAL EXPENSES</b>	<b>\$204,600</b>	<b>\$207,218</b>	<b>\$208,500</b>	<b>\$208,500</b>	<b>\$211,500</b>
Total Gain/(Loss)	\$0	-\$2,618	\$0	\$0	\$0
Contingency Fund					
Contingency Deposit	\$0	\$0	\$0	\$0	\$12
Contingency Withdrawal	\$0	\$2,618	\$0	\$0	\$0
<b>Contingency Balance</b>	<b>\$8,804</b>	<b>\$6,186</b>	<b>\$6,186</b>	<b>\$6,186</b>	<b>\$6,198</b>

1 - Annual payment for prior executive officer retirement plan. As of FY2024-25 there are three more annual payments.

**SHASTA LOCAL AGENCY FORMATION COMMISSION**

**RESOLUTION 2024-01**

**RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION  
ADOPTING A PROPOSED BUDGET FOR FISCAL YEAR 2024/2025**

**WHEREAS**, the Shasta Local Agency Formation Commission is required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to adopt a proposed budget for the next fiscal year no later than May 1; and

**WHEREAS**, the Executive Officer prepared a report concerning the proposed budget and work plan, including recommendations thereon; and

**WHEREAS**, the Executive Officer’s report was presented to the Commission in the manner provided by law; and

**WHEREAS**, the Commission heard and fully considered all the evidence presented at its public hearing on the proposed budget held on April 8, 2024; and

**WHEREAS**, the Commission determined the proposed budget projects, staffing and program costs of the agency as accurately and appropriately as is possible.

**NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED** as follows:

1. The proposed budget for Fiscal Year 2024/2025 as outlined in Exhibit A is approved;
2. The overall operating costs provided in the proposed budget will allow the Commission to fulfill its regulatory and planning responsibilities as required under Government Code Section § 56381(a);
3. The adopted proposed budget for Fiscal Year 2024/2025 as outlined in Exhibit A be circulated to local funding agencies for review and comment.

**THE FOREGOING RESOLUTION** was introduced at a special meeting of Shasta LAFCO on the 8<sup>th</sup> day of April 2024, and adopted by the following vote:

AYES:

NOES:

ABSTAINS:

ABSENT:

Dated: \_\_\_\_\_

\_\_\_\_\_  
*Larry Russell, Chair*  
Shasta Local Agency Formation Commission

**Attest:**

Dated: \_\_\_\_\_

\_\_\_\_\_  
*Krystle Heaney, Executive Officer*  
Shasta Local Agency Formation Commission



Patrick Jones  
County Member

Janice Powell  
City Member

Tim Garman  
County Member

Tenessa Audette  
City Member

Mary Rickert  
County Member Alternate

Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member

Ronnean Lund  
Special District Member

Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

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## AGENDA ITEM 8.A.

**Date:** April 8, 2024

**From:** Krystle Heaney, Executive Officer

**Subject:** **LAFCo Equipment and Mailing Address**

As part of the transfer of Executive Officer services, staff is requesting the transfer of LAFCO equipment and establishment of a new mailing address.

---

### BACKGROUND

Shasta LAFCO has an existing office located in Redding, CA. Since the resignation of the former LAFCO Manager, the office has been largely unused and the mail is checked by Underwood Law staff. The office is fully furnished and houses the Commission's paper records, and computer server. The computer holds recent records and the Commission's QuickBooks database.

### DISCUSSION

In an effort to increase efficiency, staff proposes setting up a new mailing address for Shasta LAFCO. As the Executive Officer works remotely in South Lake Tahoe it would be beneficial to set up a PO Box there. This would allow mail to be checked on a regular basis and allow the Executive Officer to respond to inquiries and requests in a more timely manner.

Additionally, rather than rely on a remote computer connection affected by power and/or internet outages, the Executive Officer, as part of the Planwest contract services agreement with Shasta LAFCO, requests permission to move the computer from the Redding office to her South Lake Tahoe location. This will allow the Executive Officer to have immediate access to Commission records and regularly update the QuickBooks database. This will improve staff's ability to keep accurate and up to date financial records.

Lastly, as part of the Planwest Partners, Inc transition, a new phone system is being set up that will allow the Shasta LAFCO phone number to be forwarded automatically to the Executive Officer and Analyst. This comes at a fee less than the existing phone and internet services, costs of \$133 per month which would be cancelled.

### RECOMMENDATION

Staff recommends the Commission discuss the Executive Officer's requests and either approve or provide additional direction as needed.

Patrick Jones  
County Member

Janice Powell  
City Member

Tim Garman  
County Member

Tenessa Audette  
City Member

Mary Rickert  
County Member Alternate

Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member

Ronnean Lund  
Special District Member

Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

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## AGENDA ITEM 8.B.

**Date:** April 8, 2024

**From:** Krystle Heaney, Executive Officer

**Subject:** **FY2023/24 Audit Services**

The Commission will receive an update on the current status of audit services.

---

### BACKGROUND

Shasta LAFCO banks independently from Shasta County with US Bank. While audits are not required for LAFCOs, the Commission has chosen to conduct regular financial audits to provide transparency. These are conducted in accordance with U.S. generally accepted accounting principles to obtain reasonable assurance that the Commission's financial statements are free of material misstatement and are fairly presented. However, the last audit conducted for Shasta LAFCO was for FY 2016-17.

### DISCUSSION

A request for proposals (RFP) was previously distributed to four CPA firms for financial audit services. One firm, O'Connor & Company, based in Novato, CA submitted a bid for \$12,500. Prior audit costs have been between \$7,000 and \$8,500. However, costs are increasing as shown by a recent group request for audit services by several LAFCOs. Response to the group RFP returned amounts similar to those provided by O'Connor & Company.

The Commission budgeted \$8,500 in FY2023-24 for audit services that was not expended and has included an additional \$8,500 for audit services in FY2024-25. Funds from these two fiscal years can be used to conduct an audit for FY2023-24. Staff recommends that the Commission enter into a contract with O'Connor & Company for audit services which will begin after the close of the current fiscal year.

### RECOMMENDATION

Staff recommends the Commission accept the proposal provided by O'Connor & Company and direct the Executive Officer to bring back a draft contract for services at the next regular commission meeting.



<b>DATE:</b>	03/01/2024
<b>INVOICE #:</b>	24-135-02
<b>TOTAL DUE:</b>	\$ 6,933.61

**BILL TO:**

Shasta LAFCO  
 999 Mission De Oro Drive, Suite 106  
 Redding CA 96003

**PAY TO:**

Planwest Partners, Inc  
 P.O. Box 4581  
 Arcata, CA 95518  
 Tax ID #: 90-0262382

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**PROJECT: SHASTA LAFCO PLANNING AND STAFFING SERVICES FEBRUARY 2024**

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**Staffing Coordination General Staffing Services, Noticing & Staff Reports.**

Executive Officer attended February 1 Commission meeting. No hearing items. Agenda items included Draft December 7, 2023 Meeting Minutes and FY 2023-24 Quarter 2 Summary and Bank Statements. There was an agenda item for incoming Commissioner recognition: Tim Garman, Janice Powell, Tenessa Audette, and Rosemary Smith; and certificates for outgoing Commissioners Kevin Crye, Michael Dacquisto, and Pamelyn Morgan. Staff continued with the Services Transition Plan Update with Executive Officer succession, financial functions by staffing agreement & contract extension through remainder of 2023-24 FY. Coordinated financials & year end reporting.

**Municipal Service Reviews (MSR) Sphere of Influence (SOI) Updates:**

Presented preparation workplans for regional fire services MSR/SOI Update for intermountain region of northeastern Shasta County and a City of Anderson MSR/SOI Update in February Agenda staff report. The Intermountain Regional MSR/SOI Update which will include Fall River Valley FPD, Burney FPD & Shasta County Service Area (CSA) #1 the Shasta County Fire Department). Set up template for City of Anderson MSR/SOI update and began gathering resource documents.

**Application – Shasta Fire Protection District Formation,**

Shasta Fire Protection District Formation MSR /SOI, Commission approved. Coordination with interim chief and County Auditor on budget. Requested asset transfer status. Responded to board procedures/startup. Researched mapping alternatives for BOE filing. Coordinated with BOE on map and description requirements.

*MSR/SOI Update Amount Due: \$ 808.75*  
*Staffing Services Amount Due: \$ 5,247.36*  
*Application Processing/Pre-App Review Expenses: \$ 877.50*

**TOTAL AMOUNT DUE THIS INVOICE: \$ 6,933.61**  
*(see attached spreadsheets for detailed cost breakdown)*

EO /MSR Contract Amounts:	\$ 107,740.00
Total Billed to Date:	\$ 74,442.74
<b>Amount Remaining:</b>	<b>\$ 34,174.76</b>

**Shasta LAFCo Contract Planning Services FY 2023-24 Billing February 2024**

Planwest Partners Inc.				Hours and Expenses									
Task	Account	FY 2023-24 Budget	Budget Amend	Principal Planner	Sr Advisor	Sr Analyst (EO)	Assoc. Planner	GIS Manager	Assist Planner/Serv Specialist	Expense	February Total	Total on Budget	Remaining Budget
Hourly Rate				\$150.00	\$140.00	\$130.00	\$110.00	\$110.00	\$95.00				
<b>MSR/SOI - Review &amp; Analysis</b>		<b>\$25,000.00</b>	<b>\$23,740.00</b>								<b>\$808.75</b>	<b>\$14,292.50</b>	<b>\$9,447.50</b>
GIS Services	52675							1.00			\$110.00	\$3,135.00	
Public Hearing Notice	52678										\$0.00	\$0.00	
CSD-Irr. Dist-City-CSA MSRs SOI Updates	52680					3.00			3.25		\$698.75	\$11,157.50	
<b>Staffing Services Planwest Partners Inc.</b>		<b>\$78,150.00</b>	<b>\$84,000.00</b>								<b>\$5,247.36</b>	<b>\$59,272.74</b>	<b>\$24,727.26</b>
General Staffing Services/ Transition	52006			1.50	11.00	18.50		1.50	0.50	\$389.86	\$4,772.36	\$33,869.00	
Noticing, Staff Reports & Budgeting	52006				2.00						\$280.00	\$18,540.38	
Public Info Requests	52006										\$0.00	\$2,102.39	
Commission /Exec Committee Meetings	52006					1.50					\$195.00	\$4,760.97	
<b>Application Processing /Pre-app review Expenses- EO</b>											<b>\$877.50</b>	<b>\$877.50</b>	
Fall River Valley FPD Reorg re-application		\$2,500.00									\$0.00	\$1,595.00	\$905.00
Fall River Valley CSD-Annexation		\$1,800.00									\$0.00	\$1,824.65	-\$24.65
Shasta CSD - Fire Services Divestiture		\$22,500.00									\$0.00	\$0.00	\$22,500.00
Old Shasta FPD Formation by petition		\$30,000.00				6.75					\$877.50	\$2,067.50	\$27,932.50
Axner - CSA#8 Annex-SOI Update		\$2,350.00									\$0.00	\$0.00	\$2,350.00
<b>Application Processing Supplies</b>		<b>\$0.00</b>									<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Hours				1.50	13.00	29.75	0.00	2.50	3.75		<b>\$0.00</b>		
<b>Total Costs</b>		<b>\$103,150.00</b>	<b>\$107,740.00</b>	<b>\$225.00</b>	<b>\$1,820.00</b>	<b>\$3,867.50</b>	<b>\$0.00</b>	<b>\$275.00</b>	<b>\$356.25</b>	<b>\$389.86</b>	<b>\$6,933.61</b>	<b>\$74,442.74</b>	<b>\$34,174.76</b>

<b>DATE:</b>	04/01/2024
<b>INVOICE #:</b>	24-135-03
<b>TOTAL DUE:</b>	\$ 13,525.00

**BILL TO:**

Shasta LAFCO  
 999 Mission De Oro Drive, Suite 106  
 Redding CA 96003

**PAY TO:**

Planwest Partners, Inc  
 P.O. Box 4581  
 Arcata, CA 95518  
 Tax ID #: 90-0262382

**PROJECT: SHASTA LAFCO PLANNING AND STAFFING SERVICES MARCH 2024**

**Staffing Coordination, General Staffing Services, Noticing & Staff Reports**

Prepared for and conducted Executive Committee meeting on March 25<sup>th</sup>. Coordinated with legal counsel on public requests for information. Researched prior reorganization of Fall River Mills and McArthur FPDs. Drafted response letter for public information request. Reviewed financial statements and coordinated with Senior Advisor on charges. Started drafting staff reports for April 8<sup>th</sup> Special Commission meeting including updates to current applications, MSR preparations draft meeting minutes and legislative report. Noticed and scheduled public hearing for Draft FY 2024-25 Budget.

Confirmed that audit bid received in 2023 is still valid and that the CPA firm submitting bid would audit FY 2023-24, when complete. Audit costs to be incorporated in FY 2024-25 budget in preparation. Staff continued with the Services Transition Plan Update with Executive Officer succession, financial functions by staffing agreement and contract extension through remainder of 2023-24 FY. Coordinated financials and year end reporting.

**Municipal Service Reviews (MSR) Sphere of Influence (SOI) Updates**

City staff coordination and continued gathering of resource documents for City of Anderson MSR/SOI update. Coordination with Board of Equalization on existing City boundary and prior annexations. Setting up Intermountain Regional MSR/SOI Update which will include Fall River Valley FPD, Burney FPD and Shasta County Service Area (CSA) #1 Shasta County Fire Department.

**Application – Shasta Fire Protection District Formation**

Coordinated Shasta FPD boundary description for BOE filing, Shasta CSD General Manager to retain surveyor for description. Located and sent prior Keswick Annex description from BOE filing for common boundary. Ongoing budget coordination with interim fire chief and County Auditor.

*Staffing Services Amount Due: \$ 7,827.50*  
*MSR/SOI Update Amount Due: \$ 5,137.50*  
*Application Processing/Pre-App Review Expenses: \$ 560.00*

**TOTAL AMOUNT DUE THIS INVOICE: \$ 13,525.00**  
*(see attached spreadsheets for detailed cost breakdown)*

EO /MSR Contract Amounts:	\$ 107,740.00
Total Billed to Date:	\$ 87,090.24
<b>Amount Remaining:</b>	<b>\$ 21,209.76</b>

**Shasta LAFCo Contract Planning Services FY 2023-24 Billing March 2024**

Planwest Partners Inc.				Hours and Expenses										
Task	Account	FY 2023-24 Budget	Budget Amend	Principal Planner	Sr Advisor	Sr Analyst (EO)	Assoc. Planner	GIS Manager	Assist Planner/Serv Specialist	Expense	March Total	Total on Budget	Remaining Budget	
Hourly Rate				\$150.00	\$140.00	\$130.00	\$110.00	\$110.00	\$95.00					
<b>MSR/SOI - Review &amp; Analysis</b>		<b>\$25,000.00</b>	<b>\$23,740.00</b>									<b>\$5,137.50</b>	<b>\$19,430.00</b>	<b>\$4,310.00</b>
GIS Services	52675										\$0.00	\$3,135.00		
Public Hearing Notice	52678										\$0.00	\$0.00		
MSRs SOI Updates	52680					3.00		12.50	35.50		\$5,137.50	\$16,295.00		
<b>Staffing Services Planwest Partners Inc.</b>		<b>\$78,150.00</b>	<b>\$84,000.00</b>									<b>\$7,827.50</b>	<b>\$67,100.24</b>	<b>\$16,899.76</b>
General Staffing Services/ Transition	52006			2.00	10.50	25.00		6.00	2.00		\$5,870.00	\$39,739.00		
Noticing, Staff Reports & Budgeting	52006				4.00	4.00					\$1,080.00	\$19,620.38		
Public Info Requests	52006					5.00					\$650.00	\$2,752.39		
Commission /Exec Committee Meetings	52006					1.75					\$227.50	\$4,988.47		
<b>Application Processing /Pre-app review Expenses- EO</b>												<b>\$560.00</b>	<b>\$560.00</b>	
Fall River Valley FPD Reorg re-application		\$2,500.00									\$0.00	\$1,595.00	\$905.00	
Fall River Valley CSD-Annexation		\$1,800.00									\$0.00	\$1,824.65	-\$24.65	
Shasta CSD - Fire Services Divestiture		\$22,500.00									\$0.00	\$0.00	\$22,500.00	
Old Shasta FPD Formation by petition		\$30,000.00			4.00						\$560.00	\$1,750.00	\$28,250.00	
Axner - CSA#8 Annex-SOI Update		\$2,350.00									\$0.00	\$0.00	\$2,350.00	
<b>Application Processing Supplies</b>		<b>\$0.00</b>										<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Hours				2.00	18.50	38.75	0.00	18.50	37.50		<b>\$0.00</b>			
<b>Total Costs</b>		<b>\$103,150.00</b>	<b>\$107,740.00</b>	<b>\$300.00</b>	<b>\$2,590.00</b>	<b>\$5,037.50</b>	<b>\$0.00</b>	<b>\$2,035.00</b>	<b>\$3,562.50</b>	<b>\$0.00</b>	<b>\$13,525.00</b>	<b>\$87,090.24</b>	<b>\$21,209.76</b>	

Patrick Jones  
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City Member

Tim Garman  
County Member

Tenessa Audette  
City Member

Mary Rickert  
County Member Alternate

Stan Neutze  
City Member Alternate



Fred Ryness  
Special District Member

Ronnean Lund  
Special District Member

Rosemary Smith  
Special District Alternate

Larry Russell  
Public Member

Michael Spencer  
Public Member Alternate

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## AGENDA ITEM 9.A.

**Date:** April 8, 2024

**From:** Krystle Heaney, Executive Officer

**Subject:** **Status of MSR/SOI Updates**

As part of the FY2023-24 workplan, staff are preparing an MSR/SOI Update for the City of Anderson and are considering options for a regional fire services update.

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### BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act directs Local Agency Formation Commissions (LAFCOs) to regularly prepare municipal service reviews (MSRs) in conjunction with establishing and updating each local agency's sphere of influence (SOI). The legislative intent of MSRs is to proactively assess the availability, capacity, and efficiency of local governmental services. MSRs may also lead LAFCOs to take other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies in addition to any related sphere changes.

### DISCUSSION

#### **City of Anderson MSR/SOI Update**

Staff met with City staff on March 14, 2024, to coordinate on the MSR/SOI Update process. City staff present included the City Manager, Director of Operations and Administration, Deputy Public Works Director and Public Works Director, and Engineering Technician. During the meeting staff provided an overview of the MSR/SOI process, status of City services, and next steps. Staff also review the City's existing boundary and SOI including any potential changes.

Following the meeting, staff sent an initial information and document request to City staff. The City was able to provide the bulk of the information to staff during the first week of April. Staff are working on drafting content for the MSR/SOI Update based on available files and information and will continue to coordinate with the City as necessary. The public review draft is estimated to be completed by late May 2024.

#### **Intermountain Regional Fire Services MSR/SOI Update**

The Fall River Valley Fire Protection District (FPD) recently applied for and subsequently withdrew an application for annexation of areas in the intermountain region. During this process, several concerns were raised about the provision of services for the intermountain region including roles and responsibilities of the numerous agencies in the area. Based on this, staff recommended conducting an updated MSR/SOI for the region and the Commission approved moving forward with the update at the December 2023 Regular Commission meeting. Since that time, community members have contacted LAFCo with additional concerns regarding FRV FPD. Public comment was also received requesting a review of CSA #1 - County Fire.

Based on public input, staff will be conducting a separate MSR/SOI Update for CSA #1 that covers their full-service area. The Intermountain MSR/SOI will then be limited to FRV FPD and Burney FPD. Staff will provide notice to the agencies that the MSR/SOI Update process is starting in April and will work towards scheduling the individual coordination meetings with the agencies to kick-off the process.

**CSA #1 - County Fire**

Based on public comments received during the last Commission meeting and additional input provided by commissioners, staff will be moving forward with an MSR/SOI Update for the entirety of CSA #1 - County Fire. Staff anticipates beginning the process in May/June 2024.

**RECOMMENDATION**

Staff recommends the Commission review the status of the upcoming MSR/SOI Updates and provide direction to staff as needed.

**Attachments**

Attachment A - Proposed MSR/SOI Update Schedule



### Shasta LAFCo Municipal Services Review- Sphere of Influence Update Schedule

Agency Name	MSR/SOI UPDATE SCHEDULE		FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31
	Agency Type	Services Provided							
South Shasta Cemetery District *	Cemetery	Cemetery				X			
Burney Cemetery District	Cemetery	Cemetery				X			
Cottonwood Cem. Dist.	Cemetery	Cemetery				X			
Fall River Mills Cemetery District **	Cemetery	Cemetery				X			
Holcomb Cemetery District	Cemetery	Cemetery				X			
Manton Joint Cemetery District	Cemetery	Cemetery				X			
Millville Masonic & Odd Fellows	Cemetery	Cemetery				X			
Anderson City	City	Municipal Services					X		
Redding City	City	Municipal Services						X	
Shasta Lake City	City	Municipal Services							X
CSA # 1 - County Fire	CSA	Fire, EMS	X					X	
CSA # 11 - French Gulch	CSA	Water			X				
CSA # 13 - Alpine Meadows	CSA	Waste Water		X					
CSA # 2 - Sugarloaf	CSA	Water		X					
CSA # 3 - Castella	CSA	Water	X						
CSA # 6 - Jones Valley	CSA	Water	X						
CSA # 7 - Burney	CSA	Flood Control					X		
CSA # 8 - Palo Cedro	CSA	Sewer & Water			X				
CSA #14 - Belmont	CSA	Storm Drainage							X
CSA #17 - Cottonwood	CSA	Waste Water		X					
CSA #23 - Craig View	CSA	Water						X	
Centerville CSD	CSD	Fire, EMS, Water						X	
Clear Creek CSD	CSD	Water							X
Fall River Valley CSD	CSD	Water, Waste Water					X		
Igo-Ono CSD	CSD	Water					X		
Mountain Gate CSD	CSD	Fire, Water			X				
Shasta CSD ***	CSD	Water							X
Anderson Fire Protection District (FPD)	Fire	Fire, EMS		X					
Buckeye FPD	FPD	Fire, EMS		X					
Burney FPD	FPD	Fire, EMS	X					X	
Castella FPD	FPD	Fire, EMS		X					
Cottonwood FPD	FPD	Fire, EMS		X					
Fall River Valley FPD ****	FPD	Fire, EMS	X					X	
Happy Valley FPD	FPD	Fire, EMS			X				
Millville FPD	FPD	Fire, EMS			X				
Shasta Lake FPD	FPD	Fire, EMS			X				
Shasta FPD (formed 2023)	FPD	Fire					X		
Mayer's Mem. Health Care District	HCD	Health Care, EMS						X	
Anderson Cottonwood Irrig. District	Irrigation	Water							X
CSA #15 Lighting	Lighting	Lighting							X
Burney Basin Mosquito District	MAD	Vector Control					X		
Pine Grove Mosquito District	MAD	Vector Control					X		
Shasta Mosquito Abatement District	MVCD	Vector Control					X		
Fall River Res. Conservation District	RCD	Resource Conservation				X			
Western Shasta Res. Conservation Dist.	RCD	Resource Conservation				X			
Bella Vista Water District	WD	Water		X					
Burney Water District	WD	Water		X					
Cottonwood Water District	WD	Water			X				
Tucker Oaks Water District	WD	Water			X				
<b>Updated Per Fiscal Year</b>			<b>5</b>	<b>9</b>	<b>8</b>	<b>9</b>	<b>8</b>	<b>7</b>	<b>6</b>

\* Consolidated Anderson & Cottonwood Cemetery Districts

\*\* Consolidated Fall River Mills & Pine Grove Cemetery Districts

\*\*\* Shasta CSD Annexed CSA #25

\*\*\*\* Consolidated Fall River Mills & McArthur FPDs

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## AGENDA ITEM 9.B.

**Date:** April 8, 2024

**From:** Krystle Heaney, Executive Officer

**Subject:** **Current Status of Current and Future Applications**

The Commission will receive an update on the current status of applications and provide direction to staff as necessary.

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### BACKGROUND

LAFCOs are responsible, under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, to regulate the formation and development of local governmental agencies and their municipal services. This includes approving or disapproving proposed changes of organization, such as boundary changes (e.g. annexations), consistent with adopted policies and procedures pursuant to California Government Code (G.C.) §56375. LAFCOs have broad discretion in amending and conditioning changes of organization as long as they do not directly regulate land use, property development, or subdivision requirements.

### DISCUSSION

The following application(s) are active with LAFCO:

- Proposed SOI Amendment and Annexation to CSA #8 (Palo Cedro): The proposal includes two parcels (APNs: 059-390-003 & 059-390-002) along Deschutes Road totaling approximately 5.4 acres. Both parcels are outside the existing CSA #8 SOI but adjacent to the northwesterly jurisdictional boundary. Surrounding land uses include rural residential, commercial, and planned development. Currently, the southern parcel has a single residential structure, and the northern parcel has one larger residential and multiple smaller structures. The applicants are requesting annexation to CSA #8 in order to obtain wastewater services for their properties. Water services are currently provided by Bella Vista Water District and no change of provider is proposed as this time.

The EO prepared a letter of incomplete application outlining the additional documentation needed in order to proceed with processing the application. The applicant has provided what additional information is available. However, since the County will need to complete their discretionary process first, it could take several months to a year depending on required CEQA documentation. Until the additional items are received, the application will remain on hold.

The following pre-applications are being tracked by LAFCO:

- City of Redding Annexation: Property owners are proposing to annex approximately 90 acres of land within the City of Redding's primary growth area along Collyer Drive and Old Oregon Trail. The property is also located within the Bella Vista Water District boundary. The proposed annexation would allow for development that is estimated to create up to 300 dwelling units

including single family housing, senior apartments, and multi-family/ mixed use development. There is also the potential for retail/ office space or additional multi-family development along Old Oregon Trail.

- Bella Vista Water District Annexation: In July 2023, Junction Elementary School District discovered a major deficiency in their onsite water supply system. Of their two wells, one dropped below pumping ability in less than a minute and the other was unable to provide adequate pressure to supply water to both campuses east of Deschutes Road. The school district reached out to Bella Vista Water District for an emergency intertie. The School District has since updated their onsite water system and is no longer seeking connection to Bella Vista Water District.

**RECOMMENDATION**

Staff recommends the Commission receive and file this report and provide direction to staff as needed.

## CALAFCO List of Current Bills 4/2/2024

### [AB 805](#)

#### **(Arambula D) Sewer service: disadvantaged communities.**

**Current Text:** Amended: 1/22/2024 [html](#) [pdf](#)

**Introduced:** 2/13/2023

**Last Amend:** 1/22/2024

**Status:** 1/30/2024-Read third time. Urgency clause adopted. Passed. Ordered to the Senate. (Ayes 76. Noes 0.). In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 1/30/2024-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Under current law, the State Water Resources Control Board and the 9 California regional water quality control boards regulate water quality in accordance with the Porter-Cologne Water Quality Control Act and the federal Clean Water Act. Current law authorizes a regional board to order the provision of sewer service by a receiving sewer system, as defined, to a disadvantaged community served by an inadequate onsite sewage treatment system, as defined. This bill would authorize the state board to require a sewer service provider to contract with an administrator designated or approved by the state board for administrative, technical, operational, legal, or managerial services to assist a designated sewer system with the provision of adequate sewer service, as defined. The bill would also authorize the state board to order a designated sewer system to accept those services, including full management and control of all aspects of the designated sewer system, from an administrator. The bill would define “designated sewer system” for these purposes as a sewer system that serves a disadvantaged community and that the state board finds to be either an inadequate sewage treatment system or a sewer system that has demonstrated difficulty in maintaining technical, managerial, and financial capacity to prevent fraud and mismanagement, or a sewer system that voluntarily accepts financial assistance for the provision of adequate sewer service.

#### **Position**

Support if Amended

#### **Subject**

Disadvantaged Communities, Waste Water

**CALAFCO Comments:** 1/26/2024: Support, if amended, approved. Amendment requested is the inclusion of language requiring the state board to consult with the local LAFCO.

1/22/2024: Gutted and amended. No longer addresses consolidation of waste water systems but, rather, would set up a program in which the state would provide technical, managerial, administrative, and financial assistance, where applicable, to disadvantaged communities. Position changed to support if amended to include a provision requiring the state board to consult with the local LAFCO regarding the system.

As introduced, this bill would have authorized the state board, if sufficient funds are available, to order consolidation of sewer service along with an order of consolidation of drinking water systems when both of the receiving and subsumed water systems provide sewer service and after the state board engages in certain activities. It failed to meet 2023 deadlines and became a 2 year bill that cannot be acted upon until January, 2024.

### [AB 817](#)

#### **(Pacheco D) Open meetings: teleconferencing: subsidiary body.**

**Current Text:** Amended: 1/17/2024 [html](#) [pdf](#)

**Introduced:** 2/13/2023

**Last Amend:** 1/17/2024

**Status:** 1/25/2024-Read third time. Passed. Ordered to the Senate. (Ayes 54. Noes 8.) In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 1/25/2024-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** The Ralph M. Brown Act requires, with specified exceptions, each legislative body of a local agency to provide notice of the time and place for its regular meetings and an agenda containing a brief general description of each item of business to be transacted. The act also requires that all meetings of a legislative body be open and public, and that all persons be permitted

to attend unless a closed session is authorized. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. Current law authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency (emergency provisions) and, until January 1, 2026, in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency’s jurisdiction and other requirements are met (nonemergency provisions). This bill, until January 1, 2026, would authorize a subsidiary body, as defined, to use similar alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. In order to use teleconferencing pursuant to this act, the bill would require the legislative body that established the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter.

**Position**  
Watch

**Subject**  
Brown Act

**CALAFCO Comments:** 1/25/2024; Moved out of the Assembly. Waiting on assignment from Senate Rules Committee.

1/17/2024: Amended to add a Sunset date of January 1, 2026.

3/16/2023: The bill was amended to speak specifically to teleconferenced meetings of subsidiary bodies, defined as a body that serves exclusively in an advisory capacity, and is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements. For qualifying bodies, this bill would remove the requirement to post an agenda at the location of the subsidiary body member who was participating from off site- providing that the legislative body that formed the subsidiary body has previously made findings noting that teleconferenced meetings of the subsidiary body would enhance public access, and would promote the attractions, retention and diversity of the subsidiary body. The superior legislative body would need to revisit the matter and repeat those finding every 12 months thereafter. This bill also reaffirms that other provisions of the Brown Act are applicable to subsidiary bodies.

Failed to meet deadlines and now a 2 year bill that cannot be acted upon until January, 2024.

**AB 828**

**(Connolly D) Sustainable groundwater management: managed wetlands.**

**Current Text:** Amended: 1/11/2024 [html](#) [pdf](#)

**Introduced:** 2/13/2023

**Last Amend:** 1/11/2024

**Status:** 1/29/2024-Read third time. Passed. Ordered to the Senate. (Ayes 47. Noes 15.) In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 1/29/2024-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. Current law defines various terms for purposes of the act. This bill would add various defined terms for purposes of the act, including the terms “managed wetland” and “small community water system.”

**Position**  
None at this time

**Subject**  
Water

**CALAFCO Comments:** 1/11/24: Amended to strike provisions regarding small community water systems serving disadvantaged communities and pivots to groundwater sustainability agencies with provisions that go into effect on January 1, 2028, that address spacing requirements on new groundwater wells, extraction controls, authorization for temporary and permanent transfers with an agency's boundaries, and to establish accounting rules.

4/17/2023: Amended to define agencies and entities required or excluded from existing 10726.4 (a)

(4). Amends Water Code section 10730.2 to add language regarding fees, and amends Water Code section 10733 to address groundwater sustainability plans.

Failed to make April policy committee deadline and now cannot be acted upon until January 2024.

As introduced, would add definitions for Managed Wetlands, and Small community water system to Water Code Section 10721.

**AB 930** **(Friedman D) Local government: Reinvestment in Infrastructure for a Sustainable and Equitable California (RISE) districts.**

**Current Text:** Amended: 1/22/2024 [html](#) [pdf](#)

**Introduced:** 2/14/2023

**Last Amend:** 1/22/2024

**Status:** 1/29/2024-Read third time. Passed. Ordered to the Senate. (Ayes 52. Noes 16.) In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 1/29/2024-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Would authorize the legislative bodies of 2 or more cities or counties to jointly form a Reinvestment in Infrastructure for a Sustainable and Equitable California district (RISE district) in accordance with specified procedures. The bill would authorize a special district to join a RISE district, by resolution, as specified. The bill would require the Office of Planning and Research (OPR) to develop guidelines for the formation of RISE districts no later than November 30, 2026. The bill would provide for the establishment of a governing board of a RISE district with representatives of each participating local government.

**Position**

Neutral

**Subject**

Special District  
Principle Acts

**CALAFCO Comments:** 1/22/2024 Amended to remove section of definitions, change the word "standards" to "guidelines", and to strike section 62412 relative to the elements of a RISE development plan to be reviewed.

Missed 2023 deadlines and became a 2 year bill.

This bill has a similar overtone to SB 852 Dodd in 2022 regarding the formation of climate resilience districts outside of the LAFCo process. As introduced, it focuses on the generation of funding and the governance of the expenditure of those funds. However, it should be carefully tracked in case that mission is expanded.

**AB 1928** **(Sanchez R) Worker classification: employees and independent contractors.**

**Current Text:** Amended: 3/4/2024 [html](#) [pdf](#)

**Introduced:** 1/25/2024

**Last Amend:** 3/4/2024

**Status:** 3/6/2024-Re-referred to Com. on L. & E.

**Location:** 2/12/2024-A. L. & E.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Current law, as established in the case of Dynamex Operations W. v. Superior Court (2018) 4 Cal.5th 903 (Dynamex), creates a presumption that a worker who performs services for a hirer is an employee for purposes of claims for wages and benefits arising under wage orders issued by the Industrial Welfare Commission. Current law requires a 3-part test, commonly known as the "ABC" test, to determine if workers are employees or independent contractors for those purposes. Current law establishes that, for purposes of the Labor Code, the Unemployment Insurance Code, and the wage orders of the Industrial Welfare Commission, a person providing labor or services for remuneration is considered an employee rather than an independent contractor unless the hiring entity demonstrates that the person is free from the control and direction of the hiring entity in connection with the performance of the work, the person performs work that is outside the usual course of the hiring entity's business, and the person is customarily engaged in an independently established trade, occupation, or business. This test is known as the "ABC" test, as described above. This bill would repeal the above-described provisions that codify the ABC test. The bill would declare that its purpose is to suspend and nullify the California Supreme Court's decision in Dynamex and provide that this decision does not apply for purposes of California law.

**Position**

**Subject**

**CALAFCO Comments:** Of interest to CALAFCO because of its potential effect on operations. 1/25/2024, bill introduced. AB 1928 would repeal the provisions that were enacted by the passage of AB 5 in 2019. Known as the Gig Worker law, AB 5 reclassified which workers could be considered as contractors. A limited number of professional categories were set aside and excluded from the law. However, those not included in the exclusions were required, under new reclassification requirements, to be considered as employees regardless of whether they were performing the services in connection to an ongoing business. The shift required CALAFCO to amend its internal practices to re-classify its contractors to employees, resulting in increased costs, as well as extra reporting requirements.

**AB 1987 (Bennett D) Local government.**

**Current Text:** Introduced: 1/30/2024 [html](#) [pdf](#)

**Introduced:** 1/30/2024

**Status:** 1/31/2024-From printer. May be heard in committee March 1.

**Location:** 1/30/2024-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Current law sets forth provisions for the formation, duties, and other authorizations, among other things, relating to cities, counties, cities and counties, and other local agencies. This bill would state the intent of the Legislature to enact legislation relating to local government.

**Position**

None at this time

**Subject**

**CALAFCO Comments:** Spot holder bill relative to local government. Monitoring because of its topic.

**AB 2302 (Addis D) Open meetings: local agencies: teleconferences.**

**Current Text:** Introduced: 2/12/2024 [html](#) [pdf](#)

**Introduced:** 2/12/2024

**Status:** 2/26/2024-Referred to Com. on L. GOV.

**Location:** 2/26/2024-A. L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:** 4/10/2024 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, CARRILLO, JUAN, Chair

**Summary:** The Ralph M. Brown Act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in specified circumstances if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law imposes prescribed restrictions on remote participation by a member under these alternative teleconferencing provisions, including establishing limits on the number of meetings a member may participate in solely by teleconference from a remote location, prohibiting such participation for a period of more than 3 consecutive months or 20% of the regular meetings for the local agency within a calendar year, or more than 2 meetings if the legislative body regularly meets fewer than 10 times per calendar year. This bill would revise those limits, instead prohibiting such participation for more than a specified number of meetings per year, based on how frequently the legislative body regularly meets.

**Position**

Watch

**Subject**

Brown Act

**CALAFCO Comments:** Introduced on 2/12/2024, this bill would enact changes to Brown Act provisions that allow members of legislative bodies to teleconference for meetings. Currently, the

law limits teleconferencing to no more than 3 consecutive months, 20% of the regular meetings in a calendar year, or 2 meetings for bodies that meet less than 10 times in a calendar year. This bill redefines those limits as 2 meetings per year for bodies meeting monthly or less; 5 meetings per year for those meeting twice per month; or 7 meetings per year if the body meetings three times or more per month.

**[AB 2715](#) (Boerner D) Ralph M. Brown Act: closed sessions.**

**Current Text:** Introduced: 2/14/2024 [html](#) [pdf](#)

**Introduced:** 2/14/2024

**Status:** 3/4/2024-Referred to Com. on L. GOV.

**Location:** 3/4/2024-A. L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** The Ralph M. Brown Act generally requires that all meetings of a legislative body of a local agency be open and public and that all persons be permitted to attend and participate. Current law authorizes a legislative body to hold a closed session on, among other things, matters posing a threat to the security of essential public services, as specified. This bill would additionally authorize a closed session to consider or evaluate matters related to cybersecurity, as specified, provided that any action taken on those matters is done in open session.

**Position**

None at this time

**Subject**

Brown Act

**CALAFCO Comments:** As introduced on 2/14/2024, would make minor changes in the Brown Act. Monitoring.

**[AB 2986](#) (Carrillo, Wendy D) Local Agency Formation Commission for the County of Los Angeles: East Los Angeles Task Force.**

**Current Text:** Amended: 3/21/2024 [html](#) [pdf](#)

**Introduced:** 2/16/2024

**Last Amend:** 3/21/2024

**Status:** 4/1/2024-Re-referred to Com. on L. GOV.

**Location:** 3/21/2024-A. L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Would require the Local Agency Formation Commission for the County of Los Angeles (LALAFCO) to establish the East Los Angeles Task Force for the purposes of identifying and evaluating the potential impacts of incorporation of, or the establishment of special districts within, East Los Angeles, as defined. The bill would require the task force to be composed of 11 members appointed by LALAFCO in consultation with the County of Los Angeles. The bill would require the task force to meet quarterly, incorporating robust community engagement, to discuss the potential impacts of incorporation or the establishment of special districts in East Los Angeles, as specified. The bill, by December 1, 2026, would require the task force to complete and submit a report to the Legislature on the potential impacts of city and special district incorporation in East Los Angeles, including an analysis of advantages, disadvantages, and recommendations for future actions. The bill would repeal these provisions on January 1, 2027.

**Position**

None at this time

**Subject**

Special District Consolidations

**CALAFCO Comments:** 3/21/2024, the bill was gutted and amended and now requires the LA LAFCO to develop an East Los Angeles Formation Task Force. Not a statewide issue; however, awaiting response from LA LAFCO.

**[AB 3277](#) (Committee on Local Government) Local agency formation commission: districts: property tax.**

**Current Text:** Introduced: 2/27/2024 [html](#) [pdf](#)

**Introduced:** 2/27/2024

**Status:** 3/18/2024-Referred to Com. on L. GOV.

**Location:** 3/18/2024-A. L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							



**Calendar:** 4/10/2024 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, CARRILLO, JUAN, Chair

**Summary:** The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 establishes the sole and exclusive authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. Current law requires proceedings for the formation of a district to be conducted as authorized by the principal act of the proposed district, and authorizes the local agency formation commission in each county to serve as the conducting authority, as specified. Current law requires a commission to determine the amount of property tax revenue to be exchanged by an affected local agency, as specified, if the proposal includes the formation of a district, as defined. This bill would, instead, require a commission to determine the amount of property tax revenue to be exchanged by an affected local agency if the proposal includes the formation of a district and the applicant is seeking a share of the 1% ad valorem property taxes.

**Position**  
Sponsor

**Subject**  
Incorporation  
Proceedings

**CALAFCO Comments:** CALAFCO's 2024 Omnibus bill.

**SB 537 (Becker D) Open meetings: multijurisdictional, cross-county agencies: teleconferences.**

**Current Text:** Amended: 9/5/2023 [html](#) [pdf](#)

**Introduced:** 2/14/2023

**Last Amend:** 9/5/2023

**Status:** 9/14/2023-Ordered to inactive file on request of Assembly Member Bryan.

**Location:** 9/14/2023-A. INACTIVE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered	
1st House				2nd House				Conf. Conc.				

**Summary:** Current law, until January 1, 2024, authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency or in other situations related to public health that exempt a legislative body from the general requirements (emergency provisions) and impose different requirements for notice, agenda, and public participation, as prescribed. The emergency provisions specify that they do not require a legislative body to provide a physical location from which the public may attend or comment. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. These circumstances include if a member shows "just cause," including for a childcare or caregiving need of a relative that requires the member to participate remotely. This bill would expand the circumstances of "just cause" to apply to the situation in which an immunocompromised child, parent, grandparent, or other specified relative requires the member to participate remotely. The bill would authorize the legislative body of a multijurisdictional, cross-county agency, as specified, to use alternate teleconferencing provisions if the eligible legislative body has adopted an authorizing resolution, as specified. The bill would also require the legislative body to provide a record of attendance of the members of the legislative body, the number of community members in attendance in the teleconference meeting, and the number of public comments on its internet website within 10 days after a teleconference meeting, as specified. The bill would require at least a quorum of members of the legislative body to participate from one or more physical locations that are open to the public and within the boundaries of the territory over which the local agency exercises jurisdiction.

**Position**  
Watch

**Subject**  
Brown Act

**CALAFCO Comments:** This is a spotholder bill that states an intent to expand local government's access to hold public meetings through teleconferencing and remote access.

3/22/2023: was amended and fleshed out to add teleconferencing provisions to allow legislative bodies of multijurisdictional agencies to meet remotely. Multijurisdictional agencies are defined as boards, commissions, or advisory bodies of a multijurisdictional, cross county agency, which is composed of appointed representatives from more than one county, city, city and county, special district, or a joint powers entity.

The bill is sponsored by Peninsula Clean Energy, a community choice aggregator with a board

comprised of local elected officials from the County of San Mateo and its 20 cities, as well as the City of Los Banos.

4/24/2023: The bill was amended to further clarify definitions and the requirements needed for members of an eligible legislative body to meet remotely.

The bill passed Senate Judiciary on 5/2/23, and had its third reading in the Senate on 5/30/2023.  
7/12/23: The bill passed the Assembly Local Government Committee.

Amended on August 14, 2023, to require eligible legislative bodies that receive compensation to participate from a physical location that is open to the public.

9/14/2023, the bill was moved into the inactive file.

**SB 768** **(Caballero D) California Environmental Quality Act: State Air Resources Board: vehicle miles traveled: study.**

**Current Text:** Amended: 1/11/2024 [html](#) [pdf](#)

**Introduced:** 2/17/2023

**Last Amend:** 1/11/2024

**Status:** 1/29/2024-Read third time. Passed. (Ayes 34. Noes 4.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

**Location:** 1/29/2024-A. DESK

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

**Summary:** The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. Current law requires the Office of Planning and Research to prepare, develop, and transmit to the Secretary of the Natural Resources Agency for certification and adoption proposed revisions to guidelines establishing criteria for determining the significance of transportation impacts of projects within transit priority areas to promote the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses. Current law creates the State Air Resources Board as the state agency charged with coordinating efforts to attain and maintain ambient air quality standards, to conduct research into the causes of and solution to air pollution, and to systematically attack the serious problem caused by motor vehicles, which is the major source of air pollution in many areas of the state. Existing law authorizes the state board to do those acts as may be necessary for the proper execution of the powers and duties granted to, and imposed upon, the state board. This bill would require the state board, by January 1, 2026, to conduct and submit to the Legislature a study on how vehicle miles traveled is used as a metric for measuring transportation impacts pursuant to CEQA, as specified.

**Position**

**Subject**

CEQA

**CALAFCO Comments:** Introduced as a spotholder bill that noted an intent to enact subsequent legislation that would create a new transportation impact analysis for rural areas for purposes of the California Environmental Quality Act.

3/22/2023: The bill was amended and would add language into the Public Resource Code to provide that a public agency, in approving or carrying out certain types of projects, is not required to issue a statement of overriding consideration for significant effects on the environment identified by a project's vehicle miles traveled if the lead agency has imposed all feasible mitigation measures on the project and it finds no feasible alternatives to the project.

Failed to meet deadlines and now a 2 year bill that cannot be acted upon until January, 2024.

1/11/2024: Gutted and Amended. Topic now specific to a study by the state regarding vehicle miles traveled in CEQA studies. Continuing to monitor for any detrimental changes to CEQA but, at this time, bill is not a concern to CALAFCO.

**SB 1209** **(Cortese D) Local agency formation commission: indemnification.**

**Current Text:** Introduced: 2/15/2024 [html](#) [pdf](#)

**Introduced:** 2/15/2024

**Status:** 3/20/2024-From committee: Do pass. (Ayes 6. Noes 0.) (March 20).

**Location:** 2/29/2024-S. THIRD READING

Desk	Policy	Fiscal	<b>Floor</b>	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

**Calendar:** 4/4/2024 #21 SENATE SENATE BILLS -THIRD READING FILE

**Summary:** The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 continues in existence in each county a local agency formation commission (LAFCO) that consists of members appointed, as specified, and oversees those changes of organization and reorganization. The act authorizes a LAFCO to, among other things, review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, as specified. This bill would authorize a LAFCO to require, as a condition for, among other things, processing a change of organization or reorganization, that the applicant agrees to defend, indemnify, and hold harmless the LAFCO, its agents, officers, and employees from and against any claim, action, or proceeding, as specified, arising from or relating to the action or determination by the LAFCO.

**Position**

Sponsor

**Subject**

LAFCo  
Administration

**CALAFCO Comments:** CALAFCO sponsored bill in response to a 2022 appellate decision out of San Luis Obispo that held that LAFCOs could not use indemnification provisions in applications because indemnifications are a form of agreement that LAFCOs are currently not authorized to enter into. As introduced, the bill would allow LAFCOs to use provisions similar to counties and cities.

**Total Measures: 13**

**Total Tracking Forms: 13**

4/2/2024 1:55:19 PM