

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF MAY 28, 2014

REGULAR MEETING

TO: Don Mette, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: José C. Henríquez, Executive Officer

AGENDA ITEM #10D: EXECUTIVE OFFICER REPORT

RECOMMENDATION

None. This is informational to the Commissioners

BACKGROUND

Staff Training

On April 2, I attended two informative sessions organized by CSDA's Gold Country Regional Chapter. The first was on "Finances and Reserves," which covered best practices and safe investments. The moderator gave the participants several tips on how to build reserves that were liquid, safe and contained good return on investments. The second half of the training session was on "Water Conservation and Grant Funds." While not as informative as the first session, the presenter discussed the various competitive grant programs that special districts could utilize to fund water conservation infrastructure improvements.

All staff attended the CALAFCO Workshop from April 23-25. Sessions included "How to Build a Better Staff Report," "Walking with Dinosaurs" (a discussion on the evolution of LAFCO Law from professionals who have worked with CKH and its predecessor statutes for more than 30 years) and "MSRs for a Brave New World." There was also a concurrent clerk track which covered collaborating with the State Board of Equalization, best practices and the creation of an administrative record. The session I was asked to organize for the workshop was well received among the participants.

Update on SB 244

I have concluded my research on SB 244 (2011 Wolk). As the Commission is aware, this law requires LAFCO MSRs and cities' and counties' general plans to address the infrastructure needs of unincorporated disadvantaged communities (as defined in the bill). The staff memo is approximately 90% done and it be presented at the June

meeting. The objective is to provide options for the Commission to consider since its straight implementation will not work or is not applicable to this county.

Questions from the March Meeting

At the March meeting, the Commission had questions on the frequency in which audits need to be conducted and on the level of effort that would be necessary to establish a line of credit with the County. The Commission directed me to discuss them with the Auditor-Controller. Below are the responses to both:

- **Audit:** By policy, an audit is conducted annually. Commissioner Fleege asked whether it was necessary to conduct them so frequently and whether the policy can be changed to every other year. Another Commissioner indicated that there might be a County policy requiring agencies that receive County funds to have their books audited annually so LAFCO did not have a choice. I conducted a search through the County ordinances and could not find such a requirement. County Auditor-Controller Joe Harn indicated it was a policy decision for the Commission. He indicated his preference for annual audits.
- **Line of Credit:** Auditor-Controller Harn had proposed an LoC as an alternative to LAFCO establishing a reserve. The Commission asked to follow up with on what the terms of the agreement would be, what the level of effort would be to create an MOU and whether there is a standard agreement out there that can serve as a sample. Auditor-Controller Harn indicated that, "The Board has given me the authority to make cash flow loans to special districts under certain circumstances.... [I]t may be possible for our Board of Supervisors to grant me similar authority related to LAFCO. The CAO and the BOS would have to agree to this."

Workload

The three active projects currently being processed are progressing smoothly. The Diamante Estates and Montessori School projects (2014-01 and 2014-02, respectively) are in the "final requirements" phase. Staff is waiting to receive additional information from the applicants before it can determine if the projects are ready for Commission consideration.

The dissolution of Latrobe FPD and its annexation by El Dorado Hills Fire is still in the middle of AB-8 negotiations. Both the districts and the County asked for additional time to complete them. By the time of the Commission meeting, LAFCO staff should have met with Registrar of Voters Bill Schultz and members of his staff to discuss and create a more streamlined process to retrieve voter contact information without significantly impacting the Elections Office's workload.

Staff is also reviewing the format of the staff reports to determine where they can be improved so that they are just as informative but not as redundant.

My work with the Commission on Collaborative Fire Districts/Fire Advisory Committee continues. The committee is in the middle of planning for Phase II now that Phase I (referred to as "the patch") is complete. As part of Phase II, I have been tasked with compiling information from the fire district to gain a complete picture of their infrastructure, capital assets and equipment. I also attended their April meeting to answer their questions on the need for the compilation.