



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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COMMISSIONERS:

*Richard Feder, Chair
Maribel Reynosa, V-Chair
Dennis Mederos
Pete Vander Poel
Dennis Townsend*

ALTERNATES:

*Larry Micari
Fred Sheriff
Steve Harrell*

EXECUTIVE OFFICER:

Ben Giuliani

TO: All Tulare County Cities and Board of Supervisors

FROM: Amie Kane, Staff Analyst

SUBJECT: Fiscal Year 2024/25 Final Budget, Work Program, and Agency Contribution Summary

In accordance with Government Code Section 56381, the Tulare County Local Agency Formation Commission, on June 5, 2024, adopted the final budget for Fiscal Year 2024/25. The Final Budget and Work Program (attached) is being transmitted to you in accordance with this law.

With respect to the FY 2024/25 LAFCO budget, the cities and the County will need to take special note of line item 5801 which sets forth the projected contributions from the cities and the County to support LAFCO. The agency contribution summary lists the amounts to be paid by each agency in order to fulfill its funding obligation of LAFCO. The LAFCO Commission voted to apply \$85,000 from its reserve fund to help offset the cost to the County and its eight cities. Shortly, you should receive an invoice statement from the County Auditor's Office requesting payment. Should you have any questions, please call me at the number listed above.

Amie Kane
Staff Analyst
Tulare County LAFCO

Attachments: Final Budget and Work Program

cc: Tulare County LAFCO
County Administrative Officer
County Counsel
County Auditor-Controller

2024/2025 Final Budget

TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION
BUDGET ORG 794

794 - Preliminary Spreadsheet

	Object No.	Adopted Budget FY 23/24	As of 03/06/2024	Projected Expenses FY 24/25	Proposed Budget FY 24/25
EXPENDITURES					
Services and Supplies					
Board Director's Fees	6008	\$1,600	\$1,000	\$1,600	\$1,600
Memberships	7027	\$8,750	\$8,750	\$8,750	\$8,956
Office Expenses	7036	\$857	\$324	\$499	\$800
Professional and Specialized	7043	\$200	\$0	\$200	\$200
Publication - Public Hearing Notices	7059	\$3,850	\$2,174	\$2,448	\$3,850
Training	7073	\$4,200	\$2,777	\$4,381	\$4,500
Transportation and Travel	7074	\$6,040	\$3,117	\$5,240	\$6,500
Total Services and Supplies		\$25,497	\$18,141	\$23,117	\$26,406
Other Charges					
I/F Workers Compensation	7043	\$0	\$0	\$0	\$0
I/F Expenses - Property	7043	\$0	\$0	\$0	\$0
I/F Expenses - Special Liability Insura	7043	\$2,819	\$3,933	\$4,208	\$4,208
I/F ADP Payroll	7036	\$271	\$200	\$270	\$270
Rent	7036	\$13,654	\$9,237	\$13,856	\$14,775
Alarm Services	7036	\$100	\$34	\$100	\$100
Telecom	7036	\$1,000	\$278	\$368	\$500
Utilities	7036	\$1,950	\$1,025	\$2,474	\$2,500
Custodial Services	7043	\$1,000	\$672	\$1,156	\$1,156
I/F RMA - Printing	7036	\$250	\$368	\$765	\$500
I/F RMA - Mail	7036	\$900	\$738	\$1,609	\$1,000
Total Other Charges		\$21,944	\$16,486	\$24,806	\$25,009
Agency Charges					
County Counsel Charges	7043	\$4,080	\$1,525	\$3,015	\$3,500
Services from Other Dpts.	7066	\$8,858	\$4,978	\$10,839	\$11,000
COWCAP Charges	7066	\$10,000	\$4,728	\$4,728	\$5,000
GIS Services	7043	\$6,000	\$0	\$0	\$0
Salaries	7066	\$199,566	\$67,577	\$161,870	\$219,523
Total Agency Charges		\$228,504	\$78,809	\$180,453	\$239,023
Contingencies					
	7432	\$27,595	\$0	\$0	\$29,044
TOTAL EXPENDITURES		\$303,540	\$113,436	\$228,376	\$319,482
REVENUES					
Other - Government Agency Contribu	5801	\$179,876	\$179,876	\$179,876	\$182,342
Planning and Engineering Services	5421	\$48,664	\$52,511	\$61,451	\$52,140
Interest	4801		\$7,451	\$7,451	
Prior Year Revenue Accruals Adjustr	5999				
TOTAL REVENUES		\$228,540	\$239,838	\$248,778	\$234,482
NET COST		\$75,000	-\$126,402	-\$20,402	\$85,000

(\$85k from reserves)

2024/25
LAFCO
WORK PROGRAM

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Introduction

Overview of LAFCO

The Tulare County Local Agency Formation Commission (LAFCO) is responsible for coordinating logical and timely changes in local government boundaries, for conducting special studies which review ways to reorganize, simplify and streamline governmental structure, and for preparing Municipal Service Reviews and Spheres of Influence for each city and special district within Tulare County. The Commission's efforts are directed to seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. LAFCO is independent of the government of Tulare County or any of the cities; however, funding to operate the agency is required to be provided by the county and the cities.

State law first established LAFCOs in each county in 1963. LAFCOs were given regulatory authority over local boundary changes. The agencies currently function under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Government Code Section 56375 sets forth the powers and duties of the commission. It gives LAFCO the authority to "review and approve or disapprove with or without amendment, wholly, partially, or conditionally" proposals concerning the formation of cities and special districts, annexation or detachment of territory to cities and special districts, and other changes in jurisdiction or organization of local governmental agencies. In reviewing proposals, LAFCO is required to consider certain factors such as the conformity with city or county plans, current levels and need for future services, the social, physical and economic effects on the community, the effect on existing agricultural lands and open space, the timely availability of adequate water supplies, and the extent to which each proposal will assist the receiving city and the County in achieving its fair share of the regional housing needs.

LAFCO must consider the effect that any proposal will produce on existing agricultural lands. By guiding development towards vacant urban land and away from agricultural preserves, LAFCO assists with the preservation of Tulare County's valuable agricultural resources. LAFCO also works to discourage urban sprawl, a pattern of development characterized by inefficient delivery of important urban services and unnecessary loss of agricultural land. By discouraging sprawl, LAFCO discourages the misuse of land resources and promotes a more efficient system of local government agencies.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires each LAFCO to adopt an annual budget. The 2023/24 Work Program for the Tulare County LAFCO outlines the anticipated work to be accomplished by LAFCO during the fiscal year and is prepared to accompany the annual budget.

Description of Region

Tulare County, comprised of 12,595 km², is located in the southern portion of the San Joaquin Valley. The Valley is bounded on the west by the Coast Range and on the east by the Sierra Nevada Mountains. The Valley extends from Sacramento to the north, to the Tehachapi Mountains on the south. The San Joaquin Valley is the richest farmland in the world.

Tulare County has approximately one third of its land area in the Valley. The remaining portion is in the Sierra Nevada Mountains. This offers an abundance of scenic and recreational opportunities for residents and visitors. The land in the Valley produces a wide variety of agricultural products. Tulare County ranks as one of the largest agricultural producing counties in the nation. The population of Tulare County is concentrated in the Valley area. There are eight incorporated cities, which account for 71% of the total county approximate population of 475,064 (DOF – 1/1/23). The eight cities are: Dinuba, Exeter, Farmersville, Lindsay, Porterville, Tulare, Visalia, and Woodlake. There are also numerous special districts in the county, including various Community

Service Districts, Irrigation Districts, Hospital Districts, Cemetery Districts, Public Utility Districts, and Resource Conservation Districts.

Organization of LAFCO

The Tulare County Local Agency Formation Commission is composed of two county supervisors selected by the Board of Supervisors, two city council representatives selected by the mayors in the county, and one public member selected by the other four members. Commission members serve four-year terms. There is an alternate member for each category – city, county, and public. Tulare County LAFCO does not have special district members; however, the law does provide for the addition of two special district members and one alternate if the Commission so orders or the special districts petition for such representation.

LAFCO Commissioners

Richard Feder, Chair	Public representative
Dennis Mederos	City representative
Maribel Reynosa	City representative
Pete Vander Poel	County representative
Dennis Townsend	County representative
Larry Micari	Alternate, County representative
Fred Sheriff	Alternate, Public representative
Steve Harrell	Alternate, City representative

LAFCO Staff

Ben Giuliani, Executive Officer
Amie Kane, Staff Analyst
Tara Adams, LAFCO Clerk
Matthew Pierce, LAFCO Counsel

LAFCO Abbreviations and Acronyms

CALAFCO	<i>California Association of Local Agency Formation Commissions</i>
C-K-H	<i>Cortese-Knox-Hertzberg Local Government Reorganization Act Of 2000</i>
CSD	<i>Community Services District</i>
GC	<i>Government Code</i>
LAFCO	<i>Local Agency Formation Commission</i>
MSR	<i>Municipal Service Review</i>
PUD	<i>Public Utility District</i>
SOI	<i>Sphere of Influence</i>

LAFCO Work Program Elements

SUBCATEGORY: 100 ADMINISTRATION

WORK ELEMENT: **100.01 LAFCO Administration**

PURPOSE: To manage and coordinate LAFCO staff work in Tulare County, including development and implementation of the budget, work program, and Policies and Procedures Manual.

PREVIOUS WORK: This is an ongoing function of LAFCO.

PRODUCTS:

1. Administration and support of LAFCO work functions.
2. Representation at statewide and local planning meetings.
3. Development of LAFCO Policies and Procedures Manual.
4. Maintain LAFCO files and records.
5. Prepare LAFCO meeting agendas, schedules and minutes.
6. Prepare annual budget and work program.
7. Maintain membership in CALAFCO.

DISCUSSION:

The administration program provides direction and management of the various routine functions that comprise the LAFCO Work Program. This includes: project scheduling, budget preparation and monitoring, personnel recruitment and training, records maintenance, review of legislation affecting LAFCOs and development of LAFCO Policies and Procedures consistent with C-K-H requirements and Commission directives.

LAFCO staff also maintains membership in the California Association of Local Agency Formation Commissions (CALAFCO), which provides statewide coordination of LAFCO activities, representation before the State Legislature and other bodies, training opportunities for member LAFCOs, and a structure for sharing information among LAFCOs and other governmental agencies throughout the State.

BUDGET:

Estimated staff costs:	\$97,566	(8.0 Staff Person Months)
Memberships:	\$8,956	
Publications and Notices	\$3,850	
County Counsel:	\$3,500	
COWCAP Charges:	\$5,000	
Board Directors fees:	\$1,600	
Rent	\$14,775	
Insurance	\$4,208	
Prof. & Specialized:	\$200	
Service from Other Dept.	\$11,000	
Total:	\$150,655	
Revenue (source):	\$85,000	(Reserve Funds)
Revenue (source):	\$65,655	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 100 ADMINISTRATION
 WORK ELEMENT: **100.02 Office Expenses/Fixed Assets**
 PURPOSE: To procure and manage the assets of LAFCO.

PREVIOUS WORK: Purchase supplies and equipment.
 Purchase Liability Insurance.
 Maintenance of LAFCO website.
 Publish public notices.

- PRODUCTS:
1. Procurement of supplies and equipment.
 2. Maintenance of existing equipment.
 3. Inventory of LAFCO assets.
 4. Continuation of Internet service.
 5. Payment of rent, telephone, mail, printing, data processing and other overhead services.
 6. Ongoing maintenance of LAFCO website.

DISCUSSION:

LAFCO is required by GC Section 56300(f)(1) to establish and maintain, or otherwise provide access to notices and other commission information for the public through an internet website.

The address for the Tulare County LAFCO website is www.co.tulare.ca.us/lafco/. The site provides general information regarding LAFCO, Tulare County LAFCO commissioners and staff, meeting and application deadline schedules, and allows access to agendas and minutes. The site will also be used to post notices, agendas, minutes, and disclosures as required by Sections 56100.1, 56150, 56300, and 56661.

Because LAFCO is an independent agency, LAFCO maintains a general liability insurance policy. LAFCO reimburses the County for office space and other operational expenses as part of the work program.

BUDGET:

Office Expense:	\$800
Telecomm	\$500
ADP Payroll/Personnel:	\$270
Utilities:	\$2,500
Custodial Services:	\$1,156
Property	\$0
Mail	\$1,000
Printing	\$500
Alarm	\$100
GIS	\$0
Worker's Compensation	\$0
Total	\$6,826

(Reserve Funds)
 \$6,826 (County & Cities Contribution)

(Planning & Engineering Fees)

SUBCATEGORY: 100 ADMINISTRATION

WORK ELEMENT: **100.03 Training and Travel**

PURPOSE: Travel to various local, regional and statewide meetings as required.
Training for staff related to the operations of LAFCO and legislative activity affecting LAFCOs.

PREVIOUS WORK: This is an ongoing work element.

PRODUCTS:

1. Representation at statewide and local LAFCO meetings.
2. Staff training and educational seminars.
3. Commissioner training and education seminars.

BUDGET:

Training (Commissioners & Staff):	\$4,500
Transportation/Travel (Commissioners & Staff)	\$6,500
Total:	\$11,000

Revenue (source):		(Reserve Funds)
Revenue (source):	\$11,000	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.02 Municipal Service Reviews**

PURPOSE: To prepare Municipal Service Reviews (MSR's) pursuant to GC §56430.

PREVIOUS WORK: Group 1 MSRs adopted March 2006
 Group 2 MSRs adopted May 2006
 Group 3 MSRs adopted March 2007
 Group 4 MSRs adopted October 2011
 City of Dinuba MSR updated June 2012
 City of Visalia MSR updated February 2013
 City of Tulare MSR updated October 2013
 City of Porterville MSR updated October 2014
 City of Exeter MSR update April 2016
 City of Woodlake MSR update August 2016
 Goshen CSD MSR update December 2018
 Lindsay LHD MSR update December 2020
 Alta HD MSR update January 2021

PRODUCTS: MSRs for urban service providing districts

DISCUSSION:

In accordance with GC §56430, in order to prepare and update spheres of influence, LAFCOs are required to conduct a review of the municipal services provided in the county or other appropriate area designated by the Commission. To address this requirement, a program for conducting municipal service reviews (MSR's) was initiated by LAFCO during the 2003/04 fiscal year.

Tulare County's eight cities and 19 of the special districts were reviewed and MSRs were adopted in 3 groups in 2006 and 2007. Group 4, consisting of 21 special districts was approved in October 2011. The scope of MSRs has since been expanded to include service needs of disadvantaged unincorporated communities within and adjacent to the subject agency's current SOI. MSR updates have been completed for the cities of Dinuba, Visalia, Tulare, Porterville, Exeter and Woodlake. By policy, future MSR updates will be completed on an as-needed basis following County Community Plan and City General Plan Updates. The County of Tulare received State funding that has allow for MSRs to be updated for urban service providing districts during FY 23/24.

BUDGET:

Estimated staff costs:	\$36,587	(3.0 Staff Person Month)
Total:	\$36,587	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$36,587	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.03 Cities and Special District Inventory Update**

PURPOSE: To maintain the LAFCO Cities and Special District Inventory.

PREVIOUS WORK: LAFCO Cities and Special District Inventory (October 1975)
 LAFCO Cities and Special District Inventory (Revised January 1981)
 LAFCO Cities and Special District Inventory (Revised June 1998)
 LAFCO Cities and Special District Inventory (Revised April 2007)
 LAFCO Cities and Special District Inventory (Revised April 2013)
 LAFCO Cities and Special District Inventory (Revised January 2023)

PRODUCTS: Continuous update of the LAFCO Cities and Special District Inventory.

DISCUSSION: The Tulare County LAFCO Cities and Special District Inventory is a listing of the various agencies in Tulare County and provides information about each agency, including: date formed, address, phone number, contact person, functions performed, and method of financing. The Inventory also includes a brief description of each type of agency and a map depicting the agency's sphere of influence. For Community Service Districts and County Service Areas the inventory also describes the latent powers each district was authorized to perform, but had not performed as of January 1, 2006 and January 1, 2009 (respectively). The full-published revision has been completed. The last major revision took place in FY 22/23. However, this Work Program allocation is intended for the continual updating of contact and map information in the Inventory.

BUDGET:

Estimated staff costs:	\$12,196	(1.0 Staff Person Months)
Total:	\$12,196	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$12,196	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.04 Sphere of Influence Updates & Amendments**

PURPOSE: To prepare updates to agencies' Spheres of Influence and provide an efficient method to review and amend the Spheres of Influence for all agencies within Tulare County LAFCO's jurisdiction.

PREVIOUS WORK: In 2011; Alpine Village-Sequoia Crest CSD, Ducor CSD, East Orosi CSD, Patterson Tract CSD, Ponderosa CSD, Three Rivers CSD, Tract 92 CSD, Porter Vista PUD, CSA #1, Strathmore FPD and Woodlake FPD. Lindmore ID (2011) Lindsay-Strathmore ID (2011) Sultana (2011) Ivanhoe (2011) City of Dinuba (2012) Lindmore Irrigation District (2012) Lindsay-Strathmore Irrigation (2012) Allensworth CSD (2012) Sultana CSD (2012) Three Rivers CSD (2012) City of Lindsay (2014) City of Porterville (2014) City of Exeter (2016) City of Woodlake (2016) City of Tulare (2017) City of Visalia (2018), Goshen CSD (2018), City of Woodlake (2020), Goshen CSD (2024).

PRODUCTS: 1. SOI Reviews (and updates as needed) for Tulare County principal districts and cities

DISCUSSION:

Pursuant to GC Section 56425(g), all Spheres of Influence must be reviewed and updated, as necessary, on or before January 1, 2008 and every five years thereafter, as needed.

Tulare County LAFCO Resolution 96-02 provides that, whenever possible, the Sphere of Influence of each city and those Special Districts that provide urban services to unincorporated communities within the County should reflect a twenty-year growth area with additional areas for communities of interest (Section 56425 (a) (4)). This boundary shall be reviewed and, if necessary, updated no more than once every five years. The updates should be sufficient to accommodate projected growth for twenty years from the date of adoption. SOI Amendments typically occur in conjunction with an annexation and per LAFCO policy does not require a MSR.

The MSR schedule in Work Element 101.02 will guide the update of agencies' spheres of influence.

BUDGET:

Estimated staff costs:	\$24,391	(2 Staff Person Months)
Total:	\$24,391	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$8,838	(County & Cities Contribution)
Revenue (source):	\$15,553	(Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.06 Special Projects**

PURPOSE: To fulfill LAFCO's obligation to perform special governmental organization studies pursuant to GC 56375.

PREVIOUS WORK: Agricultural Land Updates
Public Cemetery District Report
Memorial District Report

PRODUCTS: This is an on-going work element. Products could include district consolidation and formation studies.

DISCUSSION:

In accordance with GC §56375, LAFCO has the authority to conduct a variety of studies related to effective and efficient provision of public services. This includes special district formation and consolidation studies. As a result of LAFCO Policy Amendments, a Financial Impact Study is now required to be prepared for the activation of latent powers, in certain instances.

The work element accounts for staff and consultant resources required to respond to the need for such special studies as may be authorized by LAFCO during the fiscal year. There is no anticipated need for consultant services in FY 24/25.

BUDGET:

Estimated staff costs: \$12,196 (1.0 Staff Person Months)

Total: \$12,196

Revenue (source): (Reserve Funds)

Revenue (source): \$12,196 (County & Cities Contribution)

Revenue (source): (Planning & Engineering Fees)

SUBCATEGORY: 102 CASE PROCESSING

WORK ELEMENT: **102.01 LAFCO Case Processing**

PURPOSE: To process applications submitted by LAFCO.

PREVIOUS WORK: In FY 2023/24 as of this date, staff has processed 9 cases (annexations, detachments, sphere of influence amendments, activation of latent powers and extension of services agreements). In prior years, a separate work element (101.05 Island Annexation Program) was dedicated to the island annexation program which is now incorporated in this element

PRODUCTS: This is an ongoing work element. Staff will continue to process case applications as they are submitted. For fiscal year 2023/24, based on feedback from local agencies, staff are estimating processing 14 cases.

BUDGET:

Estimated staff costs:	\$36,587	(3 Staff Person Months)
Total:	\$36,587	
Revenue (source):		(Reserve Funds)
Revenue (source):		(County & Cities Contribution)
Revenue (source):	\$36,587	(Planning & Engineering Fees)

LAFCO Work Program Summary

Activity Description	Work Element Number	Revenue Source and Amount			Expenditures
		Reserve Funds	Income from Other Agencies	Planning & Engineering Services	
LAFCO Administration	100.01	\$85,000	\$65,655	\$0	\$150,655
Office Expenses / Fixed Assets	100.02	\$0	\$6,826	\$0	\$6,826
Training and Travel	100.03	\$0	\$11,000	\$0	\$11,000
Municipal Service Reviews	101.02	\$0	\$36,587	\$0	\$36,587
Cities & Special District Inventory Update	101.03	\$0	\$12,196	\$0	\$12,196
Sphere of Influence Updates & Amendments	101.04	\$0	\$24,391	\$15,403	\$39,944
Special Projects	101.06	\$0	\$12,196	\$0	\$12,196
LAFCO Case Processing	102.01	\$0	\$0	\$36,587	\$36,587
Subtotals	NA	\$0	\$253,851	\$52,140	\$305,991
Contingency	NA	\$0	\$29,044	\$0	\$29,044
TOTALS		\$85,000	\$197,895	\$52,140	\$335,035

Total Staff Person Months = 18.0

(Executive Director – 6.0; Staff Analyst – 9; Clerk - 3)

TULARE CO. LAFCO- 6-YEAR STRATEGIC WORK PROGRAM

<i>FY</i>	<i>MSR</i>	<i>SOI UPDATE</i>	<i>SPECIAL PROJECTS</i>	<i>Pending Proposals, Possible Future Projects, Annual Work Elements</i>
2023/24	Urban Service providing Districts	As needed based on MSR results		<i>Possible Future Projects</i> <ul style="list-style-type: none"> • District dissolutions • District formations • Incorporation studies • Policy updates • Implementation of MSRs <i>Annual Work Elements</i> <ul style="list-style-type: none"> • Case Processing • SOI Amendments • City-Special Districts Inventory • Special Projects
2024/25	Future MSRs and SOI updates will be completed based on County Community Plan Updates and City General Plan Updates.			
2025/26				
2026/27				
2027/28				
2028/29				