

**LOCAL AGENCY FORMATION COMMISSION  
MENDOCINO COUNTY**

The Local Agency Formation Commission convened a regular meeting on Monday, March 1, 2004 at 10:00 AM, at the City of Ukiah Council Chambers, 300 Seminary, Ukiah.

**AGENDA ITEM 1—CALL TO ORDER / ROLL CALL**

Chairwoman Ranker called the regular meeting of the Local Agency Formation Commission of Mendocino County to order at 10:03 AM. The following Commissioners were present and seated: Melo, Oslund, Colfax, Simon, O'Brien, and Chairwoman Ranker. Also present were Alternate Commissioners Larson and Ward as well as Executive Officer McMichael. Supervisor Wagonet arrived at 10:09 AM during the public hearing on adoption of Chapters 7 & 8 of the Policy and Procedures.

**AGENDA ITEM 2—PUBLIC EXPRESSION**

There was no one from the public at this meeting for the entire time of the meeting.

**AGENDA ITEM 3—APPROVAL/CORRECTION/ADOPTION OF MINUTES**

Upon a motion by Commissioner Simon and seconded by Commissioner Melo the minutes of February 2, 2004 were approved and adopted as submitted. (Ayes: Melo, Oslund, Colfax, Simon, O'Brien, and Chairwoman Ranker; Nays: None; Abstain: None; Absent: Delbar.)

Upon a motion by Chairwoman Ranker and seconded by Commissioner Simon the Executive Committee minutes of February 2, 2004 were approved as submitted. (Ayes: Simon and Ranker; Nays: None; Abstain: None; Absent: Delbar)

**AGENDA ITEM 4— PUBLIC HEARING ON CHAPTERS 7 & 8 OF POLICY AND PROCEDURES**

Upon examination of the proof of publication certification from the Ukiah Daily Journal and upon a motion by Commissioner Melo seconded by Commissioner Oslund proof of publication was accepted by the Commission (Ayes: Melo, Oslund, Colfax, Simon, O'Brien, and Chairwoman Ranker; Nays: None; Abstain: None; Absent: Delbar)

Chairwoman Ranker opened the public hearing 10:05 AM and asked Executive Officer McMichael to provide a summary report. Upon conclusion of his report,

Chairwoman Ranker surveyed the room and determined that there was no person from the public in the room for public hearing. Seeing this, Chairwoman Ranker closed the public hearing at 10:12 AM.

Upon closure of the public hearing Commissioner Oslund seconded by Commissioner Melo entered the following motion:

Motion: Move adoption of Chapters 7 & 8 as the final chapters to the Commission's Policy and Procedures. Executive Officer McMichael is authorized to have sufficient copies made for the binders of the Commission and for office copies and is authorized to have these final two chapters posted on the Commission's website. With the adoption of these final chapters, Executive Officer McMichael has completed his contract for writing of the policies and procedures and payment is authorized according to the requirements of the contract.

The motion was approved on the following roll call vote: Ayes: Melo, Oslund, Colfax, Simon, O'Brien, Wagonet and Chairwoman Ranker; Nays: None; Abstain: None; Absent: Delbar

#### AGENDA ITEM 5—AUDIT REPORT

The Commission reviewed the draft audit report for FY 2002-2003 and the compliance letter request from Michael A. Celentano, CPA. After discussion and comments about the report and compliance letter and upon a motion by Commissioner Melo seconded by Commissioner Simon, Chairwoman Ranker and E.O. McMichael were provided the authority to sign the compliance letter. The motion was approved on the following vote: Ayes: Melo, Oslund, Colfax, Simon, O'Brien, Wagonet and Chairwoman Ranker; Nays: None; Abstain: None; Absent: Delbar

Upon a motion by Commissioner Wagonet seconded by Commissioner Melo the draft audit report was received and payment to Michael A. Celentano, CPA was approved for the FY 0203 audit by the following roll call vote: Ayes: Melo, Oslund, Colfax, Simon, O'Brien, Wagonet and Chairwoman Ranker; Nays: None; Abstain: None; Absent: Delbar

Upon completion of this vote, E.O. McMichael was directed by Chairwoman Ranker to send the signed audit letter to Mr. Celentano and to place the Final Audit Report on the agenda for the April meeting.

#### AGENDA ITEM 6—FY 04-05 BUDGET WORKSHOP

The Commission received the Executive Committee’s proposed FY 04-05 budget for discussion and review. Upon direction of Chairwoman Ranker, Executive Officer McMichael provided a line-by-line review and comparison of the FY 04-05 budget with the FY 03-04 budget as indicated below.

FY04-05 Executive Committee  
Proposed Budget

	<b>Line Item</b>	<b>Detail Description</b>	<b>Amount Budgeted FY 03-04</b>	<b>Amount Proposed FY 04-05</b>	<b>Increase (Decrease)</b>
1	862150	CALAFCO Membership	630.00	700.00	70.00
2	862150	CSDA Membership	500.00	500.00	0.00
3	862101	General Liability Insurance—CSDA	3,000.00	3,500.00	500.00
4	862181	Audit Services	2,500.00	2,500.00	0.00
5	862182	Website—DSL	1,500.00	4,500.00	3,000.00
6	862060	Communications	1,000.00	1,000.00	0.00
7	862184	Engineering and Plan Services—GIS	4,000.00	2,000.00	(2,000.00)
8	862194	A-87 Costs	3,000.00	3,000.00	0.00
9	862183	Commission Counsel	7,500.00	5,000.00	(2,500.00)
10	862189	Contract Services Office and Staff	88,732.80	92,282.11	3,549.31
11	862239	Special Dept Expense	2,000.00	2,000.00	0.00
12	862250	In County Travel	2,000.00	1,000.00	(1,000.00)
13	862280	ADA Compliance	1,000.00	1,000.00	0.00
14	862253	Out of County Conferences	6,000.00	6,000.00	0.00
15	862190	Publication-Legal Notices	500.00	500.00	0.00
16	862189	56425 & 56430 Mandates	25,000.00	25,000.00	0.00
17	860010	Appropriation for Contingency	8,000.00	8,000.00	0.00
18	869991	Legal Reserve	6,500.00	0.00	(6,500.00)
19	860011	Operational Reserve	0.00	6,500.00	6,500.00
20					
21	<b>Total Budgeted FY 03-04</b>		163,362.80		
22	<b>Fund Balance Carryover</b>		20,000.00		
23	<b>Total To Be Apportioned for Revenues</b>		143,362.80		
24	<b>Apportionment-Cities-County-Districts</b>		47,787.60		
25					
26	<b>Total Budgeted FY 04-05</b>			164,982.21	
27	<b>Estimated Fund Balance Carryover</b>			24,000.00	
28	<b>Total To Be Apportioned For Revenues</b>			140,982.21	
28	<b>Apportionment For Cities-County-Districts</b>			46,994.07	
29					
30	<b>Difference in Total Budgeted FY 03-04 vs. FY 04-05</b>				1,619.92

31	<b>Difference in Apportionment FY 03-04 vs. FY 04-05</b>	(805.21)
32		
33	<b>Legal Reserve From FY 01-02, 02-03 &amp; 03-04</b>	19,500.00
34	<b>Service Review Reserve From FY 02-03</b>	25,000.00
35	<b>General Reserve From FY 01-02 &amp; FY 02-03</b>	8,096.33
36	<b>Operational Reserve</b>	0.00
37	<b>Total Reserves</b>	52,596.33

After questions and discussions regarding various line items and upon a motion by Commissioner Simon seconded by Commissioner Melo, the Executive Committee's proposed budget for FY 04-05 was received as the Commission's proposed budget for FY 04-05.

E. O. McMichael was directed to send a copy of the FY 04-05 budget to all cities, districts and the county and to provide proper notice to all parties according to the requirements of G.C. 56381 for a public hearing at the Commission's April meeting for the adoption of the proposed budget by the Commission. E.O. McMichael was further directed to bring additional information regarding the use of CPI calculations to the April meeting.

The motion was approved by the following roll call vote: Ayes: Melo, Oslund, Colfax, Simon, Wagonet and Chairwoman Ranker; Nays: O'Brien; Abstain: None; Absent: Delbar

#### AGENDA ITEM 7—AGREEMENT FOR GIS SERVICES WITH THE COUNTY

After review and discussion of the proposed agreement for GIS services with the County and upon a motion by Commissioner Wagonet seconded by Commissioner Oslund, Chairwoman Ranker was authorized to sign the agreement. The motion was approved by the following roll call vote: Ayes: Melo, Oslund, Colfax, Simon, O'Brien, Wagonet and Chairwoman Ranker; Nays: None; Abstain: None; Absent: Delbar

#### AGENDA ITEM 8—CORRESPONDENCE

- A. The Commission received the draft letter to Governor Schwarzenegger and authorized Chairwoman Ranker to sign the below indicated letter and to present it to Governor Schwarzenegger or his staff at a future meeting that she will be attending.

Of Mendocino County  
200 S. School St. Suite 2  
Ukiah, CA 95482  
707 463 4470

March 1, 2004

Governor Arnold Schwarzenegger  
State Capitol  
Sacramento, CA 95814

Dear Governor Schwarzenegger,

Thank you for your letter of January 7, 2004 in reply to our letter of December 1, 2003.

We are most pleased that you believe “that government is most effective when it is closely connected to the people” and that “local government is best equipped to respond to the needs of the people on a daily basis.” With that belief in mind we encourage you to again review our last letter and to consider the negative effect that state decision making has on the ability of local government to respond to the needs of the people. We are specifically concerned about the removal of local tax dollars by the State and the imposition of unfunded mandates that supercede local decision making by reallocating local government budgets, thus preventing the very abilities that you champion.

We are again asking you to speak out on this issue and to support a November ballot initiative that will control the ability of the State to appropriate, reallocate, redistribute, reduce or suspend the payment of local tax dollars along with clarifying that the State must reimburse local government for new mandated programs and protect local government from cost shifts from the State.

Local governments (cities, counties, districts) in rural counties are in financial crisis and are desperate for relief. We would like to be able to provide the services that people most want for the reasons that your letter championed. We are again asking you to support our efforts for this initiative and to speak to the issues and crisis in local government. With your leadership and the passing of a ballot initiative in November, local government will have the opportunity to respond to local needs based on local circumstances, not the dictates of some bureaucratic State decision-making, far removed from the field of effort represented by local government services.

Sincerely,

F. Camille Ranker  
Chairwoman

- B. The Commission received a letter dated January 30, 2004 from SBC/MCI/CALNET regarding the failure of previous E.O. Amy Beauchane

(Jones) to pay her phone bill to the amount of \$468.16 for the months of April 2001 to August 2001. E.O. McMichael provide an update of his efforts to make the above indicated phone company aware that Ms. Beauchane, as required by her contract with LAFCO, was the person responsible for these months of billing and that the phone company should seek payment from Ms. Beauchane. The Commission requested that E.O. McMichael keep them updated on his efforts.

#### AGENDA ITEM 9—REPORTS

A. Executive Officer McMichael provided an expenditure report for February. The Commission received the report without comment or direction.

B. Reports from Commissioner:

Commissioner Oslund provided a report of her efforts to circulate an initiative measure entitled: LOCAL GOVERNMENT FUNDS AND REVENUES. STATE MANDATES. INITIATIVE CONSTITUTIONAL AMENDMENT. This Initiative is the one referred to in the letters to Governor Schwarzenegger. She provided extra copies to the Commissioners and encouraged each Commissioner to circulate the petition.

Commissioner Melo reported on the receipt of a letter by City of Fort Bragg from Assemblywoman Patty Berg regarding state mandated programs. The letter listed various unfunded state mandated programs. That list did not include LAFCO as an unfunded state mandated program. He indicated that he would provide a copy to E. O. McMichael and requested that a letter be drafted for Chairwoman Ranker's signature indicating the belief of the Commission that LAFCO was an unfunded mandate and should be considered in any review of unfunded mandates. Direction was so given by the Commission.

#### AGENDA ITEM 9—ADJOURNMENT

Being no further business the Commission adjourned at 12:09 AM.