



Lou Ann Texeira  
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
40 Muir Road, 1st Floor • Martinez, CA 94553  
e-mail: LouAnn.Teixeira@lafco.cccounty.us  
(925) 313-7133

## **NOTICE AND AGENDA FOR REGULAR MEETING**

**Wednesday, January 11, 2023, 1:30 PM**

As permitted by Government Code section 54953(e), this meeting will be held by Zoom and teleconference (webinar) and also in person at 1025 Escobar Street, First Floor in Martinez.

### **PUBLIC ACCESS AND PUBLIC COMMENT INSTRUCTIONS**

If joining remotely, please click the link below to join the webinar:

<https://cccounty-us.zoom.us/j/82312816987>

Or Telephone:

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USA 214 765 0478 US Toll

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**PUBLIC COMMENT:** The Commission will consider all verbal and written comments received. Comments may be emailed to [LouAnn.Teixeira@lafco.cccounty.us](mailto:LouAnn.Teixeira@lafco.cccounty.us) or by U.S. mail to Contra Costa LAFCO at 40 Muir Road 1<sup>st</sup> Floor, Martinez, CA 94553. Please indicate the agenda item number, if any. If you want your comments read into the record, please indicate so in the subject line. For public hearings, the Chair will announce the opening and closing of the public hearing. The Chair will call for verbal public comments.

### **NOTICE TO THE PUBLIC**

Disclosable public records for a regular meeting agenda distributed to a majority of the members of the Commission less than 72 hours prior to that meeting will be made available on <http://contracostalafco.org/meetings>

#### **Campaign Contribution Disclosure**

If you are an applicant or an agent of an applicant on a matter to be heard by the Commission, and if you have made campaign contributions totaling \$250 or more to any Commissioner in the past 12 months, Government Code Section 84308 requires that you disclose the fact, either orally or in writing, for the official record of the proceedings.

#### **Notice of Intent to Waive Protest Proceedings**

In the case of a change of organization consisting of an annexation or detachment, or a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area, it is the intent of the Commission to waive subsequent protest and election proceedings provided that appropriate mailed notice has been given to landowners and registered voters within the affected territory pursuant to Gov. Code sections 56157 and 56663, and no written opposition from affected landowner or voters to the proposal is received before the conclusion of the commission proceedings on the proposal.

#### **American Disabilities Act Compliance**

LAFCO will provide reasonable accommodations for persons with disabilities planning to join the meeting. Please contact the LAFCO office at least 48 hours before the meeting at 925-313-7133.

## **JANUARY 11, 2023 CONTRA COSTA LAFCO AGENDA**

1. Call to Order
2. Roll Call
3. **Selection of 2023 Chair and Vice Chair**
4. **Recognition of Outgoing Commissioners and Welcome New Commissioners**
5. Approval of Minutes of the November 9, 2022 regular LAFCO meeting
6. Public Comment Period (please observe three-minute time limit): Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.

### **TELECONFERENCING**

7. ***Resolution Authorizing Teleconference Meetings Pursuant to Assembly Bill 361*** – adopt a resolution authorizing LAFCO to conduct teleconference meetings per Gov. Code §54953(e) and make related findings

### **BUSINESS ITEMS**

8. ***Fiscal Year (FY) 2023-24 Proposed Budget Schedule/Work Plan Preview*** – provide input on the FY 2023-24 proposed budget schedule and work plan preview
9. ***FY 2022-23 Mid-Year Budget Report*** – receive FY 2022-23 mid-year budget report
10. ***LAFCO 18-06 – Chang Property Reorganization: Annexations to City of San Ramon, Central Contra Costa Sanitary District, and EBMUD and Detachment from County Service Area P-6*** – consider approving an extension of time to file the Certificate of Completion to June 30, 2023
11. ***FY 2020-21 Financial Audit*** - receive and file audit report
12. ***Temporary Hire of Former LAFCO Employee*** – consider approving the temporary hire of Sherrie Weis to assist with training new *Clerk Analyst*

### **INFORMATIONAL ITEMS**

13. ***Current and Potential Applications*** - update on current and potential applications – *information only*
14. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)
15. Commissioner Comments and Announcements
16. Staff Announcements/Newspaper Articles/CALAFCO Update

### **ADJOURNMENT**

*Next regular LAFCO meeting February 8, 2023 at 1:30 pm.*

LAFCO STAFF REPORTS AVAILABLE AT [http://www.contracostalafco.org/meeting\\_archive.htm](http://www.contracostalafco.org/meeting_archive.htm)



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Public Member

Tom Butt  
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Patricia Bristow  
Special District Member

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ALTERNATE MEMBERS

Diane Burgis  
County Member

Stanley Caldwell  
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Charles R. Lewis, IV  
Public Member

Edi Birsan  
City Member

January 11, 2023 (Agenda)

January 11, 2023  
Agenda Item 3

Contra Costa Local Agency Formation Commission  
40 Muir Road, First Floor  
Martinez, CA 94553

Selection of Commission Officers for 2023

Dear Members of the Commission:

The procedure for selecting officers for the Contra Costa LAFCO is described in Section 1.4 (*Rules and Procedures*) of the Commission Handbook and provides for the following:

- The members of the Commission shall elect a Chair and Vice Chair at the first meeting of the Commission held in January of each year or as soon thereafter as practicable.
- The Chair and Vice Chair shall serve for one-year terms, or until their successors are elected, whichever occurs later.
- Officers shall be selected from the categories of members in the following order:

County member 1  
Special District member 1  
City member 1  
Public member  
County member 2  
Special District member 2  
City member 2

In 2022, City member Rob Schroder served as Chair and County member Federal Glover served as Vice Chair.

**RECOMMENDATION** – Per the Commission’s policy, it is recommended that the Commission select a County member as Chair and a Public member as Vice Chair to serve until January 2024.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

**RESOLUTION OF THE CONTRA COSTA  
LOCAL AGENCY FORMATION COMMISSION  
Detachment of Commissioner Tom Butt from  
the Contra Costa Local Agency Formation Commission**

**January 11, 2023  
Agenda Item 4a**

**WHEREAS**, the above-referenced proposal was filed with the Executive Officer of the Contra Costa Local Agency Formation Commission (“CC LAFCO”); and

**WHEREAS**, at the time and in the manner prescribed, the Executive Officer gave notice of the Commission’s consideration of the proposal; and

**WHEREAS**, CC LAFCO determines that Commissioner Butt’s sphere of influence is prominent and extensive and covers important local and regional matters; and

**WHEREAS**, CC LAFCO also determines there will be unmitigated impacts resulting from detachment of Commissioner Butt from LAFCO; and

**WHEREAS**, at the CC LAFCO meeting today, the Commission heard many positive comments regarding the qualities and contributions of Commissioner Butt; and

**WHEREAS**, CC LAFCO finds and determines as follows:

1. Commissioner Butt was elected by the *Contra Costa City Selection Committee* to CC LAFCO as a City Member (Regular) in March 2011.
2. During his tenure, CC LAFCO acted on 118 proposals including dozens of boundary changes and reorganizations, dissolution of five special districts, approval of several large boundary reorganizations, and reorganization of a healthcare district.
3. During Commissioner Butt’s tenure CC LAFCO completed 1<sup>st</sup> and 2<sup>nd</sup> round municipal service reviews (MSRs) covering all services and initiated the 3<sup>rd</sup> round wastewater services MSR.
4. During his tenure, CC LAFCO Commission was named “*Most Effective Commission*” in California at the annual CALAFCO conference in recognition of the Commission’s diligence and leadership, and their efforts to promote healthy and sustainable local agencies.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** that detachment of Commissioner Butt be approved, subject to the following terms and conditions:

1. That the Commission and LAFCO staff thank and commend Commissioner Butt for his leadership and dedicated service to CC LAFCO; and
2. That Commissioner Butt apply similar resolve to his activities and journeys, and that his compass guide him to new adventures in the future.

**PRESENTED THIS 11<sup>th</sup> day of January 2023.**

*Candace Andersen, Commissioner, County*  
*Edi Birsan, Commissioner, City*  
*Don Blubaugh, Commissioner, Public*  
*Patricia Bristow, Commissioner, District*  
*Diane Burgis, Commissioner, County*

*Stanley Caldwell, Commissioner, District*  
*Federal Glover, Commissioner, County*  
*Charles R. Lewis, IV, Commissioner, Public*  
*Michael R. McGill, Commissioner, District*  
*Gabriel Quinto, Commissioner, City*

Lou Ann Texeira, LAFCO Executive Officer  
Thomas Geiger, LAFCO Legal Counsel  
Sherrie Weis, LAFCO Executive Assistant

**RESOLUTION OF THE CONTRA COSTA  
LOCAL AGENCY FORMATION COMMISSION  
Detachment of Commissioner Rob Schroder from  
the Contra Costa Local Agency Formation Commission**

**January 11, 2023  
Agenda Item 4b**

**WHEREAS**, the above-referenced proposal was filed with the Executive Officer of the Contra Costa Local Agency Formation Commission (“CC LAFCO”); and

**WHEREAS**, at the time and in the manner prescribed, the Executive Officer gave notice of the Commission’s consideration of the proposal; and

**WHEREAS**, CC LAFCO determines that Commissioner Schroder’s sphere of influence is prominent and extensive and covers important local and regional matters; and

**WHEREAS**, CC LAFCO also determines there will be unmitigated impacts resulting from detachment of Commissioner Schroder from LAFCO; and

**WHEREAS**, at the CC LAFCO meeting today, the Commission heard many positive comments regarding the qualities and contributions of Commissioner Schroder; and

**WHEREAS**, CC LAFCO finds and determines as follows:

1. Commissioner Schroder was elected by the *Contra Costa City Selection Committee* to CC LAFCO as a City Member (Regular) in January 2003.
2. During his tenure, CC LAFCO acted on 325 proposals including dozens of boundary changes and reorganizations including formation of two new districts, dissolution of six districts, approval of several large boundary reorganizations including the Northeast Antioch, City of Oakley East Cypress Corridor, 18 Dougherty Valley boundary reorganizations, and 22 City of Martinez out of agency service agreements.
3. During Commissioner Schroder’s tenure CC LAFCO completed 1<sup>st</sup> and 2<sup>nd</sup> round municipal service reviews (MSRs) covering all services and initiated the 3<sup>rd</sup> round wastewater services MSR.
4. During his tenure, CC LAFCO Commission was named “*Most Effective Commission*” in California at the annual CALAFCO conference in recognition of the Commission’s diligence and leadership, and their efforts to promote healthy and sustainable local agencies.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** that detachment of Commissioner Schroder be approved, subject to the following terms and conditions:

1. That the Commission and LAFCO staff thank and commend Commissioner Schroder for his leadership and dedicated service to CC LAFCO; and
2. That Commissioner Schroder apply similar resolve to his activities and journeys, and that his compass guide him to new adventures in the future.

**PRESENTED THIS 11<sup>th</sup> day of January 2023.**

*Candace Andersen, Commissioner, County*  
*Edi Birsan, Commissioner, City*  
*Don Blubaugh, Commissioner, Public*  
*Patricia Bristow, Commissioner, District*  
*Diane Burgis, Commissioner, County*

*Stanley Caldwell, Commissioner, District*  
*Federal Glover, Commissioner, County*  
*Charles R. Lewis, IV, Commissioner, Public*  
*Michael R. McGill, Commissioner, District*  
*Gabriel Quinto, Commissioner, City*

Lou Ann Texeira, LAFCO Executive Officer  
Thomas Geiger, LAFCO Legal Counsel  
Sherrie Weis, LAFCO Executive Assistant

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION**  
**DRAFT MEETING MINUTES**  
**November 9, 2022**

**January 11, 2023**  
**Agenda Item 5**

**1. Welcome and Call to Order; Roll Call (Agenda Items 1&2)**

Chair Schroder called the regular meeting of November 9, 2022, to order at 1:40 p.m.

The following Commissioners and staff were present:

Regular Commissioners	Alternate Commissioners	Staff
Rob Schroder, Chair	Stan Caldwell (Absent)	Lou Ann Texeira, Executive Officer
Federal Glover, Vice Chair	Chuck Lewis	Tom Geiger, Commission Counsel
Candace Andersen	Diane Burgis (Absent)	Sherrie Weis, LAFCO Clerk
Don Blubaugh	Edi Birsan	
Patricia Bristow		
Tom Butt		
Mike McGill		

Announcement: Pursuant to Governor Newsom's Executive Order and local county health orders issued to address the COVID 19 pandemic, the Commission meeting is being held via Zoom videoconference. The public may listen to the meeting telephonically and comment by calling in to the teleconference meeting per the instructions on page 1 of the agenda. As required by the Brown Act, all votes taken this afternoon will be done by a roll call vote of the attending Commissioners participating via teleconference.

**3. Approval of Minutes**

Upon motion by Commissioner Blubaugh and second by Commissioner Andersen, the Commission unanimously, by a 6-0 vote approved the November 9, 2022, meeting minutes.

**VOTE:**

AYES: Andersen, Blubaugh, Bristow, Butt, McGill, Schroder  
NOES: None  
ABSENT: Glover  
ABSTAIN: None

**4. Public Comments**

Chair Schroder invited members of the audience to provide public comment. There were no speakers.

**TELECONFERENCING**

**5. Resolution Authorizing Teleconference Meetings Pursuant to Assembly Bill 361** – adopt a resolution authorizing LAFCO to conduct teleconference meetings per Gov. Code §54953(e) and make related findings

Following Commissioner questions, upon a motion by Commissioner McGill and second by Commissioner Blubaugh, the Commission, unanimously, by a 6-0 vote, adopted Resolution No. 2022-07 allowing Contra Costa LAFCO to conduct teleconference meetings pursuant to GC section 54953(e) and make related findings.

**VOTE:**

AYES: Andersen, Blubaugh, Bristow, Butt, McGill, Schroder  
NOES: None  
ABSENT: Glover  
ABSTAIN: None



## **SPHERE OF INFLUENCE (SOI) AMENDMENTS/CHANGES OF ORGANIZATION**

6. ***LAFCO 22-04 – Annexation to – EBMUD – Thomas Property*** – consider annexing to EBMUD 35+ acres (APNs 365-230-037/-038) located at 4949 Happy Valley Road (unincorporated Lafayette) and consider a categorical exemption under the California Environmental Quality Act (CEQA) **Public Hearing**

Chair Schroder opened the public hearing and closed the public hearing there were no speakers

Following Commissioner comments and upon a motion by Commissioner Glover and second by Commissioner McGill, the Commission, unanimously, by a 7-0 vote, adopted Resolution 22-04 and approved the annexation as proposed.

### **VOTE:**

AYES: Andersen, Blubaugh, Bristow, Butt, Glover, McGill, Schroder  
NOES: None  
ABSENT: None  
ABSTAIN: None

7. ***LAFCO 22-07- Contra Costa County Fire Protection District (CCCFPD) and City of Pinole – Out of Agency Service Agreement (OAS)*** – consider a request by CCCFPD to provide fire, rescue and emergency medical services to the City of Pinole under a 5-year contract between CCCFPD and the City effective March 1, 2023, and consider a categorical exemption under CEQA **Public Hearing**

Chair Schroder opened the public hearing.

CCCFPD Chief Broschard spoke in favor of CCCFPD to provide fire, rescue and emergency medical services to the City of Pinole under a 5-year contract between CCCFPD and the City effective March 1, 2023. He disagreed with the condition, “*within five years after LAFCO’s approval of OAS under the contract, CCCFPD and/or the City of Pinole must submit to LAFCO an application to annex the City of Pinole to CCCFPD’s service area to allow for CCCFPD to continue to provide fire, rescue, and EMS in the City of Pinole.*”

City of Pinole – Chief Wynkoop spoke in support of Chief Broschard’s position.

Chair Schroder opened the public hearing

Vince Wells – President of Local 1230 representing CCCFPD and Pinole firefighters spoke in favor of the CCCFPD and City of Pinole – OAS.

CCCFPD – Chief Broschard asked clarifying questions regarding midterm update and 2028 update. Also, clarification of the statue if the contract is extended in size, time, or there is an annexation.

Dan Romero – spoke in opposition of the contract between CCCFPD and the City of Pinole.

Maureen Toms, City Council Member, City of Pinole - spoke in favor of the contract for services. She stated there is full support from all city council members and members of the public.

Andrew Murray, City of Pinole, City Manager - spoke in favor of the contract for services.

Chair Schroder closed the public hearing.

Following Commissioner comments and upon a motion by Commissioner Blubaugh and second by Commissioner Glover, the Commission approved, unanimously, by a 7-0 vote, adopted Resolution 22-07 authorizing CCCFPD to provide fire, rescue, and emergency medical services (EMS) to the City of Pinole under the proposed fire protection contract subject to the following terms and conditions: CCCFPD shall provide LAFCO with a mid-term status report by December 1, 2025 regarding services provided to the City of Pinole. Find that the project is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines section 15320, Class 20 – Changes in Organization of Local Agencies

VOTE:

AYES: Andersen, Blubaugh, Bristow, Butt, Glover, McGill, Schroder  
NOES: None  
ABSENT: None  
ABSTAIN: None

**BUSINESS ITEMS**

8. ***Contra Costa Mosquito & Vector Control District (CCMVCD) & Contra Costa Resource Conservation District (CCRCD) Municipal Services Review (MSR) & Sphere of Influence (SOI) Updates (2<sup>nd</sup> Round)*** receive an overview of the Final Draft CCMVCD/CCRCD MSR, receive public comments, provide input, and consider CEQA exemptions ***Public Hearing***

Chair Schroder opened the public hearing.

Christopher Lim – Executive Director Contra Costa Resource Conservation District – spoke in support of the MSR process.

Chair Schroder closed the public hearing.

Following MSR consultant and Commissioner comments and upon a motion by Commissioner Blubaugh and second by Commissioner McGill, the Commission, unanimously approved, by a 7-0 vote. Determined that the MSR project is statutorily exempt from CEQA pursuant to §15262 of the CEQA Guidelines. Determined that the SOI updates are categorically exempt from CEQA pursuant to §15061(b)(3) of the CEQA Guidelines. Accept the final 2nd round CCRCD and CCMVCD Final MSR and SO) Updates. Adopt the MSR/SOI determinations for CCRCD and CCMVCD by resolutions

VOTE:

AYES: Andersen, Blubaugh, Bristow, Butt, Glover, McGill, Schroder  
NOES: None  
ABSENT: None  
ABSTAIN: None



**9. LAFCO 2023 Meeting Schedule** – consider approving the 2023 LAFCO meeting schedule

Upon motion by Commissioner Andersen, second by Commissioner Glover, the Commission, unanimously approved, by a 7-0 vote, received the staff report; and approved the 2023 meeting schedule

VOTE:

AYES: Andersen, Blubaugh, Bristow, Butt, Glover, McGill, Schroder  
NOES: None  
ABSENT: None  
ABSTAIN: None

**10. 2022-23 First Quarter Budget Report** - receive FY 2022-23 first quarter budget report

Upon a motion by Commissioner McGill and second by Commissioner Andersen, the Commission, unanimously, by a 7-0 vote, to receive the FY 2022-23 first quarter budget report

VOTE:

AYES: Andersen, Blubaugh, Bristow, Butt, Glover, McGill, Schroder  
NOES: None  
ABSENT: None  
ABSTAIN: None

**11. 2022 Legislative Wrap-up** – a legislative update will be provided – *information only*

**12. Updates to LAFCO Staffing, Budget, and Personnel** – consider approving the LAFCO Clerk Analyst job description, updates to the LAFCO salary schedule, an increase in FY 2022-23 salary and benefit costs, and recruitment efforts for a Clerk Analyst position

Following Commissioner comments, and upon a motion by Commissioner Butt and second by Commissioner Glover, the Commission, unanimously, by a 7-0 vote, approved LAFCO Resolution 2022-08 authorizing creation of the Clerk/ Analyst job description and amending the LAFCO Salary Plan to include a salary range for the new Clerk/Analyst position

VOTE:

AYES: Andersen, Blubaugh, Bristow, Butt, Glover, McGill, Schroder  
NOES: None  
ABSENT: None  
ABSTAIN: None

**INFORMATIONAL ITEMS**

**13. Current and Potential Applications** – update on current and potential applications – *information only*

**14. Correspondence from Contra Costa County Employee's Retirement Association (CCCERA)** – including GASB 68 Actuarial Report (Measurement Date 12/31/21), five-year projection of employer contribution rate changes and the of employer contribution rate, and unfunded actuarial accrued liability reconciliation by cost group based on the December 31, 2021 Actuarial Valuation letters

**15. Commissioner Comments and Announcements**

Commissioner McGill reported:

- October 21, 2022 – CALAFCO Board of Directors meeting
- November 4, 2022 – CALAFCO Legislative Committee meeting – reappointed to the committee
- Farewell comments to parting Commissioners Schroder and Butt
- Will not be attending January 11, 2023 Commission meeting

Commissioner Schroder

Parting comments to fellow LAFCO Commissioners. This is his last meeting, he has 20 years of LAFCO service

Commissioner Butt

Parting comments to fellow LAFCO Commissioners. He enjoyed serving on LAFCO; learned a lot; complimented LAFCO staff; and said LAFCO makes a difference.

**16. Staff Announcements/CALAFCO Conference Highlights/Newspaper Articles**

Executive Officer updates:

- 3<sup>rd</sup> Round Wastewater MSR in underway covering 20 local agencies
- Highlights from the CALAFCO Annual Conference – well attended and great sessions
- Commissioner McGill ran unopposed for a seat on the CALAFCO Board of Directors, he was reelected
- There will not be a December 2022 LAFCO meeting

**ADJOURNMENT**

*The next regular LAFCO meeting is January 11, 2023, at 1:30 pm.*

By \_\_\_\_\_  
Executive Officer



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January 11, 2023  
Agenda Item 7

January 11, 2023

Contra Costa Local Agency Formation Commission  
40 Muir Road, 1<sup>st</sup> Floor  
Martinez, CA 94553

**Adoption of Resolution 2023-01 (AB 361)**

Dear Members of the Commission:

Since June 2020, Contra Costa LAFCO has conducted its public meetings via Zoom/teleconference, consistent with the Governor's Executive Orders allowing teleconferencing and AB 361, which authorizes teleconferencing without following the non-emergency teleconferencing rules in the Brown Act. The Commission has adopted a resolution at each LAFCO meeting authorizing LAFCO to conduct teleconference meetings.

In August 2022, the Commission discussed format options for future LAFCO meetings, including virtual/teleconference meetings, in-person meetings, and hybrid meetings (both virtual/teleconference and in-person). The Commission indicated a preference for the hybrid meeting format, which we have implemented.

In November 2022, the Commission approved a resolution authorizing LAFCO to continue conducting teleconference meetings under Government Code section 54953(e). Commissioners indicated that because of the rise in COVID cases due to variants, the question of whether to continue meeting remotely would be revisited at each meeting.

**RECOMMENDATIONS:** 1) Adopt Resolution No. 2023-01 authorizing LAFCO to conduct teleconference meetings under Government Code §54953(e) and make related findings.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachment – Draft AB 361 – LAFCO Resolution 2023-01

**RESOLUTION NO. 2023-01**

**A RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION  
COMMISSION AUTHORIZING TELECONFERENCE MEETINGS UNDER  
GOVERNMENT CODE SECTION 54953(e) (ASSEMBLY BILL 361)**

**Recitals**

- A. On March 4, 2020, Governor Gavin Newsom proclaimed the existence of a state of emergency in California under the California Emergency Services Act, Government Code (GC) §8550 et seq.
- B. On March 10, 2020, the Contra Costa County Board of Supervisors found that due to the introduction of COVID-19 in the County, conditions of disaster or extreme peril to the safety of persons and property had arisen, commencing on March 3, 2020. Based on these conditions, pursuant to GC §8630, the Board of Supervisors adopted Resolution No. 2020/92, proclaiming the existence of a local emergency throughout Contra Costa County.
- C. On March 17, 2020, Governor Newsom issued Executive Order N-29-20, which suspended the teleconferencing rules set forth in the California Open Meeting law, GC §54950 et seq. (the Brown Act), provided certain requirements were met and followed.
- D. On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which clarified the suspension of the teleconferencing rules set forth in the Brown Act and further provided that those provisions would remain suspended through September 30, 2021.
- E. On September 16, 2021, Governor Newsom signed Assembly Bill (AB) 361, which provides that under GC §54953(e), a legislative body subject to the Brown Act may continue to meet using teleconferencing without complying with the non-emergency teleconferencing rules in GC §54953(b)(3) if a proclaimed state of emergency exists and state or local officials have imposed or recommended measures to promote social distancing.
- F. On December 7, 2022, the Contra Costa County Health Officer issued recommendations for safely holding public meetings that include recommended measures to promote social distancing.
- G. Among the Health Officer's recommendations: (1) on-line meetings (teleconferencing meetings) are strongly recommended as those meetings present the lowest risk of transmission of SARS-CoV-2, the virus that causes COVID-19; (2) if a local agency determines to hold in-person meetings, offering the public the opportunity to attend via a call-in option or an internet-based service option is recommended when possible to give those at higher risk of an/or higher concern about COVID-19 an alternative to participating in person; (3) a written safety protocol should be developed and followed, and it is recommended that the protocol require social distancing – i.e., six feet of separation between attendees – and face masking of all attendees; (4) seating arrangements should allow for staff and members of the public to easily maintain at least six-foot distance from one another at all practicable times.
- H. Because of the prevalence of COVID-19 variants in the Bay Area, case rates and COVID-19 hospitalizations remain high in the County.
- I. In the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the Contra Costa Local Agency Formation Commission (LAFCO) intends to invoke the provisions of AB 361 related to teleconferencing.

NOW, THEREFORE, the Contra Costa Local Agency Formation Commission resolves as follows:

1. LAFCO finds that: the state of emergency proclaimed by Governor Newsom on March 4, 2020, is currently in effect; and the Contra Costa County Health Officer has strongly recommended that public meetings be held by teleconferencing as those meetings present the lowest risk of transmission of SARS-CoV-2, the virus that causes COVID-19.
2. As authorized by AB 361, LAFCO will use teleconferencing for its meetings in accordance with the provisions of GC §54953(e).
3. The Executive Officer is authorized and directed to take all actions necessary to implement the intent and purpose of this resolution, including conducting open and public meetings in accordance with GC §54953(e) and all other applicable provisions of the Brown Act.

PASSED AND ADOPTED on January 11, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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CHAIR, CONTRA COSTA LAFCO

*I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.*

Dated: January 11, 2023

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Lou Ann Texeira, Executive Officer



## CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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e-mail: [LouAnn.Teixeira@lafco.cccounty.us](mailto:LouAnn.Teixeira@lafco.cccounty.us)

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*Executive Officer*

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January 11, 2023 (Agenda)

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40 Muir Road, First Floor  
Martinez, CA 94553

**January 11, 2023**  
**Agenda Item 8**

### Fiscal Year 2023-24 Budget Schedule and Work Plan Preview

Dear Members of the Commission:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) establishes a specific process for preparing and adopting LAFCO's budget. Government Code §56381 provides that the Commission shall annually adopt a proposed budget by May 1 and final budget by June 15, following noticed public hearings.

LAFCO staff anticipates bringing a proposed budget to the Commission in March 2023 and a final budget to the Commission in May 2023. In conjunction with the proposed budget, the Commission receives an annual work plan which includes a summary of recent activities and accomplishments along with upcoming projects and activities as summarized below.

Previously, the Commission held strategic planning sessions to discuss accomplishments, priorities, and goals. However, the recent pandemic has delayed holding a strategic planning session. At the last strategic planning session, the Commission identified Municipal Service Reviews (MSRs)/Sphere of Influence (SOI) updates, and policies and procedures as focus areas.

### ACCOMPLISHMENTS

**MSRs/SOI Updates** - LAFCO law provides that every five years the Commission shall, as necessary, review and update each SOI [Gov. Code §56425(g)]. The statute also provides that in order to prepare and update a SOI, the Commission shall conduct an MSR.

To date, LAFCO has completed its inaugural and 2<sup>nd</sup> round MSRs/SOI updates. The most recent MSRs are summarized below:

- August 2021 - Cemetery Services
- June 2021 – Parks & Recreation Services



- June 2019 – “City Services” covering all 19 cities and four community services districts (CSDs)
- January 2018 – Healthcare covering three special districts and Contra Costa County health services
- October 2016 – Fire/EMS covering three cities and eight special districts
- November 2015 - Reclamation services covering 14 special districts
- June 2014 - Water/wastewater covering eight cities, 19 special districts, and private water companies

As part of the FY 2022-23 work plan and budget, the Commission approved preparing a 3<sup>rd</sup> round MSR covering *wastewater services* (i.e., seven cities and 13 special districts). The “*Wastewater Services*” MSR is in progress, and we expect to release the Public Review Draft in March 2023. The FY 2022-23 budget also includes funding to initiate another 3<sup>rd</sup> round MSR to be determined by the Commission.

**Policies and Procedures Updates** – The Commission updates its Legislative policies annually to coincide with CALAFCO’s Legislative Platform.

**Staffing** - In April 2020, LAFCO welcomed new Executive Assistant Sherrie Weis. Sherrie recently announced her retirement. LAFCO recently completed a recruitment for the newly created full-time LAFCO Clerk/Analyst position. LAFCO received over 100 resumes. On December 20, 2022, LAFCO staff and former Executive Assistant Kate Sibley interviewed six applicants. In January 2023, LAFCO will welcome Anna Seithel to Contra Costa LAFCO. LAFCO is now staffed with two full-time employees.

LAFCO supplements its staffing with consultants, contract, and County services including environmental planning, GIS/mapping, legal, web management, financial auditing, and other services.

**LAFCO Activities** - To date, LAFCO activities and accomplishments include the following:

- Welcomed new Commissioners El Cerrito Mayor Gabriel Quinto and San Ramon City Council Member Scott Perkins; and bid farewell to Commissioners Rob Schroder and Tom Butt
- Processed two new applications.
- Tracked and provided comment letters on legislation affecting LAFCOs
- Provided comments on local agency environmental documents
- Completed one GASB Alternative Measurement Method report (actuarial valuations)
- Completed FY 2020-21 financial audit
- Completed recruitment for new Clerk Analyst position

## **FY 2023-24 WORKPLAN PREVIEW**

In addition to the day-to-day administration, application processing, coordination of Commission meetings, budget and contract administration, the 2023-24 work plan includes the following:

***1. Municipal Service Reviews (MSRs)/Sphere of Influence (SOI) Updates***

Complete 3<sup>rd</sup> round “Wastewater Services” MSRs/SOI updates and initiate another 3<sup>rd</sup> round MSR/SOI update to be determined by the Commission. Potential candidates for a 3<sup>rd</sup> round MSR include miscellaneous county service areas (CSAs), irrigation districts, reclamation districts, and water districts – see attached MSR status report.

***2. Special Projects***

- Update the LAFCO Directory of Local Agencies
- Transition web management services
- Train new Clerk Analyst
- Continue to participate in and support CALAFCO
- Continue to work with the County, cities, and districts on boundary clean-ups/islands, and related issues
- Work with Policies & Procedures Committee on updating policies and procedures as determined by the Commission

It would be beneficial to hear from the Commission as to priorities and other items of interest in anticipation of preparing the FY 2023-24 LAFCO budget.

**RECOMMENDATION:** Provide input regarding 3<sup>rd</sup> round MSRs and other workplan goals as desired.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachment - Contra Costa LAFCO MSR/SOI Status Report

- c: All Contra Costa County Cities  
All Contra Costa County Special Districts  
Contra Costa County Administrator  
Contra Costa County Auditor-Controller

# CONTRA COSTA LAFCO

## Status of Municipal Service Reviews (MSRs)/Sphere of Influence (SOI) Updates January 11, 2023

Local Agency	Prior MSR/SOI Update	Next MSR/SOI UPDATE
<b><u>Cities</u></b>		
*City of Antioch**	MSR/SOI <i>retained</i> (2019)	TBD
*City of Brentwood**	MSR/SOI <i>retained</i> (2019)	TBD
*City of Clayton	MSR/SOI <i>retained</i> (2019)	TBD
*City of Concord**	MSR/SOI <i>retained</i> (2019)	TBD
*Town of Danville	MSR/SOI <i>retained</i> (2019)	TBD
*City of El Cerrito	MSR/SOI <i>retained</i> (2019)	TBD
*City of Hercules**	MSR/SOI <i>retained</i> (2019)	TBD
*City of Lafayette	MSR/SOI <i>retained</i> (2019)	TBD
*City of Martinez**	MSR/SOI <i>retained</i> (2019)	TBD
*Town of Moraga	MSR/SOI <i>retained</i> (2019)	TBD
*City of Oakley	MSR/SOI <i>retained</i> (2019)	TBD
*City of Orinda	MSR/SOI <i>retained</i> (2019)	TBD
*City of Pinole**	MSR/SOI <i>retained</i> (2019)	TBD
*City of Pittsburg**	MSR/SOI <i>retained</i> (2019)	TBD
*City of Pleasant Hill	MSR/SOI <i>retained</i> (2019)	TBD
*City of Richmond**	MSR/SOI <i>retained</i> (2019)	TBD
*City of San Pablo	MSR/SOI <i>retained</i> (2019)	TBD
*City of San Ramon	MSR/SOI <i>retained</i> (2019)	TBD
*City of Walnut Creek	MSR/SOI <i>retained</i> (2019)	TBD
<b><u>Cemetery Districts</u></b>		
Alamo-Lafayette Cemetery District	MSR/SOI <i>retained</i> (2021);	TBD
Byron-Brentwood-Knightesen-Union Cemetery District	MSR/SOI <i>retained</i> (2021);	TBD
<b><u>Community Services Districts</u></b>		
*Crockett CSD	MSR/SOI <i>retained</i> SOI (2019)	TBD
*Diablo CSD	MSR/SOI <i>retained</i> (2019)	TBD
*Dublin San Ramon CSD	MSR (2014)	TBD
*Kensington Police Protection & CSD	MSR/SOI <i>retained</i> (2019)	TBD
*Town of Discovery Bay CSD	MSR/SOI <i>retained</i> SOI (2019)	TBD
*Town of Knightsen CSD	MSR/SOI <i>retained</i> SOI (2014)	TBD
<b><u>County Service Areas</u></b>		
CSA D-2 (Drainage - Walnut Creek)	MSR/ <i>retained</i> SOI (2013)	TBD
*CSA EM-1 (Emergency Medical)	MSR (2016); SOI <i>retained</i> SOI (2016)	TBD
CSA L-100 (Countywide - Streetlighting)	MSR/SOI "zero" (2013)	TBD
CSA LIB-2 (Library - Rancho El Sobrante)	MSR/SOI <i>retained</i> SOI (2013)	TBD
CSA LIB-10 (Library - City of Pinole)	MSR/SOI <i>retained</i> SOI (2013)	TBD
CSA LIB-12 (Library - Town of Moraga)	MSR/SOI <i>retained</i> SOI (2013)	TBD
CSA LIB-13 (Library - cities of Concord and Walnut Creek)	MSR/SOI <i>expanded</i> SOI (2013)	TBD
CSA M-1 (Misc Services - Delta Ferry)	MSR/ <i>retained</i> SOI (2013)	TBD
CSA M-16 (Misc Services – Community of Clyde)	MSR/SOI <i>retained</i> (2021)	TBD

<b>Local Agency</b>	<b>Prior MSR/SOI Update</b>	<b>Next MSR/SOI Update</b>
CSA M-17 (Misc Services - Tara Hills, Montlavin Manor, West Contra Costa)	MSR/SOI <i>retained</i> (2021)	TBD
CSA M-20 (Misc Services - View Pointe Subdivision)	MSR/SOI <i>retained</i> (2013)	TBD
CSA M-23 (Misc Services - San Ramon, Blackhawk, Danville)	MSR/SOI <i>retained</i> (2013)	TBD
CSA M-28 (Misc Services – Bethel Island)	MSR/SOI “zero” SOI (2014)	TBD
*CSA M-29 (Misc Services – San Ramon, Dougherty Valley)	MSR/SOI <i>retained</i> (2021)	TBD
*CSA M-30 (Misc Services – Alamo)	MSR/SOI <i>retained</i> (2021)	TBD
CSA M-31 (TDM Services – Pleasant Hill)	MSR/SOI <i>expanded</i> SOI (2013)	TBD
CSA P-2 (Police – Zone A – Blackhawk, Zone B - Alamo)	MSR/SOI (2011); <b>SOI update pending</b>	TBD
CSA P-5 (Police Protection – Roundhill)	MSR/SOI (2011); <b>SOI update pending</b>	TBD
CSA P-6 (Police Protection – Unincorporated Area)	MSR/SOI (2011); <b>SOI update pending</b>	TBD
CSA R-4 (Recreation – Moraga)	MSR/SOI <i>retained</i> (2021)	TBD
CSA R-7 (Recreation – Alamo)	MSR/SOI <i>retained</i> (2021)	TBD
CSA R-9 (Recreation - El Sobrante)	MSR/SOI <i>zero</i> (2021)	TBD
CSA R-10 (Recreation – Rodeo)	MSR/SOI <i>zero</i> (2021)	TBD
CSA RD-4 (Roads - Bethel Island)	MSR/SOI <i>retained</i> (2008)	TBD
CSA T-1 (Transit – San Ramon) (formed 2006)	MSR/SOI <i>provisional</i> SOI (2013)	TBD
<b><u>Fire/EMS</u></b>		
*Contra Costa County Fire Protection District	MSR/SOI (2016); <b>SOI update pending</b>	TBD
*Crockett-Carquinez Fire Protection District	MSR/SOI (2016); <b>SOI update pending</b>	TBD
*Kensington Fire Protection District	MSR/SOI (2016); <b>SOI update pending</b>	TBD
*Moraga-Orinda Fire Protection District	MSR/SOI (2016); <i>retained</i>	TBD
*Rodeo-Hercules Fire Protection District	MSR/SOI (2016); <i>provisional</i>	TBD
*San Ramon Valley Fire Protection District	MSR/SOI (2016); <i>retained</i> (2016)	TBD
<b><u>Health Care Districts (HCDs)</u></b>		
*Concord-Pleasant Hill HCD (formerly Mt. Diablo HCD)	MSR/SOI <i>retained</i> (2018)	TBD
*West Contra Costa HCD	MSR/SOI <i>retained</i> (2018)	TBD
<b><u>Irrigation</u></b>		
Byron-Bethany Irrigation District	MSR (2014)	TBD
East Contra Costa Irrigation District	MSR/SOI <i>retained</i> (May 2014)	TBD
<b><u>Mosquito Abatement</u></b>		
Contra Costa Mosquito and Vector Control District	MSR/SOI <i>retained</i> (2022); SOI	TBD
<b><u>Municipal Improvement</u></b>		
*Bethel Island Municipal Improvement District	MSR/SOI <i>retained</i> (2015)	TBD
<b><u>Municipal Utility</u></b>		
East Bay MUD	MSR (2014)	TBD
<b><u>Reclamation Districts (RD)</u></b>		
*RD 799 (Hotchkiss Tract)	MSR/SOI <i>retained</i> (2015)	TBD

*RD 800 (Byron Tract)	MSR/SOI <i>retained</i> (2015)	TBD
<b>Local Agency</b>	<b>Prior MSR/SOI Update</b>	<b>Next MSR/SOI Update</b>
*RD 830 (Jersey Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2024 (Orwood and Palm Tracts)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2025 (Holland Tract)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2026 (Webb Tract)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2059 (Bradford Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2065 (Veale Tract)	MSR/SOI <i>coterminous</i> (2015)	TBD
*RD 2090 (Quimby Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2117 (Coney Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2122 (Winter Island)	MSR/SOI <i>retained</i> (2015)	TBD
*RD 2137	MSR/SOI <i>retained</i> (2015)	TBD
<b><u>Park &amp; Recreation</u></b>		
Ambrose Rec & Park District	MSR/SOI <i>retained</i> (2021)	TBD
*East Bay Regional Park District	MSR (2021)	TBD
Green Valley Rec & Park District	MSR/SOI <i>retained/provisional</i> (2021)	TBD
Pleasant Hill Rec & Park District	MSR/SOI <i>retained</i> (2021)	TBD
<b><u>Resource Conservation</u></b>		
Contra Costa Resource Conservation District	MSR/SOI <i>retained</i> (2022)	TBD
<b><u>Wastewater</u></b>		
*Byron Sanitary District	MSR/SOI <i>expanded</i> (2014)	Underway (2022-23)
*Central Contra Costa Sanitary District	MSR/SOI <i>expanded</i> (2014)	
*County Sanitation District 6 (Alhambra Valley)	MSR/SOI “zero” (2014)	Underway (2022-23)
*Delta Diablo Sanitary District	MSR/SOI <i>reduced</i> (2014);	Underway (2022-23)
*Ironhouse Sanitary District	MSR/SOI <i>expanded</i> (2014)	Underway (2022-23)
*Mt. View Sanitary District	MSR/SOI <i>retained</i> (2014)	Underway (2022-23)
*Rodeo Sanitary District	MSR/SOI <i>retained</i> (2014)	Underway (2022-23)
*Stege Sanitary District	MSR/SOI <i>retained</i> (2014)	Underway (2022-23)
*West County Wastewater District	MSR/SOI <i>retained</i> (2014)	Underway (2022-23)
<b><u>Water</u></b>		
Castle Rock County Water District	MSR/SOI “zero” (2014)	TBD
*Contra Costa Water District	MSR/SOI <i>reduced/ expanded</i> (2014)	TBD
*Diablo Water District	MSR/SOI <i>expanded</i> (2014)	TBD

### **Notes:**

\* Indicates the agency was reviewed in more than one MSR (e.g., 1<sup>st</sup> and 2<sup>nd</sup> round, subregional, service specific, etc.)

\*\* The following cities are also included in the 3<sup>rd</sup> Round Wastewater Services MSR: Antioch, Brentwood, Concord, Hercules, Martinez, Pinole, Pittsburg and Richmond.



## CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553

e-mail: [LouAnn.Texeira@lafco.cccounty.us](mailto:LouAnn.Texeira@lafco.cccounty.us)

(925) 313-7133

**Lou Ann Texeira**  
*Executive Officer*

### MEMBERS

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*County Member*

**Donald A. Blubaugh**  
*Public Member*

**Tom Butt**  
*City Member*

**Patricia Bristow**  
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*City Member*

January 11, 2023

Contra Costa Local Agency Formation Commission  
40 Muir Road, 1<sup>st</sup> Floor  
Martinez, CA 94553

**January 11, 2023**  
**Agenda Item 9**

### Fiscal Year 2022-23 Mid-Year Budget Report

Dear Members of the Commission:

This is the second quarter (mid-year) budget report for FY 2022-23, which compares adopted and actual expenses and revenues for the period July 1, 2022 through December 31, 2022.

The LAFCO operating budget includes several components: salaries/benefits, services/supplies, a contingency/reserve fund, Other Post-Employment Benefits (OPEB) and retirement pre-funding accounts. The budget is based on the “bottom line,” which allows for variation within line-item accounts if the overall balance remains positive. Funds may not be drawn from the contingency/reserve without Commission approval.

The LAFCO budget is funded primarily by the County, cities, and independent special districts, with each group paying one-third of the LAFCO expenses. The County pays one-third, and the city and district shares are prorated based on general revenues reported to the State Controller’s Office. LAFCO also receives revenue through application fees and interest earnings.

### DISCUSSION

On June 8, 2022, LAFCO adopted its final FY 2022-23 budget with total appropriations of \$911,613, which includes a \$90,000 contingency/reserve fund. The FY 2022-23 budget does not include prefunding of the Other Post-Employment Benefits (OPEB) or prefunding of the Contra Costa County Employees’ Retirement Association (CCCERA) liability due to overfunding in both accounts.

In November 2022, the Commission approved allocation of \$28,000 from the contingency to fund costs associated with recruitment and hiring a full-time *Clerk/Analyst* due to the upcoming retirement of Sherrie Weis. To date, these funds have not yet been expended.



With 50% of the fiscal year elapsed, the Commission's expenditures are \$259,071 or 28.4% of total appropriations (including contingency). The Commission budgeted \$401,061 in *salaries/benefits* for FY 2022-23; at the end of the second quarter, actual expenses total \$154,016 or 38.4% of the budgeted amount. The Commission budgeted \$420,546 in *services/supplies*; and at the end of the second quarter, actual expenses total \$105,055 or 25%.

The primary sources of revenues are local agency contributions, application fees, and available fund balance. Total revenues received during the first half of FY 2022-23 are \$894,461 (including appropriated fund balance) or approximately 98.1% of estimated revenues. As of this writing, all local agencies have remitted their annual apportionments to LAFCO.

As for application activity, mid-year 2022-23 application activity is slower than 2021-22 activity. During the first half of FY 2021-22, LAFCO received 12 new applications, and during the first half of FY 2022-23 LAFCO received two new applications.

Other revenues include investment earnings through the OPEB trust account, which remains in that account, and fund balance. LAFCO budgets fund balance to offset agency contributions. The FY 2022-23 budget includes \$200,000 in budgeted fund balance. See table below for a summary of mid-year expenditures and revenues.

<b>Account</b>	<b>FY 2022-23 Final Budget</b>	<b>Mid-Year Actuals</b>
Salaries & Benefits	\$ 401,067	\$ 154,016
Services & Supplies	420,546	105,055
Contingency/Reserve	90,000	62,000
OPEB Trust	---	----
CCCERA Pre-Fund	---	----
<b>Total Appropriations</b>	<b>\$ 911,613</b>	<b>\$ 259,071</b>
Agency Contributions	\$ 686,613	\$686,613
Application/Other Revenue	25,000	\$ 7,948
Interest Earnings	-	-
Fund Balance	200,000	200,000
<b>Total Revenues</b>	<b>\$ 911,613</b>	<b>\$ 894,561</b>

No budget adjustments are needed at this time. LAFCO staff will continue to closely monitor the budget, and keep the Commission apprised.

### **RECOMMENDATION**

It is recommended that the Commission receive the FY 2022-23 mid-year budget report.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553

e-mail: LouAnn.Texeira@lafco.cccounty.us

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January 11, 2023 (Agenda)

Contra Costa Local Agency Formation Commission  
40 Muir Road, 1<sup>st</sup> Floor  
Martinez, CA 94553

**January 11, 2023  
Agenda Item 10**

**LAFCO 18-06 - Chang Property Boundary Reorganization - Update**

Dear Members of the Commission:

On August 8, 2018, the Commission approved the *Chang Property Reorganization – Annexations to the City of San Ramon, Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) and Corresponding Detachment from County Service Area (CSA) P-6*. The proposal includes annexation of 63.5± acres to the City of San Ramon, CCCSD and EBMUD and a corresponding detachment from CSA P-6. The area is located at the intersection of Bollinger Canyon Road and Crow Canyon Road in unincorporated San Ramon. The proposal will extend city, wastewater, and water services to facilitate the development of 43 single-family large lot homes, 18 accessory dwelling units, and related facilities on the Chang property.

One of LAFCO's conditions of approval is that *the property owner provide LAFCO with a certified copy of a recorded grant of open space easement from the Chang property owner(s) to the City of San Ramon and/or other public agency or land trust that prohibits urban development and permanently preserves the existing open space and agricultural uses on 134± acres that are outside of the urban growth boundary and designated for open space and agricultural uses. Further, that the easement remains in effect in perpetuity, and that it is consistent with the conditions of approval in accordance with the Vesting Tentative Map 9485.*

Pursuant to Government Code §57001, if a Certificate of Completion is not filed within one year of the Commission's approval, the proceeding is deemed abandoned unless prior to the one-year expiration the Commission authorizes a time extension to complete the proceedings.

The landowners experienced delays in coordinating the timing of the open space easement with the City of San Ramon and the resource agencies due to COVID, other challenges, and most recently, due to extensive infrastructure costs.

The landowners are currently working with the City and consultants on alternatives to make the project workable as explained in their letter (attached). The landowner requests a six-month extension of time to complete the final approvals (see attached letter).

**RECOMMENDATION:** It is recommended that the Commission approve an extension of time to file the Certificate of Completion to June 30, 2023 to complete the open space easement with the City of San Ramon and the resource agencies.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

c: Vicky Chang, Hsientein Project Investment  
Eric Chen, Principal/Architect, Creative Design Associates  
Cindy Yee, City of San Ramon

Attachment – Chang Letter Requesting Extension of Time



17523 Rowland Street  
2<sup>nd</sup> Floor  
City of Industry, CA 91748

T 626 913-8101  
F 626 913-8102  
www.cda-arc.com

December 30, 2022

VIA E-MAIL

Ms. Lou Ann Texeira  
Executive Officer  
Contra Costa Local Agency Formation  
Commission (LAFCo)  
40 Muir Road, 1<sup>st</sup> Floor  
Martinez, CA 94553

Re: Chang Property (Subdivision 9458, City of San Ramon): Request for Extension

Dear Ms. Texeira:

On behalf of Hsientein Project Investment, which is the owner of the above-referenced property (Property Owner), our office respectfully requests that the Commission consider a six-months extension of the reorganization approval granted by Contra Costa LAFCo on August 8, 2018 (Reso. No. 18-06) involving various boundary changes consisting of annexation of approximately 63.5 acres (Annexation Area) to the City of San Ramon (City), Central Contra Costa Sanitary District (CCCSd), and East Bay Municipal Utility District (WBMUD), along with the related detachment from CSA P-6 (Chang Property Reorganization).

Subsequent to the City and LAFCO approvals in 2017 and 2018, the Property Owner has continued to work diligently and in good faith to perfect its entitlements and approvals for the Chang Property. However, it has become apparent that the original approval of 43 single-family, large lot homes and 18 secondary dwelling units (SDU), along with the provision of street improvements, landscaping, utilities, a tot lot, and an approximately 2-acre passive public park are not a feasible proposition due to extensive infrastructure cost for relatively low yield of development.

We are currently working with the city and consultants to seek alternatives to make the project workable. The alternatives may involve revisions of design and construction methods or/and may need modification to original approval. Before we come to agreement with city and consultants on the next move, we are hopeful that the Commission will grant the requested extension to allow the Property Owner to continue to diligently pursue this laudable goal – considering the numerous, complex factors involved with the project in obtaining the necessary land use entitlements, approvals, permits and financial obstacles to bring the Chang Project to fruition.

Best Regards,

CDA, Inc.

A handwritten signature in blue ink, appearing to read 'Eric Chen', with a long horizontal flourish extending to the right.

Eric Chen / President  
Mobile: 626-374-8513  
echen@cda-arc.com

cc: Vicky Chang



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553

e-mail: LouAnn.Teixeira@lafco.cccounty.us

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January 11, 2023 (Agenda)

January 11, 2023  
Agenda Item 11

Contra Costa Local Agency Formation Commission  
40 Muir Road, 1<sup>st</sup> Floor  
Martinez, CA 94553

**Financial Audit for Fiscal Year 2020-21**

Dear Members of the Commission:

Each year, LAFCO conducts an audit of the LAFCO finances. The independent auditing firm of R.J. Ricciardi, Inc. prepared the LAFCO financial audit for FY 2020-21 (see attachments). Per the Commission's request, the auditing firm periodically rotates staff auditors assigned to the LAFCO audit, and a different auditor prepares the LAFCO audit each year.

The audit was conducted in accordance with the generally accepted auditing standards as specified in the report. The FY 2020-21 audit is attached and includes additional information in accordance with the Governmental Accounting Standards Board (GASB).

The auditors found LAFCO's financial statements present fairly, in all material respects, the respective position of the governmental activities and major fund of Contra Costa LAFCO as of June 30, 2021. The auditors found that the economic condition of Contra Costa LAFCO, as it appears on the Statement of Net Position, reflects financial stability. The audit indicates that the net position increase over \$400K and the net pension liability is now an asset.

We extend thanks to the County Auditor-Controller's Office staff, including Analiza Pinlac and Carrie Zhang; and CCCERA staff Henry Gudino and Lori Epstein for help with the FY 2020-21 audit.

**Recommendation** - It is recommended that the Commission receive and file the audit report for fiscal year ending June 30, 2021.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachments

- 1 - FY 2020-21 Financial Audit – Management Report
- 2 - FY 2020-21 Financial Audit – Audit Report



**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
COMMISSIONERS & MANAGEMENT REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2021**

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R. J. RICCIARDI, INC.  
CERTIFIED PUBLIC ACCOUNTANTS

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Commissioners  
Contra Costa Local Agency Formation Commission  
Martinez, California

In planning and performing our audit of the basic financial statements of Contra Costa Local Agency Formation Commission for the fiscal year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of Contra Costa Local Agency Formation Commission's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affect the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, as defined above. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management and the Commissioners and should not be used by anyone other than these specified parties.

We thank Contra Costa Local Agency Formation Commission's staff for its cooperation during our audit.

*R.J. Ricciardi, Inc.*

R.J. Ricciardi, Inc.  
Certified Public Accountants

San Rafael, California  
January 27, 2023

# R. J. RICCIARDI, INC.

## CERTIFIED PUBLIC ACCOUNTANTS

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Commissioners  
Contra Costa Local Agency Formation Commission  
Martinez, California

We have audited the basic financial statements of Contra Costa Local Agency Formation Commission (the Commission) for the year ended June 30, 2021. Professional standards require that we provide you with the following information related to our audit.

### Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated August 6, 2021, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of the Commission. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

### **Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Commission are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that they are reasonable in relation to the financial statements taken as a whole. There were no sensitive estimates affecting the basic financial statements that came to our attention.

### **Difficulties Encountered in Performing the Audit**

We encountered no difficulties in dealing with management in performing and completing our audit.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such adjustments. The one audit adjustment that was detected as a result of audit procedures, either individually or in the aggregate, was material to the financial statements taken as a whole.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated January 27, 2023.

### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Commission’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Commission’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Other Matters**

We applied certain limited procedures to the Management’s Discussion and Analysis and the Budgetary Comparison Schedule for the General Fund, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This report is intended solely for the information and use of management and Commissioners of the Contra Costa Local Agency Formation Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Contra Costa Local Agency Formation Commission  
COMMISSIONERS & MANAGEMENT REPORT  
For the Year Ended June 30, 2021

**Current Year Observations**

There were no current year observations.

**Prior Year Observations**

There were no prior year observations.



**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
MARTINEZ, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2021**

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INDEPENDENT AUDITORS' REPORT

Commissioners  
Contra Costa Local Agency Formation Commission  
Martinez, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission (CCLAFCO), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Contra Costa Local Agency Formation Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 3-6), budgetary comparison information (page 27) and other Required Supplementary Information (pages 28-31) related tables be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*R. J. Ricciardi, Inc.*

R. J. Ricciardi, Inc.  
Certified Public Accountants

San Rafael, California  
January 27, 2023

Contra Costa Local Agency Formation Commission  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2021

This section of Contra Costa Local Agency Formation Commission's (CCLAFCO's) basic financial statements presents management's overview and analysis of the financial activities of the agency for the fiscal year ended June 30, 2021. We encourage the reader to consider the information presented here in conjunction with the basic financial statements as a whole.

### **Introduction to the Basic Financial Statements**

This discussion and analysis is intended to serve as an introduction to CCLAFCO's audited financial statements, which are composed of the basic financial statements. This annual report is prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for States and Local Governments*. The Single Governmental Program for Special Purpose Governments reporting model is used, which best represents the activities of CCLAFCO.

The required financial statements include the Government-wide and Fund Financial Statements; Statement of Net Position and Governmental Funds Balance Sheet; Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances; and the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - All Governmental Fund Types.

These statements are supported by notes to the basic financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of CCLAFCO.

### **The Basic Financial Statements**

The Basic Financial Statements comprise the Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of CCLAFCO's financial activities and financial position.

The Government-wide Financial Statements provide a longer-term view of CCLAFCO's activities as a whole and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of CCLAFCO as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all of CCLAFCO's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of CCLAFCO's programs. The Statement of Activities explains in detail the change in Net Position for the year.

All of CCLAFCO's activities are grouped into Government Activities, as explained below.

The Fund Financial Statements report CCLAFCO's operations in more detail than the Government-wide statements and focus primarily on the short-term activities of CCLAFCO's Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of CCLAFCO and are presented individually. Major Funds are explained below.

### **The Government-wide Financial Statements**

Government-wide Financial Statements are prepared on the accrual basis, which means they measure the flow of all economic resources of CCLAFCO as a whole.

Contra Costa Local Agency Formation Commission  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2021

The Statement of Net Position and the Statement of Activities present information about the following: *Governmental Activities* – CCLAFCO's basic services are considered to be governmental activities. These services are supported by specific general revenues from local agencies.

### **Fund Financial Statements**

The Fund Financial Statements provide detailed information about each of CCLAFCO's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Major Funds present the major activities of CCLAFCO for the year, and may change from year-to-year as a result of changes in the pattern of CCLAFCO's activities.

In CCLAFCO's case, there is only one Major Governmental Fund.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements.

Comparisons of Budget and Actual financial information are presented for the General Fund.

### **Analyses of Major Funds**

#### Governmental Funds

General Fund actual revenues decreased this fiscal year compared to the prior year by \$50,010 due to a decrease in the CCLAFCO budget and a corresponding decrease in agency contributions. Actual revenues were greater than budgeted amounts by \$84,474.

General Fund actual expenditures were \$631,878, an increase of \$303. Expenditures were \$193,004 less than budgeted.

### **Governmental Activities**

Table 1  
Governmental Net Position

	2021 Governmental Activities	2020 Governmental Activities
Current assets	\$ 1,518,529	\$ 1,194,169
Total assets	<u>1,518,929</u>	<u>1,194,169</u>
Deferred outflows of resources (Note 7B)	<u>138,193</u>	<u>172,553</u>
Current liabilities	88,949	59,058
Noncurrent liabilities	<u>67,463</u>	<u>242,810</u>
Total liabilities	<u>156,412</u>	<u>301,868</u>
Deferred inflows of resources (Note 7B)	<u>54,270</u>	<u>46,001</u>
Net position:		
Restricted	399,427	283,868
Unrestricted	<u>1,046,613</u>	<u>734,985</u>
Total net position	<u>\$ 1,446,040</u>	<u>\$ 1,018,853</u>

Contra Costa Local Agency Formation Commission  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2021

CCLAFCO's governmental net position amounted to \$1,450,733 as of June 30, 2021, an increase of \$431,880 from 2020. This increase is the Change in Net Position reflected in the Statement of Activities and the prior period adjustment shown in Table 2. CCLAFCO's net position as of June 30, 2021 comprised the following:

- Cash and investments comprised \$1,034,733 of cash on deposit with the Contra Costa County Treasury, and \$399,427 on deposit with the Public Agency Retirement Services Trust.
- Prepaid items totaling \$51,480.
- Accounts payable totaling \$74,185.
- Due to other government agencies totaling \$14,764.
- Net pension asset of \$21,991 (Note 7B) and retiree health liability of \$67,463 (Note 8).
- Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. CCLAFCO had \$1,046,613 of unrestricted net position as of June 30, 2021.
- Restricted net position of \$399,427 that is restricted for other post-employment benefits.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Position summarized below.

Table 2  
Changes in Governmental Net Position

	2021 Governmental Activities	2020 Governmental Activities
<u>Expenses</u>		
Salaries and benefits	\$ 241,816	\$ 98,810
Services and supplies	<u>235,353</u>	<u>237,987</u>
Total expenses	<u>477,169</u>	<u>336,797</u>
<u>Revenues</u>		
Program revenues:		
Charges for services	<u>34,108</u>	<u>63,152</u>
Total program revenues	<u>34,108</u>	<u>63,152</u>
General revenues:		
Intergovernmental and investment income	<u>870,248</u>	<u>891,214</u>
Total general revenues	<u>870,248</u>	<u>891,214</u>
Total revenues	<u>904,356</u>	<u>954,366</u>
<u>Change in net position</u>	<u>\$ 427,187</u>	<u>\$ 617,569</u>

As Table 2 above shows, \$34,108 or 4% of CCLAFCO's fiscal year 2021 governmental revenue, came from program revenues and \$870,248, or 96%, came from general revenues (i.e. contributions from local agencies). Furthermore, CCLAFCO had budgeted \$175,000 of its fund balance reserves to cover the budgeted excess expenditures over revenues.

Program revenues were composed of Boundary Proposal and related fees of \$34,108.

General revenues are not allocable to programs. General revenues are used to pay for the net cost of governmental programs. Application fees do not fully cover their costs.

Salaries and benefits costs include adjustments for other post-employment benefits as discussed in Note 8.

Contra Costa Local Agency Formation Commission  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2021

**Capital Assets**

CCLAFCO has no capital assets.

**Debt Administration**

CCLAFCO does not utilize long-term debt to fund operations or growth.

**Economic Outlook and Major Initiatives**

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various agencies served by CCLAFCO.

The economic condition of CCLAFCO as it appears on the Statement of Net Position reflects financial stability and the potential for organizational growth. CCLAFCO will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the community.

**Contacting CCLAFCO's Financial Management**

The basic financial statements are intended to provide citizens, taxpayers, and creditors with a general overview of CCLAFCO's finances. Questions about this report should be directed to Contra Costa Local Agency Formation Commission, 40 Muir Road, 1st Floor 6<sup>th</sup> Floor, Martinez, California 94553.



Contra Costa Local Agency Formation Commission

STATEMENT OF NET POSITION

June 30, 2021

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and investments	\$ 1,034,733
<b>Restricted cash and investments</b>	399,427
Accounts receivable	10,898
Prepaid items	51,480
Net pension asset	<u>21,991</u>
Total assets	<u>1,518,529</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred outflows of resources-pension (Notes 2F, 7 & 8)	96,406
Deferred outflows of resources-OPEB	<u>41,787</u>
Total deferred outflows	<u>138,193</u>
 <u>LIABILITIES</u>	
Accounts payable	74,185
Due to other governments	14,764
<b>Long-term liabilities:</b>	
Other post-employment benefits liability (Note 8)	<u>67,463</u>
Total liabilities	<u>156,412</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred inflows of resources-pension (Notes 2F, 7 & 8)	50,423
Deferred inflows of resources-OPEB	<u>3,847</u>
Total deferred inflows	<u>54,270</u>
 Net position:	
<b>Restricted</b>	399,427
Unrestricted	<u>1,046,613</u>
Total net position	<u><u>\$ 1,446,040</u></u>

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission  
STATEMENT OF ACTIVITIES  
For the Period Ended June 30, 2021

	<u>Governmental Activities</u>
Program expenses:	
Salaries and benefits	\$ 241,816
Services and supplies	<u>235,353</u>
Total expenditures/expenses	<u>477,169</u>
 Program revenues:	
Charges for services	<u>34,108</u>
Total program revenues	<u>34,108</u>
Net program expenses	<u>(443,061)</u>
 General revenues:	
Intergovernmental	794,882
Investment income	<u>75,366</u>
Total general revenues	<u>870,248</u>
 Change in net position	427,187
Fund balance/Net position, beginning of period	<u>1,018,853</u>
Fund balance/Net position, end of period	<u><u>\$ 1,446,040</u></u>

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission  
GOVERNMENTAL FUND BALANCE SHEET  
GENERAL FUND  
June 30, 2021

ASSETS

Cash and investments	\$ 1,034,733
Restricted cash and investments	399,427
Accounts receivable	10,898
Prepaid items	<u>51,480</u>
Total assets	<u><u>\$ 1,496,538</u></u>

LIABILITIES

Accounts payable	\$ 74,185
Due to other governments	<u>14,764</u>
Total liabilities	<u>88,949</u>

FUND BALANCE

Fund balance:	
Nonspendable	51,480
Restricted	399,427
Unassigned fund balance	<u>956,682</u>
Total fund balances	<u>1,407,589</u>
Total liabilities and fund balances	<u><u>\$ 1,496,538</u></u>

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission  
RECONCILIATION OF THE  
GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
June 30, 2021

Fund balances-total government funds	\$ 1,407,589
Amount reported for governmental activities in the statement of net position is different because:	
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds.	
Deferred inflows related to pension	(50,423)
Deferred outflows related to pension	96,406
Deferred inflows related to OPEB	(3,847)
Deferred outflows related to OPEB	41,787
OPEB liability	(67,463)
Net pension asset (liability)	<u>21,991</u>
Net position of governmental activities	<u><u>\$ 1,446,040</u></u>

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
For the Period Ended June 30, 2021

Revenues

Intergovernmental revenue	\$ 794,882
Charges for services	34,108
Investment earnings	<u>75,366</u>
Total revenues	<u>904,356</u>

Expenditures

Current:

Salaries and benefits	\$ 396,525
Services and supplies	<u>235,353</u>
Total expenditures/expenses	<u>631,878</u>

Excess of revenues over (under) expenditures	272,478
Fund balance/Net position, beginning of period	<u>1,135,111</u>
Fund balance/Net position, end of period	<u><u>\$ 1,407,589</u></u>

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND TO  
THE STATEMENT OF ACTIVITIES  
For the Period Ended June 30, 2021

This schedule reconciles the Net Change in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUND	\$ 272,478
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Amounts reported for governmental activities in the Statement of Activities are different because of the following:

OPEB

In governmental funds, OPEB costs are recognized when benefits are paid. In the Statement of Activities, OPEB costs are recognized on the accrual basis.

The difference between OPEB costs and benefits paid was:	44,560
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Net pension liability

Government funds record pension expense as it is paid. However, in the statement of activities those costs are reversed as deferred outflows / (inflows) and as increase / (decrease) in net pension liability.

	<u>110,149</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 427,187</u>
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The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 1 - REPORTING ENTITY

A. Organization of CCLAFCO

Contra Costa Local Agency Formation Commission (CCLAFCO) was formed in 1963. CCLAFCO is responsible for coordinating logical and timely changes in local government boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, and preparing a sphere of influence for each city and special district within its county. CCLAFCO's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. CCLAFCO also conducts service reviews to evaluate the provision of municipal services within its county.

B. Principles that Determine the Scope of Reporting Entity

CCLAFCO consists of seven voting members and exercises the powers allowed by state statutes. This follows section 56325 of the Government Code. The basic financial statements of CCLAFCO consist only of the funds of CCLAFCO. CCLAFCO has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by, or dependent on, CCLAFCO.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

CCLAFCO's basic financial statements are prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

Government-wide Financial Statements

CCLAFCO's financial statements reflect only its own activities; it has no component units. The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through intergovernmental revenues and charges for services.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of CCLAFCO's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods and services offered by the program. Revenues that are not classified as program revenues, including all intergovernmental revenues, are presented as general revenues.

Separate financial statements are provided for governmental funds.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. General Fund operations are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures (or expenses) as appropriate. CCLAFCO's resources are accounted for based on the purposes for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds within the governmental categories.

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Basis of Presentation (concluded)

The Fund Financial Statements are presented after the government-wide financial statements. These statements display information about major funds individually in a separate column and non-major funds in the aggregate for governmental funds. A fund is considered major if it is the primary operating fund of CCLAFCO or meets the following criteria: Total assets, liabilities, revenues or expenditures (or expenses) of the individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type. The General Fund is always a major fund.

Governmental Funds

General Fund: This is the operating fund of CCLAFCO. The major revenue source for this fund is intergovernmental revenues. Expenditures are made for intergovernmental revenues projects and administration.

B. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual* basis of accounting. Under this method, revenues are recognized when “measurable and available.” CCLAFCO considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are intergovernmental, certain charges for services and interest revenue. Charges for services are not susceptible to accrual because they are not measurable until received in cash.

Non-exchange transactions, in which the CCLAFCO gives or receives value without directly receiving or giving equal value in exchange, include grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

CCLAFCO may fund programs with a combination of charges for services and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. CCLAFCO’s policy is to first apply restricted resources to such programs, followed by general revenues if necessary.



Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

C. CCLAFCO Budget

Pursuant to Section 56381, et seq of the Government Code, CCLAFCO adopts a preliminary budget by May 1 and a final budget by June 15 of each year. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Budget/actual comparisons in this report use this budgetary basis. These budgeted amounts are as originally adopted or as amended by CCLAFCO. Individual amendments were not material in relation to the original appropriations that were amended.

D. Property, Plant and Equipment

CCLAFCO currently has no fixed assets.

E. Compensated Absences

Compensated absences comprise unpaid vacation. Vacation and sick time are accrued as earned.

F. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of net position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

G. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the CCLAFCO's Contra Costa County Employees' Retirement Association (CCCERA) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CCCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 3 - CASH AND INVESTMENTS

CCLAFCO's cash is maintained with the Contra Costa County Treasury in a non-interest-bearing account. CCLAFCO's cash on deposit with the Contra Costa County Treasury at June 30, 2021 was \$1,034,733. Restricted cash and investments were \$399,427 at June 30, 2021 in a Section 115 irrevocable trust with US Bank.

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 3 - CASH AND INVESTMENTS (concluded)

Credit Risk, Carrying Amount and Market Value of Investments

CCLAFCO maintains specific cash deposits with Contra Costa County. Contra Costa County is restricted by state code in the types of investments it can make. Furthermore, the Contra Costa County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment.

Also, Contra Costa County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27130. In addition, CCLAFCO has its own investment policy as well.

Contra Costa County's investment policy authorizes Contra Costa County to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. At June 30, 2021, CCLAFCO's cash with the Contra Costa County Treasurer was maintained in a non-interest-bearing account.

*Fair Value Measurements* - CCLAFCO categorizes its fair value measurements within the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, and Level 3 inputs are other significant unobservable inputs. CCLAFCO's investments in the OPEB Trust Fund and County Treasurers Pool were an uncategorized input and not defined as a Level 1-3 input.

NOTE 4 - USE OF ESTIMATES

The basic financial statements have been prepared in conformity with U.S. generally accepted accounting principles and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those amounts.

NOTE 5 - CONTINGENCIES

CCLAFCO is involved in various claims and litigation arising in the ordinary course of business. CCLAFCO management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of such matters should not have a materially adverse effect on CCLAFCO's financial position or results of operations.

NOTE 6 - FUND EQUITY

The accompanying basic financial statements reflect certain changes that have been made with respect to the reporting of the components of Fund Balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below.

In the fund financial statements, governmental fund balances are reported in the following classifications:

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 6 - FUND EQUITY (concluded)

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Commissioners serve as CCLAFCO's highest level of decision-making authority and have the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by CCLAFCO for specific purposes, subject to change, as established either directly by the Commissioners or by management officials to whom assignment authority has been delegated by the Commissioners.

Unassigned fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, CCLAFCO specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, CCLAFCO's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

Net Position

Net Position is the excess of all CCLAFCO's assets over all its liabilities, regardless of fund. Net Position is divided into three captions under GASB Statement No. 34. These captions apply only to Net Position, which is determined only at the government-wide level, and are described below:

*Net investment in capital assets*, describes the portion of Net Position that is represented by the current net book value of CCLAFCO's capital assets, less the outstanding balance of any debt issued to finance these assets.

*Restricted* describes the portion of Net Position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that CCLAFCO cannot unilaterally alter.

*Unrestricted* describes the portion of Net Position that is not restricted to use.

NOTE 7 - PENSION PLAN

A. General Information about the Pension Plan

Plan Description - CCLAFCO participates in the Contra Costa County Employees' Retirement Association (CCCERA), a cost-sharing multiple employer defined benefit pension plan. CCCERA is governed by the Board of Retirement (Board) under the County Employee's Retirement Law of 1937, as amended on July 1, 1945. It provides benefits upon retirement, death or disability of members, and covers substantially all of the employees of the County of Contra Costa and eighteen other member agencies.

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 7 - PENSION PLAN (continued)

A. General Information about the Pension Plan (concluded)

Benefits Provided - Benefits are based on years of credited service, equal to one year of full-time employment. Members may elect service retirement at age of 50 with 10 years of service credit, age 70 regardless of service, or with thirty years of service, regardless of age.

Benefits are administered by the Board under the provision of the 1937 Act. Annual cost-of-living adjustments (COLA) to retirement benefits may be granted by the Board as provided by State statutes. Services retirements are based on age, length of service and final average salary. Employees may withdraw contributions, plus interest credited, or leave them on deposit for a deferred retirement when they terminate or transfer to a reciprocal retirement system.

The Plan provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous Plans	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2.5% @ 67
Benefit vesting schedule	10 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52
Monthly benefits, as a % of eligible compensations	0% - 100%	0% - 100%
Required employee contribution rates	6.85% - 8.87%	7.75%
Required employer contribution rates	33.53%-34.39%	28.28%

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CCCERA. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. CCLAFCO is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the contributions recognized as part of pension expense for the Plan were as follows:

	Miscellaneous Plans
Employer Contributions	\$ 96,271

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021, CCLAFCO reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous Plan	\$ (21,991)
Total Net Pension Liability (Asset)	\$ (21,991)

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 7 - PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions  
(continued)

CCLAFCO's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of December 31, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020 using standard update procedures.

CCLAFCO's proportion of the net pension liability was based on a projection of CCLAFCO's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. CCLAFCO's proportionate share of the net pension liability for the Plan as of June 30, 2020 was (0.015%) and 2021 (-0.005%) which resulted in a decrease of (0.006%).

For the year ended June 30, 2021, CCLAFCO recognized pension expense of \$(20,529). At June 30, 2021, CCLAFCO reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 96,271	\$ -
Differences between expected and actual experience	(4,071)	(558)
Changes in assumptions or other inputs	-	(2,191)
Net difference between projected and actual earnings on pension plan investments	-	(15,854)
Change in proportion and differences between employer contributions and proportionate share of contributions	4,206	69,026
Total	<u>\$ 96,406</u>	<u>\$ 50,423</u>

The \$96,406 reported as deferred outflows of resources related to contributions, subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

The difference between projected and actual investment earnings on pension plan investments is amortized over 5 years on a straight-line basis. One-fifth was recognized in pension expense during the measurement period, and the remaining difference between projected and actual investment earnings on pension plan investments at December 31, 2020, is to be amortized over the remaining periods.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	
2022	\$ (12,217)
2023	(18,930)
2024	(12,216)
2025	(6,925)

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 7 - PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions  
(continued)

Actuarial Assumptions - The total pension liabilities in the December 31, 2019 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>
Valuation Date	December 31, 2019
Measurement Date	December 31, 2020
Actuarial Cost Method	Entry-Age Actuarial Cost Method
Amortization Method	Level percent of payroll for total unfunded liability
Actuarial Assumptions:	
Discount Rate	7.00%
Inflation Rate	2.75%
Payroll Growth	3.75%
Projected Salary Increase	3.75%-16.25%

A complete copy of the Actuarial Valuation Summary is available in separately issued financial statements of the plan which can be obtained from CCCERA located at 1355 Willow Way, Suite 221, Concord, CA 94520.

Discount Rate - The discount rate used to measure the total pension liability was 7.00% for the Plan. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employee and employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2019.

The long-term expected rate of return on pension plan investments was determined in 2013 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 7 - PENSION PLAN (concluded)

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions  
(concluded)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. Equity	5.00%	5.44%
Developed International Equity	13.00%	6.54%
Emerging Markets Equity	11.00%	8.73%
Short-Term Govt/Credit	23.00%	0.84%
U.S. Treasury	3.00%	1.05%
Private Equity	8.00%	9.27%
Risk Diversifying Strategies	7.00%	3.53%
Global Infrastructure	3.00%	7.90%
Private Credit	12.00%	5.80%
REIT	1.00%	6.80%
Value Add Real Estate	5.00%	8.80%
Opportunistic Real Estate	4.00%	12.00%
Risk Parity	5.00%	5.80%
Total	<u>100.00%</u>	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents CCLAFCO's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what CCLAFCO's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>
1% Decrease	6.00%
Net Pension Liability (Asset)	\$180,330
Current Discount Rate	7.00%
Net Pension Liability (Asset)	\$(21,991)
1% Increase	8.00%
Net Pension Liability (Asset)	\$(187,431)

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CCCERA financial reports.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB)

A. Plan Description

CCLAFCO administers a single-employer defined benefit healthcare plan. CCLAFCO currently provides retiree health benefits to retirees and their dependents through Contra Costa County. All retired employees are eligible to receive health and dental benefits for life, with costs shared by CCLAFCO and the retirees.

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (continued)

A. Plan Description (concluded)

At July 1, 2019, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	3
Active plan members	2

B. Funding Policy

CCLAFCO currently pays a portion of retiree healthcare benefits on a pay-as-you-go basis.

C. Net OPEB Liability

CCLAFCO's Net OPEB Liability was measured as of June 30, 2019 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of July 1, 2019. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

CCLAFCO participates in the Public Agency Retirement System (PARS), an irrevocable trust established to fund OPEB. CCLAFCO reported the assets as restricted cash and investments in their General Fund.

D. Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry Age, Level Percent of Pay
Recognition of deferred inflows and outflows of resources	Closed period equal to the average of the expected remaining service lives of all employees provided with OPEB.
Salary increases	3.00%
Inflation rate	3.00%
Investment rate of return	4.00%, net of OPEB plan investment expense
Healthcare cost trend rate	5.90% for 2020; 5.80% for 2021; 5.70% for 2022; decreasing 0.10% each year to an ultimate rate of 5.00% for 2029 and later years.

E. Discount Rate

The discount rate reflects:

- (a) The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be enough to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return.
- (b) A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

The discount rate used to measure CCLAFCO's Total OPEB liability is based on these requirements and the following information:



Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (continued)

E. Discount Rate (concluded)

<u>Reporting date</u>	<u>Measurement date</u>	<u>Long-term expected return of plan investments (if any)</u>	<u>Municipal bond 20-year high grade rate index</u>	<u>Discount rate</u>
<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>4.00%</u>	<u>3.13%</u>	<u>4.00%</u>
June 30, 2021	June 30, 2020	4.00%	2.45%	4.00%

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.00%) or 1-percentage-point higher (5.00%) than the current discount rate:

	<u>1.00% Decrease (3.00%)</u>	<u>Discount rate (4.00%)</u>	<u>1.00% Increase (5.00%)</u>
Net OPEB liability (asset)	\$ 100,476	\$ 67,463	\$ 39,302

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.00% decreasing to 4.00%) or 1-percentage-point higher (7.00% decreasing to 6.00%) than the current healthcare cost trend rates:

	<u>1.00% Decrease (5.00% decreasing to 4.00%)</u>	<u>Trend Rate (6.00% decreasing to 5.00%)</u>	<u>1.00% Increase (7.00% decreasing to 6.00%)</u>
Net OPEB liability (asset)	\$ 36,176	\$ 67,463	\$ 103,682

F. Components of the Net OPEB Liability

Total OPEB liability	\$ 341,331
Plan fiduciary net position	<u>283,868</u>
Net OPEB liability (assets)	<u>\$ 67,463</u>
Measurement date	June 30, 2020
Reporting date	June 30, 2021

G. Schedule of Changes in Net OPEB Liability

Total OPEB Liability	
Service costs	\$ 20,689
Interest	14,067
Difference between expected and actual experience	-
Changes of assumptions	-
Benefit payment	<u>(28,546)</u>
Net change in total OPEB liability	<u>6,210</u>
Total OPEB liability - beginning (a)	<u>345,121</u>
Total OPEB liability - ending (b)	<u>\$ 351,331</u>

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (continued)

G. Schedule of Changes in Net OPEB Liability (concluded)

Plan Fiduciary Net Position	
Contributions - employer	\$ 68,546
Net investment income	9,609
Benefit payments	(28,546)
Trustee fees	(161)
Net change in plan fiduciary net position	<u>49,448</u>
Plan fiduciary net position - beginning (c)	<u>234,420</u>
Plan fiduciary net position - ending (d)	<u>283,868</u>
Net OPEB liability - beginning (c) - (a)	<u>110,701</u>
Net OPEB liability - ending (d) - (b)	<u>\$ 67,463</u>

H. Investments

Rate of Return - For the year ended on the measurement date, the annual money-weighted rate of return on investments, net of investment expense, was 3.59%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

I. Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the Commission recognized an OPEB expense of \$197,878. For the reporting year ended June 30, 2021, CCLAFCO's deferred outflows of resources and deferred inflows of resources to OPEB from the following sources are:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Pension contributions subsequent to measurement date	40,000	-
Changes in assumptions or other inputs	-	-
Difference between projected and actual return investment	<u>1,787</u>	<u>3,847</u>
Total	<u>\$ 41,787</u>	<u>\$ 3,847</u>

The \$40,000 reported as deferred outflows of resources related to contributions, subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
2022	\$ 1,149	\$ (1,411)
2023	212	(1,410)
2024	212	(1,026)
2025	214	-

Contra Costa Local Agency Formation Commission  
NOTES TO BASIC FINANCIAL STATEMENTS  
June 30, 2021

NOTE 8 - OTHER POST-EMPLOYMENT BENEFIT (OPEB) (concluded)

Additional information relating to the CCLAFCO's Retiree Health Plan and required OPEB disclosures can be obtained from the CCLAFCO's Executive Director at Contra Costa County LAFCO, 40 Muir Road, Martinez, California 94553.

Contra Costa Local Agency Formation Commission

AUDITORS' INFORMATION

June 30, 2021

Audit Firm:	O'Connor & Company
Lead Auditor's Name:	Michael O'Connor, CPA
Audit Firm's Address:	1101 Fifth Avenue, Suite 360 San Rafael, CA 94901
Telephone number:	(415) 457-1215
Date of Independent Auditors' Report:	January 27, 2023

## REQUIRED SUPPLEMENTARY INFORMATION

Contra Costa Local Agency Formation Commission  
**REQUIRED SUPPLEMENTARY INFORMATION**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

Budget and Actual  
General Fund (Unaudited)  
For the Period Ended June 30, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 794,882	\$ 794,882	\$ 794,882	\$ -
Charges for services	25,000	25,000	34,108	9,108
Investment income	-	-	75,366	75,366
Total revenues	<u>819,882</u>	<u>819,882</u>	<u>904,356</u>	<u>84,474</u>
Expenditures:				
Salaries and benefits	387,000	387,000	396,525	(9,525)
Services and supplies	<u>437,882</u>	<u>437,882</u>	<u>235,353</u>	<u>202,529</u>
Total expenditures	<u>824,882</u>	<u>824,882</u>	<u>631,878</u>	<u>193,004</u>
Excess of revenues over (under) expenditures	<u>(5,000)</u>	<u>(5,000)</u>	272,478	<u>\$ 277,478</u>
Fund balance, beginning of period			<u>1,135,111</u>	
Fund balance, end of period			<u>\$ 1,407,589</u>	
Contingency reserve	(100,000)	(100,000)		
OPEB trust	(40,000)	(40,000)		
CCCERA pre-fund	(30,000)	(30,000)		
Fund balance reserves	<u>175,000</u>	<u>175,000</u>		
Total	<u>\$ -</u>	<u>\$ -</u>		

Contra Costa Local Agency Formation Commission  
**REQUIRED SUPPLEMENTARY INFORMATION**  
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)  
 Last 8 Years\*

<u>Measurement Date</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Proportion of net pension liability	-0.005%	0.015%	0.021%	0.022%	0.026%	0.027%	0.030%	0.030%
Proportionate share of the net pension liability (asset)	\$ (21,991)	\$ 132,109	\$ 304,195	\$ 181,268	\$ 359,329	\$ 400,173	\$ 364,601	\$ 448,684
Covered-employee payroll	\$ 184,791	\$ 230,702	\$ 228,637	\$ 221,780	\$ 215,396	\$ 208,810	\$ 202,859	\$ 202,880
Proportionate Share of the net pension liability as a percentage of covered employee payroll	-11.90%	57.26%	133.05%	81.73%	166.82%	191.64%	179.73%	221.16%
Plan fiduciary net position as a percentage of the total pension liability	101.45%	93.13%	83.90%	90.06%	80.32%	77.84%	79.57%	74.40%

Notes to Schedule:

1) Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

\* Fiscal year 2013 was the first year of implementation, therefore only the first eight years were available.

Contra Costa Local Agency Formation Commission  
**REQUIRED SUPPLEMENTARY INFORMATION**  
SCHEDULE OF CONTRIBUTIONS - PENSION  
 Last 6 Years\*

<u>Fiscal Year End</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially determined contribution	\$ 96,271	\$ 96,972	\$ 127,068	\$ 124,683	\$ 93,060	\$ 103,349
Contributions in relation to the actuarially determined contributions	<u>(96,271)</u>	<u>(96,972)</u>	<u>(127,068)</u>	<u>(124,683)</u>	<u>(93,060)</u>	<u>(103,349)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered-employee payroll	 \$ 184,791	 \$ 230,702	 \$ 228,637	 \$ 221,780	 \$ 215,396	 \$ 208,810
 Contributions as a percentage of covered-employee payroll	 52.10%	 42.03%	 55.58%	 56.22%	 43.20%	 48.28%

Notes to Schedule:

1) Covered employee payroll represents compensation earnable and pensionable compensation. Only compensation earnable and pensionable compensation that would possibly go into the determination of retirement benefits are included.

\* Fiscal year 2015 was the first year of implementation, therefore only the first six years were available.



Contra Costa Local Agency Formation Commission  
**REQUIRED SUPPLEMENTARY INFORMATION**  
SCHEDULE OF CONTRIBUTIONS - OPEB  
For the Year Ended June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 26,694	\$ 25,916	\$ 45,385	\$ 43,396
Contributions in relation to the actuarially determined contribution	<u>68,546</u>	<u>40,000</u>	<u>45,385</u>	<u>44,033</u>
Contribution deficiency (excess)	<u>\$ (41,852)</u>	<u>\$ (14,084)</u>	<u>\$ -</u>	<u>\$ (637)</u>
 Covered payroll	 \$ 184,791	 \$ 230,702	 \$ 228,637	 \$ 221,780
 Contributions as a percentage of covered payroll	 0.370938	 17.34%	 19.85%	 19.85%

Notes to Schedule:

The schedules present information to illustrate changes in Contra Costa LAFCO's contributions over a ten year period when the information is available.

GASB 75 requires this information for plans funding with OPEB trusts to be reported in the employer's Required Supplemental Information for 10 years or as many years as are available upon implementation. The plan was not funded with an OPEB trust prior to June 30, 2018.

Contra Costa Local Agency Formation Commission  
**REQUIRED SUPPLEMENTARY INFORMATION**  
SCHEDULE OF CHANGE IN THE NET OPEB LIABILITY AND RELATED RATIOS  
For the Period Ended June 30, 2021

<b>Total OPEB Liability</b>	2021	2020	2019	2018
Service cost	\$ 20,689	\$ 21,950	\$ 30,249	\$ 29,368
Interest	14,067	22,216	20,142	19,004
Benefit payments, included refunds of employee contributions	(28,546)	(21,075)	(19,910)	(19,910)
Difference between expected and actual experience	-	(194,009)	-	-
Changes of assumptions	-	(27,855)	-	-
<b>Net change in total OPEB liability</b>	6,210	(198,773)	30,481	28,462
<b>Total OPEB liability - beginning of year</b>	345,121	543,894	513,413	484,951
<b>Total OPEB liability - end of year</b>	<u>\$ 351,331</u>	<u>\$ 345,121</u>	<u>\$ 543,894</u>	<u>\$ 513,413</u>
<b>Plan Fiduciary Net Position</b>				
Net investment income	\$ 9,609	\$ 13,652	\$ 8,488	\$ 594
Contributions				
Employer - explicit subsidy	68,546	61,075	58,609	19,910
Employer - implicit subsidy	-	-	1,301	-
Benefit payments, included refunds of employee contributions	(28,546)	(21,075)	(19,910)	(19,910)
Trustee fees	(161)	(143)	(123)	(9)
Administrative expense	-	-	-	-
<b>Net change in plan fiduciary net position</b>	49,448	53,509	48,365	585
<b>Plan fiduciary net position - beginning of year</b>	234,420	180,911	132,546	131,961
<b>Plan fiduciary net position - end of year</b>	<u>283,868</u>	<u>234,420</u>	<u>180,911</u>	<u>132,546</u>
<b>Commission's net OPEB liability - end of year</b>	<u>\$ 67,463</u>	<u>\$ 110,701</u>	<u>\$ 362,983</u>	<u>\$ 380,867</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	80.80%	67.92%	33.26%	34.80%
<b>Covered-employee payroll</b>	\$ 208,785	\$ 234,670	\$ 218,320	\$ 211,319
<b>Net OPEB liability as a percentage of covered-employee payroll</b>	32.31%	47.17%	166.26%	180.23%

Notes to Schedule:

The schedules present information to illustrate changes in Contra Costa Local Agency Formation Commission's changes in the net OPEB liability over a ten year period when the information is available.



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553

e-mail: LouAnn.Teixeira@lafco.cccounty.us

(925) 313-7133

Lou Ann Teixeira  
Executive Officer

MEMBERS

Candace Andersen  
County Member

Donald A. Blubaugh  
Public Member

Tom Butt  
City Member

Patricia Bristow  
Special District Member

Federal Glover  
County Member

Michael R. McGill  
Special District Member

Rob Schroder  
City Member

ALTERNATE MEMBERS

Diane Burgis  
County Member

Stanley Caldwell  
Special District Member

Charles R. Lewis, IV  
Public Member

Edi Birsan  
City Member

January 11, 2023

Contra Costa Local Agency Formation Commission  
40 Muir Road, 1<sup>st</sup> Floor  
Martinez, CA 94553

January 11, 2023  
Agenda Item 12

**Temporary Hire of Former LAFCO Employee**

Dear Commissioners:

Sherrie Weis served as *Executive Assistant/LAFCO Clerk* since April 2020 and will retire from service on January 31, 2023.

In anticipation of Sherrie's retirement, LAFCO hired Anna Seithel who will begin her employment as *Clerk Analyst* with LAFCO this month. In accordance with the Commission's staffing plan, the newly created *Clerk Analyst* position is full-time.

Anna shadowed Sherrie and Sherrie also provided two weeks of training. Given the complexity of the position which includes preparing/distributing LAFCO meeting agenda packets, accounts payable/accounts receivable, office and records management, and other administrative duties, additional training time is needed. Sherrie kindly agreed to provide additional training.

**RECOMMENDATIONS:**

1. Find that the temporary appointment of Sherrie Weis is needed to train and assist with the transition; and
2. Approve and authorize the hiring of Sherrie Weis as a temporary employee effective February 27, 2023 through March 31, 2023.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

c: Contra Costa County Human Resources Department



## CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

40 Muir Road, 1st Floor • Martinez, CA 94553

e-mail: [LouAnn.Teixeira@lafco.cccounty.us](mailto:LouAnn.Teixeira@lafco.cccounty.us)

(925) 313-7133

Lou Ann Teixeira  
Executive Officer

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January 11, 2023

Contra Costa Local Agency Formation Commission  
40 Muir Road, 1<sup>st</sup> Floor  
Martinez, CA 94553

**January 11, 2023  
Agenda Item 13**

### Current and Potential LAFCO Applications

Dear Members of the Commission:

#### SUMMARY

This report identifies active applications on file with Contra Costa LAFCO as well as potential applications. This report is presented for information only.

#### DISCUSSION

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) delegates LAFCOs with regulatory and planning duties to coordinate the formation and development of local government agencies and their municipal services. This includes approving and disapproving boundary changes, boundary reorganizations, formations, mergers, consolidations, dissolutions, incorporations, sphere of influence (SOI) amendments, and extension of out of agency services. Applications involving jurisdictional changes filed by landowners or registered voters are placed on the Commission’s agenda as information items before action is considered by LAFCO at a subsequent meeting (Gov. Code §56857).

There is currently one approved proposal awaiting completion, four current applications that are either incomplete and/or awaiting a hearing date, and several potential applications.

#### Current Proposals – Approved and Awaiting Completion

##### Chang Property Reorganization (LAFCO 18-06)

This is an application filed by the landowner to annex 66.92± acres to the City of San Ramon, Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) and detach the same area from County Service Area (CSA) P-6. The subject area is located at the intersection of Crow Canyon and Bollinger Canyon Roads in unincorporated San Ramon. The Commission approved the boundary reorganization in August 2017 with conditions. One of the conditions has not yet been met. The applicant has requested and received several extensions of time with the current extension to July 9, 2022. At the June 8, 2022 LAFCO meeting, the Commission approved a time extension to December 31, 2022 to complete the easement.

## Current Applications – Under Review

### LAFCO Tassajara Parks Project – Boundary Reorganization (LAFCO 16-06)

This is an application filed by the landowner to annex 30± acres to Central Contra Costa Sanitary District (CCCCSD) and East Bay Municipal Utility District (EBMUD). The project includes development of 125 single-family homes. The subject area is located east of the City of San Ramon and the Town of Danville. The application is currently incomplete. The project is currently being litigated.

### LAFCO Tassajara Parks Project – SOI Amendments (LAFCO 16-07)

This is an application filed by the landowner to amend the SOIs for CCCCSD and EBMUD by 30± acres in anticipation of corresponding annexations. The application is currently incomplete. The project is currently being litigated.

### Faria Southwest Hills – Boundary Reorganization (LAFCO 21-04)

This is an application filed by the City of Pittsburg to annex 606± acres to the City of Pittsburg, Contra Costa Water District and Delta Diablo, and detachment from CSA P-6. The project includes development of up to 1,500 residential units. The application is currently incomplete. On February 9, 2022, Contra Costa County Superior Court ruled that the City of Pittsburg violated CEQA. The Court issued a writ of mandate compelling the City to set aside the project approvals and the certification of the Final EIR, and that any further consideration of the project must comply with CEQA and be consistent with the Court's ruling. On August 15, 2022, the Pittsburg City Council voted to repeal and set aside all approvals for the Faria/Southwest Hills Annexation Project.

## Potential and Other Applications

On April 14, 2021, LAFCO approved the extension of out of agency water service by the City of Martinez to the Bay's Edge Subdivision 9065 located in unincorporated Martinez (Mt. View). LAFCO's approval was conditioned on commitment from the City to submit to LAFCO an application to annex the subject parcels to the City of Martinez by *August 31, 2022*, in the event the entirety of Mt. View is not annexed to the City prior to that date. On August 10, 2022, the Commission approved extending the time to submit the annexation application to August 31, 2023.

There are currently several potential applications that may be submitted to Contra Costa LAFCO in the future including annexations to Byron Bethany Irrigation District, and West County Wastewater District.

The Commission initiated dissolution of CSA R-9. The matter was continued to February 2023 to allow additional time for community input.

**RECOMMENDATION** – Informational item – no actions required.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

Attachment – Current Applications Table

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION**  
**CURRENT APPLICATIONS – January 11, 2023**

**Attachment**

File #	APPLICATION NAME/LOCATION	APPLICATION SUMMARY	STATUS
16-06	Tassajara Parks Project: proposed annexations to CCCSD and EBMUD of 30± acres located east of the City of San Ramon and the Town of Danville	Application submitted in May 2016 by the landowner to annex 30± acres to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) to support development of 125 residential lots and related improvements. On July 13, 2021, the County Board of Supervisors certified the project EIR, amendment the ULL, executed a land preservation agreement, and acted on various discretionary project approvals.	Application is currently incomplete. Await certified EIR, updated application, and other information. The project is currently being litigated.
16-07	Tassajara Parks Project: proposed SOI expansions to CCCSD and EBMUD of 30± acres located east of the City of San Ramon and the Town of Danville	Application submitted in May 2016 by the landowner to amend the SOIs for CCCSD and EBMUD in anticipation of annexation.	Application is currently incomplete. Await certified EIR, updated application, and other information. The project is currently being litigated.
21-05	Faria Southwest Hills Reorganization: proposed annexations to City of Pittsburg, CCWD and DD of 606± acres located southwest of the City of Pittsburg	Application submitted in June 2021 by City of Pittsburg to annex 606± acres to the City, Contra Costa Water District (CCWD) and Delta Diablo (DD) and detach from County Service Area (CSA) P-6 to support hillside estate development of up to 1,500 units.	Application is currently incomplete. <i>Notices of Incomplete Application</i> issued on 7/21/21 and 1/28/22. Following litigation on the project, on 8/15/22, the Pittsburg City Council voted to repeal and set aside all approvals for the Faria/Southwest Hills Annexation Project.
21-17	Dissolution of County Service Area (CSA) R-9	LAFCO initiated dissolution of CSA R-9	Pending (February 2023)



**January 11, 2023**  
**Agenda Item 14**

## **AGENDA**

### **RETIREMENT BOARD MEETING**

REGULAR MEETING

November 30, 2022, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Government Code Section 54953(e). The meeting is accessible telephonically at 669-900-6833, Webinar ID: 834 8358 1707, Passcode: 663171, or via the web at:

<https://us06web.zoom.us/j/83483581707?pwd=bUd4V3BrNjFkWGxnd3c4MVJ4SHJpUT09>

Passcode: 663171

Persons who wish to address the Board of Retirement during public comment may call in during the meeting by dialing the phone number and passcode above. Access via Zoom is also available at the weblink above. To indicate you wish to speak during public comment, please select \*9 on your phone or “raise your hand” in the Zoom app.

Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Comments will be received in real time via telephone or Zoom, subject to a three-minute time limit per speaker.

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Roll Call.
3. Public Comment (3 minutes/speaker).
4. Approve minutes from the October 26, 2022 meeting.

### ***CLOSED SESSION***

5. The Board will go into closed session pursuant to Govt. Code Section 54957 to evaluate the performance of the following public employee:

Title: Chief Executive Officer

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

## ***OPEN SESSION***

6. Review of total portfolio performance for period ending September 30, 2022.
  - a. Presentation from Verus
  - b. Presentation from staff
7. Private Equity Review.
  - a. Presentation from staff
  - b. Presentation from StepStone
8. Presentation of alternative investment fees and expense report.
9. Consider and take possible action to authorize the Board to conduct teleconference meetings under Government Code section 54953 (e) and to make related findings.
10. Consider authorizing the attendance of Board:
  - a. 41st Annual Sit Investment Associates Client Workshop, February 16-19, 2023, Dana Point, CA.
11. Miscellaneous
  - a. Staff Report
  - b. Outside Professionals' Report
  - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.





## **AGENDA**

### **RETIREMENT BOARD MEETING**

#### REGULAR MEETING

December 14, 2022, 9:00 a.m.

The Board of Retirement will hold its meeting via teleconferencing as permitted by Government Code Section 54953(e). The meeting is accessible telephonically at 669-900-6833, Webinar ID: 815 6948 0571, Passcode: 547236, or via the web at:

<https://us06web.zoom.us/j/81569480571?pwd=NkhWaDhLWjdkUmNiblQ2a2x3azVtQT09>

Passcode: 547236

Persons who wish to address the Board of Retirement during public comment may call in during the meeting by dialing the phone number and passcode above. Access via Zoom is also available at the weblink above. To indicate you wish to speak during public comment, please select \*9 on your phone or “raise your hand” in the Zoom app.

Public comments are limited to any item that is within the subject matter jurisdiction of the Board of Retirement. Comments will be received in real time via telephone or Zoom, subject to a three-minute time limit per speaker.

#### THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Roll Call.
3. Public Comment (3 minutes/speaker).
4. Recognition of Roxie Mendoza for 5 years of service.
5. Approve minutes from the November 2, 2022 meeting.
6. Approve the following routine items:
  - a. Certifications of membership.
  - b. Service and disability allowances.
  - c. Death benefits.
  - d. Investment liquidity report.

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

7. Accept the following routine items:
  - a. Disability applications and authorize subpoenas as required.
  - b. Investment asset allocation report.

#### **CLOSED SESSION**

8. CONFERENCE WITH LABOR NEGOTIATORS  
(Government Code Section 54957.6)

Agency designated representatives:  
Gail Strohl, Chief Executive Officer  
Erica Grant, Human Resources Manager  
Joe Wiley, CCCERA's Chief Negotiator

Employee Organization: AFSCME Local 2700  
Unrepresented Employees: All CCCERA unrepresented positions

#### **OPEN SESSION**

9. Consider and take possible action to revise the Interest Crediting and Excess Earnings Policy.
10. Consider and take possible action effective January 1, 2023 to add CCCERA staffing:
  - a. Add one Retirement Services Counselor position, one Retirement Services Technician position, one Data Technology Specialist position, establish a classification for an Information Technology Network Engineer; and
  - b. Amend Attachment A of Resolution 2022-1 providing salary and benefits for unrepresented employees of CCCERA.
11. Consider and take possible action to adopt the 2023 CCCERA budget.
12. Consider and take possible action to authorize the Board to conduct teleconference meetings under Government Code section 54953 (e) and to make related findings.
13. Consider and take possible action to amend the Testing for Continued Benefit After Retirement Policy.
14. Update on private equity and real estate allocations.
15. Legislative update.
16. Report out from Audit Committee Chair on November 30, 2022 Audit Committee meeting.

<p>The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.</p>
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17. Consider authorizing the attendance of Board:
  - a. SACRS Board of Directors Meeting, December 1, 2022, San Diego, CA.
  - b. SACRS Board of Directors and Program Committee Meetings, January 9-10, 2023, Sacramento, CA.
  - c. Commonfund Forum 2023, February 13-15, 2023, Boca Raton, FL.
18. Miscellaneous
  - a. Staff Report
  - b. Outside Professionals' Report
  - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.



# CALAFCO

# NEWSLETTER

December, 2022 Edition

January 11, 2023  
Agenda Item 16c

Happy Holidays!

## BOARDROOM Brief

**OCTOBER** found us in Newport Beach for the annual conference, the regional elections on October 20th, and the October 21st Board meeting.

Regional elections saw a return of all directors except for Directors Blake Inscore (Northern) and Daron McDaniel (Central), who chose not to run again. Our sincere thanks to them for their service and many contributions to CALAFCO.

Taking their places are new Directors, Tom Cooley, our new city member for the Northern Region (Plumas), and Rodrigo Espinosa, the new County rep for the Central Region (Merced). Welcome!

With the elections completed, the CALAFCO Board members for the next year are:

### Central:

**Rodrigo Espinosa** (Merced)  
**Gay Jones** (Sacramento)  
**Anita Paque** (Calaveras) and  
**Daniel Parra** (Fresno)

### Coastal:

**Chris Lopez** (Monterey)  
**Mike McGill** (Contra Costa)  
**Margie Mohler** (Napa) and  
**Shane Stark** (Santa Barbara)

### Northern:

**Bill Connelly** (Butte),  
**Tom Cooley** (Plumas)  
**Debra Lake** (Humboldt) and  
**Josh Susman** (Nevada)

### Southern:

**Mike Kelley** (Imperial),  
**Jo MacKenzie** (San Diego)  
**Derek McGregor** (Orange) and  
**Acquanetta Warren** (San Bernardino)

(Continued on page 5)



## New Gold Associate

Thank you to RSG, Inc. for upgrading to a Gold Membership!

RSG performs fiscal and reorganizational studies for LAFCOs and applicants with the goal of

(Continued on page 8)

## CELEBRATING EXTRAORDINARY!



Left to Right: Don Saylor (Yolo), Carolyn Emery (Orange), Christine Crawford (Yolo), and Amanda Ross (Southfork Consulting) and Erica Sanchez (El Dorado)

On October 20, 2021, CALAFCO held its much anticipated Achievement Awards Dinner in the glittering Pacific Ballroom at the Hyatt Regency John Wayne hotel in Newport Beach, California. The prestigious awards are given annually as a way of highlighting exceptional people or projects that have advanced the principles and goals of the Cortese-Knox-Hertzberg Act over the past year.

Honoring extraordinary efforts, the awards begin as nominations submitted by members from among eight categories. Those nominations then undergo a thorough consideration by the Achievement Awards Committee, with the final award recipients unveiled during the Awards Dinner at the annual conference.

CALAFCO wishes to extend congratulations to this year's phenomenal winners:

♦ *Outstanding Commissioner:*  
**DON SAYLOR (Yolo)**

♦ *Outstanding LAFCo Professional:*  
**CAROLYN EMERY (Orange)**

♦ *Mike Gotch Excellence in Public Service Award for Innovation (two-way tie) between:*

**CHRISTINE CRAWFORD (Yolo),**  
and the dynamic duo of **ERICA SANCHEZ (El Dorado)** and **AMANDA ROSS (South Fork Consulting, LLC).**

**Congratulations to all!**





## A Message from the Executive Director

Whirlwind Journey

There is something about December that soothes my soul. Maybe it's the changing weather, the holiday sights and sounds, the children oozing with excitement, or maybe it is just knowing that the upcoming change of years allows a little downtime and an opportunity to reflect, rejuvenate, and regrow. That is particularly true this year as December also marks my tenth month as the CALAFCO Executive Director. It has been a bit of a whirlwind journey, but I have been SO glad to have you all by my side.

With the disruption of the pandemic, it's no wonder that the last two years have been challenging for CALAFCO – as with many nonprofits across the country. However, the experience caused us not only to re-examine how we conduct business but to streamline some areas. While it was a painful period, we survived, adjusted, and even developed some new offerings – all in spite of the global conditions.

Then, just when we thought we were normalizing, the year took a bumpy turn due to a spike in COVID-19 cases. That not only forced the cancellation of the spring workshop but also transferred some of its financial obligations to the fall conference. However, despite that, we ended up hosting a successful and well-received conference. Simply put, that success is due to the army of volunteers who assisted in the planning, the presentations, the staffing, and the fundraising that all helped get us there. Because of those combined efforts, we actually made a small profit of approximately \$5,000 on the conference – something I did not think possible back in May. Truly an astounding success, this was a stellar example of the teamwork that made the dream work! Thank you to everyone who offered a helping hand to make it work. (I don't dare try to name you all for fear of missing someone!)

But, that's behind us and we are already looking forward to building on that success in 2023. Of course, we have our next Staff Workshop planned for April 26th-28th in Murphys, California. The planning committee is currently being formed and we will, again, need many hands. Please contact Michelle McIntyre if you would like to help out. Similarly, if you have an idea for a session, please send that to Michelle and me as soon as possible so that the committee has ample time to consider it. Emails to Michelle should be sent to [mmcintyre@placer.ca.gov](mailto:mmcintyre@placer.ca.gov) while those to me should go to [rlaroch@calafco.org](mailto:rlaroch@calafco.org). Look for a flyer for that workshop to go out in January.

Other things expected to occur in 2023 are the selection of a new accountant for CALAFCO, and the build-out of a new website. The need to identify a new accountant rose in June of this year when Jim Gladfelter, our current C.P.A., informed us that he is partially retiring and will no longer be preparing tax returns after this year. Since that preparation is a substantial portion of what he does for CALAFCO, the Board approved an RFP seeking a new accountant with nonprofit expertise. That RFP was issued on December 11th and is currently open. The RFP was transmitted to the EOs who, in turn, have distributed it to their networks and I'm pleased to report

(Continued on page 7)

## FROM THE BOARD CHAIR



Dear  
CALAFCO members,

As the newly elected Board Chair, let me first say how honored and proud I am to have been selected as your Board Chair. I have always recognized the importance of the work that LAFCos do and, by extension, the importance of the support that CALAFCO provides.

Secondly, I want to offer my sincere thanks to my fellow Board members who elected me to this position. Your trust is appreciated and I, of course, will always do my best to be a thoughtful leader and good steward for CALAFCO.

And, lastly, I want to take a moment to recognize Anita Paque, our former Board Chair, for her leadership. While all of the Board positions come at the expense of one's time, the Board Chair position is more intense, so thank you, Anita, for your service to the Association during a difficult year!

As we close the door on 2022, I want to wish Happy Holidays to everyone. I look forward to a rewarding 2023 at CALAFCO!

Bill Connelly





## CONFERENCE CANDIDS

Newport Beach, October, 2022





## FAREWELL to Two Contra Costa LAFCo Commissioners - Rob Schroder and Tom Butt

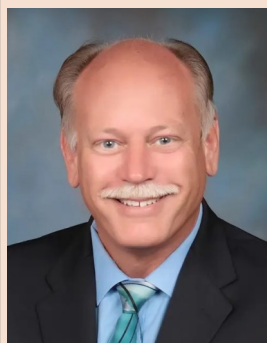
*Submitted by Contra Costa LAFCo*

Following 20 years as a Contra Costa LAFCo Commissioner, six years as Martinez City Council member, and 20 years as Mayor of the City of Martinez, Rob Schroder is retiring. During his tenure, Rob served on various committees and regional government agencies and boards, including the Contra Costa Transportation Authority (CTTA) (22 years), Central Contra Costa Identification Bureau (19 years), Marin Clean Energy (MCE) (3 years), and was an active member of the Contra Costa Mayors Conference. Commissioner Schroder began his LAFCo career in 2003 and is currently one of our longest serving Commissioners. During Rob's tenure, LAFCo processed 330 applications, including four district formations and seven district dissolutions, and most recently, a large fire district reorganization. LAFCo also completed 1st and 2nd round municipal service reviews (MSRs)/sphere of influence (SOI) updates covering all municipal services.

Commissioner Schroder attended many CALAFCO conferences and says "serving as a LAFCo commissioner gave me an opportunity to understand the relationship between various governmental agencies and how the services they provide intertwine and rely on each other. The MSR process, although confusing when we first started the process many years ago, became a valuable tool in analyzing the efficient delivery of service and identifying deficiencies, areas, and entities that need to be improved or dissolved. Being a LAFCo commissioner made me a better Mayor with the knowledge of the annexation process and the efficient delivery of services."

Following nearly 12 years as a LAFCo Commissioner, 27 years as City of

*(Continued on page 6)*



## IN MEMORIAM

It is with sadness that we report the passing of Riverside LAFCo Commissioner, Phil Williams, on November 20th.

Commissioner Williams was a Special District Member from the Elsinore Valley Municipal Water District and had served on that board since 2001. He was also a local real estate broker and lifelong resident of Lake Elsinore.

Known for his servant heart, he worked tirelessly with local, state, and federal agencies on behalf of his community.

CALAFCO sends its condolences to our colleagues at Riverside LAFCo and to Commissioner Williams' family and friends.



## NEW Roles

### BRIAN SPAUNHURST, New Fresno EO

Departing EO, David Fey, reported that Brian Spaunhurst was appointed in late May as his replacement. Somehow Brian got missed in the August newsletter but we are rectifying that omission now! Brian has thrown himself into the role and CALAFCO, and has attended the conference (where he could be seen serving time at the registration desk), and has also volunteered to serve on the Legislative Committee. Welcome aboard, Brian!

### SHIVA FRENTZEN Appointed El Dorado EO

El Dorado LAFCo reported that its commission took action on September 28th to appoint Shiva Frentzen as Executive Officer. If Shiva's name is familiar, it's because she was previously an El Dorado LAFCo Commissioner who served on the CALAFCO Board of Directors. Welcome (again),

*(Continued on page 8)*

## BOARDROOM

*(Continued from page 1)*

The new members were seated during the October 21st meeting, followed by the election of the following Executive Officers:

**Bill Connelly** (Chair)  
**Margie Mohler** (Vice Chair)  
**Acquanetta Warren** (Treasurer)  
**Daniel Parra** (Secretary)

With **Anita Paque** rotating into the Immediate Past Chair position. Thank you to all for your service!

With those changes, the first "regular" Board meeting occurred on **December 9, 2022**, with Chair Connelly at the helm. At that time, the Board chose committee members for the new year (staff members for the Leg Committee had been appointed on October 21st.) Committees and members are:

### LEGISLATIVE COMMITTEE

**Board Appointees** - Bill Connelly, Gay Jones, Mike Kelley, Chris Lopez, Jo Mackenzie, Mike McGill, Margie Mohler, Anita Paque, Daniel Parra and Josh Susman.

**Staff Voting Members** - Clark Alsop, Gary Bell, Mark Bramfitt, Scott Browne, Carolyn Emery, Steve Lucas, Kai Luoma, Jennifer Stephenson, and Gary Thompson.

**Staff Alternates** - Rob Fitzroy, Paula Graf, Joe Serrano, and Paula de Sousa.

**Advisory** - Tara Bravo, Crystal Craig, Brandon Fender, Sara Lytle-Pinhey, Priscilla Mumpower, Erica Sanchez, Jim Simon, and Luis Tapia.

### ACHIEVEMENT AWARDS COMMITTEE

Mike Kelley, Debra Lake, Margie Mohler, Anita Paque, and Shane Stark.

### ELECTIONS COMMITTEE

Rodrigo Espinosa, Chris Lopez, Derek McGregor, and Josh Susman.

*Continued in next column*

## CONFERENCE PLANNING COMMITTEE

Gay Jones, Derek McGregor, Margie Mohler, Anita Paque (Chair), and Josh Susman.

Other matters on the Board's December 9th agenda included receipt of the Investment and Financial Reports for the First Quarter, adoption of the Board's meeting schedule for the next year, approval of an RFP for Accounting Services, and receipt of the Conflict of Interest forms, Legislative Committee report, and Conference Overview.

Speaking of the conference, we must express thanks and gratitude to Paul Novak (Los Angeles) and Carolyn Emery (Orange), for their extraordinary fundraising. Because of their efforts, the conference posted a small profit of approximately \$5,000 - despite the nearly \$32,000 in additional fees that we were obligated to pay due to the cancellation of the spring workshop. Hopefully, we can keep these efforts going next year!!

The last item of the meeting was a closed session evaluation of the Executive Director's (ED) performance. At its conclusion, the Board announced that the term of the ED's employment contract was extended to June 30, 2026, that they had formally approved a 4.9% cost of living increase (the allocation for which had been approved in April with the adopted budget) and, due to security concerns at the current CALAFCO office, approved the ED working remotely from any location, subject to approval by the Executive Committee. For full particulars of public items, please see the agenda packet.

The biennial Strategic Planning session is scheduled for February 16th at the Sacramento offices of Best Best & Krieger located at 500 Capitol Mall. The Board meeting will be held the next day (February 17th) at the same location.

**All agendas, staff reports, and minutes can be found on the CALAFCO website at [www.calafco.org](http://www.calafco.org). Any questions should be directed to the Executive Director at [rlaroch@calafco.org](mailto:rlaroch@calafco.org).**

# 2023

HAPPY NEW YEAR

*May your New Year be filled with exploration, discovery, growth, and just enough challenge to be interesting. Happy New Year!*



## CONTRA COSTA FAREWELLS

(Continued from page 4)

Richmond Council member, and the past eight years as the City's Mayor, Tom Butt is retiring. Tom served on multiple boards and committees including MCE, CCTA, San Francisco Bay Conservation and Development Commission, West Contra Costa Transportation Advisory Committee, Association of Bay Area Governments, US Conference of Mayors, Climate Mayors, League of California Cities, and was an active member of the Contra Costa Mayors Conference. Commissioner Butt notes that these regional and statewide appointments have been critical in bringing many benefits to the community including hundreds of millions of dollars in grants, public works projects, legislation, and a seat at the larger table. During Tom's tenure, LAFCo processed 95 applications, including numerous boundary changes/reorganizations, five dissolutions, and most recently, a large fire district reorganization and an out of agency service contract for fire services. During Commissioner Butt's tenure, LAFCo completed 1st and 2nd round MSRs/SOI updates covering all municipal services.

In 2019, both commissioners shared in receipt of CALAFCO's "Most Effective Commission" award. Contra Costa LAFCo Commissioners were recognized for their leadership, diligence, and endeavors to promote healthy and sustainable local agencies. Since 2010, Contra Costa LAFCo Commissioners assisted three special districts to improve their operations and transparency, encouraged several districts to revise its governance structure, reorganized one special district, and dissolved four special districts.

Congratulations and best wishes to Commissioners Schroder and Butt for their valuable and dedicated service to their communities and to Contra Costa LAFCo!

## ALAMEDA CONDUCTS MEASURE D STUDY

*Submitted By Rachel Jones, Executive Officer, Alameda LAFCo*

Alameda LAFCO recently conducted a special study regarding ballot Measure D that was passed in November of 2000 and did the following:

- Amending the County's Urban Growth Boundary
- Increasing restrictions on building intensity, minimum parcel sizes and permitted uses in rural areas of the County
- Establishing that all County planning policies and zoning regulations must be consistent with provisions of Measure D, and
- Mandating that any changes to the land use designations, building intensity or minimum parcel sizes as established by Measure D be subject to a new vote of the County electorate

The study's purposes were to review how Measure D has affected agricultural and open space lands and the surrounding communities, and to consider how implementation of Measure D has or has not met its own LAFCO policies pertaining to agriculture and open space. The study found that since the measure's passing, the agricultural and equestrian communities of Alameda County argue that the strict square footage limitations hinders their business performance. Alameda LAFCO recommended proposed amendments to the County to allow equestrian centers, greenhouses and wineries more flexibility in their building plans.

This November, Alameda County voters approved the recommended amendments on Measure D, or the "Save Agriculture and Open Space Lands" initiative, that aimed at increasing profits for agriculture business while simultaneously preserving the county's open land.

For more information see: <https://dailycal.org/2022/10/31/preserve-open-land-alameda-county-to-vote-on-amended-measure-d>

## Upcoming EVENTS



### 2023 STAFF WORKSHOP

**April 26 - 28, 2023**

Learn technical topics in a scenic setting! Don't miss the Staff Workshop to be held on the beautiful grounds of Ironstone Vineyards in Murphys, California.

### 2023 ANNUAL CONFERENCE

**October 18-20, 2023**

Hyatt Regency Hotel, Monterey, California



CALAFCO U explores topics of interest to LAFcos and are offered at no cost to our members.

**Feb. 23, 2023:** The Dirty Dozen: *Things I Wish I Knew About The Act*

### BOARD MEETINGS:

**Feb. 16, 2023** (Strategic Planning) LOCATION: Sacramento

**Feb. 17, 2023** LOCATION: Sacramento

**Apr. 21, 2023** LOCATION: Virtual

**Jul. 14, 2023** LOCATION: Virtual

**Oct. 20, 2023** LOCATION: Monterey

**Dec. 1, 2023** LOCATION: Virtual

### LEGISLATIVE COMMITTEE MEETINGS:

**Jan. 13, 2023** LOCATION: Virtual (9 AM)

**Feb. 24, 2023** LOCATION: Sacramento (10 AM)

**Mar. 31, 2023** LOCATION: Virtual (9 AM)

**May. 5, 2023** LOCATION: Virtual (9 AM)

**Jun. 16, 2023** LOCATION: San Diego (10 AM)

**Jul. 28, 2023** LOCATION: Virtual, as needed (9 AM)

**Aug. 25, 2023** LOCATION: Virtual, as needed (9 AM)

**Nov. 3, 2023** LOCATION: Virtual, as needed (9 AM)

**Dec. 8, 2023** LOCATION: Virtual, as needed (9 AM)

## ED WHIRLWIND

(Continued from page 2)

that we've already begun fielding questions from potential bidders.

The second large administrative undertaking for 2023 will be the website. We have known since March of this year that the platform on which our website has been built is being retired. So far, our vendor has been able to keep the website functioning at an increasing cost. However, the underlying computer language that it uses will not be supported at all after November, 2023. Given that we have no choice but to rebuild the website, it presents the ideal opportunity to upgrade it to an Association Management System (AMS) which will provide more features to the membership, while reducing some of the repetitive administrative things that Jeni does behind the scenes. We are currently in the process of comparing costs and features between available AMS systems and hope to be able to bring something before the Board in the first part of 2023.

While that's a lot, we're also planning for the Fall Conference. Our October event was so successful that I have already begun hearing from sponsors who are interested in the Monterey conference.

Beyond that administrative matrix, we also foresee a busy year for the Legislative Committee who will be working through some of the back-end things needed to get the GC 56133 proposal moving. Now that our new White Paper has been published ("Planning for a Sustainable and Predictable Future: Clarifying LAFco Authority to Determine Government Code Section 56133(e) Exemption Eligibility"), we can begin the process of reaching out to stakeholders.

Lastly, I am pleased to report that at its December 9th meeting, the Board approved an extension to my employment contract through June 30, 2026. I am gratified beyond measure at the faith they, and you, have placed in me and I hope to continue to be worthy of it in the years to come.

Hopefully, you can tell that I am exhilarated by the opportunities and prospects before us. While the year has been a bumpy one, it has led to good friendships, great partnerships, and the start of some wonderful things. I call that a winning year!

Happy Holidays to each of you! May the season ahead bring you love and laughter. May the year to come bring you prosperity and contentment. Happy New Year, everyone!!





## CONNECTIONS

*Continued from Page 4*

Shiva!

### **J.D. HIGHTOWER takes the EO rein in San Joaquin**

J.D. Hightower has taken the EO reins in San Joaquin. Jim Glaser hung around for a month or two to assist with the transition (and even made an appearance at the conference) but is looking forward to indulging in some traveling.

Welcome aboard, J.D.!

### **KRIS BERRY now with San Benito**

Kris Berry has reported that she has accepted a contract to be San Benito's EO. This makes the second LAFCo in Kris' belt, as she is also EO for Amador LAFCo. Looks like lots of travel is in Kris' future. Congratulations, Kris!

### **STEVE ENGFER appointed Interim EO in Mariposa**

Long-time EO, Sarah Williams, has retired after

33 years with Mariposa County. In her place, the Board of Supervisors has appointed Assistant Planning Director Steve Engfer as both the Interim Planning Director and the Interim LAFCo EO. Welcome, Steve!

### **LORI ZINN hired as San Diego's new Clerk/Analyst**

San Diego LAFCo is pleased to welcome Lori Zinn who joined them as their new Clerk/Analyst. Her first day there was October 24th. Congratulations, Lori!

### **STEPHANIE PRATT welcomed as Marin Clerk/Jr. Analyst**

In August, Marin welcomed Stephanie Pratt to the LAFCo family. She comes to Marin from the private sector so is learning not just about LAFCo but the public sector. Hang in there, Stephanie, and welcome!

**Congratulations to you all!**

### **RSG, Inc.** Continued from page 1

establishing a factual, transparent and credible basis for our clients to make informed decisions. RSG prepared Placer LAFCo's comprehensive fiscal analysis for the 2017 incorporation proposal for Olympic Valley, the preliminary feasibility studies for a 2018 incorporation in Malaga (Fresno County), as well as several reorganization proposals and municipal service reviews.

To learn more about RSG, Inc, visit their website at [www.webrsg.com](http://www.webrsg.com) or contact Jim Simon at: [jsimon@webrsg.com](mailto:jsimon@webrsg.com).

## Associate Member SPOTLIGHT



### **CITY OF RANCHO MIRAGE**

Located in the geographic center of the Coachella Valley, Rancho Mirage enjoys sunshine nearly every day with clean air. Resort living, superb dining, outdoor recreation, cultural and business opportunities all contribute to a superior quality of life.

To learn more about the City of Rancho Mirage, visit their website at: <https://ranchomirageca.gov/>



QK (formerly Quad Knopf) provides planning, engineering, biology, environmental, and survey services to public and private clients. Our planners have previous experience working for public agencies, including serving as LAFCo Analysts. We specialize in the San Joaquin Valley and Sacramento Valley regions.

To learn more about QK visit their website at [www.qkinc.com](http://www.qkinc.com), or contact Trevor Stearns at [tstearns@qkinc.com](mailto:tstearns@qkinc.com)

*All information is provided by the Associate upon joining the Association. All Associate Member information can be found in the CALAFCO Member Directory.*

**CALAFCO wishes to thank all of our Associate Members for their ongoing support and partnership. We look forward to highlighting other Associate Members in future Newsletters.**