



## Legislation Details (With Text)

**File #:** 2019-1533  
**Type:** Regular Calendar Item **Status:** Agenda Ready  
**File created:** 9/30/2019 **In control:** Board of Supervisors  
**On agenda:** 11/19/2019 **Final action:**  
**Title:** Local Agency Formation Commission FY 2019-24 Memorandum of Understanding and Executive Officer Contract  
**Sponsors:** County Administrator  
**Indexes:**  
**Attachments:** 1. Summary Report, 2. Attachment 1 LAFCO MOU, 3. Attachment 2 Updated LAFCO MOU UAAL Calculation, 4. Attachment 3 LAFCO Executive Officer Employment Contract

Date	Ver.	Action By	Action	Result
11/19/2019	1	Board of Supervisors	Approved as recommended	Pass

**To:** Board of Supervisors

**Department or Agency Name(s):** County Administrator's Office

**Staff Name and Phone Number:** Sheryl Bratton, County Administrator and Niki Berrocal, Deputy County Administrator 707-565-2431 Mark Bramfitt, Executive Officer LAFCO

**Vote Requirement:** Majority

**Supervisory District(s):** All

### Title:

Local Agency Formation Commission FY 2019-24 Memorandum of Understanding and Executive Officer Contract

### Recommended Action:

- Authorize the Board of Supervisors Chair to sign the Memorandum of Understanding for the Sonoma Local Agency Formation Commission for Fiscal Years 2019-24.
- Authorize the County Administrator to sign a continued employment contract with the Executive Officer of the Sonoma Local Agency Formation Commission, an at-will employee of the County, for Fiscal Years 2019-24.

### Executive Summary:

The Memorandum of Understanding with the Sonoma Local Agency Formation Commission (LAFCO or Sonoma LAFCO) formalizes the County's relationship with LAFCO for the purposes of providing professional and support staffing, office space, equipment, and supplies. State law created LAFCOs in 1963 to regulate the boundaries of cities and special districts, among other responsibilities. Sonoma LAFCO adopted the five-year memorandum of understanding (MOU) on April 3<sup>rd</sup> without provisions for unfunded liability payments, the FY 2019-20 budget was adopted on June 5, 2019.

As proposed, the FY 2019-24 agreement will change from a one-year agreement to a five-year agreement and includes supplemental language regarding employer unfunded liability with the goal of ensuring that LAFCO

covers 100% of current and future staffing costs as intended by the new financial policy adopted by the Board of Supervisors as part of the FY 2019-20 budget adoption.

LAFCO provided its support for a new contract for the current LAFCO Executive Officer on September 2, 2019.

**Discussion:**

Local Agency Formation Commissions (LAFCO) were created by State law in 1963 to regulate the boundaries of cities and special districts and have other responsibilities. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act) expanded LAFCO functions and operations and authorized independence for each Commission, including naming its Executive Officer and Legal Counsel, hiring staff, and approving and maintaining a separate budget. As allowed by the Act, a memorandum of understanding (MOU) established in 2001 between the County of Sonoma and Sonoma LAFCO whereby the County, through the County Administrator's Office approved budget and allocated positions, provide professional and support staff to LAFCO. The MOU includes facilities, equipment, and supplies to support LAFCO operations, which are funded in the separate LAFCO budget. In addition, County Counsel provides legal services for which LAFCO pays directly.

The Commission is comprised of seven regular members and four alternate members, one from each membership category. The regular members are:

- Two members elected by the City Selection Committee of the Mayors and Councilmembers' Association from among the nine cities' mayors and councilmembers;
- Two members appointed by the Chair of the County Board of Supervisors from among its membership;
- Two members elected by independent special districts from among the members of the boards of directors of the districts; and
- One member appointed by the Commission from the public. The public member and alternate public member cannot be a current officer or employee of the County of Sonoma or of any city or special district located in Sonoma County.

At this time, Supervisors Hopkins and Gorin serve as LAFCO County members; Supervisor Gore serves as the alternate member.

According to the new financial policy adopted by the Board of Supervisors as part of the FY 2019-20 budget, the County Administrator has updated the LAFCO MOU. The Board of Supervisors' direction at the FY 2019-20 budget hearings added supplemental language regarding employer unfunded liability for all contract employees with the goal of ensuring contracts cover 100% of current and future staffing costs related to their contract duration. In FY 2015-16 there was a pre-payment of unfunded liability totaling \$3.5 million and in FY 2019-20 totaling \$5 million. The outstanding unfunded liability payments for LAFCO related to those two fiscal years is \$ 7,935 the County's apportionment of 40% totals \$3,174. An additional assessment of any outstanding liability payment for employees will be calculated upon termination of the employee contract services. The one-time unfunded liability amount for the County, cities, and special districts of \$7,935 and will

be added to the FY 2020-21 apportionment calculations for those entities.

Staff recommends that, in that the LAFCO Executive Officer is an “at will” employee of the County, the Board of Supervisors authorize the County Administrator to sign the FY 2019-24 LAFCO Executive Officer employment contract previously approved by LAFCO on September 2, 2019.

**Prior Board Actions:**

N/A

**FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY 19-20 Adopted</b>	<b>FY20-21 Projected</b>	<b>FY 21-22 Projected</b>
Budgeted Expenses			
Additional Appropriation Requested			
<b>Total Expenditures</b>			
<b>Funding Sources</b>			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
<b>Total Sources</b>			

**Narrative Explanation of Fiscal Impacts:**

The fiscal impact of the update to the LAFCO MOU regarding supplemental unfunded liabilities for FY 2015-16 and FY 2019-20 is \$7,935, which is associated with unfunded pension liability prepayments authorized thus far by the Board of Supervisors for county employees. The County’s share of this total supplemental unfunded liability is 40% or \$3,174.

<b>Staffing Impacts:</b>			
<b>Position Title (Payroll Classification)</b>	<b>Monthly Salary Range (A-I Step)</b>	<b>Additions (Number)</b>	<b>Deletions (Number)</b>

**Narrative Explanation of Staffing Impacts (If Required):**

N/A

**Attachments:**

Attachment 1 - LAFCO MOU

Attachment 2 - Updated LAFCO MOU UAAL Calculation

Attachment 3 - LAFCO Executive Officer Employment Contract

**Related Items “On File” with the Clerk of the Board:**

None