



2.
2/27/2020

MINUTES
January 23, 2020

Present: Stephen Tomanelli, Vice Chair
Jeff Hewitt
Ted Hoffman, Alternate
Kevin Jeffries
Michael Vargas
Nancy Wright

Absent: Phil Williams

Present Staff: Gary Thompson, Executive Officer
Crystal Craig, Local Government Analyst III
Joshua Altopp, Local Government Analyst III
Elizabeth Valdez, Commission Clerk
Tiffany North, Legal Counsel

1. CALL TO ORDER AND SALUTE TO THE FLAG.

Vice Chair Tomanelli called the meeting to order at approximately 9:30 a.m.

1.2. ROLL CALL.

1.3. ANNOUNCEMENT CONCERNING CONTRIBUTIONS TO COMMISSION MEMBERS.

Counsel North stated that there was no announcement to be made since there were no public hearing items on the agenda.

2. APPROVAL OF THE MINUTES OF OCTOBER 24, 2019 AND DECEMBER 9, 2019.

Moved (Jeffries) seconded (Vargas) to approve the Minutes of October 24, 2019 and December 9, 2019.

Vice Chair Tomanelli called for the vote.

AYES: Jeffries, Hewitt, Tomanelli, Vargas and Wright.
NOES: None.
ABSENT: Williams.
ABSTAINED: Hoffman.

3. PUBLIC COMMENTS ON ANY ITEMS NOT ON THE AGENDA.

There were no public comments.

4. CONSENT CALENDAR (NON-HEARING ITEMS):

- a. LAFCO Monthly Expenditure Review.
- b. LAFCO Investment Policy for 2020.

Moved (Jeffries) seconded (Wright) to approve items 4.a. and 4.b. of the Consent Calendar as recommended by staff.

Vice Chair Tomanelli called for the vote.

AYES: Jeffries, Hewitt, Hoffman, Tomanelli, Vargas and Wright.
NOES: None.
ABSENT: Williams.
ABSTAINED: None.

5. PUBLIC HEARINGS:**Continued:**

There were no continued public hearing items.

New:

There were no new public hearing items.

6. OTHER BUSINESS

- a. Independent Auditor's Report for Fiscal Year 2018-19.

Mr. Thompson spoke about the Audit Report. He stated that LAFCO's pension obligation went down due to how it is calculated with the County's pension liability in the payroll system. He introduced Ms. Gardner from Davis Farr LLP.

Jamie Gardner, Davis Farr LLP. Ms. Farr stated that they issued an unmodified audit opinion. She stated that internal controls were evaluated and there were no deficiencies or errors. Ms. Farr stated that there was an increase of \$68,000 in the net position for fiscal year end. She stated that the financial statements were consistent with prior year except the Compensated Absence Liability went down due to the departure of the prior Executive Officer.

Commissioner Hewitt stated that LAFCO needs to work on reducing the unfunded liability. Mr. Thompson stated that will be addresses in the Strategic Plan.

Moved (Jeffries) seconded (Hoffman) to receive and file the Independent Auditor's Report for Fiscal Year 2018-19 as recommended by staff.

Vice Chair Tomanelli called for the vote.

AYES: Jeffries, Hewitt, Hoffman, Tomanelli, Vargas and Wright.
NOES: None.
ABSENT: Williams.
ABSTAINED: None.

b. Assistant Executive Officer Position Authorization.

Mr. Thompson stated he wanted to create a plan for development and succession with staff. He stated this position would allow for him to promote current staff. Mr. Thompson stated he worked with County HR to create the position. He stated after Commission approval it would then go to the County Board of Supervisors to establish the position.

Moved (Vargas) seconded (Wright) to authorize the creation of the Assistant Executive Officer Position as presented by staff.

Vice Chair Tomanelli called for the vote.

AYES: Jeffries, Hewitt, Hoffman, Tomanelli, Vargas and Wright.
NOES: None.
ABSENT: Williams.
ABSTAINED: None.

c. Strategic Plan Discussion and Adoption.

Mr. Thompson presented the draft plan to the Commission. He stated the items on the plan would not interfere with day to day work. He stated the plan included reviewing Policies, a Map Project, MSRs, and a new policy for reducing the pension liability. Mr. Thompson stated that during the preparation of the budget an action plan for next year would be presented to the Commission.

Commissioner Jeffries asked what cities the Perris Valley Cemetery District was in. Ms. Craig replied that it was in the City of Perris but there are portions in the City of Menifee.

Commissioner Hoffman stated that the items related to the Strategic Plan should be so identified on the agenda so that the Commission will know what staff is doing and/or completed. Mr. Thompson stated he would do so.

Commissioner Jeffries asked if there were any CSAs within cities. Ms. Craig stated that a majority are not in the city and that some have a zero sphere and will be looked at by staff to be dissolved.

Commissioner Jeffries asked if the CSA rates would increase due to the study done by LAFCO. Mr. Thompson stated there is no charge for the routine MSR and sphere reviews to be done unless it is necessary for a development project and at that time the applicant would have to pay for it.

Moved (Vargas) seconded (Hewitt) to adopt the Strategic Plan as presented by staff.

Vice Chair Tomanelli called for the vote.

AYES: Jeffries, Hewitt, Hoffman, Tomanelli, Vargas and Wright.
NOES: None.
ABSENT: Williams.
ABSTAINED: None.

d. Approval of a LAFCO Credit Card and Credit Card Policy.

Mr. Thompson gave examples where a credit card would assist staff in online purchases and travel reservations. He stated that there would be a \$5,000 limit and a credit card policy in place.

Moved (Jeffries) seconded (Vargas) to approve a LAFCO Credit Card and Credit Card Policy as presented by staff

Vice Chair Tomanelli called for the vote.

AYES: Jeffries, Hewitt, Hoffman, Tomanelli, Vargas and Wright.
NOES: None.
ABSENT: Williams.
ABSTAINED: None.

e. Selection of Officers for 2020.

Vice Chair Tomanelli asked if the item could be tabled until next month. After some discussion the Commission decided to make the selection today.

Moved (Wright) seconded (Jeffries) to maintain Commissioner Sanchez as Chair and Commissioner Tomanelli as Vice Chair.

Vice Chair Tomanelli called for the vote.

AYES: Jeffries, Hewitt, Hoffman, Tomanelli, Vargas and Wright.
NOES: None.
ABSENT: Williams.
ABSTAINED: None.

f. Committee Assignments for 2020.

- i. Administrative Review Committee.
- ii. Legislative Committee.

Moved (Hewitt) seconded (Jeffries) to maintain Commissioners Sanchez, Vargas and Tomanelli on the Administrative Review Committee and Commissioners Williams and Wright on the Legislative Committee.

Vice Chair Tomanelli called for the vote.

AYES: Jeffries, Hewitt, Hoffman, Tomanelli, Vargas and Wright.
NOES: None.

ABSENT: Williams.
ABSTAINED: None.

7. INFORMATION ITEMS: No action to be taken by Commission.

a. Proposals Received and or LAFCO Initiated (Government Code Sections 56751 and 56857):

- i. LAFCO 2019-12-3,4&5-Countywide Municipal Service Review and Sphere of Influence Reviews and Potential Amendments Healthcare Districts: Desert Healthcare District, Palo Verde Healthcare District and San Gorgonio Memorial Healthcare District.
- ii. LAFCO 2019-13-3-Reorganization to Include Detachment from County Service Area 146 and Concurrent Annexation 101 to County Service Area 84 (TR 30972 & 30972-1).
- iii. LAFCO 2019-14-3-Sphere of Influence Amendments to Western Municipal Water District (addition) (52nd Fringe/Pars Global Murrieta Self Storage).
- iv. LAFCO 2019-15-3-Reorganization to Include Concurrent Annexations to Western Municipal Water District, Elsinore Valley Municipal Water District and the Metropolitan Water District of Southern California (52nd Fringe/Pars Global Murrieta Self Storage).

Mr. Altopp gave an overview of the proposals received since the last meeting.

b. Report on Conducting Authority Proceedings.

Mr. Thompson gave an update on the pending Conducting Authority Proceedings.

8. LEGISLATIVE UPDATE AND POTENTIAL POSITIONS.

Mr. Thompson gave an update on current legislation. He spoke about AB 854 (Mayes), AB 1253 (Rivas) and he said that there will not be a CALAFCO Omnibus Bill this year.

No motion was taken on this item.

9. EXECUTIVE OFFICER REPORTS.

There were no Executive Officer Reports.

10. COMMISSIONER COMMENTS/FUTURE ITEMS.

Commission Wright stated she would not be at the February meeting and to check with Commissioner Williams since they usually attend the same conference.

11. EXECUTIVE SESSION:

CONFERENCE WITH LEGAL COUNSEL:

With Respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.9: Conference with Legal Counsel-Existing Litigation (Subdivision (d)(1) of Government Code Section 54946.9).

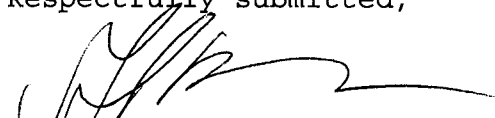
A.1. City of Menifee vs. All Persons Interested in the Matter of the Conditional Approval of the City of Menifee's Application for Detachment (2016-03-05) from Valley-Wide Recreation and Parks District; Adoption of LAFCO Resolution No. 04-17, and Denial of the City of Menifee's Application for Reconsideration of a Resolution of the Local Agency Formation Commission of Riverside County (Resolution No. 04-16) and Riverside Local Agency Formation Commission, Riverside Superior Court Case No. RIC 1722064.

Counsel North stated that there would be no Executive Session.

12. ADJOURNMENT.

Vice Chair Tomanelli adjourned the meeting at 10:03 a.m.

Respectfully submitted,



Gary Thompson
Executive Officer