

YOLO LOCAL AGENCY FORMATION COMMISSION

Regular Meeting AGENDA

December 18, 2019 - 9:00 a.m.

BOARD OF SUPERVISORS CHAMBERS

625 COURT STREET, SUITE 206
WOODLAND, CALIFORNIA 95695

COMMISSIONERS

OLIN WOODS, CHAIR (PUBLIC MEMBER)
DON SAYLOR, VICE CHAIR (COUNTY MEMBER)
WILL ARNOLD (CITY MEMBER)
GARY SANDY (COUNTY MEMBER)
TOM STALLARD (CITY MEMBER)

ALTERNATE COMMISSIONERS

DUANE CHAMBERLAIN (COUNTY MEMBER)
RICHARD DELIBERTY (PUBLIC MEMBER)
BABS SANDEEN (CITY MEMBER)

CHRISTINE CRAWFORD
EXECUTIVE OFFICER

ERIC MAY
COMMISSION COUNSEL

NOTICE:

This agenda has been posted at least five (5) calendar days prior to the meeting in a location freely accessible to members of the public, in accordance with the Brown Act and the Cortese Knox Hertzberg Act. The public may subscribe to receive emailed agendas, notices and other updates by contacting staff at lafco@yolocounty.org.

All persons are invited to testify and submit written comments to the Commission. If you challenge a LAFCo action in court, you may be limited to issues raised at the public hearing or submitted as written comments prior to the close of the public hearing. If you wish to submit written material at the hearing, please supply 8 copies.

FPPC - Notice to All Parties and Participants in LAFCo Proceedings

All parties and participants on a matter to be heard by the Commission that have made campaign contributions totaling \$250 or more to any Commissioner in the past 12 months must disclose this fact, either orally or in writing, for the official record as required by Government Code Section 84308.

Contributions and expenditures for political purposes related to any proposal or proceedings before LAFCo are subject to the reporting requirements of the Political Reform Act and the

regulations of the Fair Political Practices Commission, and must be disclosed to the Commission prior to the hearing on the matter.

CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Public Comment: Opportunity for members of the public to address the LAFCo Commission on subjects relating to LAFCo purview but not relative to items on this Agenda. The Commission reserves the right to impose a reasonable time limit on any topic or on any individual speaker.

CONSENT AGENDA

4. Approve the LAFCo Meeting Minutes of November 14, 2019
5. Correspondence

PUBLIC HEARINGS

6. Continued Hearing to consider approval of **Resolution 2019-13** adopting the Joint Powers Agency (JPA) Service Review for the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) (LAFCo No. S-053)

REGULAR AGENDA

7. Provide direction to staff on whether LAFCo should convene a Shared Services Workshop in February 2020 with the elected officials and executive staff from the four cities and Yolo County
8. Consider and adopt the Yolo LAFCo 2020 Meeting Calendar

EXECUTIVE OFFICER'S REPORT

9. A report by the Executive Officer on recent events relevant to the Commission and an update of the Yolo LAFCo staff activity for the month. The Commission or any individual Commissioner may request that action be taken on any item listed.
 - a. Long Range Planning Calendar
 - b. EO Activity Report - November 11 through December 13, 2019

COMMISSIONER REPORTS

10. Action items and reports from members of the Commission, including announcements, questions to be referred to staff, future agenda items, and reports on meetings and information which would be of interest to the Commission or the public.

ADJOURNMENT

11. Adjourn to the next Regular LAFCo Meeting on January 23, 2020.

I declare under penalty of perjury that the foregoing agenda was posted by 5:00 p.m. on Thursday, December 12, 2019, at the following places:

- On the bulletin board at the east entrance of the Erwin W. Meier County Administration Building, 625 Court Street, Woodland, CA;
- On the bulletin board outside the Board of Supervisors Chambers at 625 Court Street, Room 206, Woodland, CA; and
- On the LAFCo website at: www.yololafco.org.

ATTEST:
Terri Tuck, Clerk
Yolo LAFCo

If requested, this agenda can be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Commission Clerk for further information. In addition, a person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting should telephone or otherwise contact the Commission Clerk as soon as possible and at least 24 hours prior to the meeting. The Commission Clerk may be reached at (530) 666-8048 or at the following address: Yolo LAFCo, 625 Court Street, Suite 107, Woodland, CA 95695

Consent 4.

LAFCO

Meeting Date: 12/18/2019

Information

SUBJECT

Approve the LAFCo Meeting Minutes of November 14, 2019

RECOMMENDED ACTION

Approve the LAFCo Meeting Minutes of November 14, 2019.

Attachments

LAFCo Minutes 11.14.19

Form Review

Form Started By: Terri Tuck

Started On: 12/04/2019 01:15 PM

Final Approval Date: 12/04/2019

YOLO LOCAL AGENCY FORMATION COMMISSION

MEETING MINUTES

November 14, 2019

The Yolo Local Agency Formation Commission met on the 14th day of November 2019, at 1:00 p.m. in the Yolo County Board of Supervisors Chambers, 625 Court Street, Room 206, Woodland CA. Voting members present were Chair and Public Member Olin Woods, County Members Don Saylor and Gary Sandy, and City Member Tom Stallard. Voting members absent were City Member Will Arnold. Others present were Alternate Public Member Richard DeLiberty, Assistant Executive Officer Pat McCormick, Clerk Terri Tuck, Analyst Mark Krummenacker, and Counsel Phil Pogledich.

CALL TO ORDER

Chair Woods called the Meeting to order at 1:04 p.m.

Item № 1 Oath of Office

Alternate County Member Duane Chamberlain was sworn in prior to the meeting.

Item № 2 Pledge

Pat McCormick led the Pledge of Allegiance.

Item № 3 Roll Call

PRESENT: Sandy, Saylor, Stallard, Woods ABSENT: Arnold

Item № 4 Public Comments

None.

CONSENT

Item № 5 Approve the LAFCo Meeting Minutes of August 22, 2019

Item № 6 Review and file Fiscal Year 2019/20 First Quarter Financial Update

Item № 7 Correspondence

Minute Order 2019-46: All recommended actions on Consent were approved.

Approved by the following vote:

MOTION: Stallard SECOND: Saylor
AYES: Sandy, Saylor, Stallard, Woods
NOES: None
ABSENT: Arnold

REGULAR**Item № 8 Adopt Conducting Authority Resolution 2019-15 for the Reorganization to Establish RD 900 as a Subsidiary District of the City of West Sacramento; Detach the City Portion of RD 537 and its Sphere of Influence (SOI); Annex RD 537's Detached Territory, RD 537's SOI, and the Balance of RD 900's SOI within the West Sacramento Basin Levee System into RD 900 (LAFCo #926) per the Amount of Protest Received**

Minute Order 2019-47: The recommended action was approved and **Resolution 2019-15** was adopted subject to the terms and conditions stated in the resolution.

Approved by the following vote:

MOTION: Sandy
 SECOND: Saylor
 AYES: Sandy, Saylor, Stallard, Woods
 NOES: None
 ABSENT: Arnold

Item № 9 Approval of Joint Proposal to Divide the Assets, Liabilities, Revenues, and Expenses of RD 537 Between RD 900 as RD 537's Successor Agency for the City Area Detached from RD 537 and Annexed into RD 900 per Condition No. 5 of Resolution 2019-10 Approving LAFCo Reorganization #926

Minute Order 2019-48: The recommended action was approved.

The agreement between RD 900 and RD 537 for assets to be transferred to RD 900 by RD 537 upon completion of detachment of RD 537 territory located within the boundaries of the City of West Sacramento and annexation of such area into RD 900, is as follows:

The Board of Trustees of RD 537, at a special meeting held on October 16, 2019, authorized the undersigned to offer the following with regard to the above subject matter. Upon completion of the detachment of the portion of RD 537 located within the City of West Sacramento boundaries (the "Detached Area"), and annexation of such territory into RD 900, the following assets would be transferred to RD 900:

1. All rights in land, of any nature, held by RD 537 for ditches, canals, and the pumping plant located within the Detached Area, together with all facilities appurtenant thereto including, without limitation, the pumping plant, pumps, motors, and electrical facilities associated therewith.
2. All rights in land, of any nature, with regard to levees operated and maintained by RD 537 located within the Detached Area and any facilities appurtenant thereto such as roads, ramps, gates and the like.
3. All funds on hand on the effective date of such reorganization based upon the percentage of total assessment contributions to RD 537 represented by the lands within the Detached Area, based on the RD 537 2019/20 operation and maintenance assessment. Such percentage is 93%. The total of RD 537 assessment funds on hand as of the date of this letter are approximately \$750,000. If the reorganization is effective on July 1, 2020, it is anticipated that the total assessment funds on hand, given expenditures in the ordinary course of business and receipt of additional assessment funds, is not expected to decrease.

- 4. The Detached Area will remain a separate Benefit Assessment Area from the current area of RD 900 and the operation and maintenance assessment and assessment methodology utilized with the Detached Area as of the date of detachment and annexation will remain in place unless and until modified by the RD 900 Board of Trustees in full compliance with California law, including Article XIID of the California Constitution (Proposition 218).

Approved by the following vote:

MOTION: Stallard
 SECOND: Sandy
 AYES: Sandy, Saylor, Stallard, Woods
 NOES: None
 ABSENT: Arnold

Item № 10 Executive Officer’s Report

The Commission was given written reports of the Executive Officer’s activities for the period of August 19, 2019 through November 8, 2019, and was verbally updated on recent events relevant to the Commission, including the Long Range Planning Calendar.

Staff noted that the Proposition 218 election to establish a new assessment structure for the Reorganization of the Lower Elkhorn RDs 537, 785, and 827 (LAFCo #928) was successful in passing.

Item № 11 Commissioner Reports

Commissioner Stallard noted that he enjoyed attending this year’s CALAFCO Conference, especially listening to the luncheon keynote speaker, award winning journalist and best-selling author Mark Arax, on the history of agriculture and water in the Central Valley.

Item № 12 Adjournment

Minute Order 2019-49: By order of the Chair, the meeting was adjourned at 1:19 p.m.

The next Regular LAFCo Meeting will be December 18, 2019.

Olin Woods, Chair
 Local Agency Formation Commission
 County of Yolo, State of California

ATTEST:

Terri Tuck
 Clerk to the Commission

Consent 5.

LAFCO

Meeting Date: 12/18/2019

Information

SUBJECT

Correspondence

RECOMMENDED ACTION

Review and file the following correspondence:

- A. CALAFCO 2020 Event Calendar
 - B. CALAFCO 2019 Survey Results
 - C. CALAFCO Thank You Letter
-

Attachments

ATT A-CALAFCO 2020 Event Calendar

ATT B-CALAFCO 2019 Survey Results

ATT C-CALAFCO Thank You Letter-Conference 2019

Form Review

Form Started By: Terri Tuck

Started On: 12/04/2019 01:08 PM

Final Approval Date: 12/04/2019

2020 Events Calendar

JANUARY

- 13** CALAFCO University course (Orange County)
- 17** CALAFCO Legislative Committee (Irvine)
- 21-23 CA Assn. of Sanitation Agencies Conference (Indian Wells)
- 22-24 League New Mayor & Council Academy (Sacramento)

FEBRUARY

- 21** CALAFCO Board of Directors Meeting (San Diego)

MARCH

- 5-8 Local Government Commission Ahwahnee Conference (Yosemite)
- 6** CALAFCO Legislative Committee (Sacramento)
- 12 Assn. of CA Water Agencies Legislative Symposium (Sacramento)
- 25-27** CALAFCO Staff Workshop (Newport Beach)
- 31 Fire District Assn. Annual Meeting (Napa)

APRIL

- 1-3 Fire District Assn. Annual Meeting (Napa)
- 3** CALAFCO Legislative Committee (San Diego)
- 22 League of Cities Legislative Day (Sacramento)

MAY

- 1** CALAFCO Board of Directors Meeting (Sacramento)
- 5-8 Assn. of CA Water Agencies Conference (Monterey)
- 8** CALAFCO Legislative Committee (Conference call)
- 19-20 CA Special Districts Assn. Legislative Days (Sacramento)
- 27-28 CA State Assn. of Counties Legislative Days (Sacramento)

JUNE

- 12** CALAFCO Legislative Committee (Conference call)
- 17-18 League Mayor & Council Executive Forum (Monterey)

JULY

- 17** CALAFCO Legislative Committee (Conference call)
- 24** CALAFCO Board of Directors Meeting (San Diego)

AUGUST

- 12-14 CA Assn. of Sanitation Agencies Annual Conference (Squaw Valley)
- 24-27 CA Special Districts Assn. Annual Conference (Palm Desert)

SEPTEMBER

- 16-17 Regional Council of Rural Counties Annual Conference (Napa)

OCTOBER

- 2** CALAFCO Legislative Committee (2021) (Conference call)
- 7-9 League Annual Conference (Long Beach)
- 21-23** CALAFCO Annual Conference (Monterey)
- 22** CALAFCO Annual Business Meeting (Monterey)
- 23** CALAFCO Board of Directors Meeting (Monterey)

NOVEMBER

- 6** CALAFCO Legislative Committee (2021) (Sacramento)
- 13** CALAFCO Board of Directors Meeting (Sacramento)

DECEMBER

- 1-4 CA State Assn. of Counties Annual Conference (Los Angeles)
- 1-4 Assn. of CA Water Agencies Conference (Indian Wells)

Sharing Information and Resources

CALIFORNIA ASSOCIATION OF
LOCAL AGENCY FORMATION
COMMISSIONS

1020 12th Street, Suite 222
Sacramento, CA 95814
916-442-6536

For current information and other CALAFCO resources please visit www.calafco.org

BOARD OF DIRECTORS MEETING STAFF REPORT

13 December, 2019

Agenda Item No. 12 2019 CALAFCO Survey Results

Prepared By: Martha Poyatos, Deputy Executive Officer

Date: 13 December, 2019

RECOMMENDATION

1. Receive and file report.

DISCUSSION

The CALAFCO membership indicated some time ago an interest in surveying its membership concerning basic operational and organizational data. Topics of interest included: commission structure, staffing and compensation, budgets, facilities, legal counsel representation, individual county demographics, project work load, and number of agencies regulated, among others.

Since then, five surveys have been conducted in 2006, 2009, 2012, 2015 and 2019. Initial surveys were designed with Microsoft Excel and required each member LAFCo to fill in the blanks with their agency specific data. These early surveys were labor intensive and resulted in much subjectivity and varying degrees of data being provided making it difficult to easily compare data. In 2015 we changed the approach to the survey in order to garner greater participation. The survey was changed to use Survey Monkey, offer a range of answers and a limited number of questions. Over the past few years we have polled LAFCo staff to determine what data is important to them and the 2019 survey was designed with that feedback. Our approach seems to work as the 2015 and 2019 surveys netted significantly higher responses.

It's worth noting that the traditional biennial survey was not conducted in 2017. Instead we used that time to gather critical data for the pursuit of LAFCo funding and to support our testimony to the Little Hoover Commission.

The 2019 CALAFCO Survey, with responses from 53 LAFCos, is attached for review. Below is a summary of the survey followed by some observations from CALAFCO Staff:

Staffing/Independence

1. Twenty (20) years after LAFCo's gained the right to be independent agencies, staffing is a substantially mixed bag: LAFCo as direct employees (36%), county employees (23%), contract employees (30%) and hybrid (11%).
2. Over 39% of the 53 LAFCos that responded noted that staff is hired directly by the LAFCo. Thirty (30) LAFCos (over 56% of respondents) indicated they operate with full independence (although not hired directly by the commission), taking direction only from the commission.

The remaining 2 LAFCOs (under 4%) noted being partially or fully directed by another agency, presumably their home county.

3. 83% of LAFCO's have fewer than 4 staff, 38% less than 2 staff.
4. LAFCO's remain split 50/50 on special district representation.
5. A large percentage (62%) of LAFCO's contract with private legal counsel while 38% have legal counsel provided by other means (i.e.: via contract with another agency).

Budgets

6. 52% of LAFCO's have a budget greater than \$400,000, but 14% remain under \$50,000.
7. 63% of LAFCO's indicate their budget allows them to meet statutory functions, however, 37% cannot meet all statutory functions with the budget provided.
8. 48% of LAFCO's increase budgets when justified and 52% do not.

Miscellaneous

9. 75% of counties have less than 10 cities and 75% have more than 26 special districts.
10. 46% of LAFCO's process fewer than 5 proposals in the past year, 88% fewer than 15 per year.
11. 75% of LAFCO's have not been involved in litigation over the past three years.
12. 29% of LAFCOs have conducted less than 5 MSR/SOI updates in the past 5 years: 40% have conducted 6-15 updates in the past 5 years; 8% have done 16-25 and 23% indicated doing more than 26 MSR/SOI updates in the past 5 years.
13. 94% of LAFCO's report the general public not aware of LAFCO functions or responsibilities, but 92% of LAFCO's encourage their staff to do public outreach.

CALAFCO

14. 71% of LAFCO's view CALAFCO as helpful; 25% view CALAFCO as somewhat helpful but admit to not availing to the opportunity of using CALAFCO as a resource; and 4% do not benefit in any significant way from CALAFCO.
15. Legislative efforts, the listserve, and workshops/conferences are most utilized CALAFCO services (90%+) with the website useful to 81%. All other services garnered less than 50% interest
16. 33% of LAFCO's have interest in volunteering commissioners or staff for CALAFCO purposes without conditions; 8% are interested but cannot afford to do so; 36% may be interested and 23% are not interested.

When asked what resources can be added or updated on the CALAFCO website, responses were:

- Example policies from other LAFCOs (69%)
- Updates to LAFCo Law page with recent court cases (73%)
- Updates to LAFCo forms (75%)

- Remove old content, check all links, summary of legislative report, LAFCo procedures guides, examples of best practices MSRs, plans for service, etc.

Some broad, generalized observations from the survey:

Overall the survey should be helpful to individual LAFCos in benchmarking and to CALAFCO in responding to inquiries from the Legislature and determining which services to add or expand.

While this year's survey showed slight improvements for LAFCos in some areas, CALAFCO should remain concerned about the lack of sufficient budgets to meet statutory requirements, the percentage of LAFCos not conducting MSRs and the number of LAFCos not utilizing CALAFCO as a resource.

One area of service the Board may wish to consider is the creation of public communication tools to assist member LAFCos in improving communicating the mission of LAFCo and enhancing the public's awareness at the local level. Another is prioritizing updates to the CALAFCO website so it can be a more effective resource for our members.

ATTACHMENTS

12a - Summary Survey Results

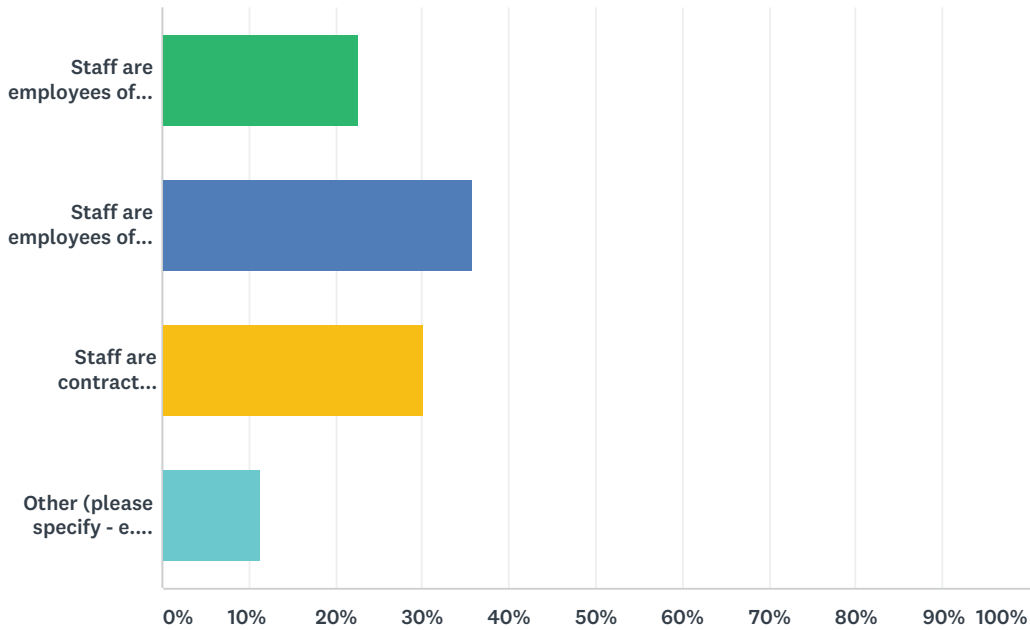
Q1 Your LAFCO Information

Answered: 53 Skipped: 0

ANSWER CHOICES	RESPONSES	
Name of Staff Completing Survey	100.00%	53
Agency	100.00%	53
Address	0.00%	0
Address 2	0.00%	0
County	100.00%	53
State/Province	0.00%	0
ZIP/Postal Code	0.00%	0
Country	0.00%	0
Email Address	100.00%	53
Phone Number	100.00%	53

Q2 What model is your LAFCO?

Answered: 53 Skipped: 0

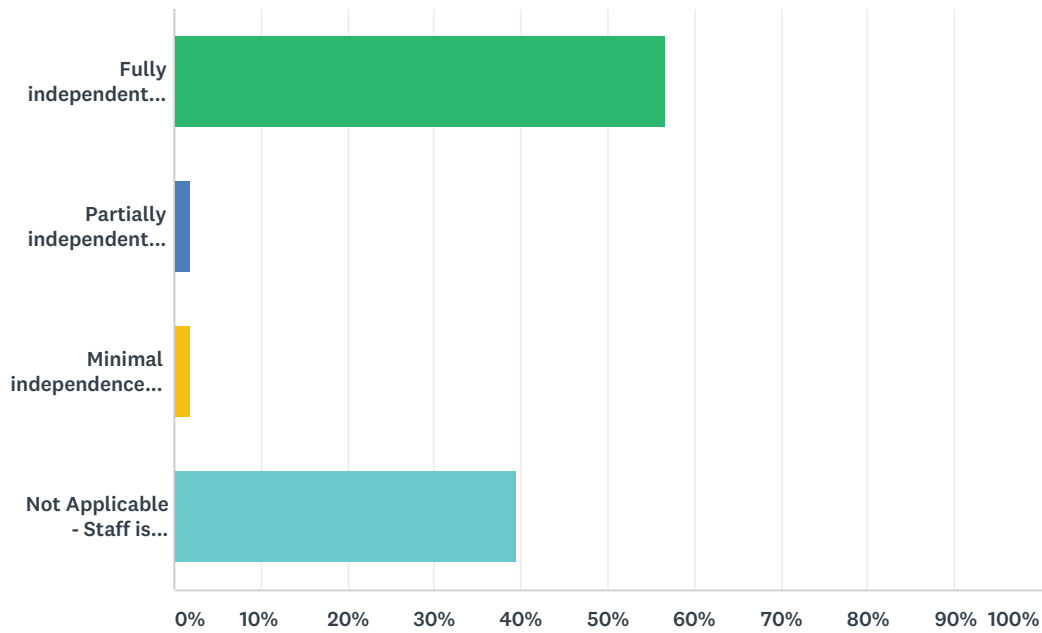


ANSWER CHOICES	RESPONSES	
Staff are employees of the County	22.64%	12
Staff are employees of LAFCO	35.85%	19
Staff are contract consultants	30.19%	16
Other (please specify - e.g. hybrid - Contract EO and staff employees)	11.32%	6
TOTAL		53

Other responses: EO is contractor and clerk-analyst is an employee, County Clerk the ex officio Executive Director of LAFCo, EO by contract and clerk and counsel by County, Contract EO and staff are County employees, County is staff but with a MOU, Staff are employees of LAFCo but get benefits through County

Q3 If staff are not LAFCO employees, what level of independent decision making best describes your LAFCO?

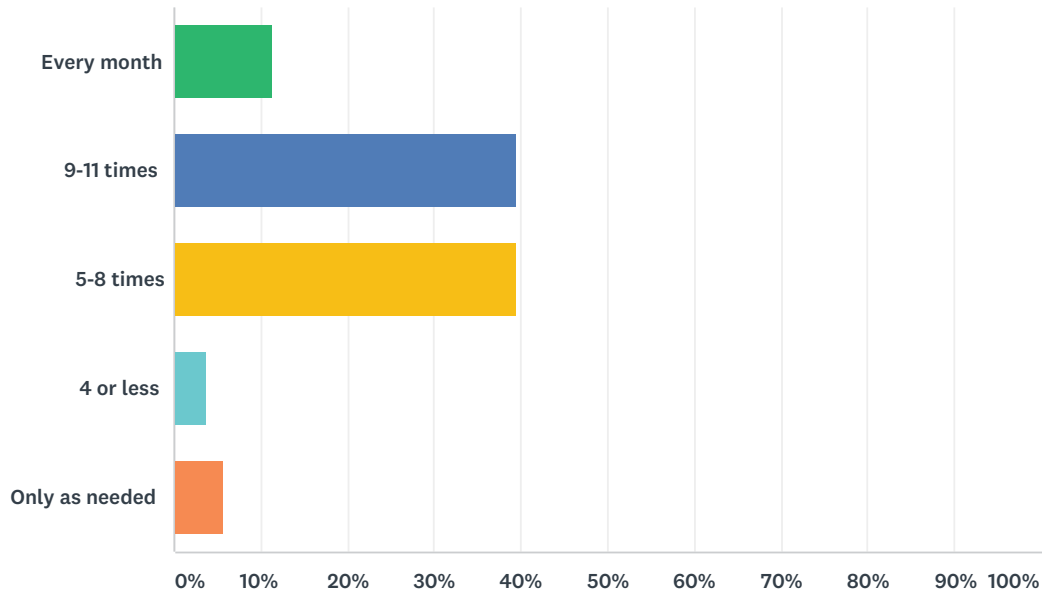
Answered: 53 Skipped: 0



ANSWER CHOICES	RESPONSES	
Fully independent taking direction only from the commission	56.60%	30
Partially independent with some influence/direction from other staff/agency	1.89%	1
Minimal independence with most or all directions/influence coming from other staff/agency	1.89%	1
Not Applicable - Staff is directly hired by LAFCO	39.62%	21
TOTAL		53

Q4 How many times a year does your LAFCO have regular meetings?

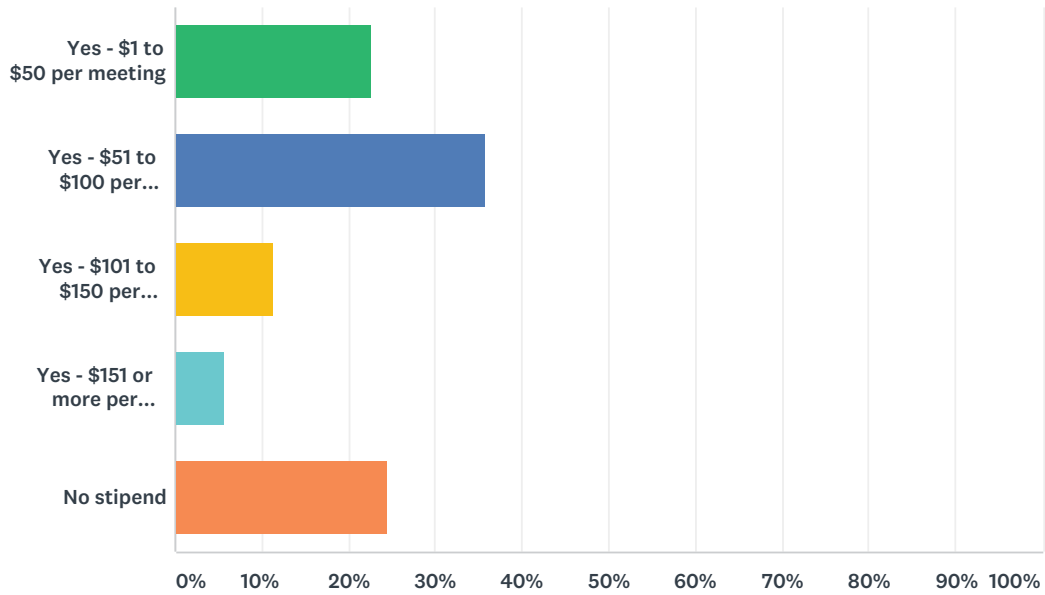
Answered: 53 Skipped: 0



ANSWER CHOICES	RESPONSES	
Every month	11.32%	6
9-11 times	39.62%	21
5-8 times	39.62%	21
4 or less	3.77%	2
Only as needed	5.66%	3
TOTAL		53

Q5 Do your LAFCO Commissioners receive a stipend?

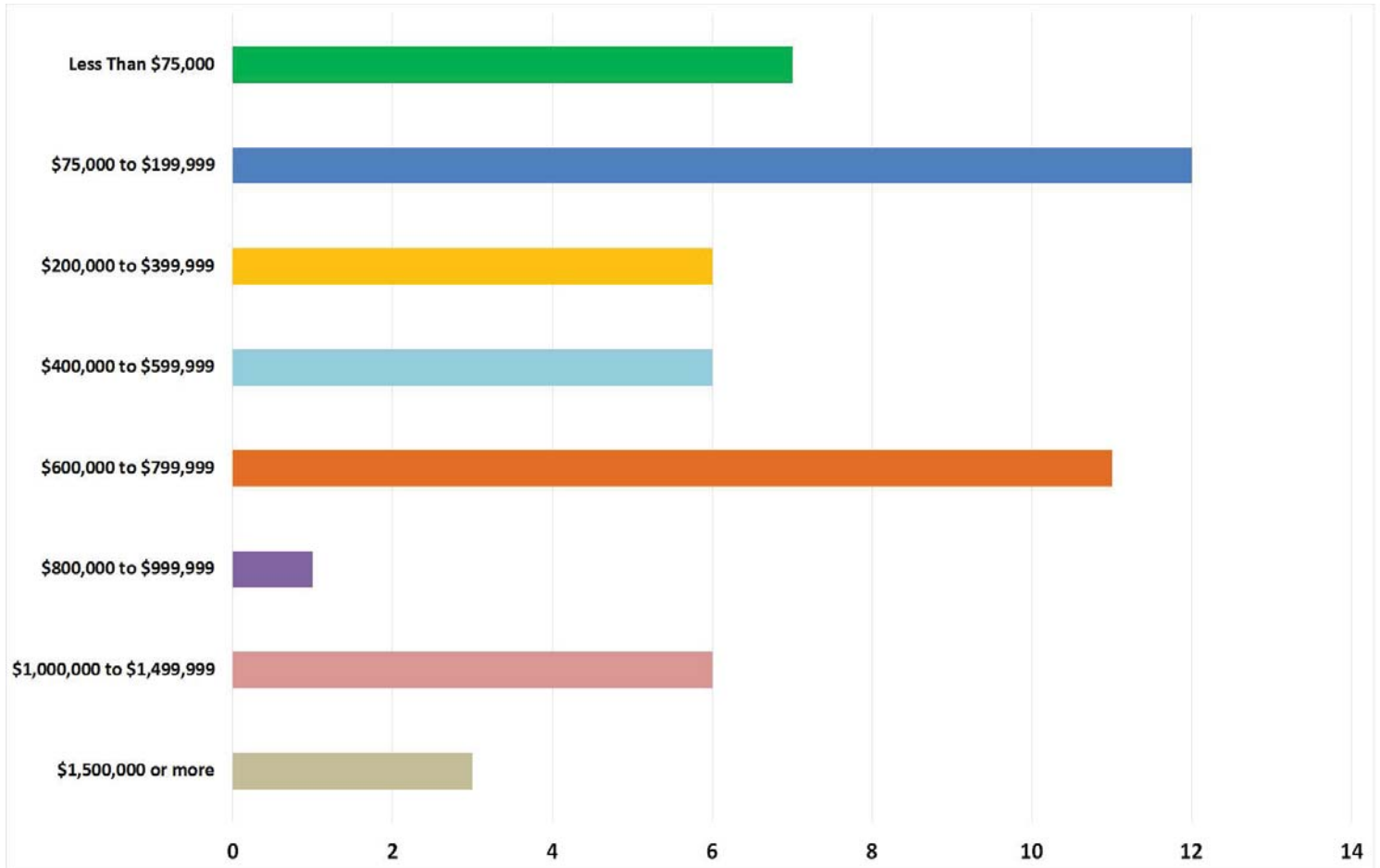
Answered: 53 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes - \$1 to \$50 per meeting	22.64%	12
Yes - \$51 to \$100 per meeting	35.85%	19
Yes - \$101 to \$150 per meeting	11.32%	6
Yes - \$151 or more per meeting	5.66%	3
No stipend	24.53%	13
TOTAL		53

Q6 What is your LAFCO's Budget for 2019-20?

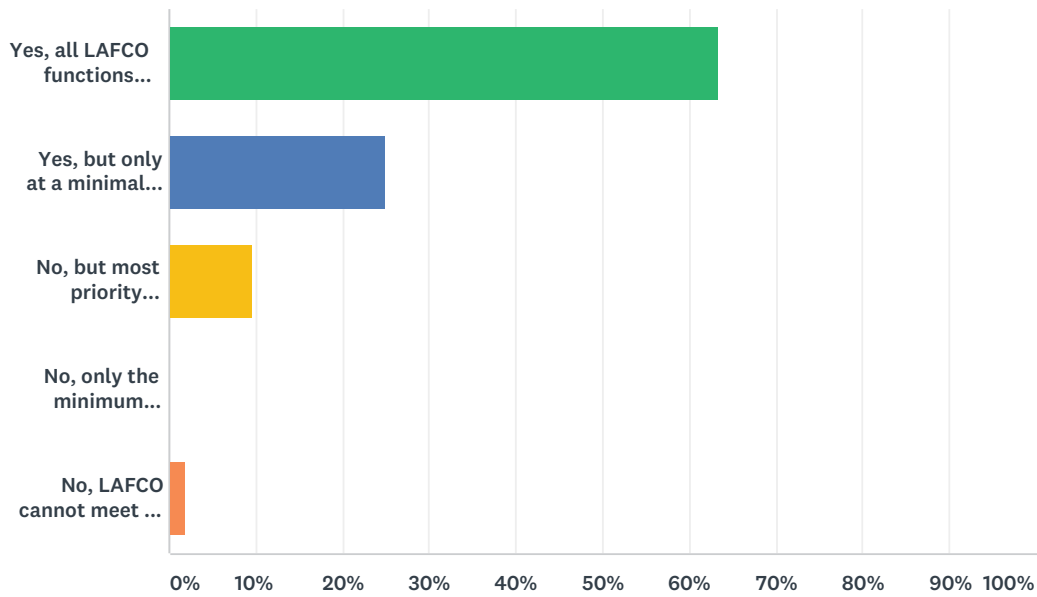
Answered: 52 Skipped: 1



Budget	Responses	
Less Than \$75,000	13.46%	7
\$75,000 to \$199,999	23.08%	12
\$200,000 to \$399,999	11.54%	6
\$400,000 to \$599,999	11.54%	6
\$600,000 to \$799,999	21.15%	11
\$800,000 to \$999,999	1.92%	1
\$1,000,000 to \$1,499,999	11.54%	6
\$1,500,000 or more	5.77%	3
Total		52

Q7 Does your budget allow your LAFCO to meet its statutory responsibilities?

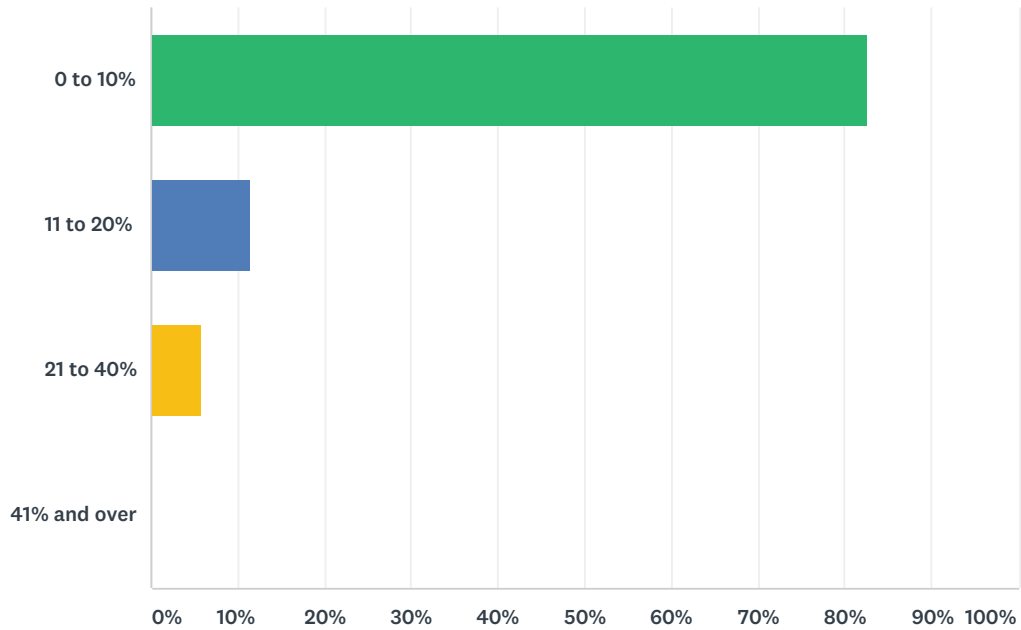
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes, all LAFCO functions adequately funded	63.46%	33
Yes, but only at a minimal level	25.00%	13
No, but most priority responsibilities are adequately met	9.62%	5
No, only the minimum functions are met	0.00%	0
No, LAFCO cannot meet its minimum responsibilities	1.92%	1
TOTAL		52

Q8 Budget: Percent of revenues from application fees?

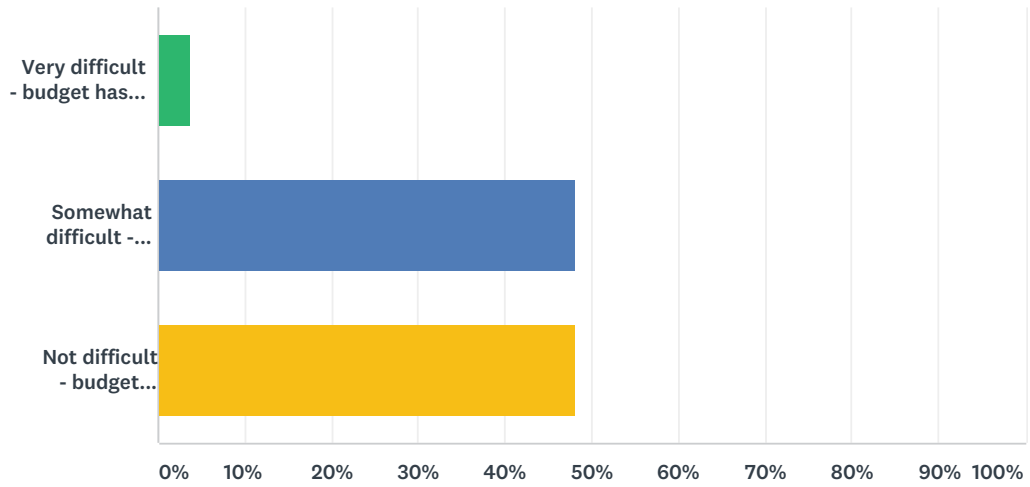
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0 to 10%	82.69%	43
11 to 20%	11.54%	6
21 to 40%	5.77%	3
41% and over	0.00%	0
TOTAL		52

Q9 How difficult is it to maintain annual funding levels or seek increases?

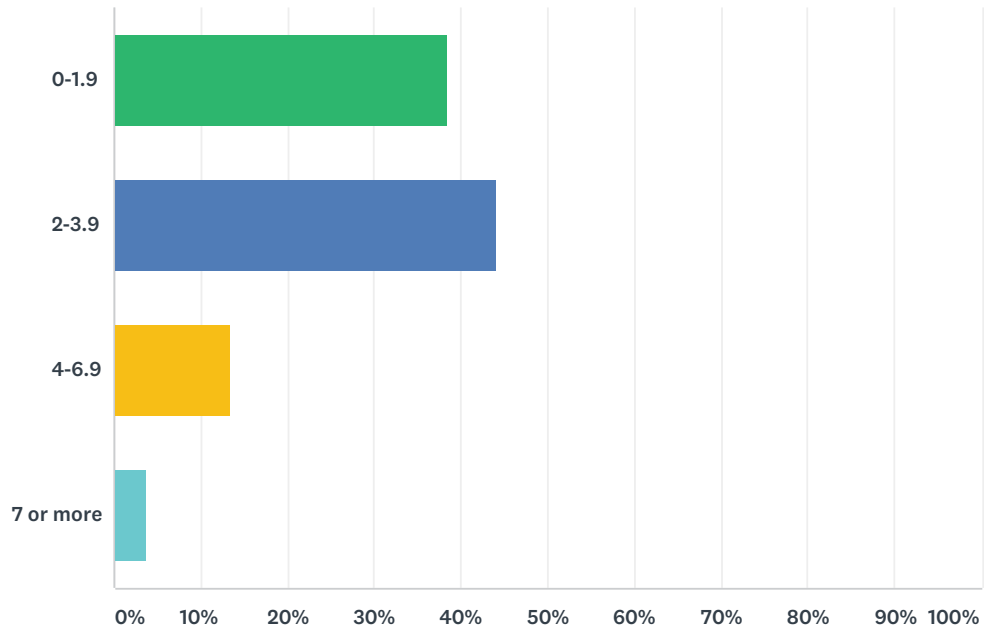
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Very difficult - budget has been regularly reduced	3.85%	2
Somewhat difficult - budget has been regulary maintained flat	48.08%	25
Not difficult - budget increases approved when justified	48.08%	25
TOTAL		52

Q10 How many staff in your office?

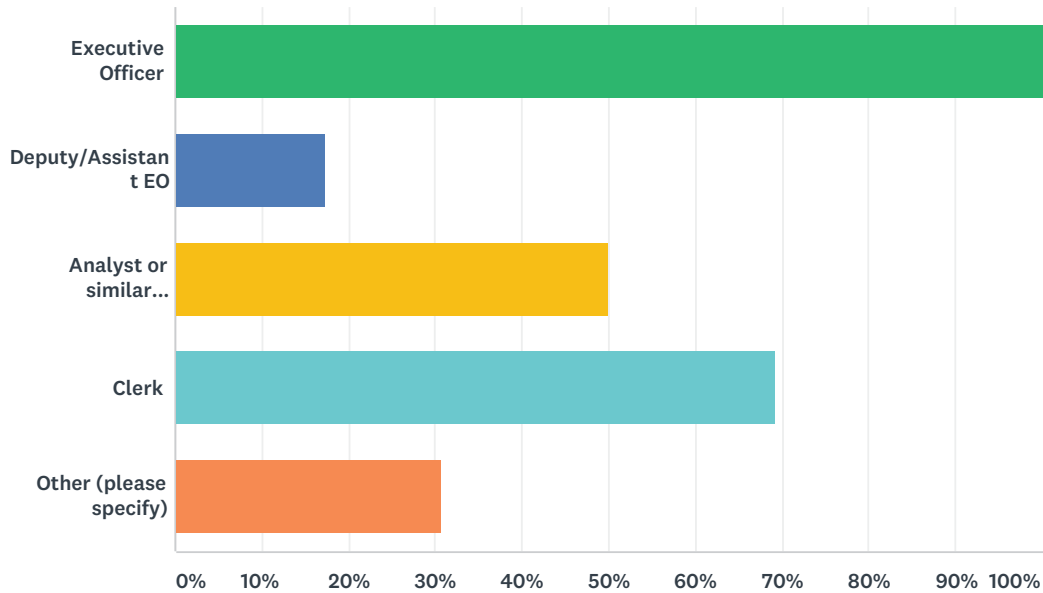
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-1.9	38.46%	20
2-3.9	44.23%	23
4-6.9	13.46%	7
7 or more	3.85%	2
TOTAL		52

Q11 Please mark the classification of employees at your LAFCO (Check all that apply)

Answered: 52 Skipped: 1

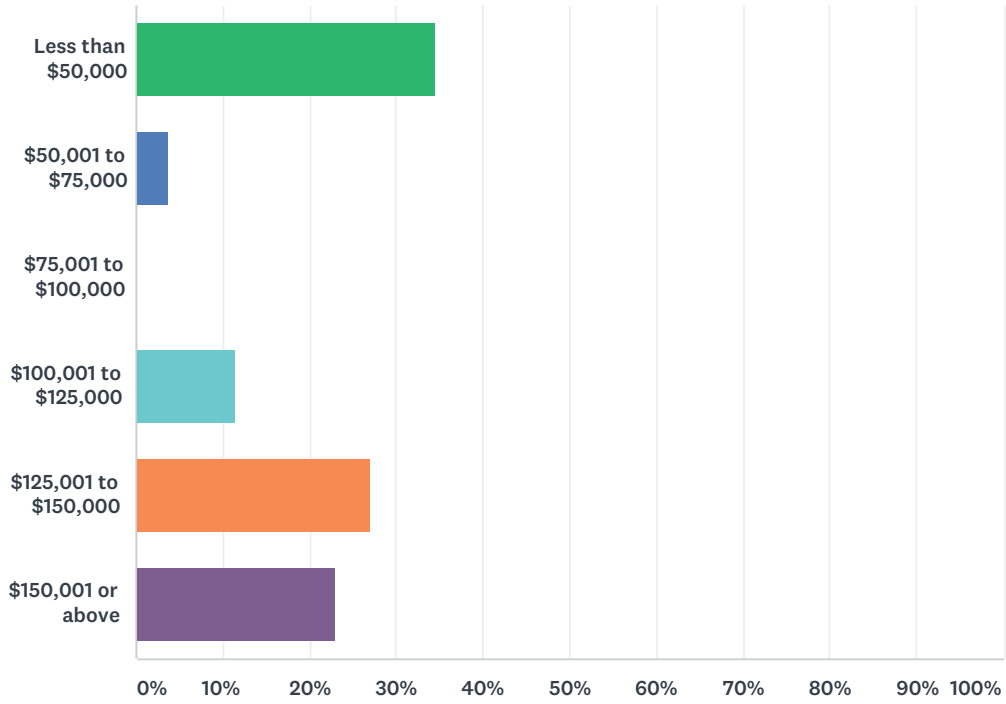


ANSWER CHOICES	RESPONSES	
Executive Officer	100.00%	52
Deputy/Assistant EO	17.31%	9
Analyst or similar position	50.00%	26
Clerk	69.23%	36
Other (please specify)	30.77%	16
Total Respondents: 52		

Other responses: Clerk/Administrator, Counsel, Senior Advisor, Manager, Service Specialist for MSRs, Secretary, Accountant, Project Manager, Admin Assistant, Finance Analyst, Accounting Tech/Office Assistant, Intern, Principal Analyst, Senior Analyst, Assistant Clerk to the Commission, Administrative Assistant, Executive Assistant, Administrative Aide, Chief Policy Analyst

Q12 Salaries: Executive Officer

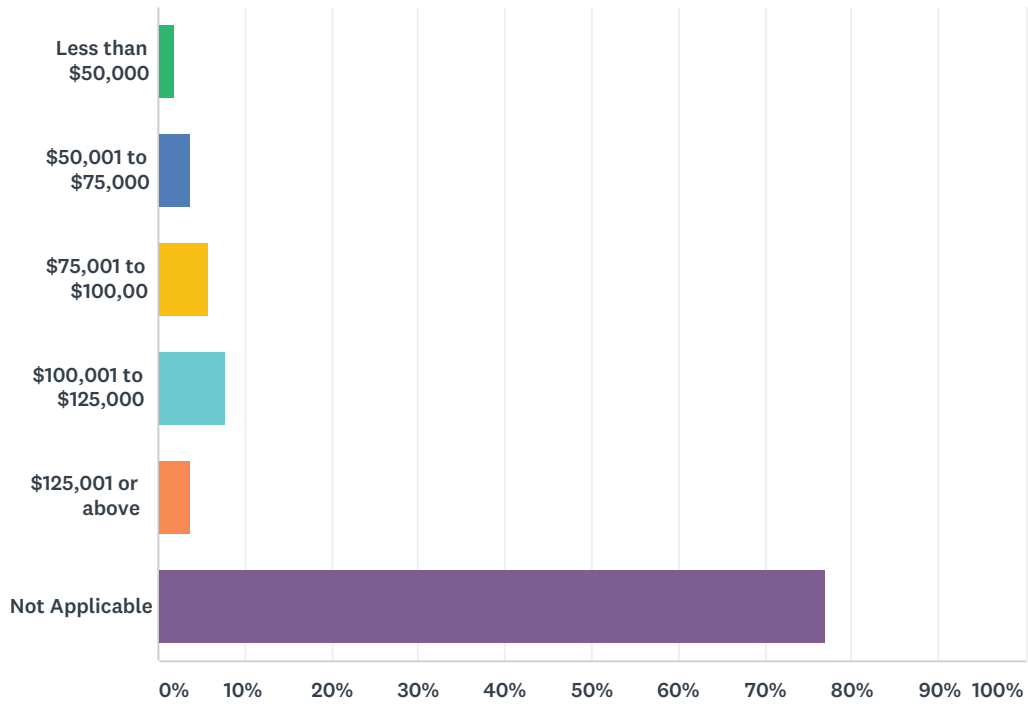
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Less than \$50,000	34.62%	18
\$50,001 to \$75,000	3.85%	2
\$75,001 to \$100,000	0.00%	0
\$100,001 to \$125,000	11.54%	6
\$125,001 to \$150,000	26.92%	14
\$150,001 or above	23.08%	12
TOTAL		52

Q13 Salaries: Deputy/Assistant Executive Officer

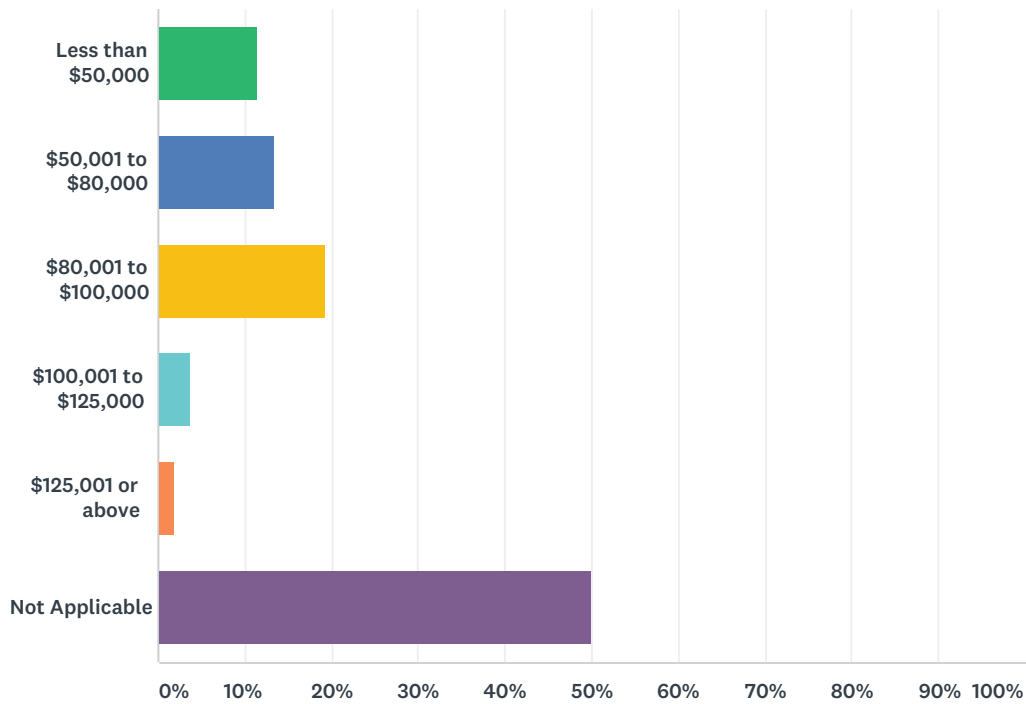
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Less than \$50,000	1.92%	1
\$50,001 to \$75,000	3.85%	2
\$75,001 to \$100,00	5.77%	3
\$100,001 to \$125,000	7.69%	4
\$125,001 or above	3.85%	2
Not Applicable	76.92%	40
TOTAL		52

Q14 Salaries: Analyst (or similar position such as planner. Average multiple positions to one range)

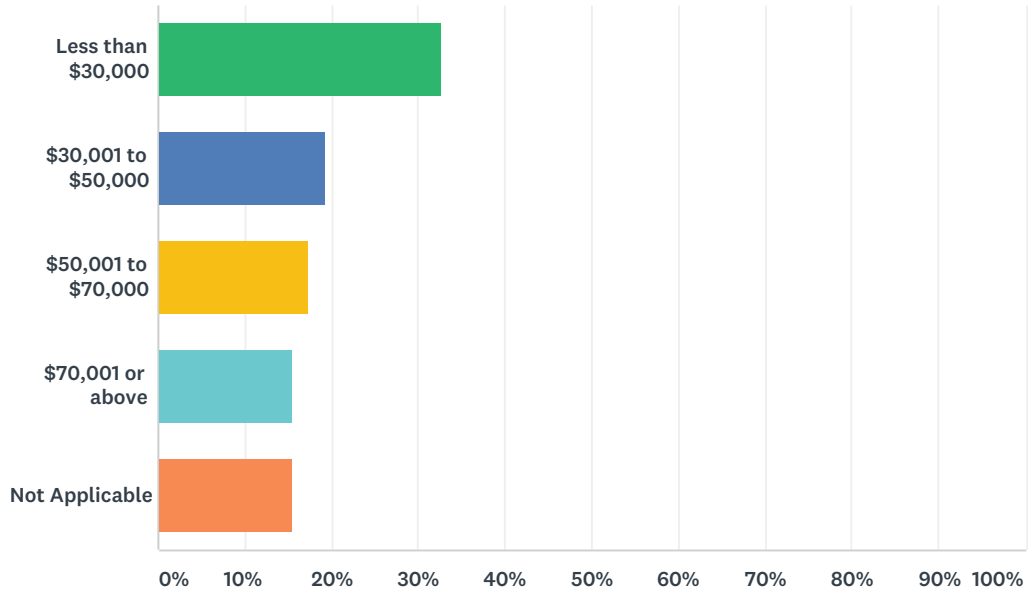
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Less than \$50,000	11.54%	6
\$50,001 to \$80,000	13.46%	7
\$80,001 to \$100,000	19.23%	10
\$100,001 to \$125,000	3.85%	2
\$125,001 or above	1.92%	1
Not Applicable	50.00%	26
TOTAL		52

Q15 Salaries: Clerk

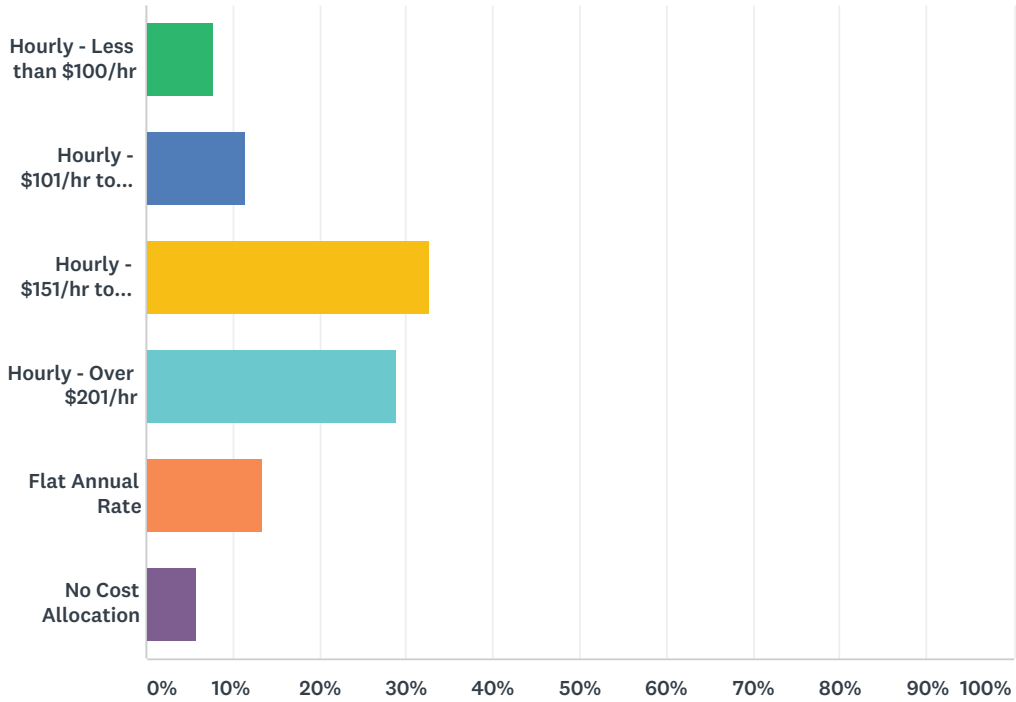
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Less than \$30,000	32.69%	17
\$30,001 to \$50,000	19.23%	10
\$50,001 to \$70,000	17.31%	9
\$70,001 or above	15.38%	8
Not Applicable	15.38%	8
TOTAL		52

Q16 Compensation: Legal Counsel

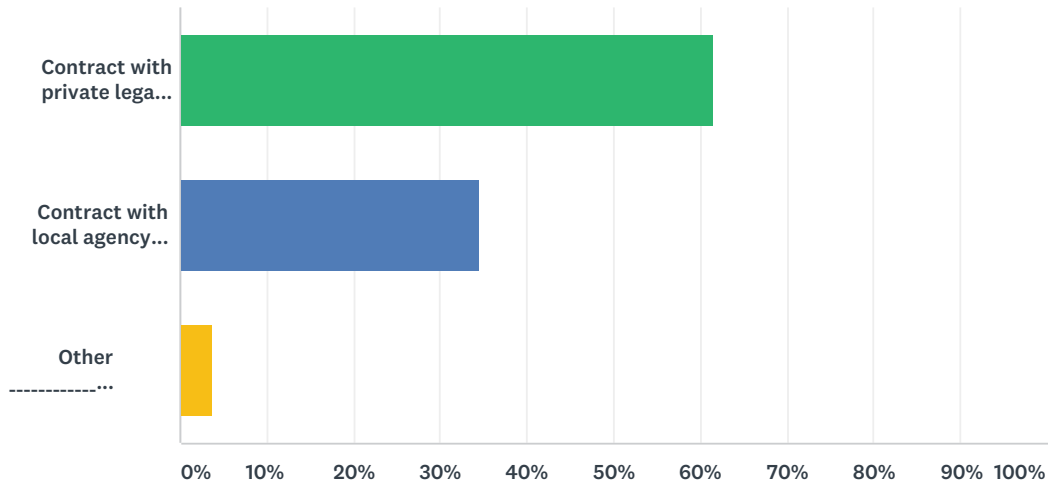
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Hourly - Less than \$100/hr	7.69%	4
Hourly - \$101/hr to \$150/hr	11.54%	6
Hourly - \$151/hr to \$200/hr	32.69%	17
Hourly - Over \$201/hr	28.85%	15
Flat Annual Rate	13.46%	7
No Cost Allocation	5.77%	3
TOTAL		52

Q17 How is legal counsel provided?

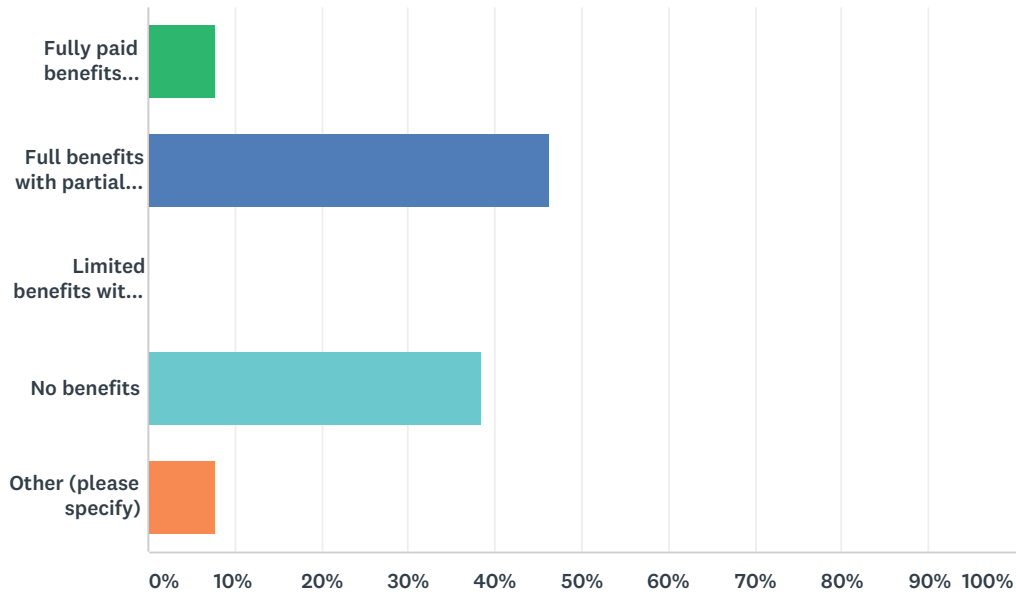
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Contract with private legal counsel	61.54%	32
Contract with local agency for legal counsel	34.62%	18
Other _____	3.85%	2
TOTAL		52

Q18 What level of benefits does your LAFCO offer?

Answered: 52 Skipped: 1

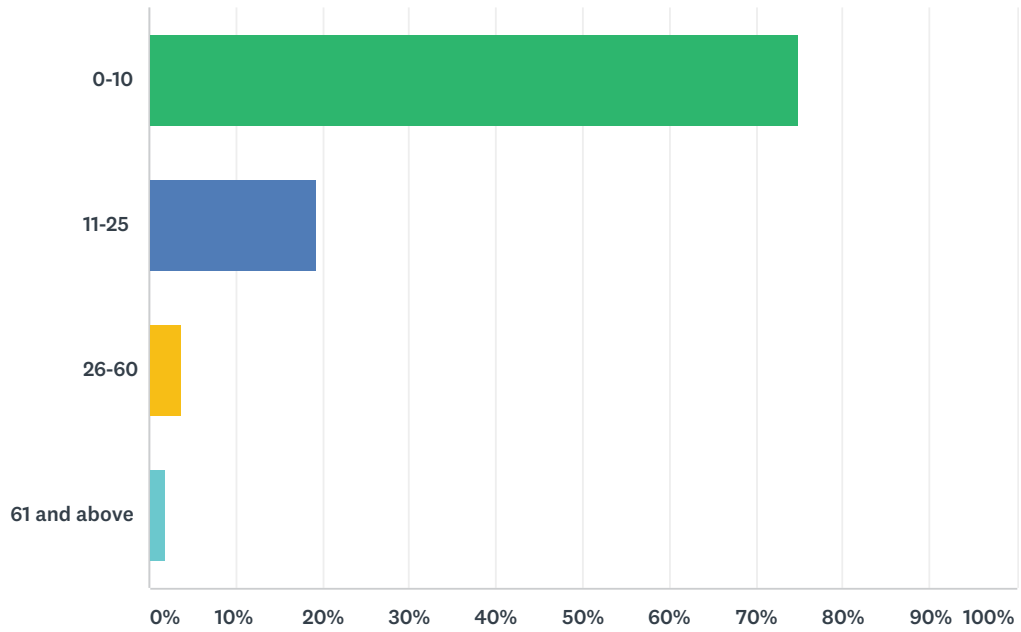


ANSWER CHOICES	RESPONSES	
Fully paid benefits including health, vision, dental, retirement plans (No employee contributions required)	7.69%	4
Full benefits with partial employee contributions	46.15%	24
Limited benefits with shared contributions	0.00%	0
No benefits	38.46%	20
Other (please specify)	7.69%	4
TOTAL		52

Other responses: Contract, no benefits, ex officio Executive Director, benefits with varying levels of contributions dependent upon date of hire

Q19 Number of Cities?

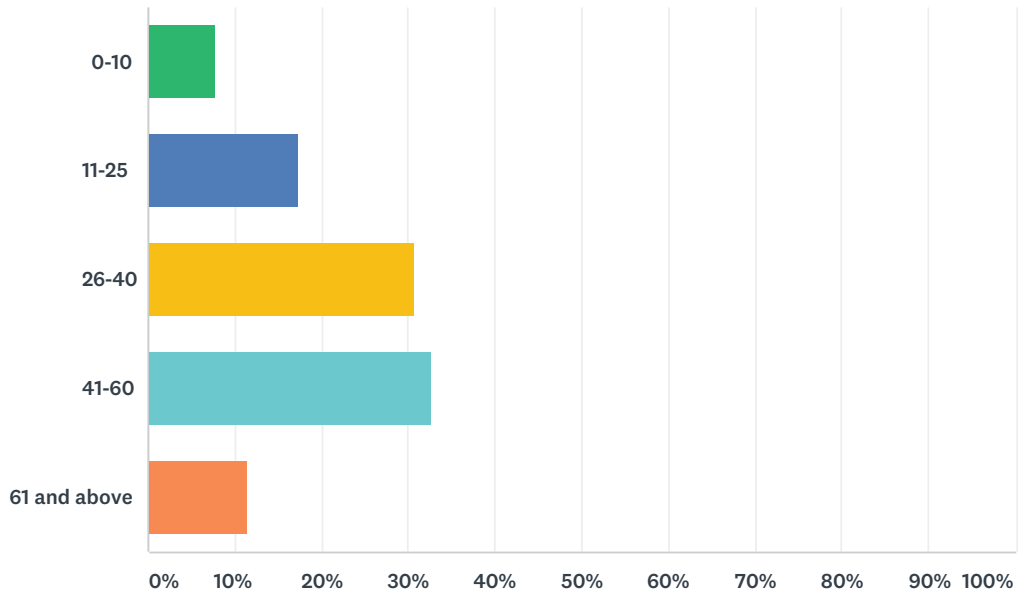
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-10	75.00%	39
11-25	19.23%	10
26-60	3.85%	2
61 and above	1.92%	1
TOTAL		52

Q20 Number of Independent Special Districts?

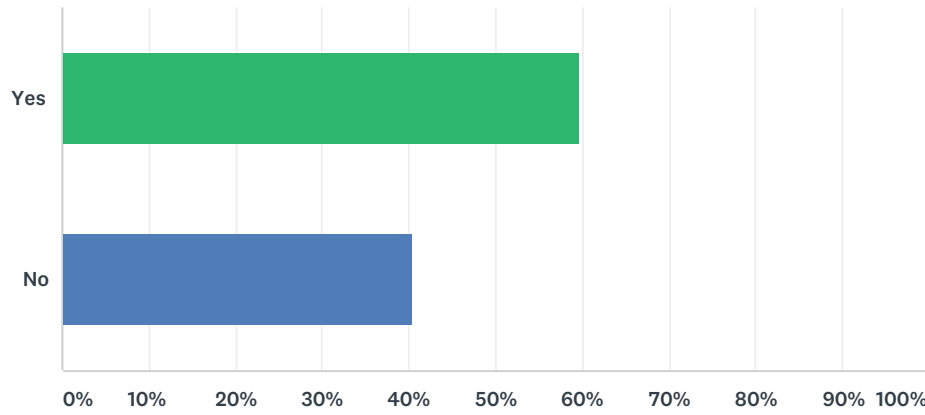
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-10	7.69%	4
11-25	17.31%	9
26-40	30.77%	16
41-60	32.69%	17
61 and above	11.54%	6
TOTAL		52

Q21 Does your LAFCO have special district representation?

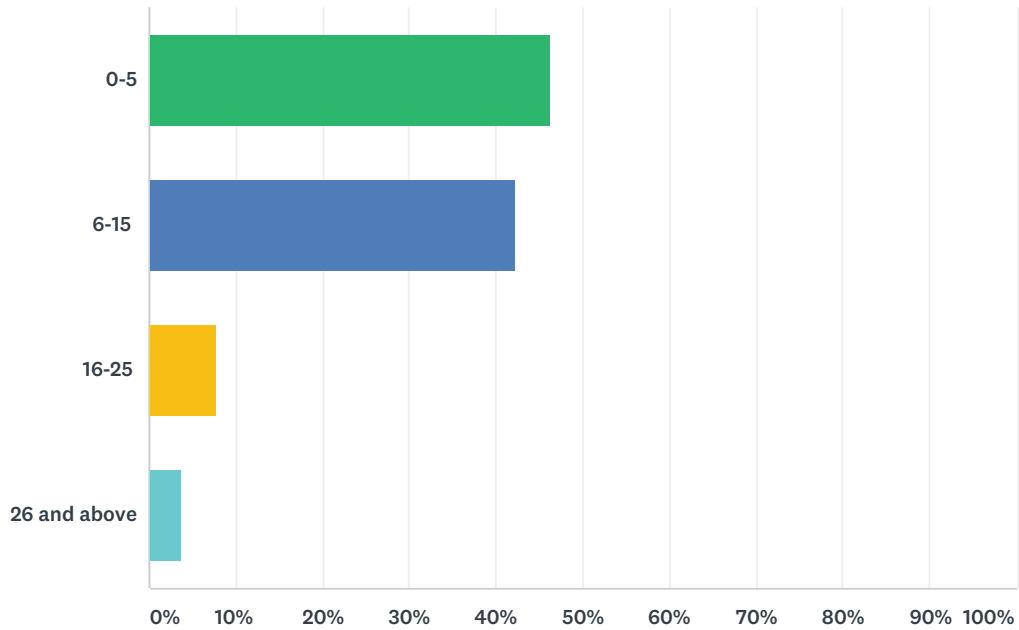
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes	59.62%	31
No	40.38%	21
TOTAL		52

Q22 Number of Proposals processed in the last year?

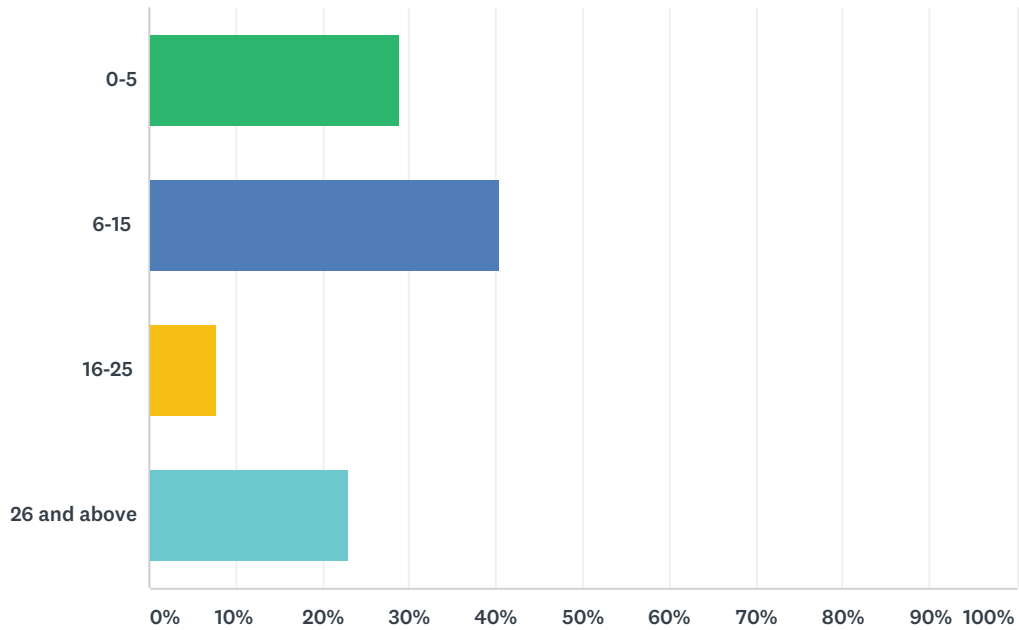
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-5	46.15%	24
6-15	42.31%	22
16-25	7.69%	4
26 and above	3.85%	2
TOTAL		52

Q23 Number of SOI/MSR Updates completed in the last five years?

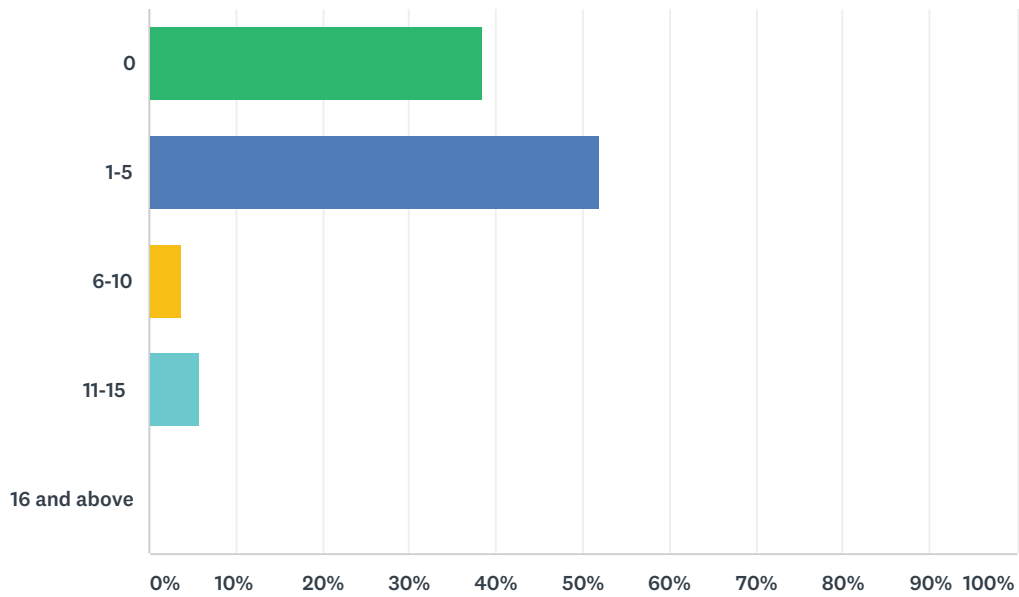
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-5	28.85%	15
6-15	40.38%	21
16-25	7.69%	4
26 and above	23.08%	12
TOTAL		52

Q24 How many Service Extension Agreements (GC56133) have you processed in the last year?

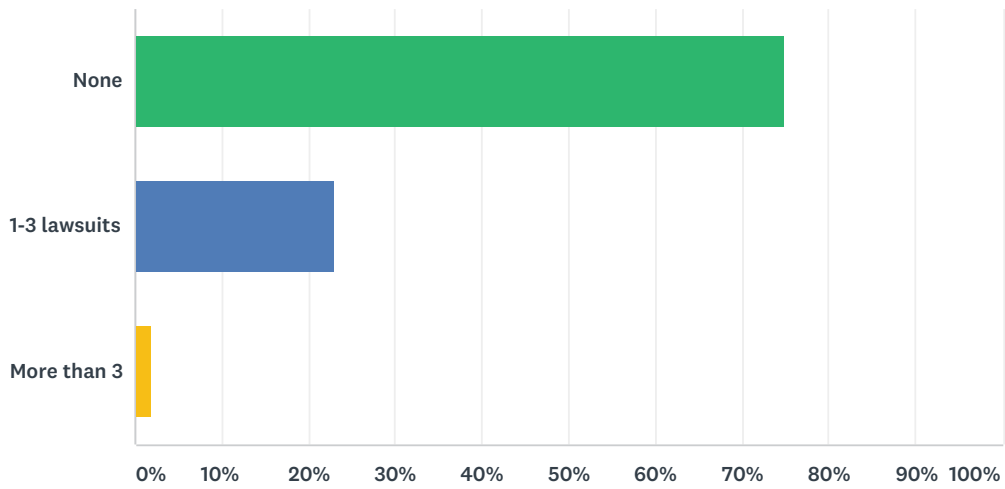
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0	38.46%	20
1-5	51.92%	27
6-10	3.85%	2
11-15	5.77%	3
16 and above	0.00%	0
TOTAL		52

Q25 How many lawsuits has your LAFCO been involved in over the past 3 years?

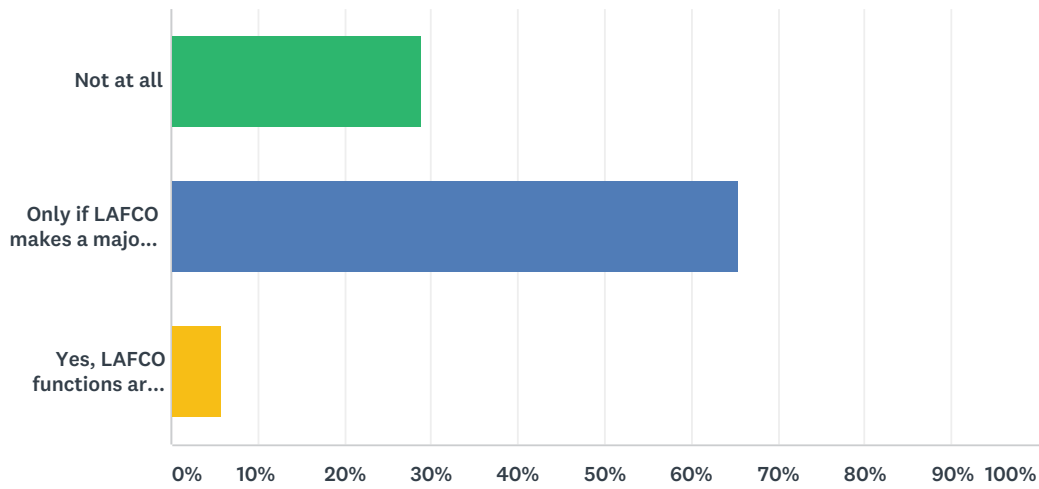
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
None	75.00%	39
1-3 lawsuits	23.08%	12
More than 3	1.92%	1
TOTAL		52

Q26 Does the general public understand what LAFCO does in your county?

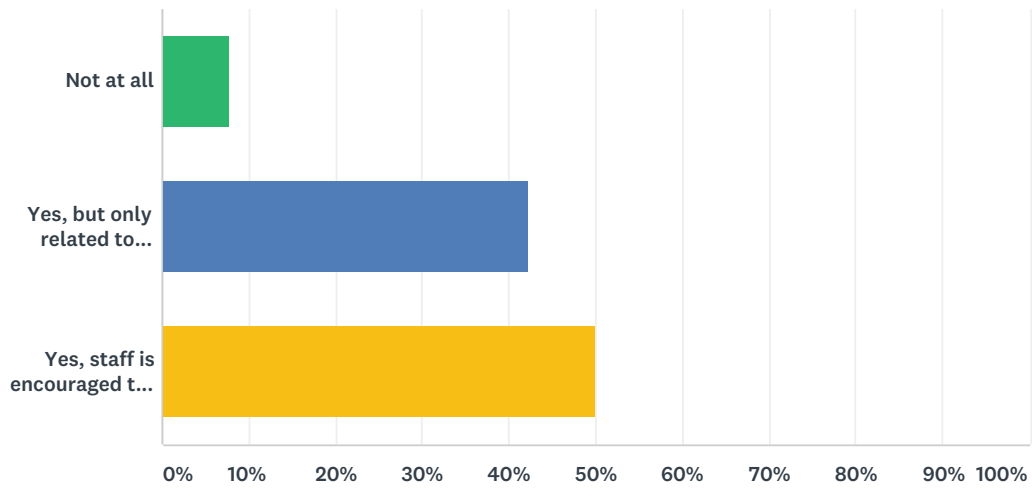
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES
Not at all	28.85% 15
Only if LAFCO makes a major decision	65.38% 34
Yes, LAFCO functions are routinely reported in the local media	5.77% 3
TOTAL	52

Q27 Does your commission encourage outreach with the public, news media and other local agencies?

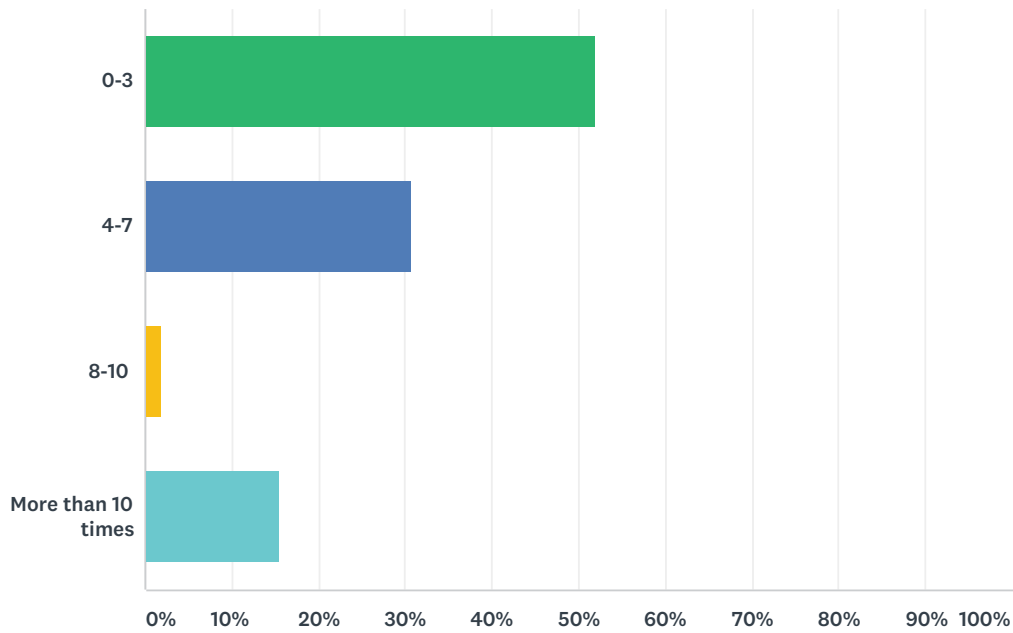
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Not at all	7.69%	4
Yes, but only related to required noticing for specific projects	42.31%	22
Yes, staff is encouraged to speak at public forums, to the media and other local agencies	50.00%	26
TOTAL		52

Q28 How often has your LAFCO been featured/mentioned in a local news story either TV, print or web in the past two years?

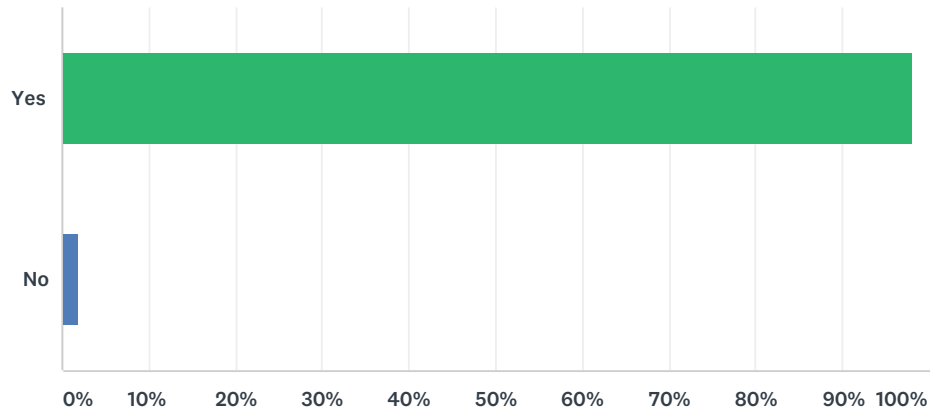
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
0-3	51.92%	27
4-7	30.77%	16
8-10	1.92%	1
More than 10 times	15.38%	8
TOTAL		52

Q29 Does your LAFCO have a website?

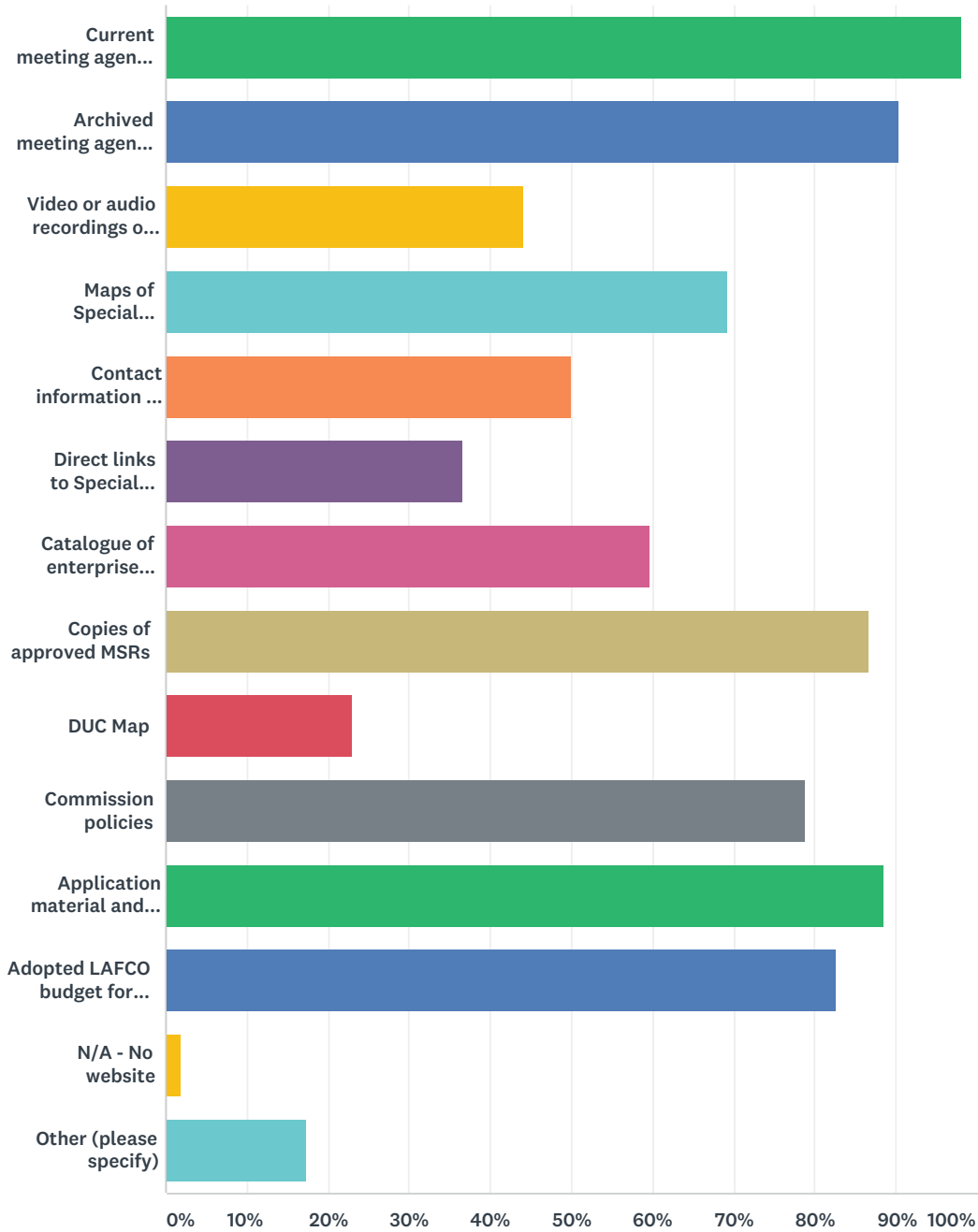
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Yes	98.08%	51
No	1.92%	1
TOTAL		52

Q30 If yes, what type of information is provided on the website?

Answered: 52 Skipped: 1



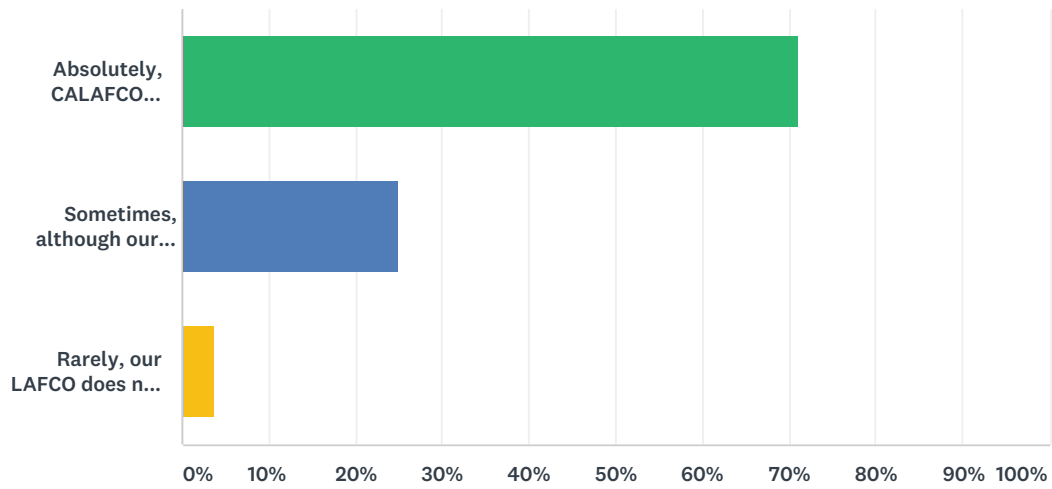
ANSWER CHOICES	RESPONSES	
Current meeting agenda packets and minutes	98.08%	51
Archived meeting agenda packets and minutes	90.38%	47
Video or audio recordings of meeting	44.23%	23
Maps of Special District and City SOIs	69.23%	36
Contact information for Special Districts and Cities	50.00%	26

Direct links to Special Districts and Cities websites	36.54%	19
Catalogue of enterprise systems (SB 272)	59.62%	31
Copies of approved MSRs	86.54%	45
DUC Map	23.08%	12
Commission policies	78.85%	41
Application material and fees	88.46%	46
Adopted LAFCO budget for current FY	82.69%	43
N/A - No website	1.92%	1
Other (please specify)	17.31%	9
Total Respondents: 52		

Other responses: Current project information, links to county website, link to city websites, audits and other special studies not related to MSRs, link to DUC map. creating a digital library, Twitter feed for news updates

Q31 Does your LAFCO view the functions/roles of CALAFCO to be helpful and appropriate?

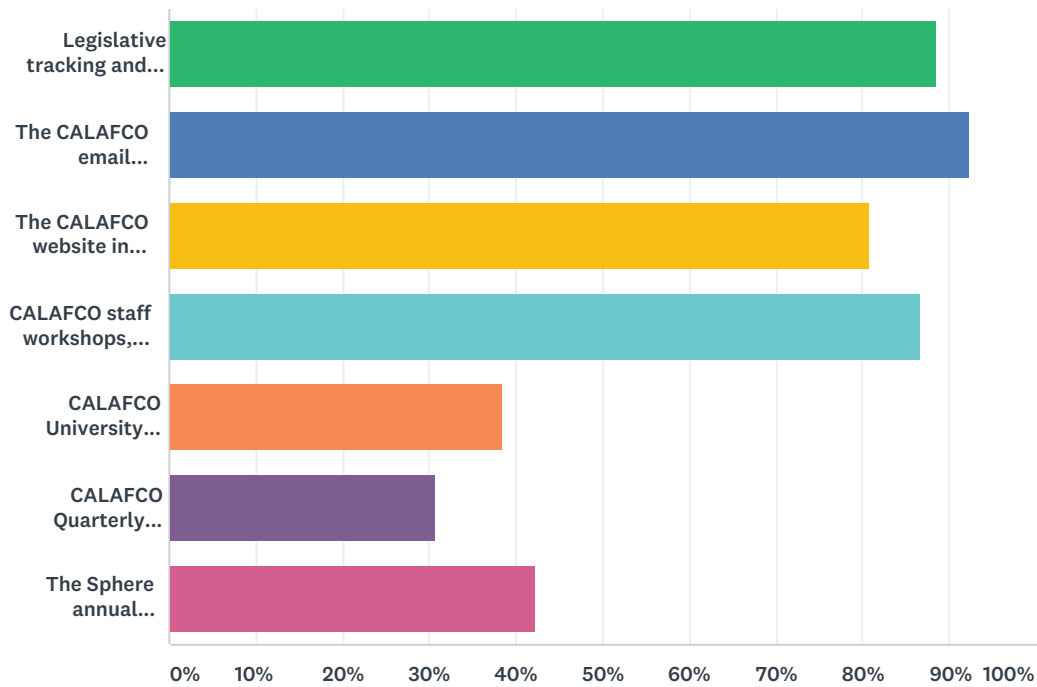
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
Absolutely, CALAFCO provides many useful tools and functions	71.15%	37
Sometimes, although our LAFCO does not avail itself of all CALAFCO opportunities	25.00%	13
Rarely, our LAFCO does not benefit in any significant way from CALAFCO participation	3.85%	2
TOTAL		52

Q32 Please identify the CALAFCO tools, functions or actions most useful to your LAFCO. (Check all that apply)

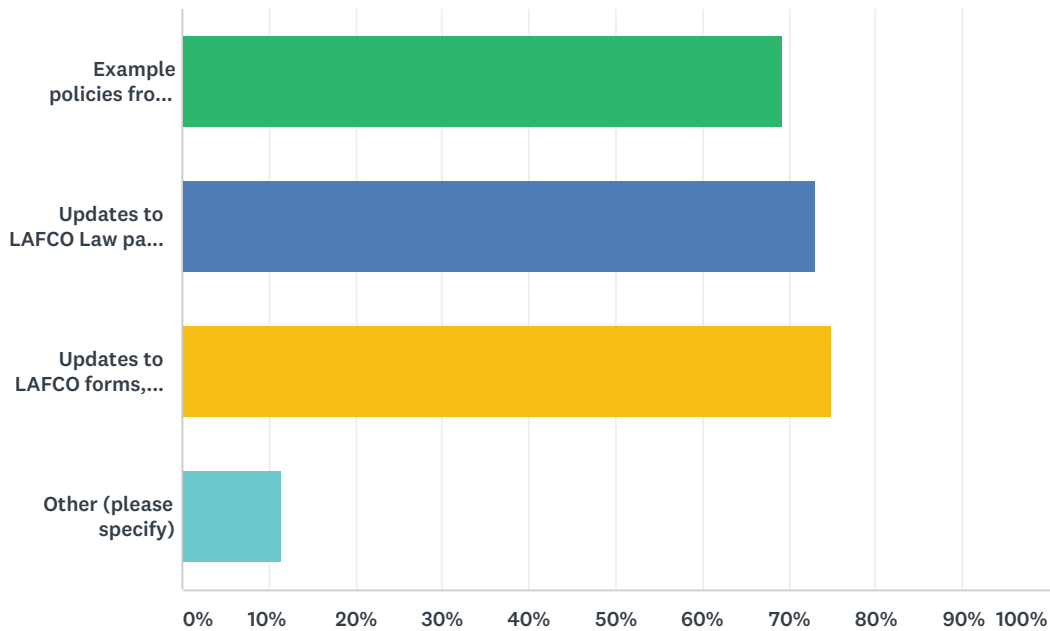
Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES
Legislative tracking and the work of the legislative committee	88.46% 46
The CALAFCO email "listserve" for staff, EO's, analysts, and legal counsel	92.31% 48
The CALAFCO website in general and its various contents like white papers and information updates	80.77% 42
CALAFCO staff workshops, annual conferences	86.54% 45
CALAFCO University courses	38.46% 20
CALAFCO Quarterly Reports	30.77% 16
The Sphere annual newsletter	42.31% 22
Total Respondents: 52	

Q33 What resources could be added or updated to the CALAFCO website (Check all that apply)

Answered: 52 Skipped: 1

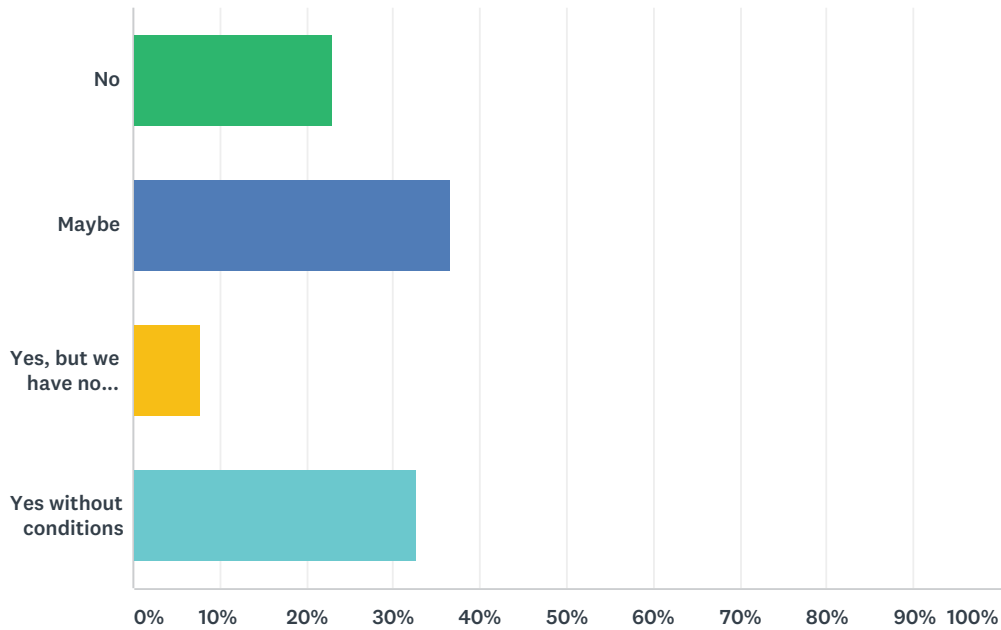


ANSWER CHOICES	RESPONSES	
Example policies from other LAFCOs	69.23%	36
Updates to LAFCO Law page with recent court cases	73.08%	38
Updates to LAFCO forms, such as certificate of filing or certification of completion	75.00%	39
Other (please specify)	11.54%	6
Total Respondents: 52		

Other responses: CALAFCO website needs to be updated for the removal of old content and adding of new content, need to check that all links on the website work and link to pages that have updated information, high grade examples of MSRs, plans for services, and outside service agreements, LAFCO procedures guide similar to the one from San Diego LAFCO, quick view or summary of legislative report for CALAFCO bills

Q34 Does your LAFCO have interest in having staff or commissioners serve in a CALAFCO role such as on the Board of Directors or volunteer staff?

Answered: 52 Skipped: 1



ANSWER CHOICES	RESPONSES	
No	23.08%	12
Maybe	36.54%	19
Yes, but we have no resources to do so	7.69%	4
Yes without conditions	32.69%	17
TOTAL		52

December 2, 2019

Yolo LAFCo
625 Court St., Suite 107
Woodland, CA 95695

RECEIVED

DEC 04 2019

YOLO LAFCO

Dear Chair and Commission:

On behalf of the California Association of Local Agency Formation Commissions (CALAFCO), I would like to thank your commission for allowing some of your members and/or staff the opportunity to attend the CALAFCO 2019 Annual Conference in Sacramento.

We understand that prioritizing expenditures can be challenging. Ensuring you and your staff have access to ongoing professional development and specialized educational opportunities, allows all of you the opportunity to better serve your commission and fulfill the mission of LAFCo. The sharing of information and resources among the LAFCo commissioners and staff statewide serves to strengthen the LAFCo network and creates opportunities for rich and value-added learning that is applied within each LAFCo.

I would like to personally thank Executive Officer Christine Crawford for her leadership the past two years as the central region Deputy Executive Officer and thank her for agreeing to another term. Her countless contributions to the Association and her leadership creates great value to CALAFCO and our entire membership. She did another outstanding job this year as the co-chair of the Conference program. Thank you, Yolo LAFCo, for supporting Christine in this role.

Thank you again for your participation in the CALAFCO 2019 Annual Conference, I hope you found it a valuable experience. We truly appreciate your membership and value your involvement in CALAFCO.

Yours sincerely,



Pamela Miller
Executive Director

LAFCO

Meeting Date: 12/18/2019

Information

SUBJECT

Continued Hearing to consider approval of **Resolution 2019-13** adopting the Joint Powers Agency (JPA) Service Review for the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) (LAFCo No. S-053)

RECOMMENDED ACTION

1. Receive staff presentation on the JPA Service Review and open the Public Hearing for any comments on this item.
2. Close the Public Hearing and consider the information presented in the staff report and during the Public Hearing. Discuss and direct staff to make any necessary changes.
3. Consider approval of Resolution 2019-13 adopting the JPA Service Review for YCPARMIA.

FISCAL IMPACT

No fiscal impact. The JPA Service Review was prepared "in-house" and appropriate funds were budgeted.

REASONS FOR RECOMMENDED ACTION

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act), is LAFCo's governing law and outlines the requirements for preparing periodic Municipal Service Reviews (MSRs) and Sphere of Influence (SOI) updates. MSRs and SOIs are tools created to empower LAFCo to satisfy its legislative charge of "discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances".

While MSRs are not legally required of Joint Powers Agencies/Authorities, LAFCo has been requested by the cities and County (i.e. JPA member agencies) to provide MSR-like service reviews of selected types of JPAs in the county. LAFCo has the authority to furnish informational studies and analyzing independent data to make informed recommendations regarding the efficient, cost-effective, and reliable delivery of services to residents, landowners, and businesses via these JPAs. With this intention, LAFCo has modified its MSR checklist to conduct service reviews of JPAs.

BACKGROUND

This item was continued from the August 22, 2019 meeting in order to allow the CEO for the Yolo County Public Agency Risk Management Authority (YCPARMIA) an opportunity to attend and respond to any issues/questions.

Agency Information

YCPARMIA is a joint powers authority formed in 1978 by participating members. It provides non-profit risk management, insurance, and safety services to its members within Yolo County with seven full time employees. Prior to implementation of the YCPARMIA self-insurance program on March 1, 1979, each agency purchased its own insurance. Its risk sharing pool is comprised of public entities in Yolo County that have entered into a joint powers agreement as either a voting member or an associate member. It is governed by a Board that is appointed by its six member agencies. There are an additional twenty-six associate member public agencies served (including Yolo LAFCo). YCPARMIA's Board is independent, and not controlled by their member agencies. There is no insurance; with few specialized exceptions, members are covered by programs of self-insurance (funds YCPARMIA has set aside to pay claim costs). YCPARMIA, in turn, is a member of various excess pools made up of hundreds of other California public entities that provide coverage above YCPARMIA's pooled retentions/limits.

YCPARMIA's annual revenues come entirely from member premium/cash payments. An annual actuary study is used to determine premiums based largely on member's claim history in liability and workers' compensation. Loss prevention efforts that drive down claim frequency and severity will result in lower premium charges while catastrophic losses will result in increases. When YCPARMIA is able to "beat" the actuary's projections of future losses, surplus funds result. The YCPARMIA Board returns these surplus funds to members in the form of premium rebate credits. YCPARMIA is staffed to provide professional risk management and claim services for members; there are no separate charges for these services. YCPARMIA staff has no authority over the risk management efforts of its members; at best staff serve as an outside consultant, albeit with a vested interest representing agency's risk sharing partners.

The annual "premium" charged each agency is designed to reflect the risk exposure of each participating agency, and modified to reflect the actual losses paid by the pool on behalf of each participating agency. Equity is achieved to the greatest extent possible. The annual premium charged to each participating agency consists of its pro-rata share of: 1) Excess insurance premium, 2) Charge for the pooled risk (or losses), recognizing the deductible selected, 3) Claims adjusting and legal costs, and 4) Administrative and other costs to operate the Authority. Total expenses for YCPARMIA (administration and claim payments) has ranged from \$7,201,216 to \$10,418,622 over the last five fiscal years reviewed. Detailed information is provided in the report.

JPA Service Review Determinations and Recommendations

Six of the required seven MSR determinations are applicable to JPAs (the determination for disadvantaged unincorporated communities was removed for the JPA Service Review checklist). YCPARMIA's determinations and recommendations for Commission review and consideration are as follows:

Growth and Population Determination

Projected population estimates for the entire County is 243,234 by 2025 (an increase of 20,656 or 9.28%) and 259,339 by 2030 (an increase of 36,758 or 16.51%). YCPARMIA's claim volume can be correlated to population growth and/or a commensurate increase in agency staff (i.e. more staff, more claims). If the volume of member agency claims increases over time,

YCPARMIA may need to increase its staff capacity to manage those claims, which would increase member administration and overhead costs. Agency annual "premiums" are designed and adjusted to reflect the risk exposure of each participating agency, and modified to reflect the actual losses paid by the pool on behalf of each participating agency. YCPARMIA serves public agencies within Yolo County and population growth would not affect its service area.

Capacity and Adequacy of Public Facilities and Services Determination

There are no deficiencies in YCPARMIA's capacity to meet member service needs and the agency is able to respond to any member needs to increase capacity as determined by its Board. YCPARMIA owns its facility but the building is in need of some upgrades. YCPARMIA should consider developing a schedule and setting aside funds for regular maintenance.

Climate adaptation is an important issue for YCPARMIA and it is aware and responding to climate adaptation issues by necessity. YCPARMIA's CEO indicated industry property premiums have been going up due to changes in weather patterns by 30-50%. Even if there are no claims for YCPARMIA agencies, there is an indirect impact statewide.

Capacity and Adequacy of Public Facilities and Services Recommendation(s):

1. YCPARMIA should consider developing a schedule and setting aside funds for regular building maintenance.

Financial Ability Determination

YCPARMIA is a financially well-run organization. Adopted budgets with revenue exceeding expenditures are routinely adopted. In addition to the annual financial audit the agency is subjected to 4 other audits and an annual actuary study. The agency has been accredited with excellence by two of the auditing organizations. In addition, YCPARMIA has received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for each year covered by this MSR.

YCPARMIA also has good financial polices including funding reserves. As of June 30, 2018 net position was \$2.6M, which is approximately 23% of total expenses. The agency has also served its members well by maintaining a relatively flat level of general administrative expenses over the past 5 years.

Financial Ability Recommendation(s):

1. YCPARMIA should consider modifying their budgeting practice to include budgeting for loss reserve adjustments, expenses that are passed through to member agencies, dividends paid to members, depreciation, and changes to retiree health insurance (OPEB), pension and accrued compensation liabilities. Budget modifications can be made during the year as amounts are known. Some of these amounts are known after the completion of audits and actuarial studies.
2. YCPARMIA should consider reviewing the reserve calculation process to ensure funded reserves balances provided to the board reconciles to the actual ending net position balance. Also YCPARMIA should consider creating separate general ledger accounts for each reserve and maintain the balances to agree to the amounts calculated and reported to the board.
3. YCPARMIA should consider establishing an irrevocable trust to accumulate assets to fund the OPEB liability.
4. YCPARMIA should consider making voluntary lump sum payments to CalPERS, as funding permits, to reduce the pension liability.

Shared Services Determination

The JPA in itself is a risk sharing pool to reduce agency costs.

Accountability, Structure and Efficiencies Determination

There are no issues with YCPARMIA meetings being accessible and well publicized. JPA members keep the Board member seats filled with staff, which tend to be human resource professionals. There is a lack of risk management expertise on the Board, however, agencies rely on YCPARMIA to provide this as a shared service. The JPA's staff has remained relatively stable. Audits are performed on a regular schedule, on time and without issues or findings. YCPARMIA does need to improve its website and the content provided, per the 2018 website transparency scorecard.

Accountability, Structure and Efficiencies Recommendation(s):

1. YCPARMIA should improve its website and content. The agency received a 26% transparency score in the Yolo Local Government 2018 Website Transparency Scorecard report. The JPA's information deficiencies can be viewed here:
<https://www.yololafco.org/yolo-local-government-website-transparency-scorecards> .

Other Issues Determination

There are no other matters related to effective or efficient service delivery not already discussed in this report.

Attachments

[ATT A-YCPARMIA JPA Service Review Reso 2019-13](#)

[ATT B-YCPARMIA Draft JPA Service Review 07.31.2019](#)

Form Review

Inbox

Christine Crawford (Originator)
Form Started By: Christine Crawford
Final Approval Date: 12/12/2019

Reviewed By

Christine Crawford

Date

12/12/2019 11:35 AM
Started On: 12/12/2019 09:14 AM

YOLO LOCAL AGENCY FORMATION COMMISSION

Resolution № 2019-13

**Adopting the Joint Powers Agency/Authority (JPA) Service Review for the
Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA)
(LAFCo No. S-053)**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, set forth in Government Code Sections 56000 et seq., governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county, as defined and specified in Government Code Sections 56000 et seq. (unless otherwise indicated all statutory references are to the Government Code); and

WHEREAS, Section 56378(a) provides for a local agency formation commission to initiate and make studies of existing governmental agencies, including inventorying those agencies and determining their maximum service area and service capacities requesting studies, joint powers agreements, and plans of joint powers agencies and joint powers authorities; and

WHEREAS, the cities within Yolo County and the County of Yolo adopted the Yolo Local Government Transparency and Accountability Program at each's respective board meetings held in fall 2017 which requested that the Yolo Local Agency Formation Commission (LAFCo) add selected types of joint powers authorities/agencies ("JPA") to its municipal service review process; and

WHEREAS, the Yolo Local Government Transparency and Accountability Program implementation requests LAFCo conduct Municipal Service Reviews every five years of selected types of JPAs whose service area is mostly within the county and includes: (1) JPAs that provide municipal services; (2) JPAs that employ staff; and/or (3) JPAs with boards comprised of agency staff, and specifically identifies YCPARMIA; and

WHEREAS, in 2018/19, LAFCo conducted a JPA Service Review of YCPARMIA; and

WHEREAS, staff has reviewed the JPA Service Review pursuant to the California Environmental Quality Act (CEQA) and determined that a JPA Service Review is not a "project" per CEQA Guidelines Section 21065 because it is not an activity which may cause a direct or indirect physical change to the environment; and

WHEREAS, the Executive Officer set a public hearing for August 22, 2019, for consideration of the draft JPA Service Review and caused notice thereof to be posted, published and mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and

WHEREAS, on August 22, 2019, the draft JPA Service Review came on regularly for hearing before LAFCo, at the time and place specified in the Notice; and

WHEREAS, on August 22, 2019, LAFCo took action to continue the public hearing until December 18, 2019; and

WHEREAS, at the December 18, 2019 hearing, LAFCo reviewed the draft JPA Service Review, and the Executive Officer's Report and Recommendations; and all other matters presented as prescribed by law; and

WHEREAS, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and

WHEREAS, the Commission received, heard, discussed, and considered all oral and written testimony related to the sphere update, including but not limited to protests and objections, the Executive Officer's report and recommendations, and determinations and the service review.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Yolo Local Agency Formation Commission hereby adopts Resolution 2019-13 adopting the JPA Service Review for the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) dated December 18, 2019 and incorporated herein by this reference, subject to the following finding and recommendations:

FINDING

Finding: Approval of the JPA Service Review is consistent with all applicable state laws and local Yolo Local Government Transparency and Accountability Program.

Evidence: The JPA Service Review was prepared consistent with the requirements in the Cortese-Knox-Hertzberg Act for requesting information from and furnishing studies for government agencies. Staff followed the steps outlined in the Program including: Compiling publicly and readily available information; Requesting any additional information from the JPA, minimizing JPA staff time; Developing JPA recommendations regarding each of the determinations; Completing an administrative draft report for preview by JPA management; Responding to any comments and preparing a draft report available for public review; Publishing a hearing notice for public review and comment of the draft JPA Service Review; Adopting the JPA Service Review at a public hearing, finalizing the report, and posting it online; and Sharing findings with city/county managers, including any cumulative recommendations on ways to streamline and improve efficiencies with the governance structures countywide.

RECOMMENDATIONS

1. YCPARMIA should consider developing a schedule and setting aside funds for regular building maintenance.
2. YCPARMIA should consider modifying its budgeting practice to include budgeting for loss reserve adjustments, expenses that are passed through to member agencies, dividends paid to members, depreciation, and changes to retiree health insurance (OPEB), pension and accrued compensation liabilities. Budget modifications can be made during the year as amounts are known. Some of these amounts are known after the completion of audits and actuarial studies.
3. YCPARMIA should consider reviewing the reserve calculation process to ensure funded reserves balances provided to the board reconciles to the actual ending net position balance. Also YCPARMIA should consider creating separate general ledger accounts for

each reserve and maintain the balances to agree to the amounts calculated and reported to the board.

4. YCPARMIA should consider establishing an irrevocable trust to accumulate assets to fund the OPEB liability.
5. YCPARMIA should consider making voluntary lump sum payments to CalPERS, as funding permits, to reduce the pension liability.
6. YCPARMIA should improve its website and content. The agency received a 26% transparency score in the Yolo Local Government 2018 Website Transparency Scorecard report. The JPA's information deficiencies can be viewed here: <https://www.yololafco.org/yolo-local-government-website-transparency-scorecards>.

PASSED AND ADOPTED by the Yolo Local Agency Formation Commission, State of California, this 18th day of December 2019, by the following vote:

Ayes:
Noes:
Abstentions:
Absent:

Olin Woods, Chair
Yolo County Local Agency Formation Commission

Attest:



Christine Crawford, Executive Officer
Yolo County Local Agency Formation Commission

Approved as to form:



Eric May, Commission Counsel

2019

Item 6-ATT B

JPA SERVICE REVIEW FOR THE

Yolo County Public Agency Risk
Management Insurance Authority
(YCPARMIA)





Project Name: JPA Service Review for the Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA) JPA

LAFCo Project No. 053

Conducted By: Christine Crawford, Executive Officer
Yolo Local Agency Formation Commission
625 Court Street, Suite 107
Woodland, CA 95695

Date: August 22, 2019

Subject Agency: Yolo County Public Agency Risk Management Insurance Authority

Agency Address: 77 West Lincoln Avenue
Woodland, CA 95695

Agency Contact Person: Armond Sarkis, ARM, CPCU - CEO/Risk Manager

Date of Last JPA Service Review Adopted by LAFCo N/A

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JPA SERVICE REVIEW BACKGROUND

ROLE AND RESPONSIBILITY OF LAFCo

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (“CKH Act”) (California Government Code §§56000 et seq.), is LAFCo’s governing law and outlines the requirements for preparing Municipal Service Reviews (MSRs). MSRs and SOIs are tools created to empower LAFCo to satisfy its legislative charge of “discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances (§56301). CKH Act Section 56301 further establishes that “one of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities.”

While MSRs are not legally required of Joint Powers Agencies/Authorities, LAFCo has been requested by the cities and County (i.e. JPA member agencies) to provide MSR-like service reviews of selected types of JPAs in the county. LAFCo has the authority to furnish informational studies and analyzing independent data to make informed recommendations regarding the efficient, cost-effective, and reliable delivery of services to residents, landowners, and businesses via these JPAs. With this intention, LAFCo has modified its MSR checklist to conduct service reviews of JPAs.

PURPOSE OF A JPA SERVICE REVIEW

LAFCo has broad discretion in conducting informational studies, including geographic focus, scope of study, and the identification of alternatives for improving the efficiency, cost-effectiveness, accountability, and reliability of public services. The intent of the JPA Services Review is to provide a comprehensive inventory and analysis of the services provided by local JPAs, service areas, and evaluation of the finances, structure and operation of the local agency and discuss possible areas for improvement and coordination. From the state required MSR determinations, the following determinations remain relevant to the comprehensive inventory and analysis of local JPAs (there is a disadvantaged unincorporated communities determination for MSRs that is not applicable to JPAs):

1. Growth and population projections for the service area;
2. Present and planned capacity of any public facilities, adequacy of services, and infrastructure needs or deficiencies;
3. Financial ability of agencies to provide services;
4. Status of, and opportunities for, shared services and facilities;
5. Accountability for community service needs, including governmental structure and operational efficiencies; and
6. Any other matter related to effective or efficient service delivery, or as required by commission policy.

The JPA Service Review is organized according to these determinations listed above. Information regarding each of the above issue areas is provided in this document.

AGENCY PROFILE

The Yolo County Public Agency Risk Management Authority (YCPARMIA) is a joint powers authority formed in 1978 by participating members. It provides non-profit risk management, insurance, and safety services to its members within Yolo County. Its risk sharing pool is comprised of public entities in Yolo County that have entered into a joint powers agreement as either a voting member or an associate member. It is governed by a Board that is appointed by its six member agencies. There are an additional twenty-six associate member public agencies served¹. YCPARMIA's Board is independent, and not controlled by their member agencies. There is no insurance; with few specialized exceptions, members are covered by programs of self-insurance (funds YCPARMIA has set aside to pay claim costs). YCPARMIA, in turn, is a member of various excess pools made up of hundreds of other California public entities that provide coverage above YCPARMIA's pooled retentions/limits.

Prior to implementation of the YCPARMIA self-insurance program on March 1, 1979, each agency purchased its own insurance. To one degree or another, insurance related services such as loss prevention, claims and loss record keeping were supplied by the insurance companies. The pooling program substitutes a collective approach to loss funding and servicing for the previous programs.

YCPARMIA Mission:

“To protect the members' resources from the impact of loss through a program of insurance coverage, prevention, education, training, and service.

Objectives

- *Assess and address the needs of the members;*
- *Provide the most cost effective insurance coverage available*
- *Provide the most relevant training & education;*
- *Maintain the organizational strength of YCPARMIA, and*
- *Provide responsive and comprehensive risk management services.”*

JPA Members

The Agency is governed by a six-member Board of Directors; one representative from each member agency. Board members comprised of agency staff members that are appointed by their jurisdiction's governing body. The Board of Directors adopts an annual meeting calendar which generally meets on the fourth Thursdays of most months of the year (eight meetings are scheduled for 2019).

The current voting members (and the year joined) making up the Board of Directors are:

- County of Yolo (1979)
- City of Woodland (1979)
- City of Davis (1979)
- City of Winters (1979)
- Esparto School District (1979)
- City of West Sacramento (1985)

The current associate/non-voting members (and the year joined) are:

- YCPARMIA (1979)
- Yolo-Solano Air Quality Management District (1985)
- Yolo Emergency Communications Agency (1988)

¹ Yolo LAFCo is an associate member of YCPARMIA.

- Capay Fire Protection District (1986)
- Springlake Fire Protection District (1983)
- East Davis County Fire Protection District (1997)
- California Superior Courts, County of Yolo (1999)
- No Man's Land Fire Protection District (2000)
- Yolo County Law Library (2001)
- Yolo County In-Home Supportive Services Public Authority (2002)
- Yolo LAFCo (2003)
- Davis Cemetery District (2003)
- Madison Fire District (2003)
- Yolo Habitat Conservancy JPA (2003)
- Winters Cemetery District (2003)
- Dunnigan Fire Protection District (2004)
- Cottonwood Cemetery District (2005)
- Clarksburg Fire Protection District (2005)
- Sacramento-Yolo Port District (2006)
- Winters Fire Protection District (2006)
- Madison Community Service District (2008)
- Woodland-Davis Clean Water Agency (2009)
- Willow Oak Fire Protection District (2016)
- West Plainfield Fire Protection District (2016)
- Esparto Fire Protection District (2017)
- Valley Clean Energy Alliance JPA (2017)

Member “Premiums”

YCPARMIA's annual revenues come entirely from member premium/cash payments. An annual actuary study is used to determine premiums based largely on member's claim history in liability and workers' compensation. Loss prevention efforts that drive down claim frequency and severity will result in lower premium charges while catastrophic losses will result in increases. When YCPARMIA is able to “beat” the actuary's projections of future losses, surplus funds result. The YCPARMIA Board returns these surplus funds to members in the form of premium rebate credits. YCPARMIA is staffed to provide professional risk management and claim services for members; there are no separate charges for these services. YCPARMIA staff has no authority over the risk management efforts of its members; at best staff serve as an outside consultant, albeit with a vested interest representing agency's risk sharing partners.

The annual "premium" charged each agency is designed to reflect the risk exposure of each participating agency, and modified to reflect the actual losses paid by the pool on behalf of each participating agency. Equity is achieved to the greatest extent possible. The annual premium charged to each participating agency consists of its pro-rata share of: 1) Excess insurance premium, 2) Charge for the pooled risk (or losses), recognizing the deductible selected, 3) Claims adjusting and legal costs, and 4) Administrative and other costs to operate the Authority.

Workers compensation claims administration services are contracted with outside third party administrators for the adjustment of all losses. Loss record keeping services are provided by the third party administrators in the form of computerized loss runs supplied monthly to YCPARMIA. All other types of claims are handled and processed by YCPARMIA staff.

Under the pooling program, losses are funded in the following manner:

- 1) Each participating agency assumes a deductible to a level commensurate with its financial size. However, the minimum deductible is \$1,000.
- 2) A self-insurance fund is created and funded by all participating agencies at the “YCPARMIA Level”.

- 3) Excess insurance is purchased by YCPARMIA for all catastrophic losses under all coverage lines, or obtained through membership in the California Association of Joint Powers Authorities, California Joint Powers Risk Management Authority, and CSAC Excess Insurance Authority. At this level coverage can be provided by pooled funding, reinsurance, or the purchase of excess insurance.

YCPARMIA provides the following risk sharing programs:

- Liability General: Auto, Personal, Employment Liability, and Errors and Omissions
- Workers' Compensation: Including Employers' Liability
- Property/Boiler & Machinery Buildings, Contents, Property in the open, and Vehicle physical damage
- Fidelity: Employee dishonesty

YCPARMIA passes through other liability programs to other insurance providers:

- Aircraft Liability
- Airport Liability
- Cyber Liability
- Drone Liability
- Landfill Liability
- Marine Liability
- Medical Malpractice
- Pollution Liability
- School Bus Liability
- Special Event Liability
- Underground Storage Tank Liability

Typical YCPARMIA claims include:

- Auto Accidents
- Dangerous Conditions/Premises Liability (slip/trip, potholes, falling trees, etc.)
- Employment Practices (discrimination, harassment matters,
- Law Enforcement (excessive force, false arrest)
- Federal claims (civil rights, etc.)

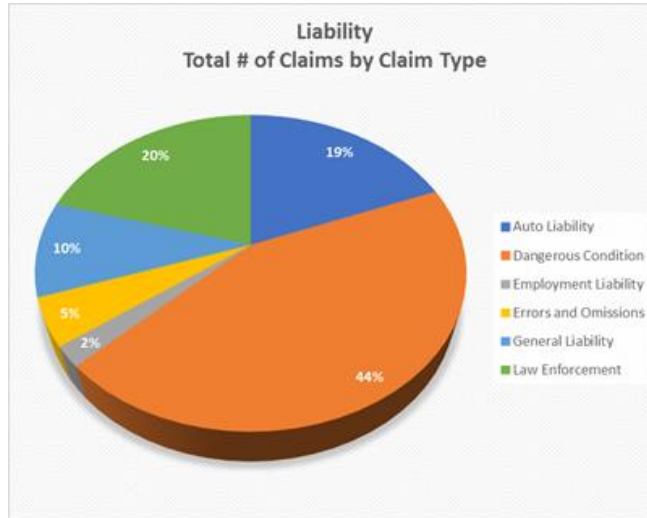
The great majority of YCPARMIA workers' compensation injuries involves workers injuring themselves; to that add the safety adage that "all injuries are preventable." If each worker had their own zero tolerance on safety issues, there would be very few work-place injuries. However, the number of YCPARMIA's injured workers has remained constant for the past decade – about 10% of the total YCPARMIA workforce suffers a work-place injury in any given year.

Agency members have opted to join the JPA and not hire their own risk managers. YCPARMIA provides members with information, but agencies need to prioritize their own training recognizing there is not sufficient staff or funding to do it all. Although member agencies may not do everything they should, lawsuits and claims can change behavior. YCPARMIA can also expel an agency if it has too many claims and it doesn't change its risk profile, but it has never happened to date.

Liability Claim Volume

The following data is for YCPARMIA's Liability Program and the total claim amount incurred for each claim type and by fiscal year:

FY End	Auto Liability	Dangerous Condition	Employment Liability	Errors and Omissions	General Liability	Law Enforcement	Grand Total
2014	\$ 168,593.19	\$ 743,363.28	\$ -	\$ -	\$ -	\$ 516,473.80	\$ 1,428,430.27
2015	\$ 54,589.96	\$ 1,231,266.08	\$ 61,025.78	\$ -	\$ 9,864.35	\$ 442,925.85	\$ 1,799,672.02
2016	\$ 89,300.17	\$ 145,477.86	\$ 340,682.47	\$ 106,961.37	\$ 46,908.74	\$ 129,303.13	\$ 858,633.74
2017	\$ 175,621.93	\$ 229,524.73	\$ -	\$ -	\$ 4,271.80	\$ 209,135.55	\$ 618,554.01
2018	\$ 524,158.42	\$ 68,195.24	\$ 20,000.00	\$ 10,000.00	\$ 17,599.27	\$ 59,165.00	\$ 699,117.93
Grand Total	\$1,012,263.67	\$ 2,417,827.19	\$ 421,708.25	\$ 116,961.37	\$ 78,644.16	\$ 1,357,003.33	\$5,404,407.97



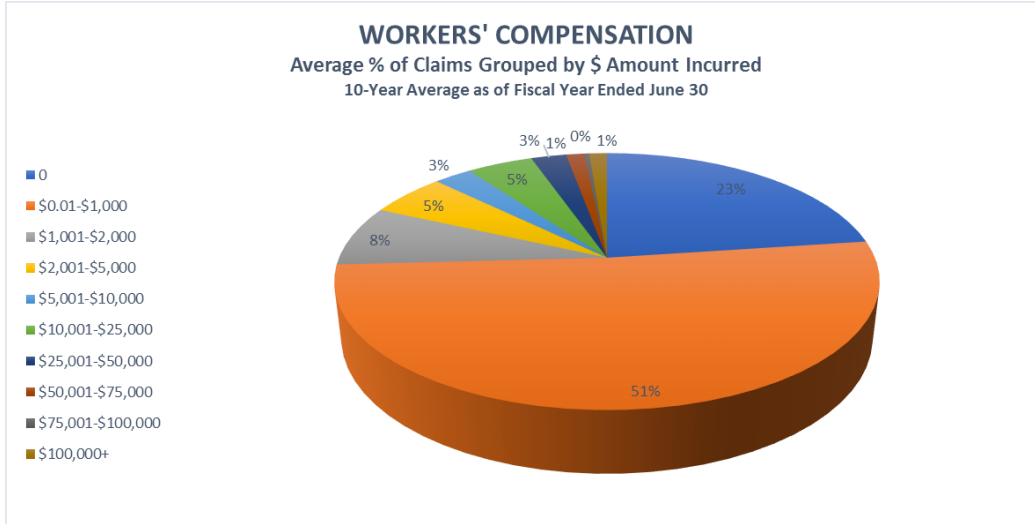
The following table shows the total number of claims filed each fiscal year by claim type:

FY End	Auto Liability	Dangerous Condition	Employment Liability	Errors and Omissions	General Liability	Law Enforcement	Grand Total
2014	19	32	1	8	4	26	90
2015	17	60	3	4	11	32	127
2016	23	51	6	8	7	18	113
2017	26	71	1	3	22	31	154
2018	24	38	1	5	12	11	91
Grand Total	109	252	12	28	56	118	575

Workers Compensation Claim Volume

The table below shows the number of workers' compensation claims for the last 10 fiscal years, categorized by the amount of the claims:

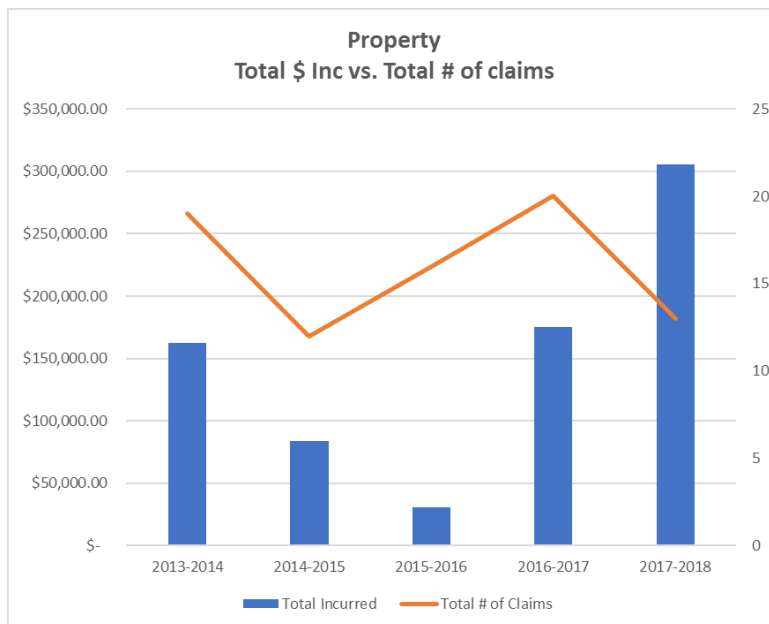
FY	\$0	\$0.01-\$1,000	\$1,001-\$2,000	\$2,001-\$5,000	\$5,001-\$10,000	\$10,001-\$25,000	\$25,001-\$50,000	\$50,001-\$75,000	\$75,001-\$100,000	\$100,000+	Grand Total
2008-2009	97	202	30	31	9	20	10	5	2	9	415
2009-2010	77	251	36	27	9	19	10	4	1	6	440
2010-2011	92	233	31	20	11	15	9	8	2	2	423
2011-2012	95	203	24	26	13	25	15	6	1	6	414
2012-2013	91	191	32	14	10	15	12	5	1	5	376
2013-2014	63	200	29	19	18	21	9	6	1	7	373
2014-2015	79	195	33	12	7	20	13	7	1	1	368
2015-2016	105	205	24	22	4	17	12	5	1	12	407
2016-2017	101	187	43	26	9	20	7	5	3	2	403
2017-2018	107	167	22	19	16	14	2	1	0	0	348
Average # of claims	90.7	203.4	30.4	21.6	10.6	18.6	9.9	5.2	1.3	5	396.7
% average	22.86%	51.27%	7.66%	5.44%	2.67%	4.69%	2.50%	1.31%	0.33%	1.26%	



Property Claim Volume

The tables below indicate the number of property claims paid each fiscal year with the total amount:

Fiscal Year	Total Incurred	Total # of Claims
2013-2014	\$ 162,727.84	19
2014-2015	\$ 84,185.00	12
2015-2016	\$ 30,692.30	16
2016-2017	\$ 175,306.68	20
2017-2018	\$ 305,560.78	13
Grand Total	\$ 758,472.60	80



JPA Staff

As of the fiscal year 2018/19 budget, the JPA has 7 authorized positions as shown below, which are all currently filled.

Authorized Positions	FTE Filled	FTE Authorized
CEO/Risk Manager	1	1
Administrative Assistant	1	1
Loss Prevention Analyst	1	1
Wellness Nurse	1	1
Financial Analyst	1	1
Claims Examiner I	1	1
Staff Investigator	1	1
Total	7	7

Training & Education Services Offered by YCPARMIA

YCPARMIA offers training and education services aimed at reducing agency claims. Topics include: facility inspections; ergonomics; CPR; safety policies; supervisor training; law enforcement training; employment issues; and offers a legal roundtable.

JPA SERVICE REVIEW

POTENTIALLY SIGNIFICANT DETERMINATIONS

The JPA Service Review determinations checked below are potentially significant, as indicated by “yes” or “maybe” answers to the key policy questions in the checklist and corresponding discussion on the following pages. If most or all of the determinations are not significant, as indicated by “no” answers, the Commission may find that a JPA Service Review update is not warranted.

- | | |
|---|--|
| <input type="checkbox"/> Growth and Population | <input type="checkbox"/> Shared Services |
| <input checked="" type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input checked="" type="checkbox"/> Accountability |
| <input checked="" type="checkbox"/> Financial Ability | <input type="checkbox"/> Other |

LAFCO JPA SERVICE REVIEW:

- On the basis of this initial evaluation, the required determinations are not significant and staff recommends that a comprehensive JPA Service Review is NOT NECESSARY. The subject agency will be reviewed again in five years per the Commission adopted review schedule.
- The subject agency has potentially significant determinations and staff recommends that a comprehensive JPA Service Review IS NECESSARY and has been conducted via this checklist.

1. GROWTH AND POPULATION	YES	MAYBE	NO
Growth and population projections for the service area.			
a) Is the agency’s territory or surrounding area expected to experience any significant population change or development over the next 5-10 years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Will development have an impact on the subject agency’s service needs and demands?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Will projected growth require a change in the agency’s service area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- a) *Is the agency’s territory or surrounding area expected to experience any significant population change or development over the next 5-10 years?*

Maybe. According to the Department of Finance, the estimated total countywide population YCPARMIA serves on January 1, 2019 was 222,581 with a growth rate of 0.6% over last year's estimate². Projected population estimates for the entire County is 243,234 by 2025³ (an increase of 20,656 or 9.28%) and 259,339 by 2030 (an increase of 36,758 or 16.51%). YCPARMIA's claim volume can be correlated to population growth and/or a commensurate increase in agency staff (i.e. more staff, more claims).

b) *Will development have an impact on the subject agency's service needs and demands?*

Maybe. If the volume of member agency claims increases over time, YCPARMIA may need to increase its staff capacity to manage those claims, which would increase member administration and overhead costs. Agency annual "premiums" are designed and adjusted to reflect the risk exposure of each participating agency, and modified to reflect the actual losses paid by the pool on behalf of each participating agency.

c) *Will projected growth require a change in the agency's service area?*

No. YCPARMIA serves public agencies within Yolo County. Projected population growth would occur within member agency boundaries.

Growth and Population Determination

Projected population estimates for the entire County is 243,234 by 2025 (an increase of 20,656 or 9.28%) and 259,339 by 2030 (an increase of 36,758 or 16.51%). YCPARMIA's claim volume can be correlated to population growth and/or a commensurate increase in agency staff (i.e. more staff, more claims). If the volume of member agency claims increases over time, YCPARMIA may need to increase its staff capacity to manage those claims, which would increase member administration and overhead costs. Agency annual "premiums" are designed and adjusted to reflect the risk exposure of each participating agency, and modified to reflect the actual losses paid by the pool on behalf of each participating agency. YCPARMIA serves public agencies within Yolo County and population growth would not affect its service area.

2. CAPACITY AND ADEQUACY OF PUBLIC FACILITIES AND SERVICES

Present and planned capacity of public facilities, adequacy of services, and infrastructure needs or deficiencies.

	YES	MAYBE	NO
a) Are there any deficiencies in agency capacity to meet service needs of existing development within its existing territory (also note number of staff and/or contracts that provide services)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Are there any issues regarding the agency's capacity to meet the service demand of reasonably foreseeable future growth?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

² CA Department of Finance Report E-1: Population Estimates for Cities, Counties, and the State - January 1, 2018 and 2019

³ CA Department of Finance Report P-1: State Population Projections (2010-2060): Total Population by County

- c) Are there any significant infrastructure needs or deficiencies to be addressed for which the agency has not yet appropriately planned (including deficiencies created by new state regulations)?
- d) If the agency provides water, wastewater, flood protection, or fire protection services, is the agency not yet considering climate adaptation in its assessment of infrastructure/service needs?

Discussion:

- a) *Are there any deficiencies in agency capacity to meet service needs of existing development within its existing territory (also note number of staff and/or contracts that provide services)?*

No. As of the fiscal year 2018/19 budget, the JPA has 7 authorized positions as shown below, which are all currently filled.

Authorized Positions	FTE Filled	FTE Authorized
CEO/Risk Manager	1	1
Administrative Assistant	1	1
Loss Prevention Analyst	1	1
Wellness Nurse	1	1
Financial Analyst	1	1
Claims Examiner I	1	1
Staff Investigator	1	1
Total	7	7

Historically YCPARMIA has been able to immediately respond to member needs and requests, and there are no issues anticipated that would reduce responsiveness going forward. There is a balance between YCPARMIA staffing and member agency staffing; if the JPA Board wanted to take on more duties that are currently handled by member agencies, more staffing would be needed, but it would be targeted to agency requests.

- b) *Are there any issues regarding the agency's capacity to meet the service demand of reasonably foreseeable future growth?*

No. YCPARMIA's staff of seven interacts with the approximately 4,000 employees and volunteers of member agencies. Growth of member agency staff or requests for expanded services could require additional YCPARMIA staffing. The most likely area for expanded service would be with the smaller member agencies that do not have risk management experience in house or staff to manage it. YCPARMIA can budget and program to expand its capacity if desired.

- c) *Are there any significant infrastructure needs or deficiencies to be addressed for which the agency has not yet appropriately planned (including deficiencies created by new state regulations)?*

Maybe. YCPARMIA owns its facility but the building is in need of some upgrades. YCPARMIA should consider developing a schedule and setting aside funds for regular maintenance.

- d) *If the agency provides water, wastewater, flood protection, or fire protection services, is the agency not yet considering climate adaptation in its assessment of infrastructure/service needs?*

No. YCPARMIA is aware and responding to climate adaptation issues by necessity. YCPARMIA's CEO indicated industry property premiums have been going up due to changes in weather patterns by 30-50%. Even if there are no claims for YCPARMIA agencies, there is an indirect impact statewide. Umbrella insurance costs are going up.

Capacity and Adequacy of Public Facilities and Services Determination

There are no deficiencies in YCPARMIA's capacity to meet member service needs and the agency is able to respond to any member needs to increase capacity as determined by its Board. YCPARMIA owns its facility but the building is in need of some upgrades. YCPARMIA should consider developing a schedule and setting aside funds for regular maintenance.

Climate adaptation is an important issue for YCPARMIA and it is aware and responding to climate adaptation issues by necessity. YCPARMIA's CEO indicated industry property premiums have been going up due to changes in weather patterns by 30-50%. Even if there are no claims for YCPARMIA agencies, there is an indirect impact statewide.

Recommendation(s)

- 1) YCPARMIA should consider developing a schedule and setting aside funds for regular building maintenance.

3. FINANCIAL ABILITY

Financial ability of agencies to provide services.

	YES	MAYBE	NO
a) Is the organization in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Does the organization engage in budgeting practices that may indicate poor financial management, such as overspending its revenues, using up its fund balance or reserve over time, or adopting its budget late?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Is there an issue with the organization's revenue sources being reliable? For example, is a large percentage of revenue coming from grants or one-time/short-term sources?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Is the organization's rate/fee schedule insufficient to fund an adequate level of service, and/or is the fee inconsistent with the schedules of similar service organizations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Is the organization unable to fund necessary infrastructure maintenance, replacement and/or any needed expansion?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Is the organization needing additional reserve to protect against unexpected events or upcoming significant costs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

g) Does the agency have any debt, and if so, is the organization's debt at an unmanageable level?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) If the agency has pension and/or other post-employment benefit (OPEB) liability, what is it the liability and are there any concerns that it is unmanageable?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Is the organization in need of written financial policies that ensure its continued financial accountability and stability?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a) *Is the organization in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues?*

No. The financial data presented below shows that over the 5-year period total revenue has exceeded expenditures by \$1.4M. One of the primary goals of the agency is to control expenditures where possible. To this end YCPARMIA has maintained general administration expenses at the same level over the past 5 years. However, program expenditures (claims payments, excess insurance premiums, etc.), which are harder to control, were 16% higher in 2018 than in 2014 due to an unusual increase in claim payments. Overall, from 2014 to 2018 net position increased by \$493K, taking into account reductions due to the implementation of two new Government Accounting Standards Board Statements for changes in financial reporting of pension and other postemployment benefits (OPEB) liabilities.

**YOLO COUNTY PUBLIC AGENCY RISK MANAGEMENT INSURANCE AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**

	2014	2015	2016	2017	2018
Revenue					
Member contributions	\$ 7,512,769	\$ 8,278,813	\$ 8,620,049	\$ 9,695,621	\$ 9,969,437
Rebate credits	-	(23,000)	(335,000)	(672,200)	(657,000)
Premium rebate and other	325,557	138,821	196,382	182,683	8,954
Investment earnings	176,235	143,728	303,648	(26,758)	30,180
Total revenue	8,014,561	8,538,362	8,785,079	9,179,346	9,351,571
Expenses					
General administration	1,046,073	1,115,909	1,183,626	1,061,260	1,038,197
Programs:					
Liability program					
Claims administration	1,242	30	1,192	73,424	102,505
Claims paid	1,992,335	1,799,248	1,268,871	852,997	2,374,827
Excess coverage	1,111,821	1,118,678	1,209,678	1,444,881	1,662,543
Total liability	3,105,398	2,917,956	2,479,741	2,371,302	4,139,875
Workers' compensation program					
Claims administration	291,149	293,803	299,846	301,505	307,079
Claims paid	2,809,874	1,117,823	1,904,065	2,744,760	2,673,821
Excess coverage	715,074	866,862	954,814	1,172,652	1,117,249
Other	299,160	258,777	250,428	256,472	405,288
Total workers' compensation	4,115,257	2,537,265	3,409,153	4,475,389	4,503,437
Property program					
Claims paid	51,497	181,000	45,785	71,425	72,848
Excess coverage	314,841	419,988	417,719	470,000	718,127
Total property	366,338	600,988	463,504	541,425	790,975
Other					
Excess coverage	1,612	12,650	12,955	12,235	12,912
Pass thru coverage	75,300	16,448	31,053	84,557	(66,774)
Total other coverage	76,912	29,098	44,008	96,792	(53,862)
Total expenses	8,709,978	7,201,216	7,580,032	8,546,168	10,418,622
Change in net position	(695,417)	1,337,146	1,205,047	633,178	(1,067,051)
Net position, July 1	2,073,101	1,377,684	1,964,946	3,169,993	3,803,171
New GASB's restatements	-	(749,884)	-	-	(169,963)
Net position, July 1 restated	2,073,101	627,800	1,964,946	3,169,993	3,633,208
Net position, June 30	\$ 1,377,684	\$ 1,964,946	\$ 3,169,993	\$ 3,803,171	\$ 2,566,157

- b) *Does the organization engage in budgeting practices that may indicate poor financial management, such as overspending its revenues, using up its fund balance or reserve over time, or adopting its budget late?*

No. YCPARMIA operates on a fiscal year basis, July 1 to June 30. The bylaws require an annual budget adopted by July 1 each year. Staff practice has been to present the Board a preliminary budget in March for the following fiscal year. The Board has adopted the budgets at the same meeting.

The YCPARMIA budget consists of four basic parts:

- 1) Revenue – Consists of member payments (96.7%), investment earnings (1.4%) and rebates (1.9%),
- 2) Administrative and services expenses – This category includes general operating expenses, staff development and loss prevention services.
- 3) Claims expenses – This includes actual estimated claims payments, claims administration contracted services and actuarial determined loss reserve adjustments.
- 4) Excess premiums – Premiums paid to other governmental insurance pools and commercial insurance carriers for coverage above YCPARMIA’s self-insured retention levels.

Based on the agency’s unaudited budget to actual data the total adopted appropriations were exceeded in fiscal year 2013-14 by over \$920K, by \$703K in fiscal year 2016-17 and by \$2.53M in fiscal year 2017-18. Most of the budget overages were due to “unbudgeted” expenses such as, loss reserve adjustments, expenses that are passed through to member agencies, dividends paid to members, depreciation, and changes to retiree health insurance (OPEB), pension and accrued compensation liabilities. However, beginning in fiscal year 2015-16 the agency has exceeded the budget for excess premiums each year.

- c) *Is there an issue with the organization’s revenue sources being reliable? For example, is a large percentage of revenue coming from grants or one-time/short-term sources?*

No. 97% of revenue is from member agencies. 92% of member agency contributions is from four agencies; Yolo County, City of West Sacramento, City of Davis and City of Woodland. New participating agencies, per the JPA agreement, are obligated to an initial 3-year period. Thereafter any participating agency may withdraw only at the end of a fiscal year, provided it has given YCPARMIA a six-month written notice of its intent to withdraw. According to YCPARMIA staff if a large member agency were to withdraw the impacts would be minimal, the loss of revenue would equal the reduction in expenditures

- d) *Is the organization’s rate/fee schedule insufficient to fund an adequate level of service, and/or is the fee inconsistent with the schedules of similar service organizations?*

No. Each year YCPARMIA calculates the cash contribution required by the participating agencies to cover outstanding liabilities, actuarially predicted losses, loss adjustment expenses, defense costs, excess insurance premiums, and administrative expenses. Also, if it is determined that the initial cash contributions are not sufficient to meet the obligations of a program year, the board by 2/3 (two-thirds) vote of the entire board, can levy a surcharge cash payment.

- e) *Is the organization unable to fund necessary infrastructure maintenance, replacement and/or any needed expansion?*

No. YCPARMIA does not have nor requires significant capital assets to serve its members. It only owns a small office building that has sufficient room for existing staff. The building is in need of some maintenance that can be funded within the normal budget process.

- f) *Is the organization needing additional reserve to protect against unexpected events or upcoming significant costs?*

No. An annual actuary study is prepared for the liability and workers compensation program to determine the funds needed for existing and unreported claims at various confidence levels. The Authority records an expense and liability, in accordance to generally accepted accounting principles (GAAP), which amounts to a 50% confidence level. By Board policy YCPARMIA has also established restricted funds, within net position, to an 80% confidence level for the liability and workers

compensation programs and up to other mounts, based on board policy, for the property and fidelity programs. On top of that YCPARMIA retains additional funds for a Catastrophic Fund up to amounts adopted by the board. Reserve targets and funded amounts reported to the board as of June 30,2018 is as follows:

	Reserves Recorded in Net Position							Total Funded Per Agency
	80% Confidence Level Reserve			Catastrophic Reserve				
	Target	% Funded	Funded Amount	Target	% Funded	Funded Amount		
Liability	536,754	a 100.00%	\$536,754	\$1,350,000	b 43.68%	\$589,660	\$1,126,414	
Workers Comp	911,219	a 100.00%	911,219	1,500,000	b 100.00%	1,500,000	2,411,219	
Fidelity	25,000	b 100.00%	25,000	25,000	b 100.00%	25,000	50,000	
Property	95,000	b 0.37%	350	65,000	b 0.00%	-	350	
Total reserved by agency staff							3,587,983	
Audited net position balance, 6/30/18							2,566,157	
Shortage							(1,021,826)	
a) Per actuary								
b) Board policy								

The reserve amounts reported to the board of \$3.6M is more than \$1M than actual net position.

- f) *Does the agency have any debt, and if so, is the organization’s debt at an unmanageable level?*

No. YCPARMIA does not have any debt.

- g) *If the agency has pension and/or other post-employment benefit (OPEB) liability, what is it the liability and are there any concerns that it is unmanageable?*

Maybe. OPEB – YCPARMIA provides a lifetime defined benefit for eligible retirees and spouses through the CalPERS membership plan, which covers both active and qualified retired members, along with a dental plan. As of June 30, 2018 the agency has not yet established an irrevocable trust fund to accumulate assets and pay benefits. The liability as of June 30, 2018 is \$844,036.

Pension - Beginning in fiscal year 2015 YCPARMIA was required to implement Government Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions. This statement requires agencies to report the amount of pension liability on the face of the financial statements. The pension liability as of June 30, 2018 is \$1.1M and has almost doubled since 2015.

- j) *Is the organization in need of written financial policies that ensure its continued financial accountability and stability?*

No. YCPARMIA’s has sufficient financial policies. Their investment policy has been awarded a Certification of Excellence by the Association of Public Treasurers of the US and Canada (APT US & Canada).

Financial Ability MSR Determination

YCPARMIA is a financially well-run organization. Adopted budgets with revenue exceeding expenditures are routinely adopted. In addition to the annual financial audit the agency is subjected to 4 other audits and an annual actuary study. The agency has been accredited with excellence by two of the auditing organizations. In addition, YCPARMIA has received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for each year covered by this MSR.

YCPARMIA also has good financial polices including funding reserves. As of June 30, 2018 net position was \$2.6M, which is approximately 23% of total expenses. The agency has also served its members well by maintaining a relatively flat level of general administrative expenses over the past 5 years.

Recommendation(s)

- 1) YCPARMIA should consider modifying their budgeting practice to include budgeting for loss reserve adjustments, expenses that are passed through to member agencies, dividends paid to members, depreciation, and changes to retiree health insurance (OPEB), pension and accrued compensation liabilities. Budget modifications can be made during the year as amounts are known. Some of these amounts are known after the completion of audits and actuarial studies.
- 2) YCPARMIA should consider reviewing the reserve calculation process to ensure funded reserves balances provided to the board reconciles to the actual ending net position balance. Also YCPARMIA should consider creating separate general ledger accounts for each reserve and maintain the balances to agree to the amounts calculated and reported to the board.
- 3) YCPARMIA should consider establishing an irrevocable trust to accumulate assets to fund the OPEB liability.
- 4) YCPARMIA should consider making voluntary lump sum payments to CalPERS, as funding permits, to reduce the pension liability.

4. SHARED SERVICES AND FACILITIES

Status of, and opportunities for, shared services and facilities.

	YES	MAYBE	NO
a) Are there any opportunities for the organization to share services or facilities with other organizations that are not currently being utilized?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Are there any recommendations to improve staffing efficiencies or other operational efficiencies to reduce costs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

a) *Are there any opportunities for the organization to share services or facilities with other organizations that are not currently being utilized?*

No. The JPA in itself is a risk sharing pool to reduce agency costs.

b) *Are there any recommendations to improve staffing efficiencies or other operational efficiencies to reduce costs?*

No.

Shared Services Determination

The JPA in itself is a risk sharing pool to reduce agency costs.

5. ACCOUNTABILITY, STRUCTURE AND EFFICIENCIES

Accountability for community service needs, including governmental structure and operational efficiencies.

	YES	MAYBE	NO
a) Are there any issues with meetings being accessible and well publicized? Any failures to comply with disclosure laws and the Brown Act?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Are there any issues with filling Board vacancies and maintaining Board members? Is there a lack of Board member training regarding the organization's program requirements and financial management?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Are there any issues with staff turnover or operational efficiencies? Is there a lack of staff member training regarding the organization's program requirements and financial management?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Are there any issues with independent audits being performed on a regular schedule? Are completed audits being provided to the State Controller's Office within 12 months of the end of the fiscal year(s) under examination? Are there any corrective action plans to follow up on?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Does the organization need to improve its public transparency via a website? [A website should contain at a minimum the following information: organization mission/description/boundary, Board members, staff, meeting schedule/agendas/minutes, budget, revenue sources including fees for services (if applicable), and audit reports]?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Are there any recommended changes to the organization's governance structure that will increase accountability and efficiency?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- a) *Are there any issues with meetings being accessible and well publicized? Any failures to comply with disclosure laws and the Brown Act?*

No. There are typically eight (8) scheduled Board meetings every year held on the fourth Thursday of the scheduled months at the YCPARMIA office. No meetings are scheduled in February or September as the Board is invited to attend conferences for Board member development instead. There is one meeting in mid-December in-lieu of separate meetings in both November and December. YCPARMIA Board meetings are publicly accessible and held in compliance with the Brown Act, held at its offices

located at 77 West Lincoln Avenue in Woodland. Meeting agendas are posted on its website and emailed to all members.

- b) *Are there any issues with filling Board vacancies and maintaining Board members? Is there a lack of Board member training regarding the organization's program requirements and financial management?*

No. The five (5) founding members along with the City of West Sacramento (joining in 1985) make up the voting members of the YCPARMIA Board. Each Member agency's policy making body shall appoint either its Chief Administrative Officer, or department head or staff person responsible for its risk management functions. One alternate is also appointed by the member agency. Board elects a President and Vice President annually. Traditionally, they serve two (2) consecutive one-year terms. The Treasurer is appointed by the Board and need not be a Board member. Currently, this role is held by the Yolo County Chief Financial Officer.

Board members are not risk management experts, because member agencies rely on YCPARMIA instead of hiring such expertise. Therefore, Board members tend to focus on procedural issues. They are predominately human resources staff professions, so the focus is on these types of issues and potentially not the organization as a whole. Board Members, Alternates, and YCPARMIA staff attend PARMA and CAJPA Conferences each year.

- c) *Are there any issues with staff turnover or operational efficiencies? Is there a lack of staff member training regarding the organization's program requirements and financial management?*

No. YCPARMIA has experienced typical staff turnover. The longtime CEO retired in 2018 and the next CEO did not stay in the position long. However, the retired CEO returned in an interim capacity until a recruitment process could be completed. The new CEO started in April 2019. YCPARMIA recently hired a new Administrative Assistant in anticipation of a long tenured employee's retirement in June 2019. LAFCo is not aware of any staff turnover or operational efficiency issues. Board Members, Alternates, and YCPARMIA staff attend PARMA and CAJPA Conferences each year.

- d) *Are there any issues with independent audits being performed on a regular schedule? Are completed audits being provided to the State Controller's Office within 12 months of the end of the fiscal year(s) under examination? Are there any corrective action plans to follow up on?*

No. YCPARMIA produces an annual Comprehensive Annual Financial Report - awarded certificate of excellence by Government Finance Officers Association. During the past 5 years all the annual financial audits have been completed prior to the Government Finance Officers Association recommended best practice deadline of December 31. Previous audits have not resulted in any reservations or concerns. The Yolo County Chief Financial Officer serves as the YCPARMIA Board Treasurer.

- e) *Does the organization need to improve its public transparency via a website? [A website should contain at a minimum the following information: organization mission/description/boundary, Board members, staff, meeting schedule/agendas/minutes, budget, revenue sources including fees for services (if applicable), and audit reports]?*

Yes. YCPARMIA received a 26% transparency score in the Yolo Local Government 2018 Website Transparency Scorecard report. The JPA's information deficiencies can be viewed here: <https://www.yololafco.org/yolo-local-government-website-transparency-scorecards> .

- f) *Are there any recommended changes to the organization's governance structure that will increase accountability and efficiency?*

No. There are no recommended changes to YCPARMIA's structure.

Accountability, Structure and Efficiencies Determination

There are no issues with YCPARMIA meetings being accessible and well publicized. JPA members keep the Board member seats filled with staff, which tend to be human resource professionals. There is a lack of risk management expertise on the Board, however, agencies rely on YCPARMIA to provide this as a

shared service. The JPA's staff has remained relatively stable. Audits are performed on a regular schedule, on time and without issues or findings. YCPARMIA does need to improve its website and the content provided, per the 2018 website transparency scorecard.

Recommendation(s)

- 1) YCPARMIA should improve its website and content. The agency received a 26% transparency score in the Yolo Local Government 2018 Website Transparency Scorecard report. The JPA's information deficiencies can be viewed here: <https://www.yololafco.org/yolo-local-government-website-transparency-scorecards> .

6. OTHER ISSUES

Any other matter related to effective or efficient service delivery, or as required by commission policy.

	YES	MAYBE	NO
a) Are there any other service delivery issues that can be resolved by the JPA Service Review process?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- a) *Are there any other service delivery issues that can be resolved by the JPA Service Review process?*

No. There are no other matters related to effective or efficient service delivery not already discussed in this report.

Other Issues Determination

There are no other matters related to effective or efficient service delivery not already discussed in this report.

ATTACHMENTS

None.

LAFCO

Meeting Date: 12/18/2019

Information

SUBJECT

Provide direction to staff on whether LAFCo should convene a Shared Services Workshop in February 2020 with the elected officials and executive staff from the four cities and Yolo County

RECOMMENDED ACTION

Staff recommends instead of holding a Shared Service Workshop, the Commission direct staff to have a more focused discussion with the city/county managers to obtain agency input on LAFCo's efforts and any refinements to the JPA service reviews and the Web Transparency Scorecard. Staff can then integrate the input received into LAFCo's Work Plan for 2020 which will be discussed and adopted by the Commission. This same approach was done in 2019.

FISCAL IMPACT

None.

REASONS FOR RECOMMENDED ACTION

At the April 28, 2016 LAFCo meeting regarding an agenda item to consider and adopt the Yolo LAFCo Shared Services Strategic Plan (Attachment B), the Commission directed staff to revise Goal 7 of the Plan to reflect that the shared services workshops will occur on an "as needed" basis as determined by the Commission at its December meetings.

BACKGROUND

The intent of the Shared Services Workshop is to obtain input from all the cities and Yolo County on LAFCo's shared services priorities, since all the cities do not sit on LAFCo at any one time and to also include input from the agency managers. The February 2017 Workshop brought pivotal changes to our Shared Services Program with implementation of the Yolo Local Government Accountability and

Transparency Program (Attachment A) reviewed at our September LAFCo meeting and adopted unanimously by all the cities and Yolo County in October and November 2017.

In order to achieve the shared goals of oversight, accountability, transparency, and shared services, the outcomes of the Shared Services Workshop included two new special projects for LAFCo:

- Conducting Municipal Service Reviews (MSRs) of selected types of JPAs (which occur once every five years on a schedule adopted by the Commission); and
- Completing a Web Transparency Scorecard for the County, cities, JPAs and special districts (modeled after one completed by the Marin County Grand Jury in 2015/16).

This evolution and refinement of our shared services program came to fruition in 2019. Consequently, last year instead of holding a Shared Service Workshop, the Commission directed staff to have a more focused discussion with the city/county managers to obtain agency input on LAFCo's efforts and any adjustments to the JPA service reviews and the Web Transparency Scorecard. Staff then integrated the input received into LAFCo's Work Plan for 2019 which was discussed and adopted by the Commission.

Staff recommends this approach again for 2020.

Attachments

[ATT A-Adopted Yolo Local Govt Accountability and Transparency Statement](#)

[ATT B-Shared Services Strategic Plan-05.25.17](#)

Form Review

Inbox

Christine Crawford (Originator)

Form Started By: Christine Crawford

Final Approval Date: 12/12/2019

Reviewed By

Christine Crawford

Date

12/12/2019 11:35 AM

Started On: 12/12/2019 09:32 AM



Yolo Local Government Transparency and Accountability Program

VISION

Our vision is to promote open government and transparency for government agencies countywide (cities, County, special districts, and joint powers authorities), thereby fostering public trust and accountability. We will achieve this by:

- Requesting that LAFCo add selected types of joint powers authorities/agencies to its municipal service review process already conducted with the cities and special districts.
- Supporting LAFCo to develop a scorecard measuring local agency website transparency, performed on a regular basis.
- Agreement to a common checklist of information used to measure the level of transparency in local agency websites.
- Ensuring that city/county websites are a model for other local government agencies to follow.
- Encouraging local special districts and JPAs to create a web presence if they do not already have one.

GOALS

The agencies seek to improve:

- Transparency and accountability.
- Oversight.
- Service delivery and efficiency.
- Coordination among agencies.
- Public understanding of local government.
- Good governance by creating a standard of basic elements for a well-run governmental organization (annual budget, CIP, audits, etc.).

VALUES

TRUST AND INTEGRITY which the agencies will demonstrate by following through on their commitments, duties, and responsibilities.

Adopted by the cities and County on the following dates:

City of Davis – October 17, 2017

City of West Sacramento – November 1, 2017

Yolo County – November 7, 2017

City of Winters – November 7, 2017

City of Woodland – November 21, 2017

OPEN, HONEST, AND CLEAR COMMUNICATION within each organization, between agencies and with the public.

FISCAL ACCOUNTABILITY as demonstrated by making budgets, financial practices, compensation, and audits available to the public.

PROMOTING AWARENESS of local government by promoting a website presence that describes the agency's reason for existing, a description of services it provides, and the area it provides services to.

ENCOURAGING UNDERSTANDING of where tax dollars go and how to easily contact board members and agency management.

CIVIC RESPONSIBILITY through access to board meeting schedules, agendas and minutes so the public can more easily attend board meetings and become involved.

TRANSPARENCY to respond to the growing movement to make governmental information available and searchable online.

REPRESENTATION to inform the public regarding board members (names, contact information and terms of office) and their election/appointment process.

JPA/SHARED PROGRAMS FINANCIAL BEST PRACTICES

City/County managers will determine assignments to each JPA/Shared Programs for liaison/oversight purposes. Shared programs include programs that are funded via city/county cost sharing, e.g. Yolo County Animal Services, Office of Emergency Services, West Valley Fire Training Consortium, etc.

Budget integration between JPAs/Shared programs and "member" agencies that fund them will be improved by implementation of the following process performed annually:

- City/County managers will prepare a consolidated summary-level budget preparation memo for the JPAs and other shared programs that require city/County funding. The memo should convey the budget stance for the upcoming fiscal year, plus a longer range outlook. The intent is to create JPA alignment with the cities/County budget stance and mirror agency cycles of budget reductions or growth.
- City/County managers may schedule budget workshops with the JPAs and shared programs each year around the March timeframe or as appropriate.
- JPAs and other shared programs are requested to provide draft budgets for funding agencies' executive manager review by May and final adopted budgets no later than June 15th of each year for integration into each funding agency's budget.

Formation of any new JPAs or shared programs should only be considered when the following criteria are met.¹ The proposed JPA/shared program:

- Will demonstrate cost reduction.
- Is more efficient.

¹ Governments Working Together, A Citizen's Guide to Joint Powers Agreements, California State Legislature, Senate Local Government Committee, August 2007

- Will reduce or eliminate overlapping services.
- Will result in the sharing of resources.

JPA agreements should include common policies supporting JPA funds to be held in the County Treasury (as appropriate), open government, and transparency.

PROGRAM IMPLEMENTATION – MUNICIPAL SERVICE REVIEWS OF SELECTED TYPES OF JPAs

The Cities/County request that LAFCo conduct Municipal Service Reviews every five years of selected types of JPAs whose service area is mostly within the county and includes: (1) JPAs that provide municipal services; (2) JPAs that employ staff; and/or (3) JPAs with boards comprised of agency staff. New JPAs may be created in the future and added to this list, but currently those JPAs include:

1. Valley Clean Energy Alliance
2. West Sacramento Area Flood Control Agency
3. Woodland-Davis Clean Water Agency
4. Yolo County Public Agency Risk Management Insurance Authority
5. Yolo Emergency Communications Agency
6. Yolo Habitat Conservancy
7. Yolo Subbasin Groundwater Agency

LAFCo steps to complete Municipal Service Reviews on a five-year cycle of these JPAs include:

- Compiling publicly and readily available information.
- Requesting any additional information from the JPA, minimizing JPA staff time.
- Developing JPA recommendations regarding each of the seven standard MSR determinations.
- Completing an administrative draft report for preview by JPA management.
- Responding to any comments and preparing a draft report available for public review.
- Publishing a hearing notice for public review and comment of the draft MSR.
- Adopting the MSR at a public hearing, finalizing the report, and posting it online.
- Sharing MSR findings with city/county managers, including any cumulative recommendations on ways to streamline and improve efficiencies with the governance structures countywide.

PROGRAM IMPLEMENTATION - WEBSITE TRANSPARENCY SCORECARD

A website transparency scorecard will be prepared by LAFCo on a regular basis involving the following steps:

- Creating list of cities, County, JPAs and special districts
- Encouraging local JPAs and special districts to establish websites and assist them, if desired
- LAFCo conducts preliminary review of agency websites
- LAFCo shares preliminary results with each agency to provide an opportunity for improvement
- LAFCo conducts follow up review
- The agency scorecard is finalized, adopted by the LAFCo Commission, shared with local agencies, and posted online

AGENCY WEB TRANSPARENCY CHECKLIST²

The scorecard will be based on the following criteria:

1. Overview
 - a. Mission Statement: What is the agency's reason for existing?
 - b. Description of services/functions: What actions does the agency undertake and what services does the agency provide?
 - c. Boundary of service area: What specific area does the agency serve?
2. Budget
 - a. Budget for current fiscal year and three years prior to the current year.
 - b. Financial reserves policy: What is the agency's policy for designated reserves and reserve funds? (The policy should be in the agency policy manual but also may be restated and found in the budget or audit reports).
3. Meetings
 - a. Board meeting schedule: When and where specifically does the agency meet?
 - b. Archive of Board meeting agendas & minutes for at least the last 6 months: Both approved minutes and past agendas
4. Elected & Appointed Officials
 - a. Board members (names, contact info, terms of office, compensation, and biography): Who specifically represents the public on the Board? How can the public contact them? When were they elected (or appointed)? How much do they earn in this role (as required by Assembly Bill 2040 effective January 1, 2015)? What background about the members illustrates their expertise for serving on the Board?
 - b. Election procedure and deadlines: If the public wishes to apply to be on the Board, how and when can they do so?

² 2015-16 Web Transparency Report Card, Marin County Civil Grand Jury, March 17, 2016

- c. Reimbursement and compensation policy: Which (if any) expenses incurred by the Board are reimbursed? Do the Board members receive compensation?
- 5. Administrative Officials
 - a. General manager and key staff (names, contact info, compensation, and benefits): Who specifically runs the agency on a day-to-day basis? How can the public contact them? How much do they earn in this role (as required by Assembly Bill 2040 effective January 1, 2015)? What specific benefits are they eligible for (healthcare, retirement plan, educational benefits, etc.)?
- 6. Audits
 - a. Current financial audit
 - b. Financial audits for the three years prior to the current year
 - c. Most recent annual financial report provided to the State Controller's Office, or a link to this information
 - d. Most recent LAFCo Municipal Service Review, if applicable
- 7. Contracts
 - a. Current request for proposal and bidding opportunities (over \$25,000 in value)
 - b. Instructions on how to submit a bid or proposal
 - c. Approved in force vendor contracts (over \$25,000 value)
- 8. Public Records
 - a. Online/downloadable Public Records Act (or FOIA) request form: What is the best way for the public to request public records?
- 9. Revenue Sources
 - a. Summary of fees received: fees for services, if any
 - b. Summary of revenue sources: bonds, taxes, loans and/or grants
- 10. Agency Specific Criteria
 - a. Municipalities: Total number of lobbyists employed and total spent on lobbying, downloadable permit applications, and zoning ordinances
 - b. Special Districts: Authorizing statute/enabling act (Principal Act or Special Act), board member ethics training certificates, link to the LAFCo website and any state agency providing oversight
 - c. Joint Powers Authorities: A copy of the joint powers agreement as filed and adopted (with any updates)



Yolo Local Agency Formation Commission Shared Services Strategic Plan Updated May 2017

This Shared Services Strategic Plan was adopted by the Yolo LAFCo Commission on December 3, 2012. The Commission directed that this Plan be periodically reviewed and updated as needed or at least every two years.

Shared Services Vision

Yolo LAFCo is a valued, county-wide regional agency, aggressively promoting efficient high-quality government services through collaboration and sharing of resources as illustrated in the attached radial diagram.

Shared Services Values

1. Yolo LAFCo has been requested to lead Shared Services by Yolo County and the four cities and will continue to develop shared service improvements with this collective support.
2. A “culture of collaboration” is key to fostering the trust required for shared services to be successful. It is worthwhile for LAFCo to invest its resources in fostering collaboration among our partner agencies.
3. Shared Services is a voluntary effort. LAFCo recognizes that each agency will determine what level of commitment and implementation is appropriate for them.
4. Staff will consult and collaborate with the executive managers of other agencies on shared service issues while ultimate authority and direction regarding LAFCo activities will come from the Commission.
5. LAFCo will assist other agencies in “teeing-up” shared service opportunities; however detailed implementation must be handed off to individual agencies. LAFCo can best assist agencies by keeping its eye on the big picture by analyzing new opportunities without getting over-involved in detailed implementation.
6. LAFCo participation in the review of oversight issues of joint powers agencies is needed in order to maintain quality performance and public trust.
7. LAFCo will utilize its existing tools and processes to evaluate new opportunities for shared services and improved government efficiencies such as the municipal service review (MSR).
8. LAFCo will proactively exercise its statutory mission and authority to initiate agency consolidations and/or dissolutions where appropriate and understands that such change will bring adaptive challenges that must be delicately handled.
9. Effective government service delivery will involve partnerships with agencies at numerous levels: the Sacramento Area Council of Governments (SACOG), school districts, UC Davis, the Yocha Dehe Wintun Nation, special districts, non-profits and potentially agencies in other counties.

Shared Services Goals and Action Items

Goal 1 - LAFCo promotes the most effective forms of government for the common good.

Action 1.1 LAFCo is proactive with its Municipal Service Review process to review an agency's financial ability to provide services and opportunities for shared services and facilities, including possible consolidation of government agencies.

Action 1.2 LAFCo will use the Municipal Service Review process to identify government inefficiencies and initiate agency consolidations and/or dissolutions where necessary to "right size" public agencies.

Action 1.3 Following completion of the MSR process, staff proactively follows up with agencies requiring status updates as necessary regarding their implementation of/compliance with LAFCo recommendations.

Goal 2 - LAFCo promotes shared services that will save agencies money and allow them to either maintain services levels during difficult financial times or even improve service delivery.

Action 2.1 LAFCo evaluated remaining shared service areas for their potential to maintain or improve services at a reduced cost and will send a letter to the city/county managers to gauge interest. The list of remaining shared service areas to be explored include:

- Building/Fire Plan Check & Inspection
- Fleet Maintenance
- Park/Landscape Maintenance
- Arborist/Tree Maintenance

Action 2.2 LAFCo will suggest via letter to YCPARMIA that they address training needs and disseminate Yolo County Training Academy information.

Action 2.3 Staff facilitates any next steps as determined by the Commission to implement shared service opportunities.

Goal 3 - Yolo LAFCo fosters and promotes agency collaboration at all levels.

Action 3.1 Yolo LAFCo organizes and promotes regular Yolo Leaders/YED forums with agenda topics/speakers that are of interest and value to elected leaders in all geographic areas of the county and at all agency levels.

Action 3.2 LAFCo promotes shared services at any and all levels, speaking at and coordinating with CALAFCO, the SACOG innovation/shared services ad hoc committee, and others to coordinate and complement each other's shared service efforts.

Goal 4 - LAFCo acts as a facilitator/convener as requested for appropriate Yolo intra-agency issues.

Action 4.1 Yolo LAFCo acts as a convener for multi-agency joint projects in a coordinating role as appropriate.

Goal 5 - LAFCo participates in the oversight of existing shared service partnerships implemented through joint powers agreements (JPAs) as needed. The following action items are subject to each city/county board adopting a resolution requesting LAFCo to undertake these activities.

Action 5.1 Yolo LAFCo will perform Municipal Service Reviews (MSRs) of some JPAs in the county.

Action 5.2 MSRs for JPAs to be conducted in the following categories:

- JPAs that provide municipal-like services
- JPAs that have their own staff and operate entirely inside the county (i.e. do not extend outside the county)
- JPAs that have boards comprised of staff and operate entirely inside the county

Action 5.3 The following six JPAs will be added to the LAFCo MSR update schedule:

- Yolo Emergency Communications Agency (YECA)
- Yolo County Public Agency Risk Management Insurance Authority (YCPARMIA)
- Woodland-Davis Clean Water Agency
- West Sacramento Area Flood Control Agency (West SAFCA)
- Yolo Habitat Conservancy (YCH)
- Valley Clean Energy Alliance (VCEA)
- Other future JPAs that are formed and meet the criteria in Action 5.2

Goal 6 - LAFCo creates an annual Web Transparency Report Card.

Action 6.1 Determine transparency measurement criteria and notify every agency of the criteria, process, and timeline:

- Cities/County (5 agencies)
- Special Districts (49 Yolo plus 5 multi-county districts = 54 total special districts)
- Joint Power Authorities (24 total JPAs)

Action 6.2 Prepare a checklist for each agency based on the transparency criteria and conduct review of agency websites. The review would be provided to the agency for verification and/or website content modification.

Action 6.3 Finalize report by the end of each fiscal year.

Goal 7 - LAFCo conducts a shared services workshop on an as needed basis after review and recommendation from the Commission during its December meetings with representation from each city and the County to inform the following year's work plan and ensure agency engagement and participation in the selection and prioritization of LAFCo shared services activities.

Action 7.1 A workshop was held on February 23, 2017 and LAFCo priorities for fiscal year 2017/18 include (in no particular order):

- Broadband: Convening, meetings, and agency assistance.
- Municipal Service Reviews of JPAs as discussed in Goal 5 and associated action items above.
- Web Transparency Report Card for the County as discussed in Goal 6 and associated action items above.



LAFCO

Meeting Date: 12/18/2019

Information

SUBJECT

Consider and adopt the Yolo LAFCo 2020 Meeting Calendar

RECOMMENDED ACTION

Consider and adopt the Yolo LAFCo 2020 Meeting Calendar.

FISCAL IMPACT

None.

REASONS FOR RECOMMENDED ACTION

The intent of an annual calendar is to provide the Commission with an overview of the year and consideration of events that affect meeting dates, and to set the regular meeting dates for the year.

BACKGROUND

Staff has considered meeting dates as set by Yolo LAFCo Administrative Policies and Procedures; impact of holidays; CALAFCO events; county and city association annual events; and, traditional break periods for meetings. Given these considerations the attached calendar proposes an overview of anticipated LAFCo meetings for the 2020 calendar year. This calendar does not preclude the calling of special meetings as needed or cancellation of meetings, if appropriate.

Please note that because the CALAFCO Staff Workshop occurs March 25-27, 2020, the regularly scheduled March meeting has been moved to Wednesday, March 18, 2020. Additionally, because the CALAFCO Conference occurs October 21-23, 2020, the regularly scheduled October meeting has been moved to Thursday, October 29, 2020.

Attachments

Form Review

Inbox

Christine Crawford

Form Started By: Terri Tuck

Final Approval Date: 12/05/2019

Reviewed By

Christine Crawford

Date

12/05/2019 12:47 PM

Started On: 12/04/2019 01:15 PM

DRAFT Yolo LAFCo 2020 Meeting Calendar

JANUARY

S	M	T	W	T	F	S
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FEBRUARY

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MARCH

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APRIL

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MAY

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JUNE

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JULY

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AUGUST

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SEPTEMBER

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OCTOBER

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NOVEMBER

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DECEMBER

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MEETING CALENDAR EVENTS	
	Cap to Cap (Apr 25-29)
Yolo LAFCo Meetings	CSAC Legislative Days (May 27-28)
County Holidays	NACo Annual Conference (Jul 17-20)
CALAFCO Staff Workshop (Mar 25-27)	RCRC Annual Conference (Sep 16-17)
CALAFCO Conference-Monterey (Oct 21-23)	League of Cities Conference (Oct 7-9)
	CSAC Annual Conference (Dec 1-4)

Executive Officer Report 9.

LAFCO

Meeting Date: 12/18/2019

Information

SUBJECT

A report by the Executive Officer on recent events relevant to the Commission and an update of the Yolo LAFCo staff activity for the month. The Commission or any individual Commissioner may request that action be taken on any item listed.

- a. Long Range Planning Calendar
 - b. EO Activity Report - November 11 through December 13, 2019
-

Attachments

[ATT a-12.18.2019 Long Range Planning Calendar](#)

[ATT b-EO Activity Report-Nov12-Dec13](#)

Form Review

Form Started By: Terri Tuck
Final Approval Date: 12/04/2019

Started On: 12/04/2019 01:39 PM



Long Range Meeting Calendar – Tentative Items

December 18, 2019 LAFCo Meeting

Meeting Date	Tentative Agenda Items	Location
Jan 23, 2020	<ul style="list-style-type: none"> • Springlake FPD Change of Organization from an Independent District to a Dependent District to Yolo County • 2019 Website Transparency Scorecard Report • FY 19/20 Q2 Financial Update 	Woodland
Feb 27, 2020	<ul style="list-style-type: none"> • LAFCo Annual Work Plan for 2020/21 	Woodland
Mar 18, 2020	<ul style="list-style-type: none"> • Draft LAFCo FY 2020/21 Budget • MSR for the Community Services Districts (Cacheville, Esparto, Knights Landing and Madison) 	Woodland
Apr 23, 2020	<ul style="list-style-type: none"> • FY 19/20 Q3 Financial Update 	Woodland
May 28, 2020	<ul style="list-style-type: none"> • Final LAFCo FY 2020/21 Budget • MSR for the Water Districts (YFCWCD and Dunnigan) 	Woodland
Jun 25, 2020	<ul style="list-style-type: none"> • JPA Service Review for the Yolo Subbasin Groundwater Authority 	Woodland

New Proposals Received Since Last Meeting

Date Received	Proposal
	None

LAFCo EO Activity Report November 12 through December 13, 2019

Date	Meeting/Milestone	Comments
12/12/2019	Meeting w/City of Woodland staff	Barnard Court – Potential Extension of City Services
12/13/2019	CALAFCO Board Meeting – Sacramento	Attended and took minutes