



**STANISLAUS LAFCO  
LOCAL AGENCY FORMATION COMMISSION**

**Sara Lytle-Pinhey, Executive Officer**  
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**Chair Vito Chiesa, County Member**  
**Vice Chair Ken Lane, Public Member**  
Richard O'Brien, City Member  
Terry Withrow, County Member  
Amy Bublak, City Member  
Javier Lopez, Alternate City Member  
Mani Grewal, Alternate County Member  
Bill Berryhill, Alternate Public Member

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**AGENDA**  
**Wednesday, April 24, 2024**  
**6:00 P.M.**  
**Joint Chambers—Basement Level**  
**1010 10<sup>th</sup> Street, Modesto, California 95354**

- Members of the public may attend this meeting in person.
- You can also observe the live stream of the LAFCO meeting at:  
<http://www.stancounty.com/sclive/>
- In addition, LAFCO meetings are broadcast live on local cable television. A list of cable channels is available at the following website:  
<http://www.stancounty.com/planning/broadcasting.shtm>

**1. CALL TO ORDER**

- A. Pledge of Allegiance to the Flag.
- B. Introduction of Commissioners and Staff.

**2. PUBLIC COMMENT PERIOD**

This is the period in which persons may comment on items that are not listed on the regular agenda. All persons wishing to speak during this public comment portion of the meeting are asked to fill out a "Speaker Card" and provide it to the Commission Clerk. Each speaker will be limited to a three-minute presentation. No action will be taken by the Commission as a result of any item presented during the public comment period.

**3. CORRESPONDENCE**

No correspondence addressed to the Commission, individual Commissioners or staff will be accepted and/or considered unless it has been signed by the author, or sufficiently identifies the person or persons responsible for its creation and submittal.

- A. Specific Correspondence.
- B. Informational Correspondence.

C. "In the News."

**4. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS**

**5. CONSENT ITEMS**

The following consent items are expected to be routine and non-controversial and will be acted upon by the Commission at one time without discussion, unless a request has been received prior to the discussion of the matter.

A. **MINUTES OF THE MARCH 27, 2024, LAFCO MEETING**  
(Staff Recommendation: Accept the Minutes.)

B. **MUNICIPAL SERVICE REVIEW NO. 2024-03 AND SPHERE OF INFLUENCE UPDATE NO. 2024-03 – HILLS FERRY, KNIGHTS FERRY AND PATTERSON CEMETERY DISTRICTS:** The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Hills Ferry, Knights Ferry and Patterson Cemetery Districts. This item is exempt from the California Environmental Quality Act (CEQA) review pursuant to sections 15306 and 15061(b)(3). (Staff Recommendation: Approve the update and adopt Resolution No. 2024-06.)

**6. PUBLIC HEARING**

Any member of the public may address the Commission with respect to a scheduled public hearing item. Comments should be limited to no more than three (3) minutes, unless additional time is permitted by the Chair. All persons wishing to speak are asked to fill out a "Speaker Card" and provide it to the Commission Clerk.

A. **PROPOSED LAFCO BUDGET FOR FISCAL YEAR (FY) 2024-2025.** The Commission will consider the adoption of the proposed LAFCO budget consistent with Government Code Sections 56380 and 56381. (Staff Recommendation: Approve the Proposed Budget and adopt Resolution No. 2024-05.)

**7. OTHER BUSINESS**

None.

**8. COMMISSIONER COMMENTS**

Commission Members may provide comments regarding LAFCO matters.

**9. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON**

The Commission Chair may announce additional matters regarding LAFCO matters.

**10. EXECUTIVE OFFICER'S REPORT**

The Commission will receive a verbal report from the Executive Officer regarding current staff activities.

A. On the Horizon.

**11. ADJOURNMENT**

A. Set the next meeting date of the Commission for May 22, 2024.

B. Adjournment

#### LAFCO Disclosure Requirements

**Disclosure of Campaign Contributions:** If you wish to participate in a LAFCO proceeding, you are prohibited from making a campaign contribution of more than \$250 to any commissioner or alternate. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until three months after a final decision is rendered by LAFCO. No commissioner or alternate may solicit or accept a campaign contribution of more than \$250 from you or your agent during this period if the commissioner or alternate knows, or has reason to know, that you will participate in the proceedings. If you or your agent have made a contribution of more than \$250 to any commissioner or alternate during the twelve (12) months preceding the decision, that commissioner or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the commissioner or alternate returns the campaign contribution within thirty (30) days of learning both about the contribution and the fact that you are a participant in the proceedings.

**Lobbying Disclosure:** Any person or group lobbying the Commission or the Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. Any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them.

**Disclosure of Political Expenditures and Contributions Regarding LAFCO Proceedings:** If the proponents or opponents of a LAFCO proposal spend \$1,000 with respect to that proposal, they must report their contributions of \$100 or more and all of their expenditures under the rules of the Political Reform Act for local initiative measures to the LAFCO Office.

**LAFCO Action in Court:** 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. All written materials received by staff 24 hours before the hearing will be distributed to the Commission.

**Reasonable Accommodations:** In compliance with the Americans with Disabilities Act, hearing devices are available for public use. If hearing devices are needed, please contact the LAFCO Clerk at 525-7660. Notification 24 hours prior to the meeting will enable the Clerk to make arrangements.

**Alternative Formats:** If requested, the agenda will be made available in alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC 12132) and the Federal rules and regulations adopted in implementation thereof.

**Notice Regarding Non-English Speakers:** Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedure Section 185 which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the Local Agency Formation Commission shall be in English and anyone wishing to address the Commission is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

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## **IN THE NEWS**

### **Newspaper Articles**

- The Patterson Irrigator, April 7, 2024, “City coaxes Ivy Rose residents to vote in favor of annexation.”
- The West Side Index, April 9, 2024, “Crows Landing business park among projects identified in Stanislaus County Plan.”
- The Patterson Irrigator, April 10, 2024, “County counting annexation votes.”

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**IN THE NEWS – The Patterson Irrigator. April 7, 2024**

## **City coaxes Ivy Rose residents to vote in favor of annexation.**

By Meg Matthews

The development of about 1,300 acres located north and south of Patterson into homes, parks, restaurants, and stores is in the hands of 40 registered voters who live in the Ivy Rose neighborhood. At issue is whether these residents will allow their properties to be annexed into the Patterson city limits – a key element for the Zacharias and Baldwin Ranch development to proceed.

At their Tuesday night meeting, City Council members voted unanimously to approve concessions to Ivy Rose property owners regarding both water/sewer and sound wall issues that had been points of contention. Those concessions also handed the Developers the bill to make it happen.

Under the new agreement, Ivy Rose property owners will not be required to connect to the City's water and sewer systems if the annexation goes into effect. Residents had complained that under the old agreement they were obliged to not only connect to the City's system, but also foot the bill. Now they can voluntarily do so without any cost to them because the Developers have agreed to install the service lines inside of the property line.

A sound wall – paid for by the Developers – is also a part of the new agreement. It is planned to be constructed along the border between the Ivy Rose area and the neighboring development areas. The City included conditions for the sound wall relating to design and maintenance.

According to the staff report about this resolution:

The agreements are unlikely to have a significant impact on the City's capital facility obligations. The Developers will be responsible for constructing the public improvements for the benefit of the Ivy Rose area. The Master Plan project areas (Zacharias and Baldwin Ranch) will also be annexed into the maintenance community facilities districts, which will fund the City's ongoing maintenance obligations.

The Zacharias project area is 1,158.4 acres located on the north end of the City of Patterson bounded by Rogers Road (west), Zacharias Road (north), the California Northern Railroad tracks and Ward Avenue (east), and existing residential and business park uses (south). The Baldwin Ranch project area is 68.7 acres located at the south end of Baldwin Road and is contiguous to the Delta-Mendota Canal (west), the City of Patterson Corporation Yard (north), and agricultural uses (east and south).

There are eight stakeholders involved in the project: Keystone Ranch LLC, Lakeside Hills LLC, Leroy Deldon, Eagle Valley Investments LLC, Larry K. Buehner, John Potter, Friedrich Family Ltd. Partnership and Josaphine Traina Ltd. Partnership.

Guided by the City's General Plan, development in the two areas is comprised of commercial and residential use including mixed density housing, retail shopping, and business park use in the Zacharias project area.

The registered voters of Ivy Rose have received mail-in ballots that must be returned by April 9.

## Crows Landing business park among projects identified in Stanislaus County Plan

By Joe Cortez

The Stanislaus County Board of Supervisors voted unanimously at its most recent meeting to approve a \$1.16 billion Capital Improvement Plan over the next five years.

Approval of the CIP is not an approval for any specific project and it is not a request for funding. The plan merely identifies potential projects, lists potential start and completion dates, recommends methods of financing projects, and projects estimated costs — including potential cost increases — over multiple years.

“The Capital Improvement Plan is a super critical element for our county government leadership,” said Patrice Dietrich, the county’s assistant executive officer and COO, who pointed out that \$350 million of the \$1.2 billion plan comes from facilities requests alone. “It’s a strategic plan and it provides us with the prioritization for all of the space, building and facility needs that our 26 departments are identifying that are needed to serve the community.”

Some of the larger projects, as identified by the Public Works Director Dave Leamon, include the North County Corridor (construction of two-plus miles of highway/expressway between Modesto and Oakdale), which has a price tag of \$180 million; the 7th Street Bridge (construction of a four-lane replacement bridge), with a potential cost of \$95 million; and the Crows Landing Business Park, with an estimated cost of \$43 million.

“Obviously, our roads and bridges are our largest asset in the county,” said District 2 Supervisor Vito Chiesa, who represents Turlock. “We’re making a little headway on our roads, but if we get a couple of bridges done each year, and if we’re really lucky we get three of them, it’s still on a 70-, 80-year cycle, which is above their life expectancy. So, we’re essentially working on borrowed time at this point.

“I just want the public to understand the daunting task on the Public Works side, which is what we receive a ton of complaints on. ... This is a great start and I appreciate it, because there seems like there’s been a much more concerted effort on the Capital Improvement Plan.”

Some of the General Services Agency Tier 1 projects mentioned by GSA director Andrew Johnson and GSA manager Teresa Vander Veen in the plan include a 50,000 square-foot Health Services Agency/Public Health facility (\$58.2 million); the design and construction of outdoor recreation yards at the Public Safety Center (\$6 million); and renovations to the Keyes Community Center (\$2 million). A few of the Tier 2 projects include renovating the Juvenile Hall courtroom (\$6 million) and a roof evaluation/replacement for the Gallo Center for the Arts (\$1.4 million).

A capital improvement is an improvement to a facility or infrastructure that costs more than \$200,000 and will extend the life of the facility by more than five years or alters the use of the facility/space.

Individual departments submit requests, which are then reviewed by the GSA, then sent to the CIP committee for prioritization, before landing on the desk of county CEO Jody Hayes and his senior leadership team. The supervisors are then briefed before the planning commission reviews it and then sends it to the supervisors for adoption.

## **County counting annexation votes**

By Meg Matthews

The special election for the City of Patterson's annexation measure, which is needed for a huge development deal to go forward, was held April 9. The results have yet to be certified, but an initial count indicates that voters approved it. By the end of the voting day on Tuesday, the ballots came in 15-6 in favor of annexation.

"The law requires that if a ballot is postmarked on or before election day, that we are to accept it for seven days after election day," said Stanislaus County Registrar Donna Linder. "So, we will be accepting mail that has been postmarked on or before election day until next Tuesday."

The ballots were mailed in mid-March to the 41 registered voters who live in the unincorporated area that's part of the annexation plan. Voters had the option of mailing them back to the county office in Modesto or returning them in person. 21 ballots had been received by 8:00 p.m. on April 9.

Just outside of the Patterson city limits, there are about 1,300 acres upon which developers want to build 5,500 homes. For the Zacharias/Baldwin Ranch project to become a reality, the property must be annexed onto the City. Last year, the City Council was moving through the pain staking steps that are required by law to get that accomplished.

An application for the annexation of the acreage was given the green light by the Local Agency Formation Commission (LAFCO). However, there were still more hoops to jump through before LAFCO would give its final stamp of approval. One of those was a mandatory "Protest Hearing." This provided the legal platform for landowners in the annexation area to voice their opposition if they wanted to – and they did just that.

"All that's required to trigger a vote is 25% of the residents who live there to protest," said Mayor Michael Clauzel at a November City Council meeting last year. "That's all that's required to push it to this next level."

Some of the landowners – mostly in the Ivy Rose neighborhood - pushed back because they didn't want their private wells to become part of the City's water/sewer system. Also, they didn't want to be required to pay for it. Additionally, they wanted better protection from noise that will inevitably be generated by the increase in population and traffic. They didn't want to have to foot the bill on that either. Ultimately, the developers agreed to pony up the money for both.

According to documents filed with the city, the Zacharias project area is 1,158.4 acres located on the north end of the City of Patterson bounded by Rogers Road (west), Zacharias Road (north), the California Northern Railroad tracks and Ward Avenue (east), and existing residential and business park uses (south). The Baldwin Ranch project area is 68.7 acres located at the south end of Baldwin Road and is contiguous to the Delta-Mendota Canal (west), the City of Patterson Corporation Yard (north), and agricultural uses (east and south).

There are eight stakeholders involved in the project: Keystone Ranch LLC, Lakeside Hills LLC, Leroy Deldon, Eagle Valley Investments LLC, Larry K. Buehner, John Potter, Friedrich Family Ltd. Partnership and Josaphine Traina Ltd. Partnership.

Guided by the City's General Plan, development in the two areas is comprised of commercial and residential use including mixed density housing, retail shopping, and business park use in the Zacharias project area. The development is expected to add more than 12,000 new residents to the City.



**IN THE NEWS – The Patterson Irrigator, April 10, 2024- Continued**

The official count for the annexation election is expected to be certified by next week. Until then, the issue is still officially undecided.



# STANISLAUS LOCAL AGENCY FORMATION COMMISSION MINUTES March 27, 2024

## 1. CALL TO ORDER

Chair Chiesa called the meeting to order at 6:00 p.m.

- A. Pledge of Allegiance to Flag. Chair Chiesa led in the pledge of allegiance to the flag.
- B. Introduction of Commissioners and Staff. Chair Chiesa led in the introduction of the Commissioners and Staff.

Commissioners Present: Vito Chiesa, Chair, County Member  
Ken Lane, Vice-Chair, Public Member  
Richard O'Brien, Chair, City Member  
Amy Bublak, City Member  
Terry Withrow, County Member  
Bill Berryhill, Alternate Public Member

Commissioners Absent: Mani Grewal, Alternate County Member  
Javier Lopez, Alternate City Member

Staff Present: Sara Lytle-Pinhey, Executive Officer  
Javier Camarena, Assistant Executive Officer  
Jennifer Vieira, Commission Clerk  
Robert J. Taro, LAFCO Counsel

## 2. PUBLIC COMMENT

Milt Trieweiler spoke regarding preserving farmland. Karen Mitchell, Kent Mitchel and Karen Conrotto spoke regarding their concerns about the City of Riverbank's River Walk Specific Plan proposal.

## 3. CORRESPONDENCE

- A. Specific Correspondence.

The following correspondence was provided to the Commission regarding Item 6-A and made available for public review:

- 1. Memo from LAFCO Staff dated March 27, 2024.
- 2. Letter from Oakdale Fire Protection District dated March 26, 2024.
- 3. Letter from Salida Fire Protection District dated March 26, 2024.

B. Informational Correspondence.

None.

C. In the News.

**4. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS**

None.

**5. CONSENT ITEMS**

A. **MINUTES OF THE FEBRUARY 28, 2024, LAFCO MEETING**  
(Staff Recommendation: Accept the Minutes.)

B. **LEGISLATIVE UPDATE AND POSITION LETTERS**  
(Staff Recommendation: Accept the update and authorize Executive Officer to submit position letters.)

*Motion by Commissioner Lane, seconded by Commissioner O'Brien, and carried with a 5-0 vote to approve the consent items, by the following vote:*

*Ayes: Commissioners: Bublak, Chiesa, Lane, O'Brien and Withrow*  
*Noes: Commissioners: None*  
*Ineligible: Commissioners: Berryhill*  
*Absent: Commissioners: Grewal and Lopez*  
*Abstention: Commissioners: None*

**6. PUBLIC HEARING**

A. **MUNICIPAL SERVICE REVIEW NO. 2023-06 AND SPHERE OF INFLUENCE UPDATE NO. 2023-06 – FIRE PROTECTION DISTRICTS IN STANISLAUS COUNTY**: The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Fire Protection Districts of Stanislaus County. This item is exempt from the California Environmental Quality Act (CEQA) review pursuant to section 15061(b)(3) and 15306. (Staff Recommendation: Approve the update and adopt Resolution No. 2024-04.)

Javier Camarena, Assistant Executive Officer, presented the item with a recommendation to approve the update with additional language.

Chair Chiesa opened the Public Hearing at 6:30 p.m.

Bill Ross, representing Oakdale Rural Fire Protection District, Salida Fire Protection District, and West Stanislaus Fire Protection District; and Mark Stone, Chairman Salida Fire Protection District spoke regarding the item.

Chair Chiesa closed the Public Hearing at 6:51 p.m.

*Motion by Commissioner Withrow, seconded by Commissioner O'Brien and carried with a 5-0 vote to approve the update and adopt Resolution No. 2024-04, by the following vote:*

*Ayes: Commissioners: Bublak, Chiesa, Lane, O'Brien and Withrow*  
*Noes: Commissioners: None*  
*Ineligible: Commissioners: Berryhill*  
*Absent: Commissioners: Grewal and Lopez*  
*Abstention: Commissioners: None*

**7. OTHER BUSINESS**

A. **UPDATE ON THE ZACHARIAS-BALDWIN MASTER PLAN REORGANIZATION TO THE CITY OF PATTERSON.**

Sara Lytle-Pinhey, Executive Officer, provided a brief updated regarding the item.

The Commission received the update and Chair Chiesa allowed for public comment.

Milt Trieweiler and Jon Maring, Board Member of West Stanislaus Fire Protection District, spoke regarding the update.

**8. COMMISSIONER COMMENTS**

None.

**9. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON**

None.

**10. EXECUTIVE OFFICER'S REPORT**

The Executive Officer informed the Commission that she provided a LAFCO 101 presentation to the League of Women Voters the prior week. April's LAFCO meeting will include the 2024-2025 Proposed Budget.

**11. ADJOURNMENT**

A. Chair Chiesa adjourned the meeting at 7:03 p.m.

**DRAFT**

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Sara Lytle-Pinhey, Executive Officer

**EXECUTIVE OFFICER'S AGENDA REPORT  
APRIL 24, 2024**

**TO: LAFCO Commissioners**

**FROM: Javier Camarena, Assistant Executive Officer**

**SUBJECT: MUNICIPAL SERVICE REVIEW NO. 2024-03 AND SPHERE OF INFLUENCE No. 2024-03 UPDATE FOR THE HILLS FERRY, KNIGHTS FERRY, AND PATTERSON CEMETERY DISTRICTS**

**INTRODUCTION**

This proposal was initiated by the Local Agency Formation Commission in response to State mandates that require the Commission to conduct municipal service reviews and sphere of influence updates for all cities and special districts at least once every five years. The current review covers the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts. The previous update for these districts was adopted August 28, 2019.

**DISCUSSION**

There are three Public Cemetery Districts in Stanislaus County: Hills Ferry, Knights Ferry, and Patterson Cemetery Districts. The Districts were organized under the California Health and Safety Code Section 9000 et. seq. Pursuant to State law, Cemetery Districts are legally authorized to provide standard cemetery functions including land acquisition, cemetery maintenance, and grounds keeping. A Board of Trustees, appointed by the Stanislaus County Board of Supervisors, governs each of the Districts.

The Municipal Service Review and Sphere of Influence Update process provides an opportunity for the Districts to share accurate and current data, accomplishments and information regarding the services they provide. LAFCO Staff sent the previously approved Municipal Service Review and Sphere of Influence document to each of the Cemetery Districts for their comments, revisions and updated information. LAFCO Staff also reviews the Districts' most recent audits, current budget, and previous five years of reports from the State Controller's office. Once this data was collected, a revised Municipal Service Review and Sphere of Influence Update document was drafted.

The proposed Municipal Service Review and Sphere of Influence document is attached to this report as Exhibit 1. The relevant factors as set forth by the Cortese-Knox-Hertzberg Act are discussed for each District. No changes are being proposed for the Districts' Spheres of Influence.

**ENVIRONMENTAL REVIEW RECOMMENDATION**

Pursuant to the California Environmental Quality Act (CEQA), the adoption of a municipal service review is considered to be categorically exempt from the preparation of environmental documentation under a classification related to information gathering (Class 6 - Regulation §15306). Further, LAFCO's concurrent reaffirmation of an existing sphere of influence qualifies for a General Exemption as outlined in CEQA Regulation §15061(b)(3), which states:

*The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.*

As there are no land use changes, boundary changes, or environmental impacts associated with

the Municipal Service Review and Sphere of Influence Update, a Notice of Exemption is the appropriate environmental document.

**ALTERNATIVES FOR COMMISSION ACTION**

After consideration of this report and any testimony or additional materials that are submitted, the Commission should consider choosing one of the following options:

**Option 1:** APPROVE the Municipal Service Review and Sphere of Influence Update for the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts.

**Option 2:** DENY one or more of the updates.

**Option 3:** If the Commission needs more information, it should CONTINUE this matter to a future meeting (maximum 70 days).

**RECOMMENDED ACTION**

**Approve Option 1.** Based on the information presented, Staff recommends approval of Municipal Service Review and Sphere of Influence Update for the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts. Therefore, Staff recommends that the Commission adopt Resolution No. 2024-06, which:

1. Determines that the Municipal Service Review and Sphere of Influence Update qualifies for a General Exemption from further California Environmental Quality Act (CEQA) review based on CEQA Regulations §15306 and §15061(b)(3);
2. Makes determinations related to the Municipal Service Review and Sphere of Influence Update as required by Government Code §56425 and §56430; and,
3. Determines that the Spheres of Influence for the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts should be affirmed as they currently exist.

*Attachments:*

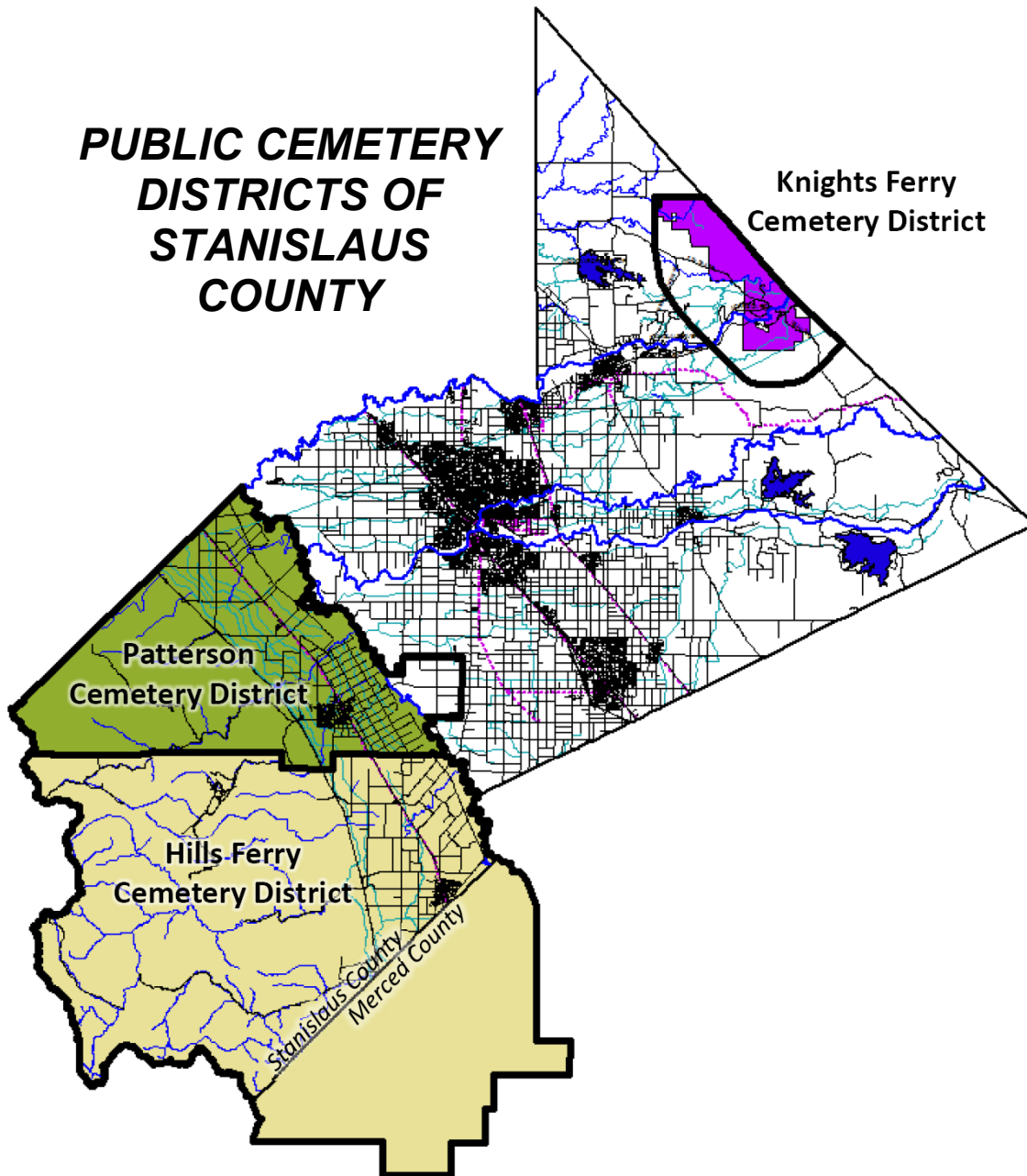
Exhibit 1 - Municipal Service Review and Sphere of Influence Update for the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts

Exhibit 2 - Draft Resolution No. 2024-06



**MUNICIPAL SERVICE REVIEW AND  
SPHERE OF INFLUENCE UPDATE FOR**

**PUBLIC CEMETERY  
DISTRICTS OF  
STANISLAUS  
COUNTY**



**Stanislaus Local Agency Formation Commission  
1010 Tenth Street, Third Floor  
Modesto, CA 95354  
Phone: (209) 525-7660**

**Adopted: \_\_\_\_\_**

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**STANISLAUS**  
**LOCAL AGENCY FORMATION COMMISSION**

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**COMMISSIONERS**

Amy Bublak, City Member

Richard O'Brien, City Member

Vito Chiesa, County Member

Terry Withrow, County Member

Ken Lane, Public Member

Javier Lopez, Alternate City Member

Mani Grewal, Alternate County Member

Bill Berryhill, Alternate Public Member

**STAFF**

Sara Lytle-Pinhey, Executive Officer

Javier Camarena, Assistant Executive Officer

Jennifer Vieira, Commission Clerk

Shaun Wahid, Commission Counsel



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# **Municipal Service Review and Sphere of Influence Updates for the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts**

## **Introduction**

The Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 Act (CKH Act) requires the Local Agency Formation Commission (LAFCO) to update the spheres of influence (SOI) for all applicable jurisdictions in the County. A sphere of influence is defined by Government Code 56076 as "...a plan for the probable physical boundary and service area of a local agency, as determined by the Commission." The Act further requires that a municipal service review (MSR) be conducted prior to or, in conjunction with, the update of a sphere of influence (SOI).

The legislative authority for conducting a municipal service review is provided in Government Code Section 56430 of the CKH Act. The Act states, that "in order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area..." MSRs must have written determinations that address the following factors in order to update a Sphere of Influence. These factors were recently amended to include the consideration of disadvantaged unincorporated communities within or contiguous to the sphere of influence of an agency.

## **Municipal Service Review Factors to be Addressed**

1. Growth and Population Projections for the Affected Area
2. The Location and Characteristics of Any Disadvantaged Unincorporated Communities Within or Contiguous to the Sphere of Influence
3. Present and Planned Capacity of Public Facilities, Adequacy of Public Services, and Infrastructure Needs or Deficiencies Including Needs or Deficiencies Related to Sewers, Municipal and Industrial Water, and Structural Fire Protection in Any Disadvantaged, Unincorporated Communities Within or Contiguous to the Sphere of Influence
4. Financial Ability of Agencies to Provide Services
5. Status of, and Opportunities for, Shared Facilities
6. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies
7. Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy

State Guidelines and Commission policies encourage cooperation among a variety of stakeholders involved in the preparation of a municipal service review. This MSR will analyze the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts, with regards to existing and future services. The MSR will also provide a basis for each of the Districts and LAFCO to evaluate, and if appropriate, make changes to the Districts' Spheres of Influence.

## **Sphere of Influence Update Process**

A special district is a government agency that is required to have an adopted and updated sphere of influence. Section 56425(g) of the CKH Act calls for spheres of influence to be reviewed and updated every five years, as necessary. Stanislaus LAFCO processes municipal service reviews and sphere of influence updates concurrently to ensure efficient use of resources. For rural special districts, which do not have the typical municipal-level services to review, this document will be used to determine what type of services each district is expected to provide and the extent to which they are actually able to do so. For these special districts, the spheres will delineate the service capability and expansion capacity of the agency, if applicable.

Spheres of Influence for the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts were originally adopted by the Commission in 1984. The most recent update, adopted in 2008, proposed no changes to the Districts' SOIs. The current update serves to comply with Government Code Section 56425 and will reaffirm the SOIs for each district.

## **Sphere of Influence Determinations**

In determining a sphere of influence (SOI) of each local agency, the Commission shall consider and prepare determinations with respect to each of the following factors, pursuant to Government Code Section 56425:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

## **Authority**

The three cemetery districts in Stanislaus County are public entities that were organized under the California Health and Safety Code Section 9000 et. seq. (formerly Sections 8890-9225). Under this code, cemetery districts are legally authorized to provide standard cemetery functions, including land acquisition, cemetery maintenance, and grounds keeping.

The Code also prescribes those who may be interred in district cemeteries. The deceased must have been a resident or taxpayer of the district, or former resident or taxpayer of the district who purchased lots prior to leaving the area or selling his/her land. Family members are eligible for interment, but are limited to spouses, parents, grandparents, children, and siblings.

In addition, a decedent not otherwise eligible may be interred in a district cemetery if private facilities are not available within a radius of 15 miles of the decedent's residence. Plots acquired by veterans associations may be used for the burial of any of their members, whether or not such member is a district resident. Also, the County may have buried in a district any indigent, if the district's trustees determine there is more space available than necessary to meet foreseeable needs of the district. However, most of the residents in Stanislaus County do not reside within the boundaries of the public cemeteries in the County and must be served by private, fraternal or religious cemeteries.

### **Classification of Services**

As part of the original MSR completed for the Districts, each District provided a listing of services provided within their boundaries. The Cemetery Districts are authorized to provide the functions or classes of services as identified in this report. State Law requires that the Districts seek LAFCO approval in order to exercise any other latent powers not currently provided.

## **HILLS FERRY CEMETERY DISTRICT**

### **Formation**

The Hills Ferry Cemetery District was formed on January 24, 1938.

### **Location and Size**

The District's boundary encompasses approximately 364,000 acres, located in Stanislaus and Merced Counties. The portion in Stanislaus County includes the City of Newman, the unincorporated community of Crows Landing and surrounding County areas. The portion in Merced County includes the City of Gustine, the unincorporated community of Santa Nella, and surrounding areas. The cemetery grounds are open to the public seven days a week.

The District's office is located at 1334 Stuhr Road, Newman, in western Stanislaus County. In addition, within the District boundaries is the Cottonwood Cemetery, located in Merced County. Although this cemetery has been closed for many years, the District continues to provide grounds keeping and maintenance services.

### **Sphere of Influence**

The District's Sphere of Influence is coterminous with its current boundaries.

### **Governance**

A three member "Board of Trustees", appointed by the Board of Supervisors, governs the District. Meetings are held on a quarterly basis at the District offices, located at 1334 Stuhr Road, Newman, CA.

### **Personnel**

There are currently 3 full-time persons employed by the District. The District is currently in the process of hiring a full time office employee and part-time landscaper.

### **Support Agencies**

The District maintains a positive collaborative relationship with other agencies, such as the: Patterson and Los Banos Cemetery Districts. The District is also a member of the California Association of Public Cemeteries and the Northern California Public Cemetery Association.

### **Funding Sources**

The District's funding sources consist of a portion of the property taxes from land and homes in the area and fees for services that are provided by the District. The service fees are generated by sale of burial sites, burial expenses, and setting headstones. Service fees for non-residents are higher, as authorized by State law.

The District has an established fee schedule and endowment fund. The purpose of the endowment fund is to provide for future maintenance and care of the cemetery. The interest

earned on the principal of the fund may be used for the general operation of the District. The fund principal may never be spent.

### **Services**

The District provides the following services, which are regulated by the California Health and Safety Code:

- Burials, setting of markers and sales of burial plots, vaults and liners.
- Grounds keeping and maintenance.
- An average of 100-120 internments per year.

### **Capacity**

Growth within the District boundaries has increased steadily over the years, with the majority of growth occurring in the City of Newman. In order to keep up with future demand, the District began a planned expansion project, which will include 3,000 new sites in Phase 1 and approximately 20 acres of vacant and undeveloped land in Phase 2. In 2014, the District completed an expansion of 390 fill casket plots.

## **Municipal Service Review Determinations – Hills Ferry Cemetery District**

The following provides an analysis of the seven categories or components required by Section 56430 for a Service Review for the Hills Ferry Cemetery District:

### **1. Growth and Population Projections for the Affected Area**

The District is prepared to manage the growth that will occur in the coming years. Population growth is projected to occur in the cities of Newman and Gustine, corresponding with their respective General Plans.

### **2. The Location and Characteristics of Any Disadvantaged Unincorporated Communities Within or Contiguous to the Sphere of Influence**

A review of available Census data indicates that the unincorporated community of Santa Nella, located in Merced County at the southerly end of the District, can be considered a disadvantaged unincorporated community.

### **3. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies Related to Sewers, Municipal Water and Industrial Water, and Structural Fire Protection in Any Disadvantaged, Unincorporated Communities Within or Contiguous to the Sphere of Influence**

At the present time, the District has both the ability and the capacity to serve its service area. An expansion area of approximately 20 acres is available at the Hills Ferry Cemetery site. The District is also planning on building a new office which is expected to be completed in the next 3 to 5 years.

Recently, the District hired a company to fly a drone over the cemetery in order to create a digital map. Currently, the District is making edits and will soon launch the map. The map will allow the public to look up loved ones, purchase plots, and leave digital memories.

As the District is not a provider of water, sewer, or fire protection services, it is not responsible for assuring that these services are adequately provided to disadvantaged unincorporated communities within or contiguous to the District.

### **4. Financial Ability of Agencies to Provide Services**

The District attempts to maintain its rate schedule to charge the minimum fees possible. The District regularly monitors its fee/rate schedule in comparison to other nearby public cemetery districts (i.e. Los Banos, Patterson). The District is in sound financial shape and has the necessary resources to fund its services.

### **5. Status of, and Opportunities for, Shared Facilities**

In the spirit of cooperation, the District has loaned its equipment to neighboring cemeteries when assistance has been requested. In return, the neighboring cemeteries have also assisted the District when help was needed. This type of cooperation assists the cemeteries in meeting the needs of its residents in a cost-effective manner.



**6. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies**

It is reasonable to conclude that the District can adequately serve the area under its jurisdiction. A three (3) member Board of Trustees, appointed by the Stanislaus County Board of Supervisors, governs the District. The District is subject to the provisions of the Brown Act requiring open meetings. No other relevant issues concerning this factor have been identified.

**7. Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy**

None.

## **Sphere of Influence Determinations- Hills Ferry Cemetery District**

The following determinations for the Hills Ferry Cemetery District's Sphere of Influence update are made in conformance with Government Code Section 56425 and local Commission policy.

### **1. Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands**

The Hills Ferry Cemetery District's Sphere of Influence (SOI) includes approximately 364,000 acres, located in Stanislaus and Merced counties. The portion in Stanislaus County includes the City of Newman, the unincorporated communities of Crows Landing, Diablo Grande and surrounding County areas. The portion in Merced County includes the City of Gustine and unincorporated community of Santa Nella, along with surrounding unincorporated areas. Territory within and outside the District boundaries consists of rural and urbanized areas including agricultural, residential, commercial, industrial, and open space uses. While some areas are projected to experience more development and growth than other areas, the need for cemetery services will not diminish. In addition, the District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within its boundaries. The responsibility for land use decisions within the District boundaries is retained by the two counties and the cities of Newman and Gustine.

### **2. Present and Probable Need for Public Facilities and Services in the Area**

The Hills Ferry Cemetery District is presently meeting the needs of the residents and has also procured facilities to prepare for future increased demands of its services for the next several years.

### **3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide**

The District currently has ample capacity within the cemetery and operates and maintains the cemetery in an efficient manner.

### **4. The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines That They are Relevant to the Agency**

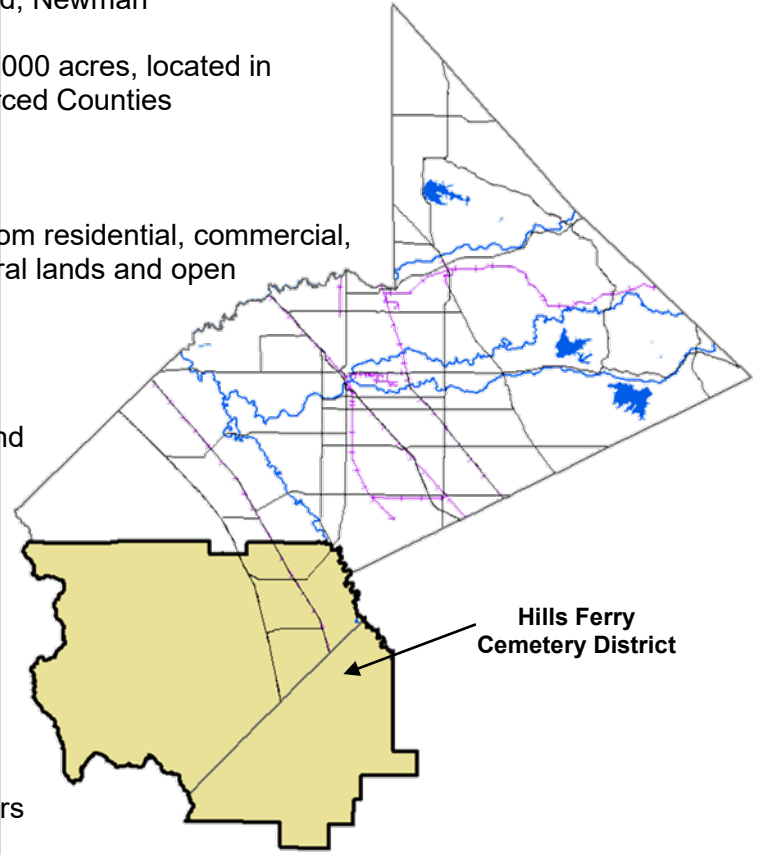
The cities of Newman and Gustine, as well as the unincorporated communities of Crows Landing, Diablo Grande, and Santa Nella are encompassed within the District's boundaries and Sphere of Influence.

### **5. For an Update of a Sphere of Influence of a City or Special District That Provides Public Facilities or Services Related to Sewers, Municipal and Industrial Water, or Structural Fire Protection, the Present and Probable Need for Those Public Facilities and Services of Any Disadvantaged Unincorporated Communities Within the Existing Sphere of Influence**

As the District does not provide services related to sewers, municipal and industrial water or structural fire protection, this factor is not applicable.

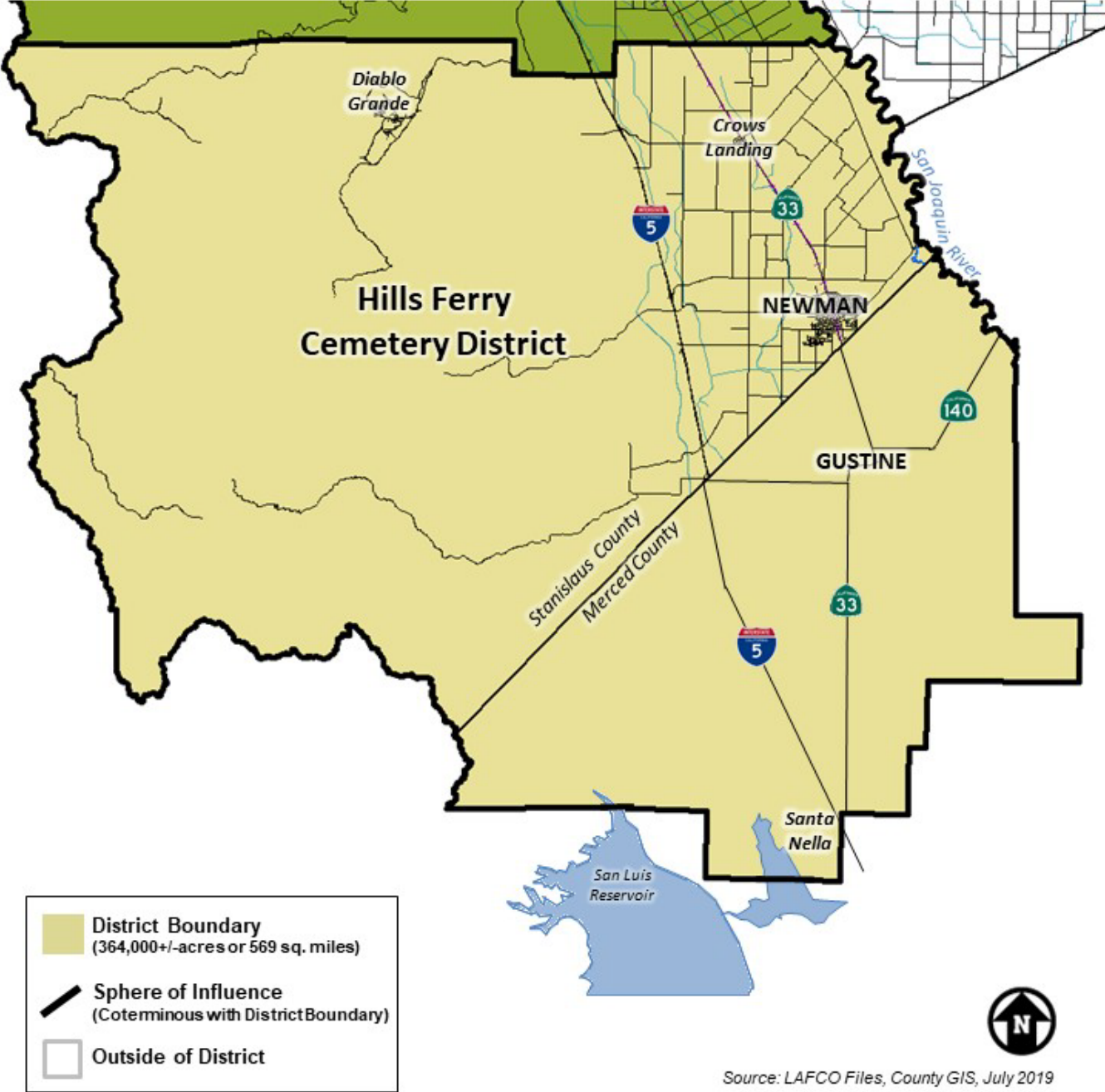
## DISTRICT SUMMARY PROFILE

District:	<b>HILLS FERRY CEMETERY DISTRICT</b>
Location:	1334 W. Stuhr Road, Newman
Current Boundary:	Approximately 364,000 acres, located in Stanislaus and Merced Counties
Population:	20,980*
Land Use:	Varied land uses from residential, commercial, industrial, agricultural lands and open space.
Date of Formation:	January 24, 1938
Enabling Act:	California Health and Safety Code Section 9000 et. seq. (formerly Sections 8890-9225)
Governing Body:	Three member Board of Trustees, appointed by the Stanislaus County Board of Supervisors
Administration:	3 full-time employees.
District Services:	Burial services
Total Operating Budget (Actual):	FY 2023-2024 – \$615,007
Revenue Sources:	Property Tax, Sale of Burial Plots, and Service Fees



\*Source: Hills Ferry Cemetery District

# HILLS FERRY CEMETERY DISTRICT BOUNDARY AND SPHERE OF INFLUENCE



# **KNIGHTS FERRY CEMETERY DISTRICT**

## **Formation**

The Knights Ferry Cemetery District was formed on February 10, 1936.

## **Location and Size**

The District's boundary encompasses approximately 18,500 acres, including the historic unincorporated community of Knights Ferry, in northeast Stanislaus County. The District's cemetery, known as the Oak Grove Cemetery, is located at the end of Cemetery Road in Knights Ferry. The district has installed a solar gate that is open to the public from 7 a.m. to 7 p.m.

## **Sphere of Influence**

The District's Sphere of Influence extends beyond its current boundaries, encompassing approximately 24,000 additional acres.

## **Governance**

A five-member Board of Trustees, appointed by the Board of Supervisors, governs the District. Meetings are held on an as-needed basis at various locations.

## **Personnel**

The District does not employ any personnel, nor does it maintain an office on-site. The District relies on its volunteer Board members to run the day-to-day operations. One of the District's Trustees provides office space at their home, where the District has a designated phone line and answering machine. This same Trustee and/or Secretary also receives District phone calls and correspondence, thus mitigating the need for an office and paid personnel.

## **Support Agencies**

The District maintains a positive collaborative relationship with other agencies, as necessary. These agencies include the Sheriff's Department and the Oakdale Rural Fire Protection District.

## **Funding Sources**

The District's funding sources consist of a portion of the property taxes from land and homes in the area and fees for services that are provided by the District. The service fees are generated by the sale of burial sites. The District has an established fee schedule for collecting revenues for services performed. In addition, the District receives a small amount of funding from private donations; these funds are used to assist in the upkeep of the cemetery grounds.

The District has, over the years, made a concerted effort to cut costs to build up a reserve in order to make improvements to the cemetery grounds. Past improvements include installation of a new well and water system. The District continues to make improvements to the exterior and interior roadway access to the cemetery.

### **Services**

The District is a “non-maintenance” district and provides for the sale of burial plots only, which are recorded as deeded property. Families of the interned are responsible for the upkeep of the burial sites. The District does, however, contract out for grounds keeping services on an as-needed basis. On the average, the District performs an estimated 8 to 12 internments per year.

### **Capacity**

The District currently has undeveloped gravesite space available within its immediate boundaries. In addition, there is approximately 5 acres of vacant and undeveloped land to meet the burial needs of the district for many years to come.

## **Municipal Service Review Determinations – Knights Ferry Cemetery District**

The following provides an analysis of the seven categories or components required by Section 56430 for a municipal service review for the Knights Ferry Cemetery District:

### **1. Growth and Population Projections for the Affected Area**

The District serves an area that is unincorporated and agricultural, with the majority of population occurring in and around the unincorporated community of Knights Ferry. According to the County's General Plan, it is not anticipated that Knights Ferry will experience significant growth in the coming years.

### **2. The Location and Characteristics of Any Disadvantaged Unincorporated Communities Within or Contiguous to the Sphere of Influence**

Upon review of available Census data, there are no known disadvantaged unincorporated communities within or contiguous to the District's Sphere of Influence.

### **3. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies Related to Sewers, Municipal Water and Industrial Water, and Structural Fire Protection in Any Disadvantaged, Unincorporated Communities Within or Contiguous to the Sphere of Influence**

At the present time, the District has both the ability and the capacity to serve its service area. As the District does not provide water, sewer, or fire protection services, it is not responsible for assuring that these services are adequately provided to communities within the District's boundaries.

### **4. Financial Ability of Agencies to Provide Service**

The District has had some recent expenditures, including squirrel abatement and a new pump for a well. The District is currently planning to remove dead cedar trees from the cemetery site.

The District has a limited budget and relies on volunteers for much of its operations. According to the District's 2023-2024 Budget, the District is expected to have approximately \$29,000 in expenses and only approximately \$10,000 in total income. However, over all the District appears to have adequate financial resources to fund limited services.

### **5. Status of, and Opportunities for, Shared Facilities**

The District does not share resources with other agencies at this time, as their assets are limited.

### **6. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies**

It is reasonable to conclude that the District can adequately serve the areas under its jurisdiction. A five (5) member Board of Trustees, appointed by the Stanislaus County Board of Supervisors governs the District. The Board conforms to the provisions of the

Brown Act requiring open meetings. No other relevant issues concerning this factor have been identified.

**7. Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy**

None.



## **Sphere of Influence Determinations: Knights Ferry Cemetery District**

The following determinations for the Knights Ferry Cemetery District's Sphere of Influence update are made in conformance with Government Code Section 56425 and local Commission policy.

### **1. Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands**

The Knights Ferry Cemetery District's Sphere of Influence (SOI), including the District's boundary, encompasses approximately 42,500 acres. This includes the historic unincorporated community of Knights Ferry and surrounding County areas. Territory within and outside the District boundaries consists mostly of agricultural and rural residential areas. The County's General Plan expects very little growth or development in this portion of the County. In addition, the District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within its boundaries. The responsibility for land use decisions within the District boundaries is retained by the County.

### **2. Present and Probable Need for Public Facilities and Services in the Area**

The Knights Ferry Cemetery District is presently meeting the needs of the residents and has five acres of additional vacant and undeveloped gravesite space to prepare for future needs of its residents for the coming years.

### **3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide**

The District currently has adequate capacity within the cemetery and operates and maintains the cemetery in an efficient manner relying on volunteer board members and families of the interred for upkeep of burial sites.

### **4. The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines That They are Relevant to the Agency**

The unincorporated community of Knights Ferry is encompassed by the district's boundaries and Sphere of Influence.

### **5. For an Update of a Sphere of Influence of a City or Special District That Provides Public Facilities or Services Related to Sewers, Municipal and Industrial Water, or Structural Fire Protection, the Present and Probable Need for Those Public Facilities and Services of Any Disadvantaged Unincorporated Communities Within the Existing Sphere of Influence**

As the District does not provide services related to sewers, municipal and industrial water or structural fire protection, this factor is not applicable.

## DISTRICT SUMMARY PROFILE

District: **KNIGHTS FERRY CEMETERY DISTRICT**

Location: 17201 Cemetery Road, Knights Ferry

Current Boundary: Approximately 18,500 acres (with an additional 24,000+/- acres outside the District's current boundaries but within its Sphere of Influence)

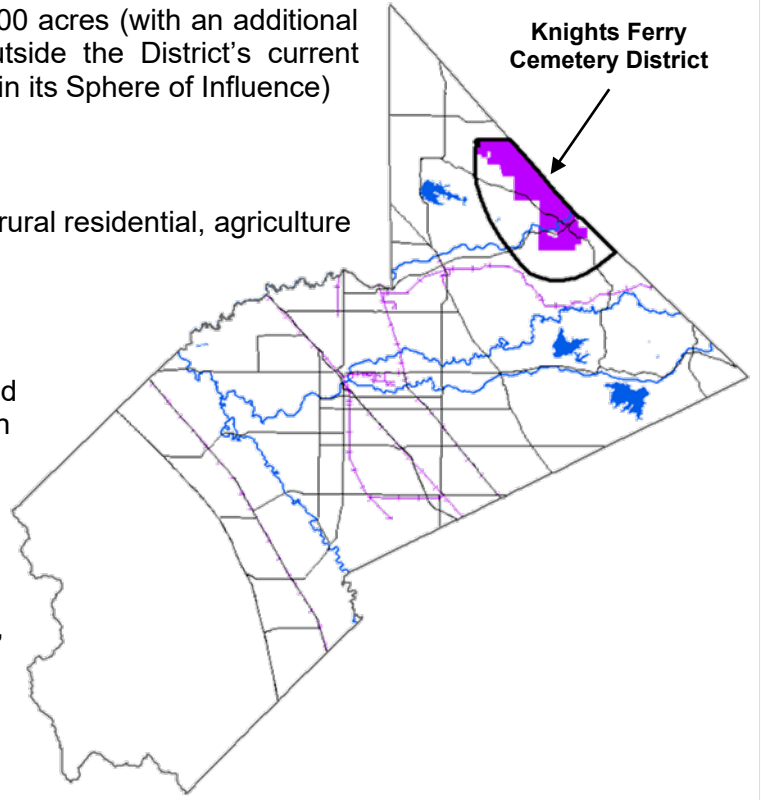
Population: 656\*

Land Use: Primarily historical, rural residential, agriculture and open space

Date of Formation: February 10, 1936

Enabling Act: California Health and Safety Code Section 9000 et. seq. (formerly Sections 8890-9225)

Governing Body: A five member "Board of Trustees", appointed by the Stanislaus County Board of Supervisors.



Administration: There are no paid staff members.

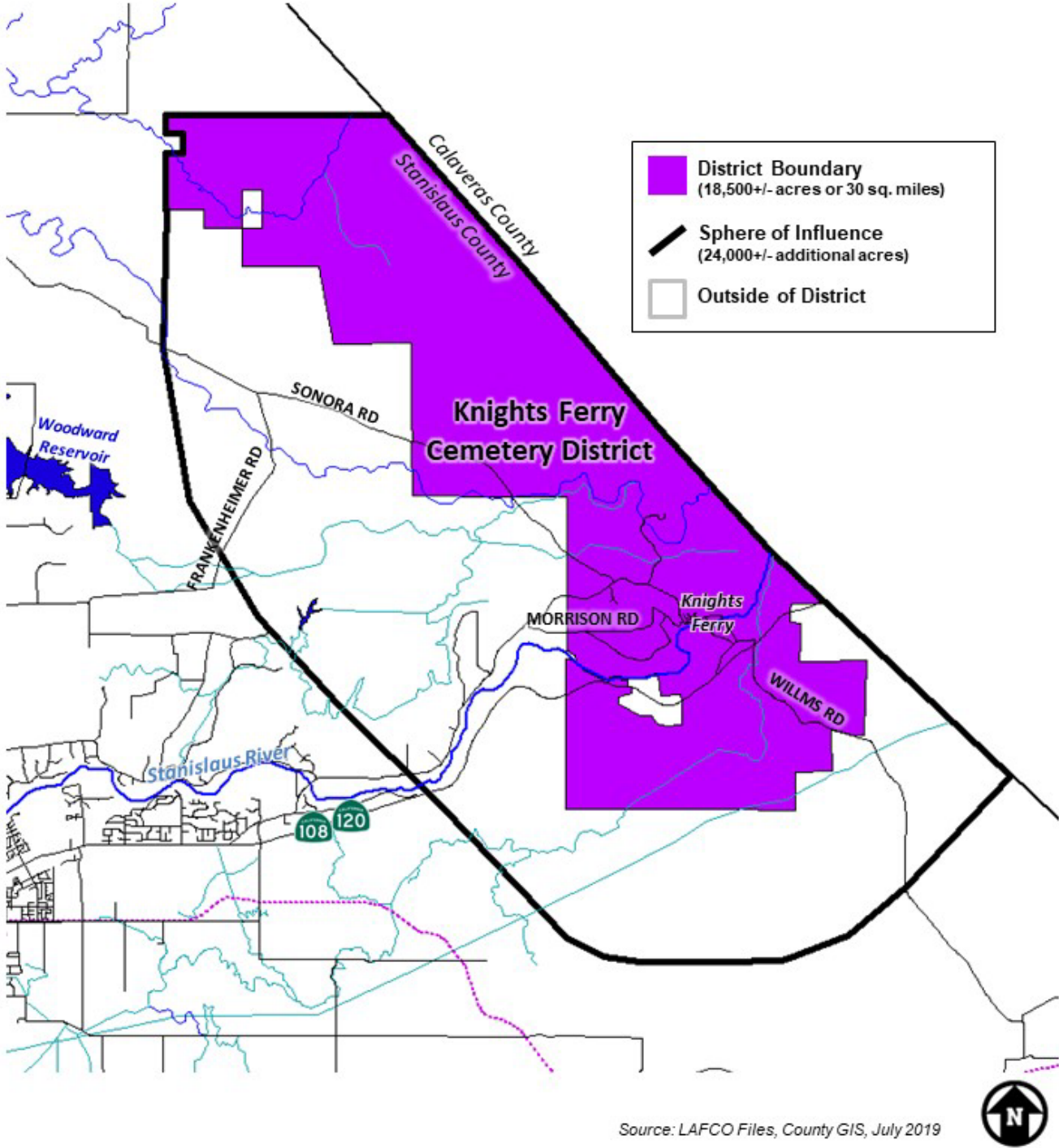
District Services: Sale of burial plots

Total Expenses: FY 2023-2024 – \$28,950

Revenue Sources: Property Tax, Sale of Burial Plots

\*Source: Estimated using 2020 Census Data

# KNIGHTS FERRY CEMETERY DISTRICT BOUNDARY AND SPHERE OF INFLUENCE



# **PATTERSON CEMETERY DISTRICT**

## **Formation**

The Patterson Cemetery District was formed on November 27, 1944.

## **Location and Size**

The District's boundary encompasses approximately 143,000 acres on the west side of Stanislaus County, including the City of Patterson, the unincorporated communities of Westley and Grayson and surrounding unincorporated county areas.

The Patterson Cemetery is located at 10800 Highway 33, north of Patterson, and is also the site of the District office. The Grayson Cemetery, located at the corner of Grayson and River Roads, in the unincorporated community of Grayson is also located within the boundaries of the District. Although it has been closed for many years, the District continues to provide grounds keeping and maintenance services on the site.

## **Sphere of Influence**

In 1984, the Sphere of Influence established for the District included a potential expansion area of approximately 7,000 acres, located east of Patterson, just east of the San Joaquin River.

## **Governance**

A five-member Board of Trustees appointed by the Stanislaus County Board of Supervisors governs the District. Meetings are held on the second Wednesday of each month at 8:00 a.m., at the Patterson Cemetery Board Room at 10800 Highway 33. The District complies with the Brown Act at their meetings and posts their monthly agenda at the above address.

## **Personnel**

The District employs three full-time personnel. The District also utilizes volunteer labor on an as-needed basis.

## **Support Agencies**

The District maintains a positive collaborative relationship with other agencies, as necessary. The District is also a member of the California Association of Public Cemeteries and the Public Cemetery Alliance.

## **Funding Sources**

The District's funding sources consist of a portion of the property taxes from land and homes in the area and fees for services that are provided by the District. The service fees are generated by selling burial sites, burial expenses, and setting headstones. Service fees for non-residents are higher, as per state law.

The District has an established fee schedule and endowment fund. The purpose of the endowment fund is to provide for future maintenance and care of the cemetery. The interest earned on the principal of the fund may be used for the general operation of the District. The fund principal may never be spent.

### **Services**

The District provides the following services within its service area:

- Burials
- Setting Markers and Marker Foundations
- Performs on the average 90 internments per year.

### **Capacity**

The District has adequate space to meet the burial needs of its district for several decades. The cemetery currently has several hundred undeveloped gravesites, as well as approximately 11 acres of vacant and undeveloped land, which can be considered for future development.

## **Municipal Service Review Determinations – Patterson Cemetery District**

The following provides an analysis of the seven categories or components required by Section 56430 for a municipal service review for the Patterson Cemetery District:

### **1. Growth and Population Projections for the Affected Area**

The majority of growth in the District is projected to occur in the City of Patterson, consistent with the City's General Plan. Based on limited availability of public services, little growth is projected to occur in the unincorporated areas that the District covers. The District has approximately 11 acres of expansion area in preparation for future growth.

### **2. The Location and Characteristics of Any Disadvantaged Unincorporated Communities Within or Contiguous to the Sphere of Influence**

Grayson and Westley, both located within the boundaries and Sphere of Influence of the District, are considered disadvantaged unincorporated communities according to available Census data for the area.

### **3. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies Related to Sewers, Municipal Water and Industrial Water, and Structural Fire Protection in Any Disadvantaged, Unincorporated Communities Within or Contiguous to the Sphere of Influence**

At the present time, the District has both the ability and the capacity to serve its service area. As the District does not provide water, sewer, or fire protection services, it is not responsible for assuring that these services are adequately provided to disadvantaged unincorporated communities within the District's boundaries.

### **4. Financial Ability of Agencies to Provide Services**

Currently, the District appears to have adequate financial resources to fund sufficient levels of service within the District's boundaries. The District attempts to maintain its rate schedule to charge the minimum fees possible and regularly monitors its fee/rate schedule in comparison to other nearby public cemetery districts.

### **5. Status of, and Opportunities for, Shared Facilities**

The District has loaned its equipment to neighboring cemeteries, such as the Hills Ferry Cemetery District, when assistance has been requested. In return, the neighboring cemeteries have also assisted the District when help was needed. This type of cooperation assists the cemeteries in meeting the needs of its residents in a cost-effective manner.

### **6. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies**

It is reasonable to conclude that the District can adequately serve the areas under its jurisdiction. A five-member Board of Trustees, appointed by the Board of Supervisors, governs the District. The Board conforms to the provisions of the Brown Act requiring open meetings. No other relevant issues concerning this factor have been identified.

**7. Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy**

None.

## **Sphere of Influence Determinations – Patterson Cemetery District**

The following determinations for the Patterson Cemetery District's Sphere of Influence update are made in conformance with Government Code Section 56425 and local Commission policy.

### **1. Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands**

The Patterson Cemetery District's Sphere of Influence (SOI) includes approximately 150,000 acres, including the City of Patterson, the unincorporated communities of Grayson and Westley, as well as surrounding county areas. The current SOI includes an approximately 7,000-acre expansion area outside the current District boundary, east of Patterson, just west of the San Joaquin River. Territory within and outside the District boundaries consists of rural and urban areas including, residential, commercial, industrial, agricultural, and open space uses. The District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within its boundaries. The responsibility for land use decisions within the District boundaries is retained by the County and the City of Patterson.

### **2. Present and Probable Need for Public Facilities and Services in the Area**

The District is presently meeting the needs of the residents and has additional vacant and undeveloped gravesite space to prepare for future needs of its residents for many years.

### **3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide**

The District currently has adequate capacity within the cemetery and operates and maintains the cemetery in an efficient manner.

### **4. The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines That They are Relevant to the Agency**

The City of Patterson and the unincorporated communities of Westley and Grayson can be considered communities of interest within the District's boundaries.

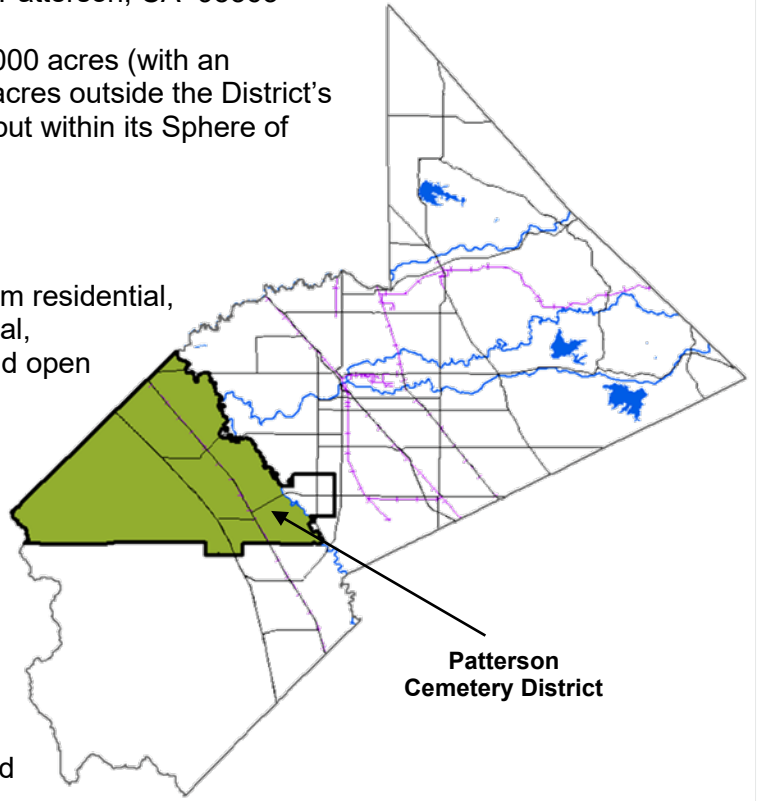
### **5. For an Update of a Sphere of Influence of a City or Special District That Provides Public Facilities or Services Related to Sewers, Municipal and Industrial Water, or Structural Fire Protection, the Present and Probable Need for Those Public Facilities and Services of Any Disadvantaged Unincorporated Communities Within the Existing Sphere of Influence**

As the District does not provide services related to sewers, municipal and industrial water or structural fire protection, this factor is not applicable.



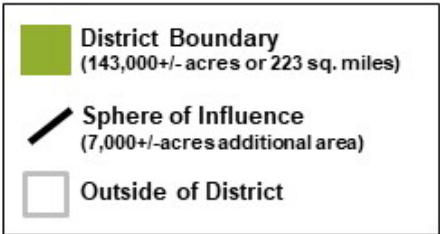
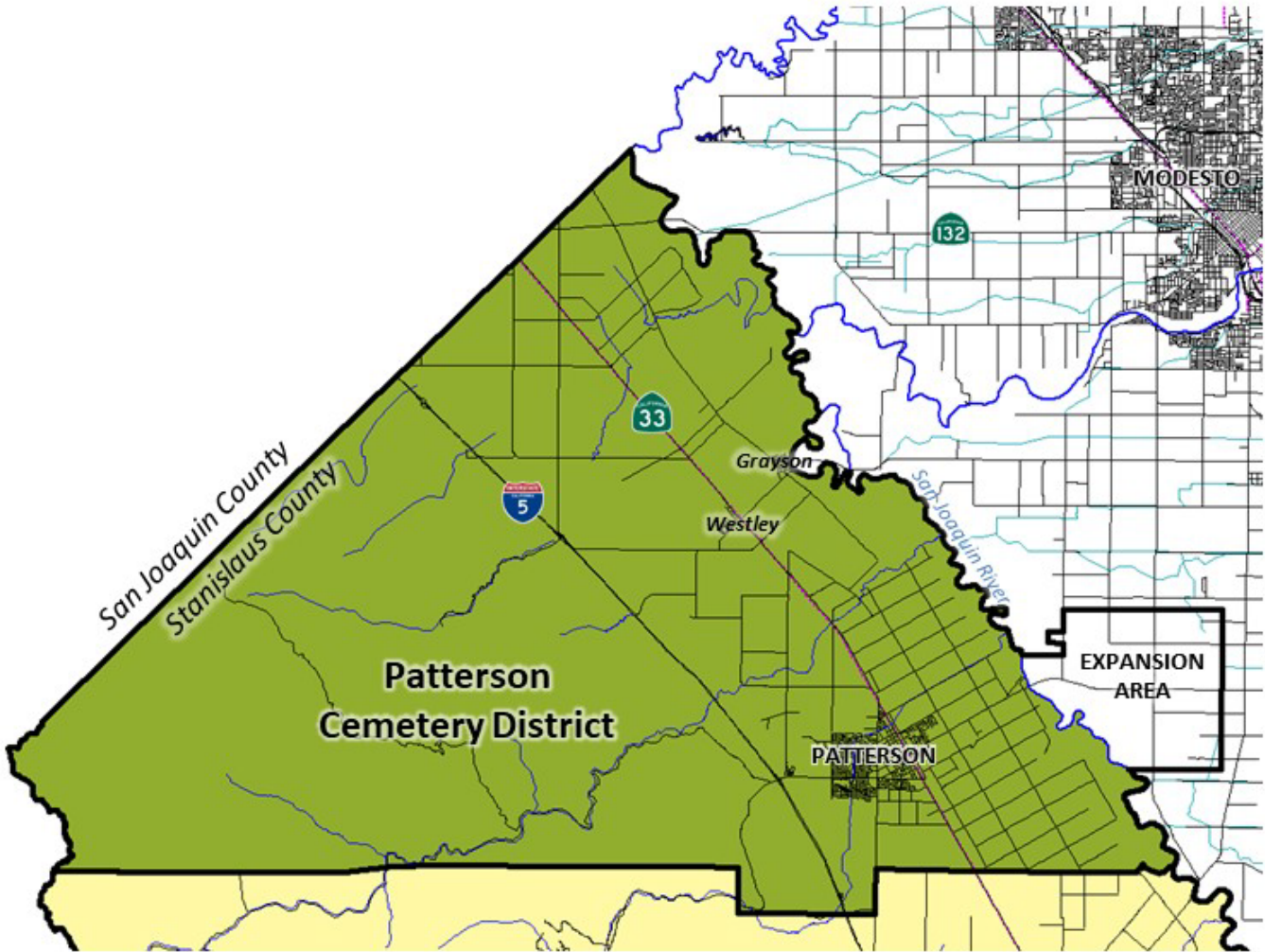
## DISTRICT SUMMARY PROFILE

District:	<b>PATTERSON CEMETERY DISTRICT</b>
Location:	10800 Highway 33, Patterson, CA 95363
Current Boundary:	Approximately 143,000 acres (with an additional 7,000+/- acres outside the District's current boundaries but within its Sphere of Influence)
Population:	29,500*
Land Use:	Varied land uses from residential, commercial, industrial, agricultural lands and open space.
Date of Formation:	November 27, 1944
Enabling Act:	California Health and Safety Code Sections 9000 et. seq. (formerly Sections 8890-9225)
Governing Body:	5 Trustees appointed by the Stanislaus County Board of Supervisors.
Administration:	There are 3 paid staff members.
District Services:	Burial services
Total Expenditures:	FY 2023-2024 – \$581,607
Revenue Sources:	Property Tax, Sale of Burial Plots, and Service Fees



\*Source: Estimated using 2020 Census Data

# PATTERSON CEMETERY DISTRICT BOUNDARY AND SPHERE OF INFLUENCE



Source: LAFCO Files, County GIS, July 2019

## REFERENCES

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1. California Associate of Public Cemeteries. Website (<http://www.capc.info/index.html>). Accessed March 3, 2024.
2. California Health and Safety Code Sections 9000 et. seq. (formerly Sections 8890-9225).
3. Hills Ferry Cemetery District. *Budget for 2023-2024*.
4. Knights Ferry Cemetery District. *Budget 2023-2024*.
5. Patterson Cemetery District. *Annual Budget 2023-2024*.
6. Stanislaus LAFCO. *Municipal Service Review and Sphere of Influence Update for the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts*. August 27, 2019.
7. United States Census Bureau. 2020.

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**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** April 24, 2024

**NO.** 2024-06

**SUBJECT: MSR NO. 2024-03, SOI UPDATE 2024-03: MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE HILLS FERRY, KNIGHTS FERRY, AND PATTERSON CEMETERY DISTRICTS**

On the motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and approved by the following vote:

Ayes: Commissioners:  
Noes: Commissioners:  
Absent: Commissioners:  
Ineligible: Commissioners:

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, a Service Review mandated by California Government Code Section 56430 and a Sphere of Influence Update mandated by California Government Code Section 56425, has been conducted for the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts, in accordance with the Cortese-Knox-Hertzberg Reorganization Act of 2000;

**WHEREAS**, at the time and in the form and manner provided by law, the Executive Officer has given notice of the April 24, 2024 public hearing by this Commission on this matter;

**WHEREAS**, the subject document is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Sections 15306 and 15061(b)(3) of the State CEQA Guidelines;

**WHEREAS**, Staff has reviewed all existing and available information from the District and has prepared a report including recommendations therein, and related information as presented to and considered by this Commission;

**WHEREAS**, the Commission has duly considered the draft Municipal Service Review and Sphere of Influence Update on the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts and the determinations contained therein;

**WHEREAS**, the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts were established to provide cemetery services within their boundaries;

**WHEREAS**, pursuant to Government Code Section 56425(i), the range of services provided by the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts are limited to those as identified above, and such range of services shall not be changed unless approved by this Commission; and

**WHEREAS**, no changes to the Districts' Spheres of Influence are proposed or contemplated through this review.

**NOW, THEREFORE, BE IT RESOLVED** by the Commission:

1. Certifies that the project is statutorily exempt under the California Environmental Quality Act (CEQA) pursuant to Sections 15306 and 15061(b)(3) of the State CEQA Guidelines.
2. Approves the Service Review prepared in compliance with State law and update of the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts' Spheres of Influence, and written determinations prepared by the Staff and contained herein.
3. Determines that except as otherwise stated, no new or different function or class of services shall be provided by the Districts, unless approved by the Commission.
4. Determines, based on presently existing evidence, facts, and circumstances filed and considered by the Commission, that the Spheres of Influence for the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts should be affirmed as they currently exist, as more specifically described on the maps contained within the Service Review document.
5. Directs the Executive Officer to circulate this resolution depicting the adopted Sphere of Influence Update to all affected agencies, including the Hills Ferry, Knights Ferry, and Patterson Cemetery Districts.

**ATTEST:** \_\_\_\_\_  
Sara Lytle-Pinhey, Executive Officer

TO: LAFCO Commissioners

FROM: Sara Lytle-Pinhey, Executive Officer *SLP*

**SUBJECT: PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2024-2025**

**RECOMMENDATION**

It is recommended that the Commission:

1. Receive the Executive Officer’s report and accept public testimony regarding the Proposed LAFCO Budget.
2. Adopt Resolution No. 2024-05, approving the Proposed LAFCO Budget for Fiscal Year 2024-2025.
3. Schedule a public hearing for May 22, 2024, to consider adoption of the Final LAFCO Budget for Fiscal Year 2024-2025.

**EXECUTIVE SUMMARY**

The Proposed Fiscal Year (FY) 2024-2025 Budget includes operating expenses totaling \$723,670 and reflects an 9% increase as compared to the FY 2023-2024 budget. This is attributable to new salary ranges as a result of the reclassification, County cost-of-living increases and a 15% increase to the County’s health insurance costs. The table below summarizes the Proposed Budget and includes a comparison to the current year’s budget.

*Table 1: LAFCO Proposed Budget Summary*

<b>Expenses</b>	<b>Current Budget FY 2023-2024</b>	<b>Proposed Budget FY 2024-2025</b>	<b>% Change (Proposed v. Current)</b>
Salaries & Benefits	\$557,935	\$610,695	9%
Services & Supplies	106,555	111,775	5%
Other Charges	1,200	1,200	0%
<b>Total Expenses</b>	<b>\$665,690</b>	<b>\$723,670</b>	<b>9%</b>
<b>Revenues</b>			
Agency Contributions	\$625,690	\$693,670	11%
Application & Other Revenues	20,000	20,000	0%
<b>Total Revenues</b>	<b>\$645,690</b>	<b>\$713,670</b>	<b>11%</b>
<i>Anticipated Use of Undesignated Fund Balance</i>	\$20,000	\$10,000	-50%

An analysis of the Commission’s estimated year-end fund balance is also included in this report. Following allocations of reserve funds, Staff recommends the use of \$10,000 in undesignated fund balance to offset agency contributions. A chart depicting individual accounts for the

Proposed Fiscal Year 2024-2025 Budget is attached to this report.

## **BACKGROUND**

LAFCO is an independent commission established in each county by the State legislature. The Cortese-Knox-Hertzberg Local Government Reorganization Act establishes the specific funding methods and process for the annual LAFCO budget.

The Commission is funded by the County and its nine cities. Adopting the LAFCO budget is solely the responsibility of the Commission. The statutes governing LAFCO and directing its operations do not require separate approval of the financial program by the County, the nine cities, the independent special districts, nor any other local governmental agency. Section 56381(a) of the Government Code specifies that:

- The Commission shall adopt annually, following noticed public hearings, a proposed budget by May 1, and final budget by June 15. At a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or program costs will nevertheless allow the Commission to fulfill the purposes and programs of this chapter.
- The Commission shall transmit its proposed and final budgets to the board of supervisors, to each city, and to each independent special district.

Following adoption of a final budget, the County Auditor will allocate and charge LAFCO's final net budget to the County and nine cities as required by Government Code Section 56381(b).

## **EXPENSES**

The expense portion of the Proposed Budget is divided into three main categories: Salaries and Benefits, Services and Supplies, and Other Charges. The following are highlights from various accounts in the Proposed Budget.

### *SALARIES AND BENEFITS (Accounts 50000+)*

Expenses in the salaries and benefits category are projected to increase by 9% overall during Fiscal Year 2024-2025. LAFCO's employee benefits mirror the County's benefits, including health insurance and retirement (through StanCERA), pursuant to a Memorandum of Understanding between the County and the Commission. Similarly, LAFCO Staff receives increases to base salaries (e.g. cost-of-living increases) concurrently with respective County positions. Estimates for salaries and benefits are typically provided by the County during each budget cycle and are incorporated into the LAFCO Budget. The Proposed Budget includes a County-approved 3.5% cost-of-living increase that will take effect the first pay period after July 1, 2024, as well as step increases consistent with the County's salary ranges. Additionally, the County has seen a 15% increase in health insurance costs, beginning in the current calendar year, that are reflected in the Proposed Budget.

### *SERVICES AND SUPPLIES (Accounts 60000+)*

The proposed expenditures in the Services and Supplies category have increased by \$5,220 as compared to the FY 2024-2025 budget. The services and supplies category also includes items associated with the County's Cost Allocation Plan (CAP) charges. CAP charges reimburse the



## EXECUTIVE OFFICER'S AGENDA REPORT

APRIL 24, 2024

PAGE 3

County for various services provided by agreement to LAFCO, including County payroll, information technology, accounts payable/receivable, mailroom services, building services, legal services and overhead charges. The following are highlights for various line items in the Services and Supplies category.

### Insurance – SDRMA (Account #61000)

Like many other LAFCOs, the Commission uses the Special District Risk Management Authority (SDRMA) for its general liability insurance. SDRMA's rates had remained relatively stable over the last decade, with only a slight increase in the current year based on overall rate increases in the insurance market. LAFCO also takes advantage of safety discounts and longevity credits. As a result, the overall increase was less than anticipated in the current year and is projected to have a minimal increase in the upcoming fiscal year.

### Professional & Special Services (Account #63000)

This account includes costs for office space, utilities, as well as overhead charges from the County for human resources, risk management, and purchasing. Charges for building maintenance services and utilities are billed on a pass-through basis and have increased based on inflation. Account #63000 also includes a one-time increase of \$7,200 for County IT staff to assist in updating LAFCO's electronic file management system. The original system was created in-house by former County Staff approximately 15 years ago using ColdFusion and has not been updated since. County IT recently notified LAFCO that the system has exhausted its life and would either require costly annual security updates or migration to a more secure file system. County IT has offered their assistance to complete this process, which will result in overall time and cost savings, with no interruption to LAFCO's operations.

### Special Dept. Expense – Commissioners (Account #65660) & Education & Training (Account #65780+):

CALAFCO recently increased its registration rates for conferences and staff workshops. Likewise, rates for travel and hotels have increased. CALAFCO is currently considering changing the model for its in-person conferences. While Staff strives to take advantage of free training opportunities where possible, proposed increases in these two accounts will continue to allow for the opportunity for participation of the Commission and Staff in conferences and training.

### *OTHER CHARGES (Accounts #70000+)*

This category includes one account (#73024) for copy costs and a shared portion of the copier lease with the County Planning Department. While copy costs trended lower in the current fiscal year, it is recommended to maintain the item at \$1,200.

## **REVENUES**

The primary revenue source for LAFCO is contributions from the County and nine cities. Government Code Section 56381(b)(2) requires that the county and its cities each provide a one-half share of the Commission's operational costs. By statute, the cities share is apportioned by the County Auditor relative to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the State Controller.

Application revenues, although charged at actual cost, represent a very small percentage of LAFCO revenues (typically 3-5%). The majority of Staff’s duties are considered unfunded State mandates, including preparation of municipal service review updates, informational reports, responses to inquiries, and coordination with local and state agencies. For FY 2024-25, Staff proposes maintaining application fee revenue estimates of \$20,000. Application fees that are received in any given year can vary widely, so this item is estimated conservatively. Any additional revenue received above this amount will be factored in during the Commission’s next budget cycle.

**FUND BALANCE & RESERVES**

Government Code Section 56381(c) provides that “if at the end of the fiscal year, the Commission has funds in excess of what it needs, the Commission may retain those funds and calculate them into the following fiscal year’s budget.”

Table 2 outlines the changes to the fund balance based on projected operating revenues and expenses in the current fiscal year. The actual amount of fund balance will be calculated at year’s end (typically by September). However, based on the beginning year fund balance and projected revenues and expenses, Staff has estimated a year-end fund balance of \$350,726 for the current fiscal year.

*Table 2: LAFCO Fund Balance*

<b>Fund Balance July 1, 2023</b>		<b>\$ 342,531</b>	
<b>Revenues</b>	<b>Estimated Year-End</b>	<b>Budgeted FY 23-24</b>	<i>Variance with Budget Over / (Under)</i>
City/County Contributions	\$ 625,690	\$ 625,690	\$ -
Application Revenue	27,100	20,000	7,100
Interest	12,000	-	12,000
<b>Total Revenues</b>	<b>\$ 664,790</b>	<b>\$ 645,690</b>	<b>\$ 19,100</b>
<b>Expenses</b>	<b>Estimated Year-End</b>	<b>Budgeted FY 23-24</b>	<i>Difference</i>
Salaries and Benefits	\$ 556,970	\$ 557,935	\$ (965)
Services and Supplies	98,675	106,555	(7,880)
Other Charges (Copier)	950	1,200	(250)
<b>Total Expenses</b>	<b>\$ 656,595</b>	<b>\$ 665,690</b>	<b>\$ (9,095)</b>
<b>Revenue Less Expenditures</b>	<b>\$ 8,195</b>	<b>\$ (20,000)</b>	<b>\$ 28,195</b>
<b>Estimated Fund Balance June 30, 2024</b>		<b>\$ 350,726</b>	

**Reserve Funds & Long-Term Pension Liability**

The Commission’s Reserve Fund Policy identifies two reserve categories to be calculated annually and allocated during the annual budget process: an Accrued Leave Fund (based on accumulated cash-out liability) and a General Fund Reserve (15% of operating expenses). The Commission also requested a reserve fund be included to represent long-term liabilities. Proposed reserve funds for FY 2024-2025 are shown in the following table.

Table 3: Proposed Reserve Funds

<b>General Fund Reserve (15%)</b>	<b>\$ 108,500</b>
<b>Accrued Leave Fund (Cash-Out Liability)</b>	<b>125,000</b>
<b>Long-Term Liability Reserve</b>	<b>100,000</b>
<i>Total Reserves</i>	<i>\$ 333,500</i>

The Commission's addition of a Long-Term Liability Reserve was in response to an accounting requirement known as GASB 68. GASB 68 requires employers to report long-term unfunded pension liabilities on their balance sheets. The estimated unfunded portion of the pension can vary significantly each year based on investment returns and contribution rates. It can be viewed as an indicator of the overall health of the StanCERA retirement system from year to year. Accounting and budgeting for retirement costs are based on retirement contribution rates that are updated annually using actuarial analysis and adopted by the StanCERA Board. The rates are subsequently approved by the County Board of Supervisors.

Long-term pension liability is no longer reported directly on the Commission's balance sheet and is instead reported on the County's overall pension liability. This is based on LAFCO's employees being classified by the County Auditor as "contract employees," with the Commission reimbursing benefits costs to the County. Previously, estimates of unfunded pension liability were based on what LAFCO's proportion would be of the StanCERA system's overall unfunded pension liability and *not* actual amounts for LAFCO employees based on their years of service, retirement date, etc. Staff from the County Auditor's office identified that there are many uncertainties with regards to the exact amount and timing of the long-term pension liability.

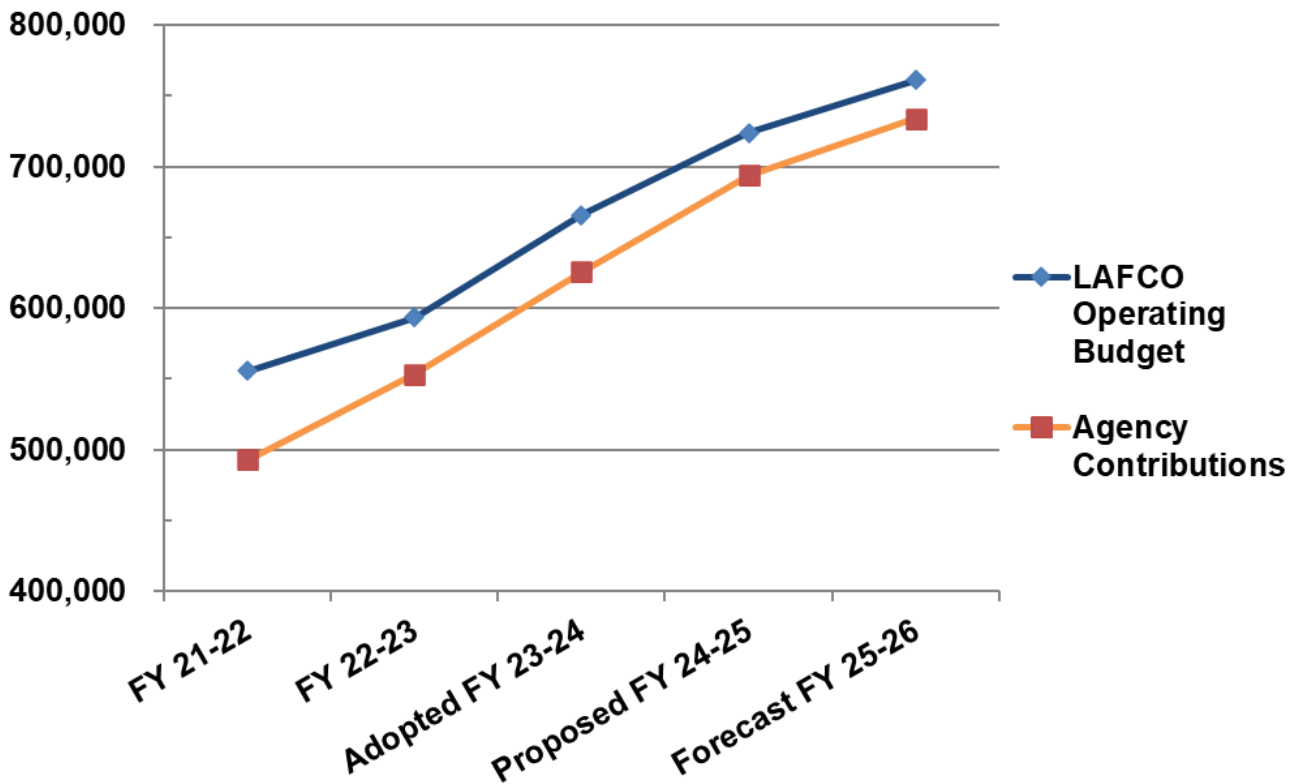
#### Fund Balance Status – Use of Undesignated Funds

As the Commission has been depleting the remainder of its undesignated fund balance, agency contributions will continue to see a corresponding increase in their allocation amounts. For the Proposed Budget, an estimated \$17,226 in undesignated fund balance is available to offset agency contributions. The majority of this amount (\$10,000), in addition to \$20,000 in estimated application revenues will help to offset contributions; however, as anticipated, agency contributions are now gradually rising to meet the Commission's actual operating expenses. A forecast of the following year's budget shows that agency contributions will soon be closer to matching the Commission's operating expenses (see Table 4 and Figure 1 on the next page).

Table 4: Total Budget & Agency Contributions

	Proposed FY 24-25	Forecasted FY 25-26
<b>Total Budget</b>	\$ 723,670	\$ 761,000
<b>Agency Contributions</b>	693,670	734,000
<b>Fund Balance Beg. (Estimated)</b>	350,726	340,726
<b>Drawdown</b> (Projected Use of Fund Balance to Reduce Agency Contributions)	(10,000)	(1,000)
<b>Fund Balance End (Year End Est.)</b>	340,726	339,726
<b>Designated Reserves: 15% Reserve</b>	108,500	114,150
<i>Accrued Leave (Cash-Out Liability)</i>	125,000	125,000
<i>Long-Term Liability Reserve</i>	100,000	100,000
<i>Total Reserves</i>	333,500	339,150
<b>Estimated Undesignated Fund Balance for Use in <u>Following</u> Year</b>	<b>\$ 7,226</b>	<b>\$ 576</b>

Figure 1: Forecast of Agency Contributions

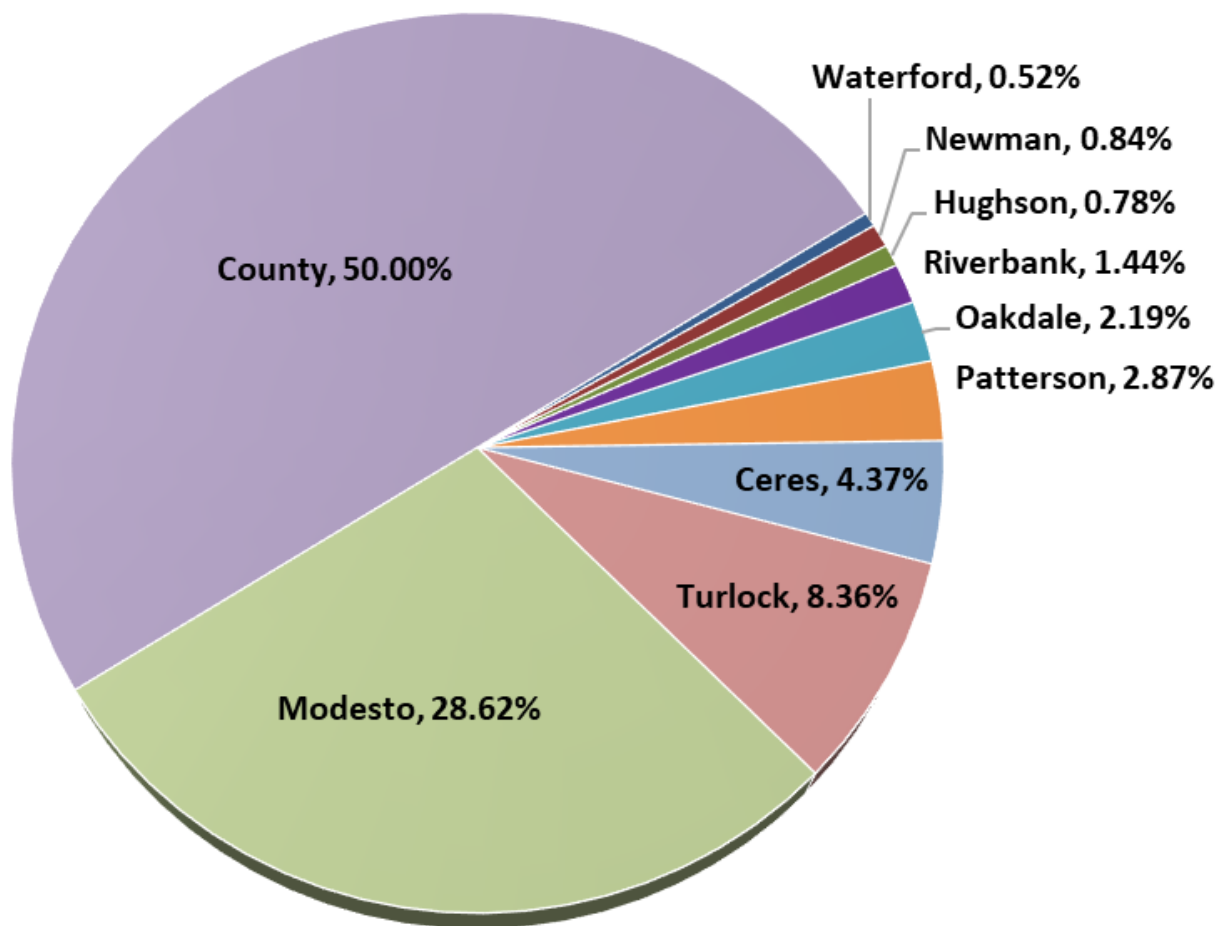


Agency Contributions

LAFCO is funded by contributions from the County and nine cities. By statute, the County is apportioned a half-share of the Commission's operational costs. The cities' share is calculated annually by the County Auditor and is relative to each city's total revenues, as published in the most recent State Controller reports.

Combined, the County and City of Modesto contribute about 79% of the Commission's budget, with the remainder split amongst the other cities (see Chart 1 below). Contribution amounts fluctuate from year to year amongst the cities, as their revenues increase or decrease relative to each other. Cities with larger increases in revenues may see their LAFCO contribution increase at a higher rate than other cities. Likewise, if a city has very low reported revenues, they may see their contribution amount *decrease*, even with an increase in LAFCO's budget. Table 5 on the next page outlines the County and Cities' contributions to the LAFCO budget for the current year and an estimate of the contributions for FY 2024-2025 based on the proposed budget.

*Chart 1: City/County Allocations (Estimated FY 2024-2025)\**



\* City allocations are based proportionally on total revenues, as reported by the most recent State Controller Annual Cities Revenue Report.

Table 5: Estimated Agency Contributions FY 2024-2025\*

	State Controller Reported Revenues (FY 21-22)	% of LAFCO Budget	Current FY 23-24 Contribution	Estimated FY 24-25 Contribution*	Total Change	% Increase (Decrease)
<b>Ceres</b>	84,319,467	4.37%	25,410	30,348	4,938	19.43%
<b>Hughson</b>	15,073,065	0.78%	5,572	5,425	(147)	(2.65%)
<b>Modesto</b>	551,545,961	28.62%	180,836	198,509	17,673	9.77%
<b>Newman</b>	16,231,411	0.84%	4,751	5,842	1,091	22.95%
<b>Oakdale</b>	42,125,314	2.19%	13,416	15,162	1,746	13.01%
<b>Patterson</b>	55,225,986	2.87%	16,487	19,877	3,390	20.56%
<b>Riverbank</b>	27,834,697	1.44%	8,418	10,018	1,600	19.01%
<b>Turlock</b>	161,211,664	8.36%	54,844	58,022	3,178	5.80%
<b>Waterford</b>	10,092,232	0.52%	3,111	3,632	521	16.75%
<b>All Cities</b>	963,659,797	50%	312,845	346,835	33,990	10.86%
<b>County Contribution</b>		50%	312,845	346,835	33,990	10.86%
<b>Total Agency Contributions</b>		<b>100%</b>	<b>\$ 625,690</b>	<b>\$ 693,670</b>	<b>\$ 67,980</b>	<b>10.86%</b>

\* Estimates are based on the most recent State Controller’s Reports. Final amounts will be determined by the County Auditor following the Commission’s adoption of the Final Budget.

**WORK PROGRAM & APPLICATION ACTIVITY**

Staff completed the 2023 work program of municipal service review updates, including an update for the fire protection districts. During the current fiscal year, Staff also processed two district annexations, five service extensions applications, as well as a large-scale city sphere expansion and annexation. Staff continues to see steady pre-application activity with at least one city annexation and three district applications on the horizon for the coming fiscal year.

**CONCLUSION**

The Commission and LAFCO Staff continue to exercise fiscal prudence, recognizing the financial constraints faced by our funding agencies. Approval of the Proposed LAFCO Budget will enable the Commission to perform its core responsibilities effectively, and continue its work on municipal service review updates, policy development, and current projects.

Attachments: LAFCO Resolution No. 2024-05  
 Proposed Fiscal Year 2024-2025 Budget Detail

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** April 24, 2024

**NO.** 2024-05

**SUBJECT: Adoption of the Proposed LAFCO Budget for Fiscal Year 2024-2025**

On the motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and approved by the following vote:

Ayes: Commissioners:  
Noes: Commissioners:  
Absent: Commissioners:  
Ineligible: Commissioners:

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, Government Code Section 56381(a) requires the Commission to adopt annually, following noticed public hearings, a proposed budget by May 1 and a final budget by June 15;

**WHEREAS**, the Stanislaus Local Agency Formation Commission wishes to provide for a budget to fulfill its purposes and functions as set forth by State law;

**WHEREAS**, pursuant to Government Code Section 56381(a), the proposed budget must be, at a minimum, equal to the previous budget, unless a finding is made that the reduced costs will nevertheless allow the Commission to fulfill the purposes and programs of the Stanislaus Local Agency Formation Commission (LAFCO);

**WHEREAS**, approval of the Proposed Budget will enable the Commission to perform its core responsibilities effectively, and to continue its work on State-mandated Municipal Service Reviews and Sphere of Influence Updates;

**WHEREAS**, the Commission mailed notices of the Proposed Budget to the County Board of Supervisors, the nine cities and the independent special districts; published a notice; and

**WHEREAS**, the Commission has conducted a public hearing on April 24, 2024, to consider the Proposed Budget for Fiscal Year 2024-2025, as submitted by the Executive Officer.

**NOW, THEREFORE, BE IT RESOLVED** that the Commission:

1. Finds that the Proposed Budget for Fiscal Year 2024-2025 will allow the Stanislaus Local Agency Formation Commission to fulfill the purposes and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act.
2. Adopts the Proposed Budget for Fiscal Year 2024-2025 as outlined in Exhibit 1, in accordance with Government Code Section 56381(a).

3. Hereby schedules the public hearing to consider the adoption of the Final Budget for Fiscal Year 2024-2025, for the Commission's May 22, 2024 meeting.

**ATTEST:**

\_\_\_\_\_  
Sara Lytle-Pinhey  
Executive Officer

Attachment: Proposed Fiscal Year 2024-2025 Budget



**Stanislaus LAFCO**  
**PROPOSED FISCAL YEAR 2024-2025 BUDGET**

Account	FY 23-24 Adopted Budget	FY 23-24 Estimated Year-End	FY 24-25 PROPOSED BUDGET	Increase or (Decrease)	% Change
<b>Salaries and Benefits</b>					
50000+ Salaries and wages	\$ 350,000	\$ 344,500	\$ 375,500	\$ 25,500	7%
52000 Retirement	103,000	104,250	115,875	12,875	13%
52010 FICA	26,600	26,420	29,500	2,900	11%
53000 Group health insurance	62,900	66,025	72,500	9,600	15%
53020 Unemployment insurance	460	420	500	40	9%
53051 Benefits admin fee	200	-	-	(200)	-100%
53081 Long term disability	425	425	470	45	11%
54000 Workers compensation insurance	1,450	1,965	3,050	1,600	110%
55000 Auto allowance	4,800	4,800	4,800	-	0%
55080 Professional development	2,500	2,500	2,500	-	0%
55130 Deferred comp mgmt/conf	5,600	5,665	6,000	400	7%
<b>Total Salaries and Benefits</b>	<b>\$ 557,935</b>	<b>\$ 556,970</b>	<b>\$ 610,695</b>	<b>\$ 52,760</b>	<b>9%</b>
<b>Services and Supplies</b>					
60400 Communications (ITC - Telecom)	\$ 1,225	\$ 1,152	\$ 1,200	\$ (25)	-2%
61000 Insurance (SDRMA)	5,235	5,275	5,500	265	5%
61030 Fiduciary liability insurance	15	12	15	-	0%
61070 Crime & fidelity insurance	40	36	40	-	0%
62200 Memberships (CSDA, CALAFCO)	11,700	11,250	11,700	-	0%
62400 Miscellaneous expense	5,000	(340)	5,500	500	10%
62600 Office supplies	1,500	1,000	1,500	-	0%
62730 Postage	1,200	900	1,200	-	0%
63000 Professional & special serv	34,025	35,560	45,795	11,770	35%
Building maint & supplies	4,600	4,250	5,000	400	9%
Office lease	4,505	4,390	4,785	280	6%
Utilities	1,600	1,600	1,900	300	19%
Janitorial	1,400	1,400	1,400	-	0%
Purchasing	420	420	1,010	590	140%
HR/Risk Mgt overhead	3,250	3,460	4,200	950	29%
Oracle ERP	1,525	1,525	-	(1,525)	-100%
IT Services (ITC)	12,150	13,940	15,700	3,550	29%
<i>New</i> File Management Update (ITC)	-	-	7,200	7,200	<i>new</i>
Video Streaming (ITC)	1,000	1,000	1,000	-	0%
Mtg Recording (Final Cut Media)	1,800	1,800	1,800	-	0%
Licenses: GIS & Adobe (ITC)	1,775	1,775	1,800	25	1%
63090 Auditing & accounting	14,200	14,580	4,325	(9,875)	-70%
County Auditor Services	2,200	2,850	4,325	2,125	97%
Independent Auditor (Biennial Audit)	12,000	11,730	-	(12,000)	-100%
63400 Engineering services	2,000	200	2,000	-	0%
63640 Legal services	16,000	16,000	16,000	-	0%
65000 Publications & legal notices	1,200	1,200	1,200	-	0%
65660 Special dept. exp (commissioners)	6,415	4,500	8,500	2,085	33%
65780+ Education & training	6,000	6,600	6,500	500	8%
67040 Other travel exp (local mileage)	600	600	600	-	0%
67200 Salvage disposal	200	150	200	-	0%
<b>Total Services and Supplies</b>	<b>\$ 106,555</b>	<b>\$ 98,675</b>	<b>\$ 111,775</b>	<b>\$ 5,220</b>	<b>5%</b>
<b>Other Charges</b>					
73024 Planning dept services	\$ 1,200	\$ 950	\$ 1,200	\$ -	0%
<b>Total Other Charges</b>	<b>\$ 1,200</b>	<b>\$ 950</b>	<b>\$ 1,200</b>	<b>\$ -</b>	<b>0%</b>
<b>TOTAL EXPENSES</b>	<b>\$ 665,690</b>	<b>\$ 656,595</b>	<b>\$ 723,670</b>	<b>\$ 57,980</b>	<b>9%</b>
<b>TOTAL REVENUES</b>					
40680+ Agency Contributions	625,690	625,690	693,670	67,980	11%
36414 Application & Other Revenues	20,000	27,100	20,000	-	0%
17000+ Interest Earnings & Refunds	-	12,000	-	-	<i>nb</i>
<b>Use of Undesig. Fund Balance</b>	<b>\$ 20,000</b>	<b>(8,195)</b>	<b>\$ 10,000</b>	<b>\$ (10,000)</b>	<b>-50%</b>

**Stanislaus LAFCO**  
**PROPOSED FISCAL YEAR 2024-2025 BUDGET**  
**Reserve Funds & Undesignated Fund Balance**

Estimated Fund Balance June 30, 2024	\$	350,726
<i>General Fund Reserve (15%)</i>		(108,500)
<i>Accrued Leave Fund (Cash-Out Liability)</i>		(125,000)
<i>Long-Term Liability Reserve</i>		(100,000)
<b>Undesignated Fund Balance (Est.)</b>	<b>\$</b>	<b>17,226</b>