



## Agenda Item: 7.D.

**MEETING:** February 18, 2020  
**TO:** Trinity LAFCo Commissioners  
**FROM:** Colette Metz Santsche, Executive Officer & Kathy Bull, Administrator/Clerk  
**SUBJECT:** Policy and Procedures Revision – Section 1. General, “Bylaws”, and Related Administration Policies; and Section 2. LAFCo Operations and Financial Policies

### **Background:**

Trinity LAFCo has drafted Policies and Procedures pursuant to Section 56300(a) of the Cortese-Know-Hertzberg Local Government Reorganization Act of 2000. Previously at the December 10, 2019 Commission meeting, staff proposed updating the Policies and Procedures to ensure consistency and clarity of Commission duties.

### **Discussion:**

Section 1. and Section 2. of the Policies and Procedures has been drafted with proposed changes and revisions in ~~strikeout~~/underlined text for the Commission’s consideration and input. Once all Sections of the Policies and Procedures have been revised and updated, staff will provide a complete Policy and Procedures document in its entirety for the Commission’s final approval.

### **Recommendation:**

Staff recommends that the Commission provide direction to staff regarding policy revisions and consider accepting proposed changes to *Section 1. General, “Bylaws”, and Related Administration Policies*; and *Section 2. LAFCo Operations and Financial Policies*.

### **Attachments.**

1. Section 1. General, “Bylaws”, and Related Administration Policies
2. Section 2. LAFCo Operations and Financial Policies

## **Section 1. GENERAL, “BYLAWS”, AND RELATED ADMINISTRATION POLICIES**

### **1.1 COMMISSION TITLE**

This Commission shall be entitled and known as the Trinity Local Agency Formation Commission (“Trinity LAFCo”).

### **1.2 MISSION, AUTHORITY AND PURPOSES**

Trinity LAFCo was established and operates under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) (California Government Code Sections 56000 et seq.)<sup>1</sup>

The Local Agency Formation Commission coordinates logical and timely changes in local governmental boundaries (§56001); conducts special studies which review ways to reorganize, simplify and streamline governmental structures (§56031); and prepares spheres of influence for each city and special district within the County (§56425). The Commission promotes provision of efficient and economical services while encouraging protection of agricultural and open space lands (§56001, §56300). Further efforts include discouraging urban sprawl and encouraging orderly formation and development of local agencies based upon local conditions and circumstances (§56301).

Local Agency Formation Commissions are independent commissions that are not a part of county government and are not under the County Board of Supervisors authority. Each Commissioner is independent when weighing and reviewing information and when making determinations (§56325.1 and Attorney General Opinion 98.802).

The mission of the Trinity LAFCo is to implement the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 with an understandable and open public process leading to informed decisions.

### **1.3 INTEGRATION WITH STATE LAWS**

This document and its subsequent sections will contain the policies, procedures and guidelines needed to implement LAFCo’s statutory purposes and its mission. They are general guidelines for the Commission to follow; however, they are not mandatory or binding. The Commission can and will consider each action upon its

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<sup>1</sup> Note: All code notations in the Policies and Guidelines refer to the California Government Code unless otherwise noted.

merits within the parameters set forth in state law. The provisions of this document are not intended to preempt state law. In the event of a conflict between these policies and guidelines, and the provisions set forth in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the provisions of the Act shall prevail.

## **1.4 MEMBERSHIP**

1.4.1 Membership: Trinity LAFCo shall be composed of seven (7) regular members and three alternate members (§56325, §56332). All members must be residents of Trinity County.

(a) County: Three members and one alternate from the County Board of Supervisors are selected by that Board (§56329).

(b) Special Districts: Two Special District Members and one alternate are designated by the Independent Special District Selection Committee (§56332).

(c) Public Member: ~~The Two~~ Public Members and one alternate Public Member are appointed by the other five Commissioners (§56325(d) & 56329). A Public Member cannot be an officer or employee of the County or any Special District having territory within Trinity County. Appointments are made in the following manner:

(i) The vacancy shall be posted by the Executive Officer within 21 days after the vacancy occurs or term of office ends (§54974). At the same time notice shall be published in a newspaper of general circulation.

(ii) The application period will run not less than 30 days from the date of posting and publication. Letters of application with attached resumes, or similar demonstration of qualifications and interest, shall be submitted to the LAFCo Executive Officer within the time period specified in the posted notice of vacancy.

(iii) The Commission may, at its discretion, designate a committee to review applications and recommend an appointment. Depending on the number of applicants, the Commission or committee may interview the most qualified applicants.

(iv) Selection of the public member and alternate public member shall be subject to the affirmative votes of at least one County and at least one District member seated on LAFCo. (§56325(d))

1.4.2 Alternate Commissioners: Alternate members may vote in place of the regular member who is absent or who disqualifies himself or herself from participating in an action (§56325). Alternate Commissioners may participate in closed sessions when sitting in and voting for an absent Commissioner.

1.4.3 Term of Office: The term of each member shall be four years. Commissioners serve until the appointment and qualification of a successor or until removed by the appointing body (§56334). A Commissioner is required to vacate their seat if he or she ceases to hold the originating office (§56337). LAFCo terms begin on the first day of May.

1.4.6 Independent Judgement: All Commission members shall exercise their independent judgment on behalf of the interests of residents, property owners, and the public as a whole. Any member appointed on behalf of local governments shall represent the interests of the public as a whole and not solely the interests of the appointing authority. This does not require the abstention of any member on any matter, nor does it create a right of action in any person. (§56325.1)

## **1.5 OTHER**

1.5.1 It is the policy of Trinity LAFCo to be a member of CALAFCO and to support and actively participate in the State association.

## **1.6 DOCUMENTS**

1.6.1 No staff member will distribute campaign related documents or items unrelated to the business of LAFCo (Government Code §54964, Penal Code 424).

1.6.2 Subject to the discretion of the Executive Officer, printed material relevant to the business of LAFCo, including proposed or anticipated LAFCo actions, may be included in the meeting packet on an informational basis.

1.6.3 All persons are invited to submit written comments for any matters set for hearing before LAFCo. Members of the public are strongly urged to submit their comments sufficiently in advance of meetings to allow Commissioners to review the information.

(a) Written comments will be included in the meeting packet if received by the Executive Officer prior to the distribution of the packet.

(b) Written comments received up to 48 hours prior to the LAFCo meeting will be duplicated by Executive Officer for distribution at the meeting.

(c) Persons submitting written comments less than 48 hours before a LAFCo meeting must provide at least fifteen (15) copies for distribution.

## 1.7 OFFICERS

1.7.1 Elections: The Chair (§56334) and Vice-Chair shall be elected by a majority vote of the Commission. Elections shall be held annually at the ~~regular Commission meeting in April~~ first regular meeting of the calendar year.

1.7.2 Terms of Office: The offices of Chair and Vice Chair are one-year terms to coincide with the calendar year. ~~The term of office begins the first day of May. Terms of office shall rotate each year between the County, Special District and Public members. The Chair and Vice Chair shall not be members of the same appointing authority (county, special district, or public). Should the Chair or Vice Chair position become vacant during the calendar year, the Commission shall, at the meeting at which the vacancy occurs, elect a successor to serve the balance of that calendar year.~~

1.7.3 Duties of Chair: The Chair, when present, shall preside at all meetings of the Commission and shall conduct the business of the Commission in the manner prescribed by these ~~rules~~ policies. The Chair shall preserve order and decorum, set time limits for speakers, and shall decide all questions of order subject to the action of a majority of the Commission.

The Chair may also, from time to time, appoint Commission members to subcommittees and may call special meetings as necessary and as provided by law (§54956). All documents involving official acts of the Commission shall be signed in accordance with appropriate statutes relating to such acts. In the absence of specific regulations, the signature of the presiding officer shall be deemed sufficient.

1.7.4 Duties of Vice-Chair: In the absence of the Chair or if for any reason the Chair is unable to act as Chair, the Vice-Chair shall act as Chair and exercise all the powers and duties of the Chair.

1.7.5 Chair Pro Tem: In the absence of the Chair or Vice Chair or if the Chair or Vice-Chair is unable to participate in the proceedings, the immediate past chair of the Commission will act as Chair. If the Chair, Vice Chair and immediate past Chair are not available, then the members of the Commission present shall, by an order entered in the minutes, select one of their members to act as Chair Pro-Tem with all the powers and duties of the Chair.

1.7.6 Spokesperson: The Commission may, from time to time, designate a spokesperson to represent the Commission for a particular matter.

1.7.7 Speaking in Public: All Commissioners, when speaking in public forums of any kind, must clearly state that they are expressing their own views, unless they have been designated to be the spokesperson on that matter and to represent the Commission.

## **1.8 MEETINGS**

1.8.1 Regular meetings are conducted monthly (§54954) and are usually held in the Trinity County Library Conference Room (Board Chambers) located at 351 Main Street, Weaverville, California. Regular meetings are held, as necessary, on the third Tuesday of ~~each even numbered~~ months at 4:00 pm. The Commission may change the meeting schedule or location, add or cancel hearings.

1.8.2 The Chair, Executive Officer or a majority of the Commission may call a special meeting at any time, pursuant to the provisions of Government Code Section 54956. "For the majority to act, there is implied authority for them to communicate to determine if they want to call a special meeting" (Open & Public III: A user's guide to the Ralph M. Brown Act).

1.8.3 Notice of meetings will be provided in accordance with the provisions of the Cortese-Knox-Hertzberg Act, the Brown Act, and the California Environmental Quality Act, as applicable. The Executive Officer may provide public notice, above that required by law, when appropriate. The meeting agenda will be provided to LAFCo's established agenda mailing list, including appropriate media, project proponents, and interested parties requesting notice for a specific hearing.

## **1.9 AGENDAS**

1.9.1 Items are placed on the meeting agenda by any member of the Commission, the Executive Officer, or by the Commission's direction or consensus.

1.9.2 Meeting ~~agendas and packets shall be posted on the LAFCo website and available to Commissioners at least five days prior to the meeting. Copies of the staff reports shall be made available to proponents, affected local agencies, and agendas will be provided to LAFCo's established agenda mailing list, including appropriate media, project proponents, and~~ interested parties requesting notice for a specific hearing.

1.9.3 In accordance with the Ralph M. Brown Act, the Commission may not take action on any items that do not appear on the Trinity LAFCo agenda posted 72 hours prior to the meeting unless an exception is made as permitted under Government Code Section 54954.2 (immediate action required, etc).

## **1.10 QUORUM, VOTING AND CONDUCT OF MEETINGS**

1.10.1 Quorum: Four (4) members of the Commission shall constitute a quorum for the transaction of business. ~~Alternate members, when seated in place of regular members, shall be considered a regular member for quorum determination.~~ In the absence of a quorum, the members present shall adjourn the hearing to a stated time and place (Rosenberg's Rules of Order).

1.10.2 Voting: When applicable, a roll call vote shall be conducted by the Commission Clerk, with the Chair voting last. No act of the Commission shall be valid or binding unless four (4) or more members concur. A tie vote, or any failure to act by at least four affirmative votes, shall constitute a denial.

1.10.3 Order of Business: The business of the Trinity LAFCo at its meetings will be conducted in accordance with the following order of business unless otherwise specified. The Executive Officer or any member of the Commission may request that the order of business be changed to accommodate a special circumstance.

The usual order of business is as follows:

1. Call to Order/Roll Call
2. Presentations/Announcements
3. ~~Approval of Minutes~~Consent Calendar
4. Public Comment Opportunity
5. Public Hearings
6. ~~Action Items~~ New Business
7. ~~Administrative Business~~ Old Business
8. Executive Officer's Report/Correspondence
9. Commissioner's Comments
10. Adjournment

1.10.4 Public Comment/Public Forum: Any person wishing to address the Commission on any item within LAFCo's jurisdiction but **not** appearing on the agenda may do so during this section of the agenda (Section 54954.3). The Commission cannot take action on a matter that is not listed on the agenda, including matters raised during Public Comments. The Chair, however, may request the Executive Officer to provide brief additional information on a matter of general interest to the Commission or public-at-large. The time limit is three minutes per speaker, subject to the discretion of the Chair.

1.10.5 Public Hearings:

~~(a)~~ For a full discussion of public hearing procedures and policies, please refer to Section 1.11.

1.10.6 Executive Officer's Report: The Executive Officer shall provide periodic reports to the Commission on agency activities, pending projects, and the budget.

1.10.7 Commissioner's Comments: Commissioners' reports may include individual or committee activities, intergovernmental items, announcements and other relevant matters.



1.10.8 Speakers:

- (a) All communications from the floor are addressed to the Commission.
- (b) Members of the public who speak at a meeting are requested to identify themselves ~~and to sign in with the Clerk (Section 54953.3) to facilitate preparation of the minutes and address remarks to the Commission, as a body, and not to any member thereof.~~ Those attending a meeting are not required to identify themselves.
- (c) No person is allowed to speak from the audience.
- (d) Each speaker is allowed to speak once on an agenda item.

1.10.9 Time Limits: The Chairman may limit the time for speakers or may limit the total time allotted for any individual item (Brown Act). The usual time limit is three minutes for speakers.

1.10.10 Motions: Motions may be made by any regular member of the Commission or alternate member acting in place of a regular member, including the presiding officer, provided that before the presiding officer offers a motion the opportunity for making a motion should be offered to other members of the Commission. Any regular member of the Commission or alternate member acting in place of a regular member, other than the person offering the motion, may second a motion.

1.10.11 Procedure for Motion: The following is the general procedure for making motions:

- (a) Before a motion can be considered or debated it must be seconded.
- (b) A commission member wishing to second a motion should do so through a verbal request to the Chair.
- (c) Once the motion has been properly made and seconded, the Chair shall open the matter for discussion offering the first opportunity to the moving party and, thereafter, to any Commission member or alternate properly recognized by the Chair.
- (d) Once the matter has been fully discussed and the Chair calls for a vote, no further discussion will be allowed, provided, however, Commission members may be allowed to explain their vote.

1.10.12 Motion Amendments: When a motion is on the floor, and an amendment is offered, the amendment should be acted upon prior to acting on the main motion.

1.10.13 Voting: Any regular member of the Commission, or alternate member acting in place of a regular member, present at a meeting when a question



comes up for a vote should vote for or against the measure unless he/she is disqualified from voting and abstains because of such disqualification. If the vote is a voice vote, the Chair shall declare the result. The Commission may also vote by roll call. Regardless of the manner of voting, the results reflecting all “ayes” and noes” must be clearly set forth for the record.

Whenever a roll call vote is in order, the Commission Clerk shall call the names of the members in the following order: the mover, the second, other members, providing that the name of the Chair shall be called last.

1.10.14 Abstention:

- (a) Commission members should declare their intention to abstain on an item on the agenda as soon as the agenda item is announced.
- (b) When Commission members abstain or excuse themselves from a portion of a Commission meeting because of a legal conflict of interest, the Commission member must briefly state on the record the nature of the conflict. Including this information in the public record as required by law. A Commissioner excusing him/herself for a legal conflict shall leave the meeting room.
- (c) Whenever a regular member of the Commission abstains, for whatever reason, that member’s alternate is eligible to replace the abstaining regular member and participate fully in all actions, provided the alternate member does not have a conflict of interest.

1.10.15 Motions for Reconsideration: Reconsideration of any resolution of the Commission making determinations must comply with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

**1.11 PUBLIC HEARINGS**

1.11.1 General Procedure: The Commission procedure for the conduct of public hearings is generally as follows:

- (a) The Chair announces the item to be considered.
- (b) LAFCo staff presents its report
- (c) Commission members and alternates may ask questions of staff if they so desire.
- (d) The Chair opens the public hearing to statements from the applicant and public
- (e) The applicant or applicant representative then has the opportunity to present comments, testimony, or argument.
- (f) Members of the public are provided with the opportunity to present their comments, testimony or argument.
- (g) The applicant or applicant representative is given an opportunity for rebuttal or concluding comments. No new information shall be introduced

except by specific permission of the Chair, in which event opponents shall, again, be given an opportunity to rebut.

- (h) LAFCo staff is given an opportunity for concluding comments.
- (i) The public hearing is closed.
- (j) The Commission deliberates on the issue.
- (k) If the Commission raises new issues through deliberation and seeks to take additional public testimony (questions of the public, applicant or appellant), the Public Hearing must be reopened. At the conclusion of the public testimony, the Public Hearing is again closed.
- (l) The Commission deliberates and takes action.
- (m) The Chair announces the final decision of the Commission.

1.11.2 Time for Consideration: Matters noticed to be heard by the Commission will commence at the time specified in the notice of hearing, or as soon thereafter as is reasonably possible, and will continue until the matter has been completed or until other disposition of the matter has been made.

1.11.3 Continuance of Hearings: Any hearing being held or noticed or ordered to be held by the Commission at any meeting of the Commission may, by order or notice of continuance, be continued or re-continued to any subsequent meeting within the time limits require by law.

1.11.4 Public Discussion at Hearings:

- (a) When a matter for public hearing comes before the Commission, the Chair will open the public hearing. Upon opening the public hearing and before any motion is adopted related to the merits of the issue to be heard, the Chair shall call for presentation of the staff report. Following any staff presentation and Commissioner questions, the Chair shall inquire if there are any persons present who desire to speak on the matter which is to be heard or to present evidence respecting the matter. The applicant or applicant's representative would generally speak first.
- (b) Request to Speak – Any person desiring to speak shall make his/her presence known to the Chair and upon being recognize by the Chair, the person may speak relevant to the matter being heard. No person may speak without first being recognized by the Chair.
- (c) Commission Questions of Speakers – Members of the Commission or alternates who wish to ask questions of the speakers or each other during the public hearing portion may do so buy only after first being recognized by the Chair. Interactions with a speaker shall be limited to a question or questions, rather than an ongoing dialogue. Commission members and alternates should avoid raising question as a method to extend the allocated time for a speaker.
- (d) Material for Public Record – All persons interested in the matter being heard by the Commission shall be entitled to speak and to submit written or graphic information. All written and graphic information presented will be

retained by the Clerk of the Commission as part of the record of the hearing, unless otherwise directed.

- (e) Germane Comments – No person will be permitted during the hearing to speak about matters or present information not germane to the matter being considered. A determination of relevance shall be made by the Chair, subject to approval by the full Commission if requested by and Commission member or alternate.

1.11.5 Communications and Petitions: Written communications and petitions concerning the subject matter of the hearing will be noted, read aloud, or summarized by the Chair, or at the Chair's direction by the Executive Officer. A reading in full shall take place if requested by the Commission.

## **1.12 RECORD OF PROCEEDINGS**

1.12.1 General Procedure: The Commission Clerk or designee shall record and prepare minutes of each meeting. The minutes are intending to be a summary of the order of business and general nature of testimony, Commission deliberation, and action taken. After approval, the minutes shall become the official record of actions of the Commission.

## **Section 2. LAFCO OPERATIONS AND FINANCIAL POLICIES**

### **2.1 LAFCO BUDGET**

Government Code §56381, et. seq., and the following policies will apply to the LAFCo budget process:

2.1.1 The Commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and final budget by June 15 in the manner prescribed by §56381.

2.1.2 LAFCo will encourage an open process in the development and approval of its budget. LAFCo will encourage cooperation and collaborative efforts among agencies in order to reduce the costs of special projects, studies and state mandates.

2.1.3 LAFCo will annually review and consider budget priorities to fulfill the purposes and programs of state law and local policy. These work priorities will help guide the development of the budget.

2.1.4 The budget will identify the resources available for LAFCo's use under the law and those resources necessary for the purpose of carrying out state law and the Commission's goals and policies.

2.1.5 The LAFCo Executive Officer shall serve as budget administrator to prepare, present, transmit, review, execute and maintain the LAFCo budget.

#### **2.1.6 Contingency/Reserve:**

- (a) ~~As part of the annual budget process, the Commission shall determine whether a contingency appropriation to the reserve is needed. The annual budget shall include a contingency appropriation of 10% of total operating expenses, but not less than \$5,000, unless the Commission deems a different amount appropriate.~~
- (b) Funds budgeted for contingency reserve shall not be used or transferred to any other expense account code without the prior approval of the Commission.
- (c) Whenever the actual year-end closing figures of the LAFCo general fund show that available financing exceeds financing requirements, the excess fund balance shall be transferred to a designated reserve account unless allocated to the next fiscal year, as determined by the Commission. ~~an account designated for subsequent years financing, lawsuits or other unanticipated events. These designated funds will be considered as a reserve account. The County of Trinity Auditor Controller, with the~~

~~concurrence of the Executive Officer, is authorized to transfer an amount equal to the amount of excess financing to this account, which shall be augmented, as funds may be available, until it contains an amount equal to at least 25% of the current year budget, but not less than \$30,000. Once the account equals at least this amount any remaining funds in excess of the actual fund balance amount may be appropriated for any allowed expense at the Commission's discretion.~~

- (d) Whenever actual year end closing figures of the LAFCo general fund show that financing requirements exceed available financing, the Executive Officer shall notify the Commission at its next regular meeting. Any associated reductions in appropriations may not be made without prior approval of the Commission.
- (e) Funds in the ~~designation the LAFCo designated~~ reserve accounts, shall not be used for any current year's expenses or considered as a financing source for on-going operations without the prior approval of the Commission. It is the intent of the Commission that any funds considered as reserves only be used in the case of extraordinary expenses that could not have been anticipated.

#### 2.1.7 Budget Adjustments:

- (a) The Commission may make adjustments to its budget at any time during the fiscal year, as it deems necessary.
- (b) Adjustments between accounts within the same budget income group may be approved by the Executive Officer.
- (c) Transfers between budget income groups shall be subject to approval by the Commission.

2.1.8 Audits. An independent audit of LAFCo finances will be conducted as the Commission deems necessary. Cash handling, receipts, deposits and claims procedures will be processed through the Trinity County Auditor. ~~At each regular meeting the Commission will review the 'budget to actual' report.~~

2.1.9 Apportionments. Funding for the normal operational expenses of Trinity LAFCo shall be borne from Trinity County and its special districts. Trinity County shall apportion ½ of LAFCo budget from Trinity County and ½ from the special districts. The apportionment funds shall be collected by the Trinity County Auditor.

## 2.2 LAFCO FEES

### 2.2.1 Application Fees

- (a) The Commission shall periodically review fees and adopt a fee schedule for the purpose of recovering the costs pursuant to the Cortese-Knox-Hertzberg Act (§56383(a), §56384, §66016).

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- (b) The schedule of fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged and shall be imposed pursuant to §66016 and §56383. Charges listed on the schedule of fees are initial payments toward the total cost of processing (“project cost”).
- (c) Project cost is defined as staff time plus materials. Staff charge-out rates include personnel costs plus a percentage of LAFCo operating expense and administrative overhead. Materials include, but are not limited to, mailing costs, charges for advertisement of hearings, petition reviews, as well as fees charged for project reviews by affected agencies.
- (d) No petition shall be deemed filed and a Certificate of Filing shall not be issued until fees have been deposited (§56383(c)). Charges must be paid by the applicant prior to recording the Certificate of Completion or at other times during the LAFCo process as deemed appropriate by the Executive Officer. The Certificate of Completion shall not be recorded until outstanding fees and charges are paid.
- (e) Any individual or entity that requests a LAFCo initiated study or service review of special district changes of organization or reorganization shall be responsible for required fees. Charges for Reconsideration of a LAFCo Determination are the responsibility of the requesting party.
- (f) Applicants are responsible for payment of other agency fees, such as: State Board of Equalization fees, County Surveyor fees, County Elections Department costs, Environmental Document preparation fees, mapping, Fish and ~~Game~~Wildlife fees, and County Recording Fees.
- (g) Staff time will be monitored against the deposit paid. If cost of processing an application begins to exceed the deposited amount, additional deposits will be required. Any hearing on the application may be deferred or continued pending receipt of the additional deposit.
- (h) If extensive staff assistance is required prior to receipt of an application, a deposit will be required at the time the work is requested.
- (i) Pre-Application Expenses: LAFCo will charge its pre-application staff time spent conducting research, reviewing environmental and other documents and participating in the process as the lead agency or responsible agency, as part of the processing costs. The initial deposit for proposals will be due and payable at the time LAFCo initiates preliminary work on the proposal or when the estimated time of preliminary work exceeds 2 hours.
- (j) Public inquiries and one-time general research requiring less than ~~30 minutes~~2 hours will not be subject to charges for staff time.

2.2.2 Reimbursement Agreements: Whenever a deposit of funds is required, the applicant shall enter into an agreement providing for LAFCo to be reimbursed for all costs related to the application based on the fee schedule in place at the time funds are deposited.

2.2.3 Legal Defense Fees: LAFCo retains the right to control its defense. The applicant may provide his or her own legal counsel in the defense of the action taken, under the supervision of LAFCo legal counsel, or, if LAFCo consents, the applicant may elect to use the services of LAFCo in that defense. In any case, the Executive Officer may require a deposit of funds by the applicant sufficient to cover LAFCo's estimated expenses of the legal defense litigation.

2.2.4 Appeal of Fees:

- (a) Appeals shall be submitted in writing with the application and contain specific justification for the request. The appeal will be considered at the next LAFCo hearing.
- (b) Project processing will not begin until a fee determination is rendered by LAFCo.
- (c) The Commission may reduce or waive a fee or deposit if it finds that payment would be detrimental to the public interest; however, it is the Commission's policy to not waive fees except in the direst of circumstances because most special districts, which would share in the costs that are waived or reduced, have severely limited financial resources (56383(d)). The Commission will also consider the budget impacts of any fee waivers or reductions. Absent compelling circumstances, the Commission will not normally adjust or waive deposits and/or fees.

2.2.5 Refunds:

- (a) Deposits on file with LAFCo which exceed the cost of processing the application by \$25 or more will be refunded to the applicant after LAFCo completes its final filings.

## **2.3 LAFCO EXPENDITURES**

2.3.1 While CKH allows Commission members and alternates, sitting in and voting at a meeting, to receive a meeting stipend, the Commission has chosen not to receive any stipend or reimbursement for expenses incurred in performing the duties of their office (§56334).

2.3.2 Commission members, including alternates, and staff compelled to travel out-of-county in the performance of their duties shall be reimbursed for their actual and necessary expenses, including reasonable incidental expenses. Reimbursement shall be made at the rates specified for officers or employees of Trinity County, or as otherwise specified by the Commission. Travel claims will be made in the form



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and manner as such claims are processed for officers or employees of Trinity County subject to approval of the Executive Officer, or if the Executive Officer is making the claim pursuant to Section 2.3.5.

2.3.3 All travel arrangements are coordinated through the Executive Officer and should be as economical as possible.

2.3.4 In order to avoid late payment penalties, or to secure an early payment discount, the Executive Officer is authorized to approve all claims for payment, except his/her own claims. At each regular meeting, the listing of approved claims shall be submitted to the Commission.

2.3.5 The Executive Officer shall submit his/her claims to the Chair and Vice-Chair for approval. Two signatures are required. If either the Chair or Vice-Chair is not available, then any other regular member of the Commission may sign. Claims approved for the Executive Officer shall also be reported to the Commission along with other approved claims.

2.3.6 The Executive Officer is designated as the financial officer of LAFCo and shall review all invoices, including claims and payment requests received by LAFCo and shall be responsible to process documents necessary for payment in a timely manner.