## FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCO) EXECUTIVE OFFICER'S REPORT

Agenda Item No. <u>8</u>

DATE:

January 13, 2021

TO:

Fresno Local Agency Formation Commission

FROM:

David E. Fey, Executive Officer

SUBJECT:

Consider Approval - Authorize the Executive Officer to initiate 56831(c)

process to request the County Auditor to collect payment from the City of

**Parlier** 

RECOMMENDATION:

Authorize the Executive Officer to take actions described in this

report

## **Executive Summary**

Of the fifteen cities in Fresno County, the City of Parlier has failed to contribute to LAFCo's net budget. The City's allocation is \$1,577.70. Pursuant to authority granted by State law, the Executive Officer requests that the Commission authorize the Executive Officer to work with the County Auditor to ensure that the City's contribution is collected in a timely manner.

## Discussion

Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH"), once the Commission adopts a budget for the fiscal year, LAFCo's net operating expenses are apportioned by the County Auditor pursuant to the formula in CKH.

On June 25, 2020, LAFCo staff transmitted the adopted FY 20-21 budget to County Auditor staff. County staff issued its apportionment to the 15 cities and the County on July 13, 2020.

To date, the City of Parlier has failed to contribute to LAFCo's net budget for the 20-21 Fiscal Year. Auditor staff and LAFCo staff have contacted the Parlier city administrator on this matter but no contribution has resulted.

CKH sec. 56831 (c) sets forth LAFCo's budgetary process:

If the county, a city, or an independent special district does not remit its required payment within 60 days, the commission may determine an appropriate method of collecting the required payment, including a request to the auditor to collect an equivalent amount from the property tax, or any fee or eligible revenue owed to the county, city, or district.

The auditor shall provide written notice to the county, city, or district prior to appropriating a share of the property tax or other revenue to the commission for the payment due the commission pursuant to CKH.

Any expenses incurred by the commission or the auditor in collecting late payments or successfully challenging nonpayment shall be added to the payment owed to the commission.

Preliminary discussion with the County Auditor's staff has identified funds as revenue owed the City of Parlier from which the LAFCo allocation can be secured.

## Individuals and Agencies Receiving this Report

- Ken Price, LAFCo Counsel
- Sonia Hall, Parlier City Administrator
- Oscar Garcia, CPA, Auditor-Controller/Treasurer-Tax Collector
- Mario Cabrera, Manager, Financial Reporting & Audits Division

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