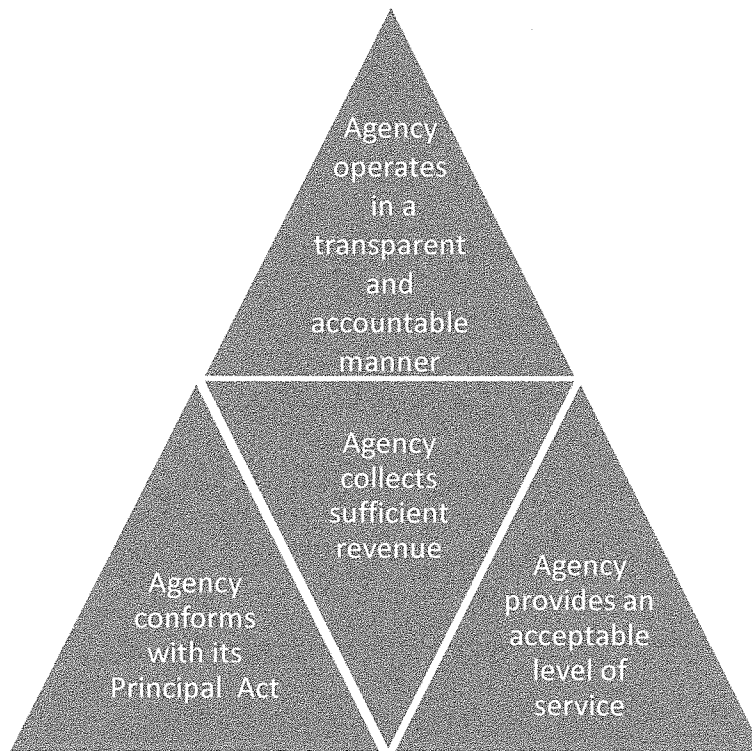


Fresno LAFCo Special District Performance Standards  
November 10, 2021



### Factors of an Effective Service Provider

#### AGENCY CONFORMS WITH ITS PRINCIPAL ACT

##### Examples

- ✓ Agency operates in conformance with its Principal Act
- ✓ Agency is governed by a complete board of directors per its Principal Act
- ✓ Board meets regularly and meetings are noticed per the Brown Act
- ✓ Board elections or appointments are conducted on a regular basis
- ✓ Agency complies with public agency transparency and accountability statutes

##### Conditions of interest to LAFCo include, but are not limited to:

- There is no board of directors
- Board does not meet regularly
- There is ineffective communication between the Agency and LAFCo, County Elections, Clerk to the Board, and other agencies
- Agency has been the subject of ongoing regulatory body investigations which have resulted in consistent findings of mismanagement
- Agency experiences a lack of confidence from citizens or other entities
- Agency has unusually high employee/management turnover

#### AGENCY COLLECTS SUFFICIENT REVENUE

##### Examples

- ✓ Agency adopts an annual budget that balances expenses with revenues
- ✓ Agency collects appropriate rates and fees from customers for service(s) provided
- ✓ Agency has adopted a current schedule of fees and rates
- ✓ All users of Agency facilities and/or services are charged adopted rate/fee

- ✓ Rates are regularly reviewed to account for expenses
- ✓ Receipts are prepared for all cash
- ✓ Agency has reserve funds of 15-20% of net operating expenses
- ✓ Regular audits are performed

**Conditions of interest to LAFCo include, but are not limited to:**

- Agency has not adopted an annual budget
- Agency does not charge all users rates/fees
- Expenses regularly exceed revenues
- County Elections expenses are not repaid in a timely manner
- Agency has no reserve funds or annual budget projects depletion of reserve
- Agency has borrowed money to meet operating expenses
- Agency reserve exceeds 20% of net operating expense
- Agency is unable to fund capital or operational projects or staff that are critical to its mission
- No recent financial audit or if an audit was performed, the Agency received an unfavorable audit and management letter

**AGENCY PROVIDES AN ACCEPTABLE LEVEL OF SERVICE(S)**

**Examples**

- ✓ Services provided are consistent with the Agency's Principal Act and as authorized by LAFCo
- ✓ Services requiring a permit to operate by a state or federal agency
- ✓ Expenses to provide service are comparable to similar Agencies
- ✓ Annual budget supports the acceptable level of service

**Conditions of interest to LAFCo include, but are not limited to:**

- Services are not delivered in a planned, consistent manner
- Lack of trained or competent staff
- Services are routinely provided outside of service area
- Expenses to provide service exceed similar Agencies

**AGENCY OPERATES IN A TRANSPARENT, ACCOUNTABLE, AND PUBLIC MANNER**

**Examples**

- ✓ Board meetings are publically noticed
- ✓ Board meetings are conducted pursuant to the Brown Act
- ✓ Public records are accessible to the public

**Conditions of interest to LAFCo include, but are not limited to:**

- Notices of board meetings are not consistently in compliance with the Brown Act
- Board meetings are frequently not held due to a lack of a quorum of members
- Agendas are unclear, incomplete, or incorrect
- Board meetings are not conducted under transparent rules of order
- Members of the public are not invited to participate in board meetings
- Increase of claims or litigation