

**RESOLUTION OF THE VENTURA LOCAL AGENCY
FORMATION COMMISSION MAKING VARIOUS
AMENDMENTS TO CHAPTERS 2, 3 AND 6 OF DIVISION
2 – OPERATIONAL POLICIES RELATING TO LEGAL
COUNSEL, BUDGET, EMPLOYEE PAYROLL
REPORTING, AND OUT OF AGENCY SERVICE
AGREEMENTS**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.) requires each Local Agency Formation Commission (LAFCo) to adopt written policies and procedures; and

WHEREAS, the Ventura Local Agency Formation Commission (LAFCo) adopted a new and revised Commissioner's Handbook containing its written policies and procedures on January 1, 2002 and readopted it October 17, 2007, and

WHEREAS, the Commission desires to make various amendments to its operational policies relating to legal counsel, budget, employee payroll reporting, and delegation of authority for out of agency service agreements; and

WHEREAS, on February 17, 2010, the public had an opportunity to comment and the Commission considered amendments to the Commission's operational policies;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Ventura Local Agency Formation Commission hereby:

- (1) Amends Division 2 – Operational Policies, Chapter 2 – General Personnel Policies, by amending Section 2.2.3.2 of the Commissioner's Handbook relating to Legal Counsel conflicts of interest as shown on Exhibit A.
- (2) Amends Division 2 – Operational Policies, Chapter 3 – Financial, by amending or adding:
 - (a) Section 2.3.1.3 of the Commissioner's Handbook relating to the preparation and administration of the budget as shown on Exhibit B;
 - (b) Section 2.3.1.4 of the Commissioner's Handbook relating to the budget contingency reserve as shown on Exhibit B;
 - (c) Section 2.3.1.5 of Commissioner's Handbook relating to budget adjustments as shown on Exhibit B
 - (d) Section 2.3.2.2 of the Commissioner's Handbook relating to the submittal of fees shown on Exhibit B;
 - (e) Section 2.3.4 of Commissioner's Handbook relating to payroll reporting as shown on Exhibit B, and

- (3) Amends Division 2 – Operational Policies, Chapter 6 – Delegation of Authorities to Executive Officer, by amending or adding:
 - (a) Section 2.6.2.1 of the Commissioner's Handbook regarding emergency out of agency service agreements to address health and safety issues as shown on Exhibit C
 - (b) Section 2.6.2.2 of the Commissioner's Handbook regarding deferral of the Executive Officer's delegated authority as shown on Exhibit C
 - (c) Section 2.6.2.3 of the Commissioner's Handbook regarding reconsideration of the Executive Officer's determination as shown on Exhibit C
- (4) Directs the Executive Officer to compile the amendments to the Commissioner's Handbook in the form of replacement pages and distribute them to interested parties.

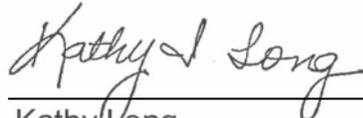
This resolution was adopted on February 17, 2010.

AYES: Commissioners Cunningham, Lange, Long, Morehouse, Parks, Parvin and Pringle

NOES: None

ABSTAINS: None

Dated: 2/17/10



Kathy Long
Vice Chair, Ventura LAFCo

Attachments: Exhibit A
Exhibit B
Exhibit C

c: Ventura County Cities
Ventura County Special Districts

EXHIBIT A

2.2.3.2 Conflict of interest: In the event of any conflict of interest on a matter before the Commission by the County Counsel, or designee, the Commission may appoint an alternate legal counsel pursuant to state law.

EXHIBIT B

2.3.1.3 Preparation and administration:

- (a) The Executive Officer or designee shall serve as budget administrator to prepare, present, transmit, review, execute and maintain the LAFCo budget consistent with state law.
- (b) The Executive Officer shall provide the Commission with a monthly budget report comparing revenues and expenditures to the adopted budget at the next regular meeting of the Commission following staff's receipt of the report from the County Auditor-Controller.

2.3.1.4 Contingency reserve:

- (a) The annual budget shall include a contingency appropriation of 10% of total operating expenses, 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 for the LAFCo general fund show that available financing exceeds financing requirements, the excess shall be transferred to an account designated for subsequent years financing. The designated for subsequent years financing account will be considered as a reserve account. The County of Ventura 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. Once the account equals at least 25% of the current budget 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 for 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 for subsequent years financing account that constitute the LAFCo reserve account 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.

2.3.1.5 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 object may be approved by the Executive Officer.
- (c) Transfers between expenditure objects may be approved by the Executive Officer.

2.3.2.2 Payment of fees required:

(a) No application or any other request for Commission consideration will be accepted until payment of the entire "Total Initial Payment" pursuant to the most recent fee schedule is received.

(b) For a proposal for a change of organization or reorganization, the Executive Officer shall not record the Certificate of Completion until any balance due as reflected on the final invoice is paid in full.

(c) For any request for Commission consideration other than a proposal for a change of organization or reorganization, and except as otherwise required by law, the Executive Officer shall not schedule the matter for Commission consideration until any balance due as reflected on the final invoice is paid in full.

SECTION 2.3.4 PAYROLL REPORTING

2.3.4.1 Internal Processing:

(a) The Executive Officer shall review, modify if necessary, and approve each employee's time record prior to it being forwarded to the County of Ventura for further processing. In the Executive Officer's absence, the Office Manager shall review, modify if necessary, and approve each employee's time record.

(b) No employee shall process his/her own time record. The Executive Officer's time record shall be processed by the County of Ventura Auditor Controller Payroll Division. In the Executive Officer's absence, the Office Manager's time record shall be processed by the County of Ventura Auditor Controller Payroll Division.

EXHIBIT C

SECTION 2.6.2 OUT OF AGENCY SERVICE AGREEMENTS

2.6.2.1 Delegation of Authority: LAFCo has delegated the authority to review and act on out of agency service agreement applications to the Executive Officer pursuant to Government Code Section 56133(d) for the following out of agency service applications:

- (a) Emergency proposals that authorize a city or district to provide new or extended services outside its sphere of influence in order to respond to an existing or impending threat to the public health or safety of the residents of the affected territory, pursuant to Government Code Section 56133(c).
- (b) Proposals that have been determined to be exempt from the California Environmental Quality Act.
- (c) Proposals that have been determined to be subject to the California Environmental Quality Act, and a Negative Declaration was prepared determining that the proposal would not have a significant effect on the environment and that no mitigation measures are required.

2.6.2.2 Deferral of Delegated Authority: The Executive Officer may defer any decision on an out of agency service agreement application delegated to him/her pursuant to Section 2.6.2.1 of this Handbook to the Commission if he/she determines that the request involves significant public controversy or may be precedent setting.

2.6.2.3 Reconsideration: Pursuant to Government Code §56133(d), the applicant may request reconsideration by the Commission of the Executive Officer's final determination.