



Ventura
Local Agency Formation Commission

FINAL BUDGET

Fiscal Year 2010-2011

Adopted June 9, 2010



BUDGET MESSAGE
Final Budget - Fiscal Year 2010-2011
Adopted June 9, 2010

Introduction

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 *et seq*) (CKH) requires each Local Agency Formation Commission (LAFCo) to adopt a Proposed Budget by May 1 of each year and a Final Budget by June 15 of each year. The Ventura LAFCo adopted a Proposed Budget on April 21, 2010 and a Final Budget for Fiscal Year (FY) 2010-11 on June 9, 2010. The Final Budget will be used by the County Auditor-Controller to collect revenues as necessary from the County, cities and independent special districts.

The Ventura LAFCo Commissioner's Handbook, the compendium of the Ventura LAFCo's policies and procedures, contains budget policies in Section 2.3.1 *et seq*. The Final Budget was prepared in accordance with these policies. Major goals continue to be minimizing expenditures while fulfilling basic functions, and providing for effective and efficient compliance with mandates.

LAFCo and the County of Ventura entered into a Memorandum of Agreement effective July 1, 2001. While LAFCo is an independent agency, the Memorandum of Agreement provides for the County to provide personnel, support services, offices and materials as requested by LAFCo. All of the personnel, support services, offices and materials to be requested of the County for FY 2010-11 are part of the Final Budget. Budget information is formatted using County of Ventura account descriptions and codes.

This Budget Message highlights LAFCo's major responsibilities, reviews the major work accomplishments and budget information for the first three quarters of FY 2009-10, sets forth a basic work plan for FY 2010-11, and provides background and explanatory information about the anticipated expenditures and revenues in the Final Budget.

Major LAFCo Responsibilities

- Act on proposals for incorporation of cities; formation, dissolution, consolidation and merger of special districts; and annexation and detachment of territory to and from cities and special districts.
- Act on requests for sphere of influence amendments in conjunction with proposals for changes of organization.
- Establish spheres of influence for cities and special districts.
- Review and, as necessary, update spheres of influence for cities and special districts every 5 years.
- Conduct municipal service reviews prior to or in conjunction with the establishment or update of spheres of influence.
- Perform special studies relating to services and make recommendations about consolidation, mergers or other governmental changes to improve services and reduce operational costs.
- Serve as the conducting authority for the determination of protests relating to proposals for incorporation, formation, and subsequent boundary changes.
- Act on requests for out-of-agency agreements/contracts for extensions of services.
- Function as either a responsible or lead agency pursuant to the California Environmental Quality Act.
- Review and comment on draft changes/updates to city and county general plans.
- Review and comment on draft environmental documents prepared pursuant to the California Environmental Quality Act.
- Provide public information about LAFCo and public noticing of pending LAFCo actions.
- Establish and maintain a web site.
- Adopt and update, as necessary, written policies and procedures.
- Adopt proposed and final annual budgets.

FY 2009-2010 in Review

Fiscal Year 2009-10 was the ninth year that the Ventura LAFCo was required to adopt its own budget, independent of the County, and to address new mandates pursuant to the CKH. The experience of actual revenues and expenditures from prior years helped to better establish baselines for discretionary expenditures. Based on information through the end of April, 2010, total projected actual expenditures for FY 2009-10 should be approximately \$75,836 (9.7%) less than the Adjusted Budget. In the third quarter, LAFCo expended approximately \$42,288 for retroactive salary and employee benefits to compensate the current and former Executive Officer, Deputy Executive Officer and Office Manager/Clerk for a general salary increase granted to County management employees in 2006 by the Board of Supervisors but erroneously withheld from LAFCo staff. A portion of this amount (\$20,000) was expended from unspent appropriations within the Salaries and Employee Benefits object. The remaining amount was transferred from the Services and Supplies appropriation (\$7,800) and the Contingency appropriation (\$14,488). As a result of those

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unanticipated expenditures, overall expenditures for salaries and employee benefits are projected to be approximately \$20,988 more than the Adopted Budget and \$1,300 (0.2%) less than the Adjusted Budget. Due to on-going fiscal prudence, actual services and supplies expenditures are projected to be approximately \$17,833 (9.0%) less than the Adjusted Budget. As indicated above, \$14,488 was transferred from the amount budgeted for contingencies (\$71,191) to Salaries and Employee Benefits to cover the unanticipated retroactive salary and employee benefits correction. The anticipated savings in salaries/benefits, services/supplies and contingency objects will contribute to a projected available Fund Balance for FY 2010-11 of \$41,837, which is \$74,180 (63.9%) less than the Fund Balance adopted as a part of the FY 2009-10 budget (\$116,017).

Actual revenue for FY 2009-10 is now projected to be approximately \$34,000 (5.1%) less than that reflected in the Adopted Budget. The County, the cities and the independent special districts all paid their respective shares of the net operating expenditures as apportioned by the County Auditor-Controller pursuant to the CKH (account code 9372). Actual interest revenue (account code 8911) is projected to be \$16,000, which is approximately \$4,000 (20%) less than the Adopted Budget (\$20,000). Based on applications filed as of the end of April, projected actual revenues from charges for LAFCo services (account code 9772) are approximately \$30,000 (50%) less than the \$60,000 Adopted Budget. Although several more applications and associated fee revenue are anticipated to be received prior to the end of this fiscal year, the overall number of applications received has been significantly lower than anticipated.

The following Work Plan was adopted as a part of the FY 2009-10 Budget:

- Complete municipal service reviews and sphere of influence reviews/updates consistent with the time table in the 2008 – 2013 Service Review and Sphere of Influence Update Work Plan approved by the Commission on May 21, 2008.
- Continue to review and comment on draft environmental documents and general plan updates.
- Maintain and enhance operations with a focus on: communication with the Commission, the County, cities, districts and the public; budget monitoring and information; staff training and development; and enhanced records management.
- Update and revise the Commissioner's Handbook and consider policy additions consistent with the mission and purpose of LAFCo.
- Increase public awareness about the mission, purpose and function of LAFCo.
- Complete an audit of LAFCo's financial statements for FY 2007-08 and 2008-09.

Substantial progress has been made on each of these work plan items. In May, 2008 LAFCo approved a Work Plan for the 2008-2013 sphere of influence review/update and municipal service review cycle. Between July 1, 2009 and the present time, sphere of influence (SOI) reviews have been completed for the Fox Canyon Groundwater Management Agency, the Bell Canyon Community Services District and the Ventura Regional Sanitation District. Sphere of influence reviews and/or updates for the Ojai Valley Sanitary District, and Ventura County Service Area Numbers 3, 4, and 14, are scheduled for Commission action prior to the end of this fiscal year. The establishment of a sphere of

influence for County Service Area Number 34 is also be scheduled for Commission action prior to the end of this fiscal year. In addition, Staff reviewed and commented on 17 environmental documents, draft general plans, and applications for development projects during the current fiscal year.

Positive communications have been maintained with all cities and districts. Staff continues to attend and participate in meetings with staff and consultants representing cities and special districts as well as individual members of the public and members of municipal advisory/neighborhood councils and other community groups. As time allows, staff continues to attend meetings of the Ventura Special Districts Association, the Association of Water Agencies, the City & County Planning Association, Southern California Association of Governments (SCAG) and other local and regional associations.

Opportunities for ongoing training and professional development, including CALAFCO University courses and annual CALAFCO staff workshops, are pursued as time and budget permit. The process to convert LAFCo's paper case file records to digital format is complete. All case files since 1986 have been archived and indexed and the transfer of LAFCo's pre-1986 microfiche records to digital files will be completed prior to the end of this fiscal year.

In the third and fourth quarters of this fiscal year staff recommended, and the Commission adopted, a number of substantive and non-substantive revisions to the Commissioner's Handbook. In addition, an external audit of LAFCo's financial statements for the years ended 2008 and 2009 was completed by an independent certified public accounting firm and an unqualified letter of opinion was issued.

Work Plan

The Ventura LAFCo Commissioner's Handbook provides that LAFCo will annually review and adopt a work plan as a part of the budget development process. For FY 2010-11, the recommended work plan maintains the focus on municipal service reviews and sphere of influence updates, carries forward the update and possible revisions to the Commissioner's Handbook and is otherwise similar to the work plan for this year.

FY 2010- 11 Work Plan

- Complete municipal service reviews and sphere of influence reviews/updates consistent with the time table in the 2008 – 2013 Service Review and Sphere of Influence Update Work Plan approved by the Commission on May 21, 2008.
- Continue to review and comment on draft environmental documents and general plan updates as they may be prepared by the cities and the County.
- Maintain and enhance operations with a focus on: communication with the Commission, the County, cities, districts and the public; budget monitoring and information; staff training and development; and enhanced records management.
- Update and revise the Commissioner's Handbook and consider policy additions consistent with the mission and purpose of LAFCo.
- Increase public awareness about the mission, purpose and function of LAFCo.

Staff believes that the items listed above are realistic provided the number and/or complexity of proposals filed do not increase significantly.

Final Budget Expenditures

The expense portion of the budget is divided into three main sections, the Salary and Employee Benefits section (1000 series account codes), the Services and Supplies section (2000 series account codes), and Contingencies (account code 6101). Including the contingency appropriation, the Final Budget reflects an overall expenditure decrease of approximately \$10,209 (1.3%) in comparison with the FY 2009-10 Adopted/Adjusted Budget.

Salary and Employee Benefits

Salaries and employee benefits continue to be the major expense, comprising 67.2% of the total expenditures (substantially more if contingencies are not included). Compared to the current year Adjusted Budget, expenditures for salaries and benefits are proposed to decrease by approximately 1.8% from \$528,788 to \$519,400. This is primarily due to the unanticipated expenditure for retroactive salary and employee benefits in the current year. Compared to the current year Adopted Budget, expenditures for salaries and benefits are proposed to increase by approximately 2.5%. This increase is primarily due to prospective merit increases within existing salary ranges and related increases in the various benefits accounts (e.g., account code 1121, Retirement Contribution and account code 1171, 401k Plan). Based on information provided by the County Executive Office, it is unlikely that the Board of Supervisors will grant any general salary increases or cost of living adjustments for County employees during FY 2010-11. Therefore, no such increases are included in the Final Budget.

No change in the number of authorized positions was proposed. The currently authorized classifications are reflected in the following table:

Title	FY 2009 - 10	FY 2010 - 11
LAFCo Executive Officer	1	1
LAFCo Analyst/Deputy Executive Officer	1	1
LAFCo Office Manager/Clerk of the Commission	1	1
Office Assistant II	.5	.5
Total Authorized Positions	3.5	3.5

Services and Supplies

Compared to the current year Adopted Budget, expenditures for supplies and services are proposed to decrease by approximately 4.4% from \$205,410 to \$196,400. Many of the service and supplies account codes are based on County charges and are either unchanged or increasing slightly overall due to basic increases in costs. For those service and supplies account codes that reflect discretionary expenditures, most of the proposed

budget amounts have been decreased in an effort to maximize fiscal efficiency. The major Services and Supplies expenditures are proposed to change as follows:

- An increase in the amount budgeted for Facilities/Materials Allocation (account code 2125) from \$16,000 in the current year to \$17,000 for FY 2010-11. This cost represents the County's determination of LAFCo's allocated cost for office space.
- A decrease in the amount budgeted for Education Allowance (account code 2154) from \$3,333 in the current year to \$2,500 for FY 2010-11. The current year amount reflects education allowance costs for both the Executive Officer and the Deputy Executive Officer. As of the current fiscal year, the balance of the total education allowance cost for the Executive Officer has been paid. The final budget amount thus reflects the maximum annual education allowance cost (\$2,000) for only the Deputy Executive Officer. In addition, the final budget amount includes \$500 toward educational costs for the LAFCo Office Manager/Clerk and the Office Assistant should they elect to enroll in any qualified educational courses.
- An increase in Indirect Cost Recovery charges (account code 2158). These cost recovery charges are for County services provided primarily by the General Services Agency, Auditor-Controller and Chief Executive Office, including Human Resources. The current fiscal year charge is \$24,250. For FY 2010-11 the charge will be \$31,000.
- A decrease in Office Supplies (account code 2173) from \$3,500 in the current year to zero and an increase in Misc Office Expense (account code 2179) from \$5,037 in the current year to \$7,000. In an effort to simplify LAFCo's accounting codes, all expenditures for office expenses and supplies will be combined under the Misc Office Expense account. Considering both account codes cumulatively, expenditures for miscellaneous office expenses and supplies are proposed to decrease from \$8,537 in the current year to \$7,000 for FY 2010-11.
- An increase in Mail Center charges (account code 2174) from \$3,000 in the current year to \$7,500 and a decrease in Stores charges (account code 2181) from \$4,356 to zero for FY 2010-11. These account codes are being combined in accordance with County requirements. Considering both account codes cumulatively, overall expenditures for Mail Center and Stores charges is proposed to increase from \$7,356 in the current year to \$7,500 for FY 2010-11. Although the amount budgeted for FY 10-11 exceeds the estimated costs reflected in the County Budget Development Manual, the actual amount charged by the County for the current year exceeded the amount recommended by the FY 09-10 Budget Development Manual. Therefore, the final budget amount is slightly higher to allow for expenditures that might exceed the County's cost estimate.
- A decrease in the amount budgeted for professional services (account code 2199) from \$16,000 in the current year to \$13,000 for FY 2010-11. The current amount reflects expenses associated with a biennial audit of financial statements for FY 2007-08 and 2008-09. In accordance with the Commissioner's Handbook policies, single year audits will now be conducted beginning with fiscal year 2009-10. The budgeted amount is therefore lower to reflect the estimated cost of a single year audit.

- A decrease in the amount for Public and Legal Notices (account code 2261) from \$6,000 in the current year to \$5,000 for FY 2010-11 to more closely reflect the actual current year cost, which is currently projected to be \$3,000.
- A decrease of \$5,000 for legal counsel services (account code 2304) to be equivalent to the projected actual current year cost.
- A decrease in the amount budgeted for conference and seminar expenses (account code 2523) from \$19,000 in the current year to \$13,000. In prior years, the amount budgeted allowed for all staff members who were interested to attend all CALAFCO training opportunities, including staff workshops, CALAFCO University courses and the annual CALAFCO Conference. In recognition of the current fiscal climate, the adopted amount reflects a limitation on staff attendance at the CALAFCO conference and CALAFCO University courses. In addition, the Ventura LAFCo will host the 2011 CALAFCO staff workshop and therefore, unlike other years, will not incur travel or hotel costs.

Contingencies

The Commission's budget policies indicate that the budget should provide for contingencies equaling 10% of total expenditures, unless the Commission deems that a different amount is appropriate. In conjunction with the adoption of the Proposed Budget, the Commission authorized the transfer of \$14,488 from the current year contingency appropriation (\$71,191) to cover the payment of retroactive salary and benefits to the Executive Officer as described in the FY 2009-2010 Year in Review Section. To avoid the need for a corresponding increase in the amount of revenue collected from other governmental agencies in the Final Budget for FY 2010-11, the Commission directed that the contingency appropriation for next year be reduced by an amount equivalent to that transferred from the current year contingency. The Final Budget therefore includes a contingency appropriation of \$57,092, which is 7.4 % of total expenditures.

Final Budget Financing Sources

Potential financing sources consist of Fund Balance (account code 5040), Designation for Subsequent Year Financing (account code 5070), Miscellaneous Revenues, including interest earnings and charges for services (e.g. account codes 8911 and 9772), and Other Governmental Agencies, the revenue to be collected from the County, cities and independent special districts (account code 9372).

Fund Balance

Section 56381(c) of the CKH provides, "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." Approximately \$41,837 is now projected to be available at the end of the current fiscal year as Fund Balance. This amount is significantly less than the Fund Balance available for the current year (\$116,017). This is partly because actual Other Miscellaneous Revenue (revenue from application fees; account

code 9772) is projected to be approximately \$30,000 less than the Adopted Budget. Another contributing factor to the reduced projected fund balance is the unanticipated costs for retroactive salary and employee benefits associated with a general salary increase that was granted by the Board of Supervisors to, but not received by, LAFCo classified employees in 2006.

Designation for Subsequent Year Financing

On May 17, 2006, the Commission approved an amendment to the Commissioner's Handbook, Section 2.3.1.4 "Contingency and Designation Accounts", which states that, after the end of each fiscal year, any monies in excess of the projected fund balance amount in the budget shall be deposited in an account designated for subsequent year financing (account code 5070). This account is intended to function as the Commission's "reserve" account for unanticipated, extraordinary expenses over and above the annual amount budgeted for contingencies. The Commissioners' Handbook also provides that the 5070 account should be augmented until the balance is equal to at least 25 percent of the current year budget. In accordance with this policy, the Commission has approved the transfer of revenues in excess of the projected fund balance to the 5070 account following the close of each fiscal year since 2005-06. In November 2009, after the close of FY 2008-09, \$34,287 was available in addition to what had been budgeted as Fund Balance for FY 2009-10 and was designated for subsequent year financing. The current total in this account is \$201,967, which represents approximately 25.8% of the current year budget and 25.7% of the Final Budget.

In conjunction with the adoption of the Proposed Budget, the Commission approved a transfer of \$65,000 from Designation for Subsequent Year Financing (5070 account) to Unreserved Fund Balance (account code 5040). Based on this action, the Final Budget reflects an amount of \$136,967 in Designation for Subsequent Year Financing which is approximately 17.5% of the Adopted budget for the current year and 17.7% of the Final Budget.

Miscellaneous Revenue

Miscellaneous revenue includes interest earnings and charges for service, primarily application fees. Overall, Miscellaneous Revenue for FY 2010-11 is anticipated to be \$4,000 (5.0%) less than the amount in the Adopted FY 2009-10 Budget.

For FY 2010-11, revenue from application fees (account code 9772) in the Final Budget is the same as that for the Adopted FY 2009-10 Budget (\$60,000). Although information as of the end of April, 2010 indicates that actual fee revenue for the current year is projected to be significantly less than the budgeted amount, actual application fee revenue for next year is expected to be at least equal to the budgeted amount based on indications that the economy is undergoing a positive recovery. Interest revenue (account code 8911) is anticipated to be \$16,000 for FY 2010-11, which is equivalent to the projected actual interest earnings for the current year.

The Commission has a policy to annually review the LAFCo Fee Schedule as a part of the budget process. A separate public hearing item on the Fee Schedule is scheduled for the June 9, 2010 LAFCo meeting.

Revenues from Other Governmental Agencies (the County, Cities and Independent Special Districts)

Pursuant to the CKH, costs for LAFCo operations, net of charges for service, are apportioned one-third to the County, one-third to the cities, and one-third to the independent special districts. The CKH describes how the County Auditor-Controller is to make this apportionment and collect revenues once LAFCo adopts a Final Budget.

Although expenditures are projected to decrease by approximately 1.3% overall, the amount of revenue to be collected from the County, cities and independent special districts will increase by approximately 0.5%. This is largely due to the relatively small current year fund balance that is projected to be available to offset the amount of revenue collected from other agencies. As a share of the total budget, it is within the range reflected in the budgets for the last several years as shown in the table below. This table shows how the amount of revenue from Other Governmental Agencies (the County, cities and independent special districts) has fluctuated since LAFCo first adopted an independent budget in June, 2001:

Year	Adopted Budget – Total Finance Sources & Revenue	Amount of Revenue from Other Governmental Agencies	Percent of Total Revenue from Other Governmental Agencies
FY 2001-02	\$548,737	\$468,737	85%
FY 2002-03	\$719,131	\$568,503	79%
FY 2003-04	\$641,215	\$390,699	61%
FY 2004-05	\$702,503	\$472,997	67%
FY 2005-06	\$723,226	\$361,874	50%
FY 2006-07	\$830,154	\$621,617	75%
FY 2007-08	\$949,269	\$715,957	75%
FY 2008-09	\$735,422	\$488,684	66%
FY 2009-10	\$783,101	\$587,084	75%
FY 2010-11	\$772,892	\$590,055	76%

Not formally a part of the budget, but included for general information are the percentage shares of the Other Governmental Agencies revenue for each of the cities and the independent special districts based on the FY 2007-08 State Controller Reports for cities and special districts. These are the latest available Reports, which will be used by the County Auditor-Controller as the basis for collecting revenue from cities and independent special districts for FY 2010-11.

The CKH continues to provide the ability for the cities and independent special districts in each County to determine an alternate apportionment method. To date, however, neither the cities nor the special districts have agreed on any alternate apportionment methodology. This means that the City of Oxnard, as the city with the largest gross revenue, and Calleguas Municipal Water District, the largest special district in terms of

gross revenue, will continue to pay the largest respective shares of the city and special district portion of LAFCo revenue.

Conclusion

The Ventura LAFCo is continuing to exercise fiscal prudence. The Commission and its staff understand the economic realities of the time and the constraints on local government revenues. The Commission's budgeting process has come a long way in the last nine years. Systems and policies are now in place to ensure best practices and proper oversight. Mandates are being met and basic services provided with a highly trained staff that seeks to limit discretionary expenditures. The Final Budget for FY 2010-11 was prepared and adopted consistent with the Commission's policies and the knowledge and experience gained from prior years.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kim Uhlich". The signature is fluid and cursive, with a large initial "K" and "U".

Kim Uhlich
Executive Officer

Appendix Glossary of Terms

ANNUAL (OPERATING) BUDGET: A financial plan that outlines proposed expenditures for the coming fiscal year and estimated revenues which will be used to finance them.

ASSET: Anything owned, including money, investments and property.

AUDIT: A systematic collection of the sufficient, competent evidential matter needed to attest to the fairness of management's assertions in its financial statements or to evaluate whether management has efficiently and effectively carried out its responsibilities.

BALANCE SHEET: A basic financial statement, and presentation of an entity's net assets and liabilities on a specified date. A balance sheet is usually accompanied by appropriate disclosures that describe the basis of accounting used in its preparation. Also known as a statement of financial condition.

BUDGET: A plan of financial operation including an estimate of proposed expenditures for a given period and the proposed means of financing them.

BUDGET MESSAGE: A written overview of the budget from the LAFCo Executive Officer that discusses the major budget items and LAFCo's present and future financial condition.

CONTINGENCY: A budgetary expenditure allowance (appropriation) to cover unanticipated expenditures or revenue shortfalls during the fiscal year (LAFCo Budget Account Code 6101). The Ventura LAFCo Commissioner's policies provide that the annual budget include an allocation of 10% of total operating expenses for contingencies, unless the Commission deems a different amount appropriate. Transfers from the contingency account require prior approval of the Commission.

DEFICIT: An excess of expenditures or expenses over revenues.

DESIGNATION FOR SUBSEQUENT YEAR FINANCING: An account into which any difference between projected fund balance and actual fund balance at the close of each fiscal year is transferred (LAFCo Budget Account Code 5070). Pursuant to Ventura LAFCo Commissioner's policies, this account is considered as a reserve account to cover extraordinary expenses and that monies in this account shall not be used for any current year expenses or considered as a financing source for on-going operations without the prior approval of the Commission. The policies further provide that this account should 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 year budget any remaining funds in excess of the projected fund balance amount in the budget may be appropriated for any allowed expense at the Commission's discretion.

EXPENDITURE: Disbursements of cash for the cost of a service, supply or asset.

FINANCIAL STATEMENT: Presentation of financial data including balance sheets, income statements and statements of cash flow, or any supporting statement that is intended to communicate an entity's financial position at a point in time and its results of operations for a period then ended.

FISCAL YEAR: The 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

FUND BALANCE: The difference between a fund's current assets and its current liabilities. With regard to a LAFCo budget, Government Code Section 56381(c) provides, "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."

FUND: A complete accounting entity reflecting financial transactions, both receipts and expenditures, of money that is set up to carry out a special function or attain objectives in accordance with established laws, policies, and regulations. The fund concept also applies to budget activities.

GIS: Geographic Information System.

INCOME STATEMENT: Summary of the effect of revenues and expenses over a period of time.

INTEREST: Interest income earned as idle funds are invested with a goal of protecting each investment while achieving the highest rate of return.

INTERNAL CONTROL: Process designed to provide reasonable assurance regarding achievement of various management objectives such as the reliability of financial reports.

INTERNAL SERVICE FUND: A fund that accounts for the provision of services by various County departments on a cost reimbursement basis.

LIABILITIES: Amounts owed for items received, services rendered, expenses incurred, assets acquired, and amounts received but as yet unearned.

LINE-ITEM BUDGET: A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each.

OBJECT: An individual expenditure account.

RESERVE: The portion of a governmental fund's net assets that is not available for appropriation.

REVENUES: Total amounts available during the fiscal year for appropriation including estimated revenues, fund transfers and beginning fund balances.

VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
FINAL BUDGET
FY 2010 - 2011

	Account Code	Adopted Budget FY 09-10	Adjusted Budget FY 09-10	Projected Actual FY 09-10	Proposed Budget FY 10-11 Proposed 4/21/10	Proposed Budget FY 10-11 Adopted 4/21/10	Final Budget FY 10-11 Adopted 6/9/10
EXPENDITURES							
Salaries and Employee Benefits							
Regular Salaries	1101	320,000	320,000	313,000	325,000	325,000	325,000
Supplemental Payments	1106	12,000	12,000	12,000	13,000	13,000	13,000
Term/Buydown	1107	45,000	45,000	35,000	47,000	47,000	47,000
Retirement Contribution	1121	57,000	57,000	55,000	60,000	60,000	60,000
OASDI Contribution	1122	20,000	20,000	18,300	20,000	20,000	20,000
FICA-Medicare	1123	5,000	5,000	5,000	5,800	5,800	5,800
Safe Harbor	1124	800	800	800	1,300	1,300	1,300
Group Insurance	1141	28,000	28,000	28,000	28,000	28,000	28,000
Life Insurance/Dept Heads & Mgt	1142	400	400	400	400	400	400
Management Disability Ins	1144	2,300	2,300	2,200	2,300	2,300	2,300
Workers Compensation	1165	3,000	3,000	2,500	2,600	2,600	2,600
401k Plan	1171	13,000	13,000	13,000	14,000	14,000	14,000
* S & EB Current Year Adj Increase	1991		22,288	42,288			
Total Salaries and Emp. Benefits		506,500	528,788	527,488	519,400	519,400	519,400

VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
FINAL BUDGET
FY 2010 - 2011

	Account Code	Adopted Budget FY 09-10	Adjusted Budget FY 09-10	Projected Actual FY 09-10	Proposed Budget FY 10-11 Proposed 4/21/10	Proposed Budget FY 10-11 Adopted 4/21/10	Final Budget FY 10-11 Adopted 6/9/10
EXPENDITURES							
Services and Supplies							
Voice/Data -ISF	2033	5,000	5,000	5,000	5,000	5,000	5,000
General Insurance Allocation	2071	2,410	2,410	2,410	2,500	2,500	2,500
Facilities/Materials Sq Ft Alloc-ISF	2125	16,000	16,000	16,000	17,000	17,000	17,000
Maintenance	2128	700	700	200	700	700	700
Memberships & Dues	2141	6,500	5,831	5,831	6,600	6,600	6,600
Education Allowance	2154	4,000	3,333	3,200	2,500	2,500	2,500
Indirect Cost Recovery (Co. Cost Allocation Plan Charges)	2158	24,250	24,250	24,250	31,000	31,000	31,000
Books & Publications	2172	850	993	1,050	700	700	700
Office Supplies	2173	3,500	3,500	3,500	0	0	0
Mail Center-ISF	2174	3,000	3,000	3,000	7,500	7,500	7,500
Purchasing Charges-ISF	2176	1,400	1,400	600	1,000	1,000	1,000
Graphics Charges-ISF	2177	5,500	5,500	3,500	5,500	5,500	5,500
Copy Machine Charges-ISF	2178	400	400	100	400	400	400
Misc Office Expenses	2179	4,000	5,037	4,000	7,000	7,000	7,000
Stores-ISF	2181	4,200	4,356	4,370	0	0	0
Board Member Fees	2191	4,500	4,500	3,500	4,500	4,500	4,500
Information Technology- ISD Data Center/Service Contracts	2192	5,500	5,500	5,500	5,500	5,500	5,500
Specialized Services/Software	2195	2,000	2,000	1,066	2,500	2,500	2,500
Public Works Charges	2197	12,000	12,000	7,000	12,000	12,000	12,000
Other Professional & Special Serv	2199	16,000	16,000	14,000	13,000	13,000	13,000
GSA Special Services	2205	500	500	200	500	500	500
County GIS Expense	2214	20,000	20,000	20,000	20,000	20,000	20,000
Public And Legal Notices	2261	6,000	6,000	3,000	5,000	5,000	5,000
Records Storage Charges	2283	1,200	1,200	1,000	1,500	1,500	1,500
Computer Equip <\$5000	2293	4,000	4,000	3,500	3,500	3,500	3,500
Spec Dept xo4 (Legal Counsel)	2304	25,000	25,000	20,000	20,000	20,000	20,000
Transportation Charges -ISF	2521	1,000	1,000	1,000	1,000	1,000	1,000
Private Vehicle Mileage	2522	6,500	6,500	6,500	6,500	6,500	6,500
Conference & Seminars Exp.	2523	19,000	19,000	16,000	13,000	13,000	13,000
Conference & Seminars ISF	2526	500	500	500	500	500	500
* S & S Current Year Adj Decrease	2992	0	(7,800)	0	0	0	0
Total Services and Supplies		205,410	197,610	179,777	196,400	196,400	196,400
* Contingencies	6101	71,191	56,703	0	71,580	57,092	57,092
Total Contingencies		71,191	56,703	0	71,580	57,092	57,092
TOTAL EXPENDITURES		783,101	783,101	707,265	787,380	772,892	772,892

VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
FINAL BUDGET
FY 2010 - 2011

	Account Code	Adopted Budget FY 09-10	Adjusted Budget FY 09-10	Projected Actual FY 09-10	Proposed Budget FY 10-11 Proposed 4/21/10	Proposed Budget FY 10-11 Adopted 4/21/10	Final Budget FY 10-11 Adopted 6/9/10
FINANCING SOURCES							
Unreserved Fund Balance	5040	116,017	116,017	116,017	121,325	106,837	106,837
Interest Earnings	8911	20,000	20,000	16,000	16,000	16,000	16,000
Other Revenue - Misc. (charges for LAFCo services)	9772	60,000	60,000	30,000	60,000	60,000	60,000
Indirect Cost Recovery (County Cost Allocation Plan)	9411	0	0	0	0	0	0
Total Miscellaneous Revenue		80,000	80,000	46,000	76,000	76,000	76,000
Other Governmental Agencies							
Other Government Agencies (County of Ventura)	9372	195,695	195,695	195,695	196,685	196,685	196,685
Other Government Agencies (Cities)	9372	195,695	195,695	195,695	196,685	196,685	196,685
Other Government Agencies (Independent Special Districts)	9372	195,695	195,695	195,695	196,685	196,685	196,685
Total Other Government Agencies Revenue		587,084	587,084	587,085	590,055	590,055	590,055
TOTAL REVENUE		667,084	667,084	633,085	666,055	666,055	666,055
TOTAL FINANCING SOURCES & REVENUE		783,101	783,101	749,102	787,380	772,892	772,892
Projected Fund Balance				41,837			
Add: Transfer from Designation for Subsequent Year Financing/Reserves				65,000			
PROJECTED UNRESERVED FUND BALANCE, Available for FY 2010-11				106,837			

RESERVES (LAFCo Handbook Policy Section 2.3.1.4 "Contingency and Designation Accounts")

Designation for Subsequent Year Financing /Reserves	5070	167,680**	201,967	201,967	136,967	136,967	136,967
Less: Transfer to Unreserved Fund Balance				(65,000)			
Subsequent Year Financing/Reserves		167,680**	201,967	136,967	136,967	136,967	136,967

*Accounts 1991, 2992 and 6101 were used in FY 2009-10 to account for a retroactive salary and employee benefits correction for a general salary increase that was granted by the Board of Supervisors to, but not received by, certain LAFCo staff members in 2006.

**Please note per the Commissioner's Handbook Policy 2.3.1.4, the adjusted budget for Designation for Subsequent Year Financing/Reserves was \$201,967 for FY 2009-10.

LAFCO NET OPERATING EXPENSES
GOV'T CODE 56381 (b) (1) (A) & (B)¹

FINAL BUDGET FOR FISCAL YEAR 2010 - 2011

ALLOCATION - CITIES

SOURCE: STATE OF CALIFORNIA, CITIES ANNUAL REPORT, FY 07/08

CITY	TOTAL REVENUE		PERCENTAGE	ALLOCATION	
	PER REPORT			\$	196,685
1 Camarillo	\$ 62,943,468		6.81%	\$	13,394
2 Fillmore	25,851,459		2.80%	\$	5,507
3 Moorpark	31,623,606		3.42%	\$	6,727
4 Ojai	10,551,836		1.14%	\$	2,242
5 Oxnard	316,962,586		34.28%	\$	67,424
6 Port Hueneme	31,366,300		3.39%	\$	6,668
7 San Buenaventura	159,595,958		17.26%	\$	33,948
8 Santa Paula	34,811,352		3.77%	\$	7,415
9 Simi Valley	92,566,692		10.01%	\$	19,688
10 Thousand Oaks	158,302,581		17.12%	\$	33,672
TOTAL	\$ 924,575,838		100.00%	\$	196,685

(1) In counties in which there is city and independent special district representation on the commission, the county, cities, and independent special districts shall each provide a one-third share of the commission's operational costs. The cities share shall be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county, or by an alternative method approved by a majority of cities representing the majority of the combined cities' populations.

LAFCO NET OPERATING EXPENSES
GOV'T CODE 56381 (b) (1) (A) & (B)¹, (F)²

FINAL BUDGET FOR FY 2010- 2011

ALLOCATION - SPECIAL DISTRICTS

SOURCE: STATE OF CALIFORNIA, SPECIAL DISTRICTS ANNUAL REPORT, FY 07/08

	NAME	TOTAL		ALLOCATION
		REVENUE PER REPORT	PERCENTAGE (See Note 2)	
1	Bardsdale Public Cemetery	\$ 169,583	0.067%	\$ 132
2	Bell Canyon Comm. Services District	498,603	0.197%	387
3	Calleguas Municipal Water District	116,176,129	45.964%	90,404
4	Camarillo Health Care District	3,854,666	1.525%	2,999
5	Camrosa Water District	13,907,976	5.503%	10,824
6	Casitas Municipal Water District	17,213,382	6.810%	13,394
7	Channel Island Beach CSD	3,720,900	1.472%	2,895
8	Conejo Recreation & Park District	18,329,638	7.252%	14,264
9	El Rancho Simi Public Cemetery District*	166,373	0.066%	130
10	Fillmore-Piru Memorial District	169,425	0.067%	132
11	Fox Canyon Groundwater Mgmt. Agency	771,386	0.305%	600
12	Hidden Valley Municipal Water District	44,807	0.018%	35
13	Meiners Oaks Water District	765,357	0.303%	596
14	Montalvo Municipal Impv. District	771,201	0.305%	600
15	Ojai Valley Sanitary District	8,656,853	3.425%	6,736
16	Ojai Water Conservation District	7,166	0.003%	6
17	Oxnard Drainage District No. 1	55,492	0.022%	43
18	Oxnard Drainage District No. 2	180,797	0.072%	142
19	Oxnard Harbor District	12,949,963	5.124%	10,078
20	Piru Public Cemetery District	23,628	0.009%	18
21	Pleasant Valley Co. Water District	2,838,914	1.123%	2,209
22	Pleasant Valley Rec & Parks District	7,523,302	2.977%	5,855
23	Rancho Simi Rec & Park District	18,409,265	7.284%	14,327
24	Saticoy Sanitary District	303,512	0.120%	236
25	United Water Conservation District	15,215,754	6.020%	11,840
26	Ventura Co. Resource Conserv. District	119,130	0.047%	92
27	Ventura Port District	8,348,054	3.303%	6,497
28	Ventura River County Water District	1,560,456	0.617%	1,214
TOTAL		\$ 252,751,712	100.000%	\$ 196,685

- (1) In counties in which there is city and independent special district representation on the commission, the county, cities, and independent special districts shall each provide a one-third share of the commission's operational costs. The independent special districts share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within the county. An independent special district's total revenue shall be calculated for nonenterprise activities as total revenues for general purpose transactions less aid from other governmental agencies and for enterprise activities as total operating and nonoperating revenues less revenue category other governmental agencies, as reported in the most recent edition of the "Special Districts Annual Report" published by the Controller, or by an alternative method approved by a majority of the agencies, representing a majority of their combined populations.
- (2) No independent special district shall be apportioned a share of more than 50 percent of the total independent special district's share of the commission's operational costs, without the consent of the district. The share of the remaining districts shall be increased on a proportional basis so that the total amount for all districts equal the same apportioned by the auditor to independent special districts.

* Source: State of California, Special Districts Annual Report, FY 06/07