

## **AGENDA**

Hall of Administration, Board of Supervisors' Hearing Room  
800 S. Victoria Avenue, Ventura  
9:00 A.M. Wednesday, April 16, 2008

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**

### **ANNOUNCEMENTS**

**4. Commission Presentations and Announcements**

Announcement of the Ventura County Board of Supervisor Assignments to LAFCO for 2008

### **COMMENTS FROM THE PUBLIC**

**5. Public Comment**

This is an opportunity for members of the public to speak on items not on the agenda.

*(The Ventura Local Agency Formation Commission encourages all interested parties to speak on any issue on this agenda in which they have an interest, or on any matter subject to LAFCO jurisdiction. It is the desire of LAFCO that its business be conducted in an orderly and efficient manner. All speakers are requested to fill out a Speakers Card and submit it to the Clerk before the item is taken up for consideration. All speakers are requested to present their information to LAFCO as succinctly as possible. Members of the public making presentations, including oral and visual presentations, may not exceed five minutes unless otherwise increased or decreased by the Chair, with the concurrence of the Commission, based on the complexity of the item and/or the number of persons wishing to speak. Speakers are encouraged to refrain from restating previous testimony).*

### **CONSENT ITEMS**

**6. Minutes of the Ventura LAFCO March 19, 2008 regular meeting**

RECOMMENDED ACTION:      Approval

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#### COMMISSIONERS AND STAFF

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<b>COUNTY:</b> Linda Parks Kathy Long <i>Alternate:</i> Steve Bennett	<b>CITY:</b> Janice Parvin John Zaragoza, Chair <i>Alternate:</i> Carl Morehouse	<b>SPECIAL DISTRICT:</b> Ted Grandsen George Lange, Vice Chair <i>Alternate:</i> Bill Lotts	<b>PUBLIC:</b> Kenneth M. Hess  <i>Alternate:</i> Louis Cunningham
<b>EXECUTIVE OFFICER:</b> Kim Uhlich	<b>SENIOR ANALYST</b> Kai Luoma	<b>OFFICE MGR/CLERK:</b> Debbie Schubert	<b>LEGAL COUNSEL:</b> Leroy Smith

## **ACTION ITEMS**

### **7. LAFCO 08-01 Calleguas Municipal Water District Annexation – Teal Club Investors**

A proposal to annex one parcel, approximately 11 acres, and portions of Victoria Avenue and Teal Club Road rights of way into the district for the purpose of providing domestic water service.

RECOMMENDED ACTION: Approval

### **8. Authorization for the Chair to Send a Letter of Support for AB 1998 (Silva)**

Authorization for the Chair to send a letter in support of Assemblymember Silva's bill to shift responsibility for implementing disclosure requirements for contributions and expenditures by committees formed to support or oppose change of organization proposals to the Fair Political Practices Commission.

RECOMMENDED ACTION: Approval

## **PUBLIC HEARING ITEMS**

### **9. LAFCO Proposed Budget for FY 2008-09**

- A. Adopt a Resolution finding that a decrease in the Proposed Budget for FY 2008-09 will not result in reductions in staffing or prevent the Commission from fulfilling the purposes and programs of Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56000 et seq.)
- B. Adopt the Proposed Budget for FY 2008-09

RECOMMENDED ACTION: Approval (A and B)

## **INFORMATION ONLY**

### **LAFCO 08-03 City of Camarillo Reorganization – Camarillo Farms**

Information only regarding a proposal filed to annex twenty parcels and portions of the Anacapa Drive and Mission Drive rights of way to the City of Camarillo and the Camarillo Sanitary District and detach the same area from the Ventura County Resource Conservation District.

### **LAFCO 08-04 City of Fillmore Reorganization – Fillmore Business Park**

Information only regarding a proposal filed to annex six parcel to the City of Fillmore and detach the same area from the Ventura County Fire Protection District and the Ventura County Conservation District.

## EXECUTIVE OFFICER'S REPORT

- A. Legislative Update
- B. CALAFCO Staff workshop – April 2 – 4
- C. Next LAFCO Meeting is May 21, 2008

## COMMISSIONERS' COMMENTS

## ADJOURNMENT

Americans with Disabilities Act - *In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the LAFCO office (805) 654-2576. Notification 48 hours prior to the meeting will enable LAFCO to make reasonable arrangements to ensure accessibility to this meeting.*

Disclosure of Campaign Contributions - *LAFCO Commissioners are disqualified and are not able to participate in any proceeding involving an "entitlement for use" if, within the 12 months preceding the LAFCO decision, the Commissioner received more than \$250 in campaign contributions from the applicant, an agent of the applicant, or any financially interested person who actively supports or opposes the LAFCO decision on the matter. Applicants or agents of applicants who have made campaign contributions totaling more than \$250 to any LAFCO Commissioner in the past 12 months are required to disclose that fact for the official record of the proceeding.*

*Disclosures must include the amount of the contribution and the recipient Commissioner and may be made either in writing to the Clerk of the Commission prior to the hearing or by an oral declaration at the time of the hearing.*

*The foregoing requirements are set forth in the Political Reform Act of 1974, specifically Government Code, section 84308.*

**MINUTES**

**Agenda Item 6**

**REGULAR MEETING**

Wednesday, March 19, 2008, 9:00 A.M.  
Hall of Administration, Board of Supervisors' Hearing Room  
800 S. Victoria Avenue, Ventura

**1. CALL TO ORDER**

Chair Zaragoza called the March 19, 2008 meeting to order at 9:04 A.M.

**2. PLEDGE OF ALLEGIANCE**

Alternate Commissioner Morehouse led the Pledge of Allegiance.

**3. ROLL CALL**

The Clerk called the roll. The following Commissioners and Alternates were present:

- Commissioner Grandsen
- Commissioner Hess
- Commissioner Lange
- Commissioner Long\*
- Commissioner Parks
- Commissioner Parvin
- Commissioner Zaragoza
- Alternate Commissioner Cunningham
- Alternate Commissioner Lotts
- Alternate Commissioner Morehouse

\*Commissioner Long arrived prior to the Commission taking action on any agenda item.

**ANNOUNCEMENTS**

**4. Commission Presentations and Announcements**

There were no presentations or announcements.

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**COMMISSIONERS AND STAFF**

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**COUNTY:**

Linda Parks  
Kathy Long  
*Alternate:*  
Steve Bennett

**CITY:**

Janice Parvin  
John Zaragoza, Chair  
*Alternate:*  
Carl Morehouse

**SPECIAL DISTRICT:**

Ted Grandsen  
George Lange, Vice Chair  
*Alternate:*  
Bill Lotts

**PUBLIC:**

Kenneth M. Hess  
  
*Alternate:*  
Louis Cunningham

**EXECUTIVE OFFICER:**

Kim Uhlich

**SENIOR ANALYST:**

Kai Luoma

**OFFICE MGR/CLERK:**

Debbie Schubert

**LEGAL COUNSEL:**

Leroy Smith

## **COMMENTS FROM THE PUBLIC**

### **5. Public Comment**

There were no public comments

Chair Zaragoza asked the Commission if there were any objections to hearing the Public Hearing Items prior to the Action Items. There were no objections. All Public Hearing Items were moved to be heard before Action Items 8 and 8.1.

## **CONSENT ITEMS**

### **6. Minutes of the Ventura LAFCO January 16, 2008 regular meeting**

### **7. Budget Report – 2<sup>nd</sup> Quarter FY 2007-2008**

MOTION: Approval Item 7, Receive and File Item 7 as recommended: Lange  
SECOND: Parvin  
FOR: Grandsen, Hess, Lange, Long, Parks, Parvin and Zaragoza  
AGAINST: None  
ABSTAIN: None  
MOTION PASSED 7/0/0

## **PUBLIC HEARING ITEMS**

### **9. LAFCO 07-13S and LAFCO 07-13 Calleguas Municipal Water District – Sphere of Influence Amendment and Annexation - Dickens Patch (Parcels A & B)**

Kim Uhlich presented the Staff Report. Chair Zaragoza opened the public hearing. Receiving no other comments from the public, Chair Zaragoza closed the public hearing.

MOTION: Approval as recommended: Parks  
SECOND: Lange  
FOR: Grandsen, Hess, Lange, Long, Parks, Parvin and Zaragoza  
AGAINST: None  
ABSTAIN: None  
MOTION PASSED 7/0/0

## **PUBLIC HEARING ITEMS (*Continued*)**

### **10. LAFCO 07-11 City of Oxnard – Ocean View Municipal Water District**

Kim Uhlich presented the staff report. Chair Zaragoza opened the public hearing. The following person gave public comments:  
Cy Johnson, Calleguas Municipal Water District  
Receiving no other comments from the public, Chair Zaragoza closed the public hearing.

MOTION: Approval as recommended: Grandsen  
SECOND: Hess  
FOR: Grandsen, Hess, Lange, Long, Parks, Parvin and Zaragoza  
AGAINST: None  
ABSTAIN: None  
MOTION PASSED 7/0/0

### **11. LAFCO 07-14 Calleguas Municipal Water District Annexation – Aldersgate**

Kai Luoma presented the Staff Report. Chair Zaragoza opened the public hearing. Receiving no other comments from the public, Chair Zaragoza closed the public hearing.

MOTION: Approval as recommended: Zaragoza  
SECOND: Parks  
FOR: Grandsen, Hess, Lange, Long, Parks, Parvin and Zaragoza  
AGAINST: None  
ABSTAIN: None  
MOTION PASSED 7/0/0

## **ACTION ITEMS**

### **8. LAFCO Commissioner's Handbook Amendment – Section 1.3.2 Meetings** (Regarding cancellation of meetings)

MOTION: Approval with the following amendment: "...by majority vote of the Commission or by the Commission Chair *with the consent of the Vice Chair*, if it is determined...": Parks  
SECOND: Hess  
FOR: Grandsen, Hess, Lange, Long, Parks, Parvin and Zaragoza  
AGAINST: None  
ABSTAIN: None  
MOTION PASSED 7/0/0

## **ACTION ITEMS (*Continued*)**

### **8.1 LEGISLATIVE REPORT**

Kim Uhlich presented the legislative report to the Commission.

MOTION: Approval to Receive and File as recommended: Parks  
SECOND: Long  
FOR: Grandsen, Hess, Lange, Long, Parks, Parvin and Zaragoza  
AGAINST: None  
ABSTAIN: None  
MOTION PASSED 7/0/0

## **INFORMATION ONLY**

Kim Uhlich informed the commission of the proposals on file with LAFCO that will likely come to the Commission for action in the future.

### **EXECUTIVE OFFICER'S REPORT**

Kim Uhlich reminded the Commission of the upcoming CALAFCO Staff workshop and indicated that she and Kai Luoma will be attending. Kim told the Commission that Moreland & Associates, the firm that was contracted to perform the LAFCO audit for fiscal year 06-07 was expected to be at the next LAFCO meeting to give their final report to the Commission. The Commission was reminded that their Form 700's are due to the LAFCO Clerk by April 1 and that the next LAFCO regular meeting was scheduled for April 16.

### **COMMISSIONER'S COMMENTS**

There were no Commissioner comments.

### **ADJOURNMENT**

Chair Zaragoza adjourned the meeting at 10:26 A.M.

**STAFF REPORT**

Meeting Date: April 16, 2008

**Agenda Item 7**

**LAFCO CASE  
NAME & NO:**

LAFCO 08-01 Calleguas Municipal Water District Annexation –  
Teal Club Investors

**PROPOSAL:**

To annex one parcel and portions of the Victoria Avenue and Teal Club Road rights of way to the Calleguas Municipal Water District for the purpose of providing domestic water service.

**SIZE:**

Approximately 11.5 acres

**LOCATION:**

Southeast corner of Victoria Avenue and Teal Club Road in the City of Oxnard. The proposal area is within the Calleguas Municipal Water District Sphere of Influence and is also within the boundaries of the United Water Conservation District, Fox Canyon Groundwater Management Agency, County Service Area 32, Oxnard Harbor District, and Oxnard Drainage District Number 1.

**PROPONENT:**

The Calleguas Municipal Water District by resolution.

**NOTICE:**

This matter has been noticed as prescribed by law.

**PARCEL INFORMATION & PROPONENTS FOR PURPOSES OF THE CALIFORNIA  
POLITICAL REFORM ACT (FPPC):**

<b>Assessor's Parcel Number</b>	<b>Property Address</b>	<b>Property Owner(s)</b>
183-0-090-575	No Street Address	Teal Club Investors

**COMMISSIONERS AND STAFF**

**COUNTY:**

Linda Parks  
Kathy Long  
*Alternate:*  
Steve Bennett

**CITY:**

Janice Parvin  
John Zaragoza, Chair  
*Alternate:*  
Carl Morehouse

**SPECIAL DISTRICT:**

Ted Grandsen  
George Lange, Vice Chair  
*Alternate:*  
Bill Lotts

**PUBLIC:**

Kenneth M. Hess  
*Alternate:*  
Louis Cunningham

**EXECUTIVE OFFICER:**

Kim Uhlich

**SENIOR ANALYST**

Kai Luoma

**OFFICE MGR/CLERK:**

Debbie Schubert

**LEGAL COUNSEL:**

Leroy Smith



## **RECOMMENDATION**

- A. Certify that the Commission has reviewed and considered the information contained in Mitigated Negative Declaration No. 06-05 (MND) prepared by the City of Oxnard as lead agency, and adopt the lead agency's findings and mitigation measures.
- B. Certify that the Commission has reviewed and considered the information contained in the MND Addendum prepared by LAFCO staff.
- C. Adopt the attached resolution (LAFCO 08-01) making determinations and approving the Calleguas Municipal Water District Annexation – Teal Club Investors.

## **GENERAL ANALYSIS**

### **1. Land Use**

#### Site Information

APN	Land Use		Zone District Classification	General Plan Designation
	Existing	Approved		
183-0-090-575	Produce stand and row crops	Commercial, light industrial, and self storage	<b>County:</b> NA  <b>City:</b> BRP & M-1-PD (Business and Research Park & Light Industrial – Planned Development)	<b>County:</b> NA  <b>City:</b> Airport Compatible

On November 27, 2007 the City of Oxnard approved a zone change and development project to construct retail (fast food), light industrial condos, and a self storage facility on the site. No changes are proposed to zoning or General Plan designations as part of this proposal.

#### **Surrounding Land Uses and Zoning and General Plan Designations**

This proposal will have no effect on surrounding land uses, zoning or general plan designations.

### Topography, Natural Features and Drainage

The proposal area consists primarily of undeveloped land surrounded by major roadways and agriculture to the north and west, the Oxnard airport to the south, and agriculture to the east. The overall slope ranges from one to two percent. No natural features are present.

### Conformity with Plans

The proposal area is within the boundaries of the City of Oxnard, therefore, the City's General Plan is applicable. The City's General Plan designation for the site is "Airport Compatible" and the zoning designation is "Business and Research Park" and "Light Industrial – Planned Development". The approved use of the proposal area for commercial, light industrial, and self storage development (approved by the City of Oxnard on November 27, 2007) is consistent with the City's General Plan and zoning designations.

The site is located within the Oxnard CURB boundary, which abuts the site to the north. The site also abuts an approved greenbelt to the north. It is not subject to the County SOAR ordinance.

## **2. Impact on Prime Agricultural Land, Agriculture, and Open Space**

### Agricultural Land and Agriculture

The proposal area meets the definition of prime agricultural land pursuant to LAFCO law. The appropriate time for LAFCO to have considered the impacts to agricultural resources was at the time the area was annexed to the City, which occurred in 1993 as part of LAFCO's approval of LAFCO case number 93-2, City of Oxnard Reorganization – Price Reorganization #2.

The surrounding areas to the west, north, and east are developed with agricultural uses. The western end of Oxnard airport's runway is located to the south. The proposal area is not subject to a Land Conservation Act contract or a Farmland Security Zone agreement, and is not located within a greenbelt.

### Open Space

The proposal area is not considered open space pursuant to Government Code Sections 56059 and 65560 and therefore will not impact open space lands.

### **3. Population**

According to the County Registrar of Voters, there are fewer than 12 registered voters in the proposal area. As such, the annexation proposal area is considered to be uninhabited.

### **4. Services and Controls – Need, Cost, Adequacy and Availability**

The City and the District have represented that they have the capacity to provide domestic water to the proposal area. On-going maintenance and operational costs will be financed through user fees. There will be no change to any other existing services.

### **5. Boundaries and Lines of Assessment**

The boundaries are definite and certain. There are no conflicts with lines of assessment or ownership.

The map and legal description for this proposal have been forwarded to the County Surveyor but have not yet been certified as being accurate and sufficient for the preparation of a Certificate of Completion pursuant to Government Code Section 57201 and for filing with the State Board of Equalization. As such, the attached Resolution includes a condition that predicates recordation of the proposal (completion of annexation proceedings) upon the approval of a map and legal description by the County Surveyor.

### **6. Assessed Value, Tax Rates and Indebtedness**

The total assessed land value of the lot in the proposal area per the 2007 - 2008 tax roll is \$1,612,620. According to the County Assessor, the lot in the proposal area is currently in tax rate area 03257. This tax rate area has a rate of \$1.174137 per \$100 of assessed valuation. Upon the completion of proceedings, it will be assigned to Tax Rate Area 03240 with a tax rate of \$1.178637 per \$100 of assessed valuation. This increase in property tax rates reflects the amount authorized to be collected for territory served by the Metropolitan Water District (through Calleguas Municipal Water District as a retailer).

### **7. Environmental Impact of the Proposal**

The City of Oxnard is the lead agency under CEQA and prepared a Mitigated Negative Declaration (MND No 06-05) that addressed impacts associated with development of the proposal area. The City adopted the MND on November 27, 2007.

The MND determined that the following significant impacts would be less than significant with the imposition of mitigation measures:

- Impacts to the site from adjacent agricultural operations.
- Short and long term Impacts to air quality.
- Impacts to cultural resources.
- Geologic and seismic hazards.
- Hazards from the adjacent airport.
- Impacts to water quality.
- Temporary noise impacts.
- Increased/changed traffic patterns and related hazards.

The City adopted mitigation measures, which were incorporated into the conditions of approval for the project.

Since the purpose of the proposal is specifically to provide domestic water, staff determined that additional information was necessary to thoroughly analyze the impacts associated with water availability and the City's ability to provide water to the proposal area. Based on staff's review of additional water supply data provided by the City, it appears that the City's current water supply is adequate to serve the area to be annexed based on the proposed land use. Staff prepared an addendum to the City's MND to reflect this additional information and analysis (Attachment 3).

It is recommended that the Commission take the following actions:

- Certify that the Commission has reviewed and considered the information contained in MND 06-05 prepared by the City of Oxnard as lead agency, and adopt the lead agency's findings and mitigation measures (Attachment 2).
- Certify that the Commission has reviewed and considered the information contained in the MND addendum prepared by LAFCO staff.
- Adopt the attached resolution (LAFCO 08-01) making determinations and approving the Calleguas Municipal Water District Annexation – Teal Club Investors.

## **8. Regional Housing Needs**

According to the California Housing and Community Development Department the City of Oxnard adopted an updated General Plan Housing Element on December 19, 2000 and completed State review for compliance on May 10,

2001. The annexation proposal area is developed consistent with the City's General Plan. Therefore, the proposal will have no adverse effect on the fair share of the regional housing needs for the City of Oxnard.

## **9. Environmental Justice**

Beginning January 1, 2008, Government Code §56668(o) requires that LAFCo consider the extent to which proposals for changes of organization will promote environmental justice. As defined in the statute, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

Staff has determined that approval of the proposal would not result in the unfair treatment of any person based on race, culture or income with respect to the provision of domestic water within the City of Oxnard or the County as a whole.

## **COMMISSION PROCEEDINGS – PROCESS CONSIDERATIONS**

Consent to annex from the sole landowner has been provided and the territory is uninhabited. When all landowners provide written consent to an annexation proposal, the Commission may consider it without notice or public hearing. For annexation proposals involving 100% landowner consent and territory that is uninhabited, such as this, the Commission may waive protest proceedings provided that no subject agency submits written opposition to the waiver of protest proceedings. Since the applicant is the subject agency, no objection to the waiver is anticipated. In consideration of these facts, the Commission's consideration of the proposal is not subject to a public hearing and it is recommended that the Commission waive protest proceedings.

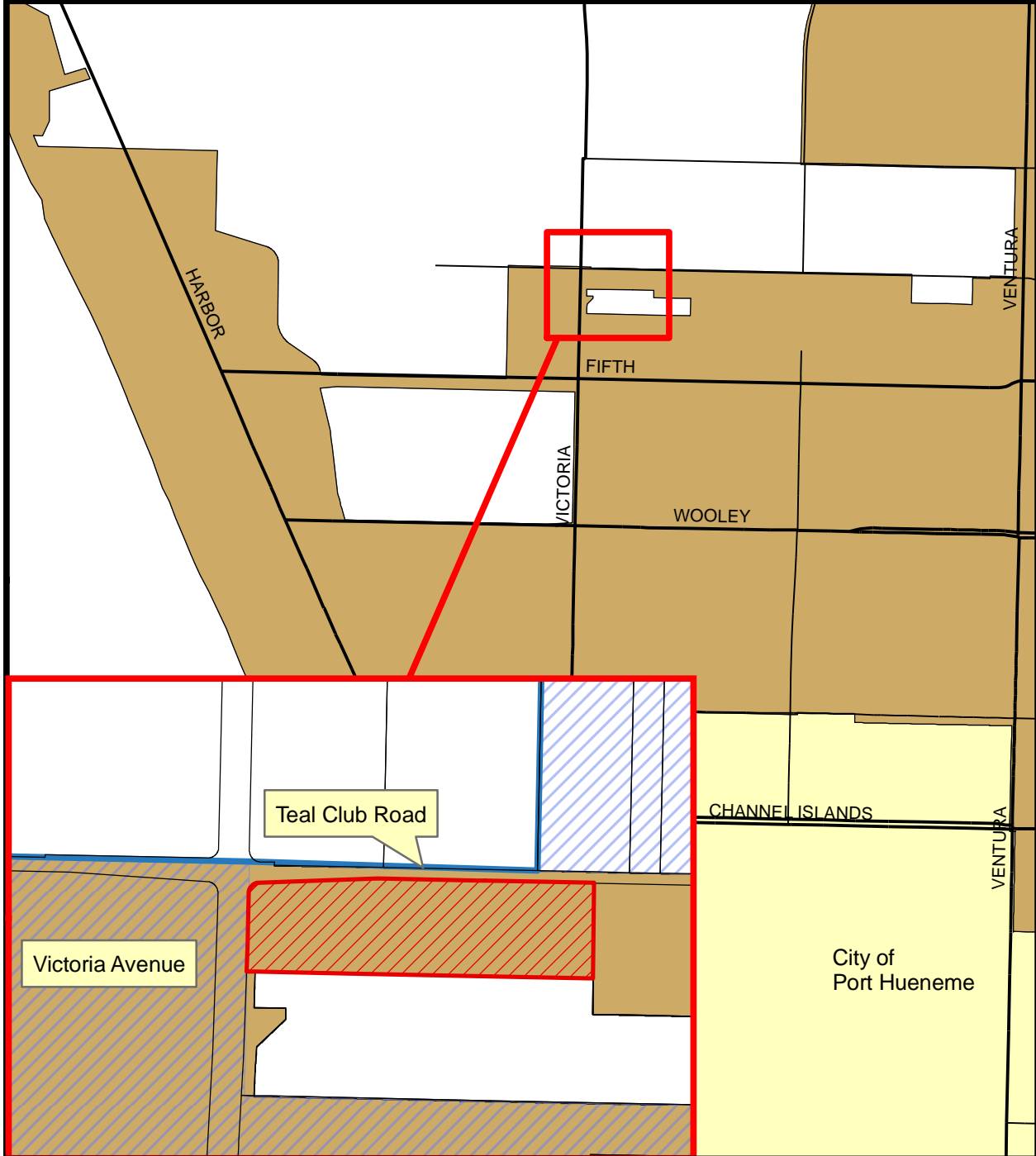
### **ALTERNATIVE ACTIONS AVAILABLE:**

- A. If the Commission, following public testimony and review of the materials submitted, determines that further information is necessary, a motion to continue the proposal should state specifically the type of information desired and specify a date certain for further consideration.
- B. If the Commission, following public testimony and review of materials submitted, wishes to deny or modify this proposal, a motion to deny or modify should include direction that the matter be continued to the next meeting and that staff prepare a new report consistent with the evidence submitted and the anticipated decision.

BY: \_\_\_\_\_  
Kai Luoma, AICP  
Senior Analyst





Attachments: (1) Vicinity Map \*  
(2) Mitigated Negative Declaration No. MND 06-05 (Provided to the Commission at an earlier date and is available for review at LAFCO offices)  
(3) Addendum to the MND Prepared by LAFCO  
(4) LAFCO 08-01 Resolution

\* LAFCO makes every effort to offer legible map files with the online- and printed versions of our reports, however sometimes the need to reduce oversize original maps and/or other technological/software factors can compromise readability. Original maps are available for viewing at the LAFCO office by request.



**Vicinity Map**  
**LAFCO 08-01 - Calleguas Municipal Water District**  
**Annexation - Teal Club Investors**

**Legend**

-  Annexation Area
-  Calleguas Sphere
-  Calleguas MWD
-  City of Oxnard



Ventura  
Local Agency Formation Commission

# Attachment 3

## ADDENDUM TO CITY OF OXNARD MITIGATED NEGATIVE DECLARATION NO. 06-05

Prepared by the Ventura LAFCO as a Responsible Agency

March 17, 2008

### Introduction

The Calleguas Municipal Water District (CMWD) is proposing to annex approximately 11.58 undeveloped acres within the City of Oxnard in order to provide water service. The subject area is located at the southeast intersection of Victoria Avenue and Teal Club Road and is comprised of one parcel (Assessor Parcel Number 183-0-090-575).

This report is an Addendum to the Mitigated Negative Declaration (MND 06-05) prepared by the City of Oxnard for the Teal Club Commercial and Industrial Project that was approved on the site.

The purpose of this addendum is to provide additional information necessary for LAFCO to determine whether there is sufficient water supply available to serve the proposed annexation.

### Background

On November 27, 2007 the City of Oxnard approved an annexation (PZ 06-610-02), zone change (PZ 05-570-06), special use permit (PZ 05-500-27) and tentative parcel map (PZ-06-300-21) to allow the development of approximately 15,000 square feet of retail/fast food, 100,000 square feet of self storage, and 50,000 square feet of industrial condos/warehousing/office on the subject site. MND 06-05 was prepared for this project.

### Analysis

LAFCO has determined that some minor additions are necessary to the MND pursuant to Section 15164 of the California Environmental Quality Act Guidelines, but has further determined that none of the following conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred, as discussed below:

- **Substantial changes proposed in the project which would require major revisions of the previous negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;**

*The proposed project is an annexation of approximately 11.58 acres to the Calleguas Municipal Water District in order to provide potable water. The project does not include any changes to the General Plan or zoning. The approved uses are consistent with the city's General Plan and zoning. Annexation to Calleguas is a necessary component of the approved project. Therefore, the annexation does not*



*include substantial changes to the project which would require major revisions to the previous MND.*

- **Substantial changes with respect to the circumstances under which the project is undertaken which would require major revisions to the previous negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;**

*Circumstances have changed little since November of 2007 when the development project was approved. Though water availability has become an important factor in the City's continued growth, it appears that the City has adequate water to supply this project and no major revisions to the previous MND due to new significant environmental effects or a substantial increase in the severity of previously identified significant effects are required.*

*Though the MND concluded that there was adequate water to supply the approved project, the MND did not specifically analyze the water demand created by the project or whether the city possessed adequate water supplies to serve it. The analysis simply states that the project is within the Calleguas MWD's sphere of influence and discusses impact fees.*

*A Water Supply Assessment was recently prepared for the draft EIR for Oxnard's Camino Real development project. The assessment is largely based on the City's 2005 Urban Water Management Plan (UWMP), which projects that in 2007 the City would have an annual water supply of 28,500 acre feet (AF) and demand would be 26,854 AF, a difference of 1,646 AF. According to the City of Oxnard, the site possessed the current General Plan designation as early as 1991, if not before. Because the approved project is consistent with that designation, its water demands would have been factored into the overall demand projections of the 2005 UWMP. Therefore, the development's water demands should already be accounted for.*

*If by chance the proposed development was not factored into the UWMP's projected demands, the development's approximately 17\* AF per year of demand is far below the projected 1,646 AF surplus.*

*Therefore, according to the UWMP, adequate water is available to serve the approved development and no major revisions to the previous MND due to new significant environmental effects or a substantial increase in the severity of previously identified significant effects are required.*

- **New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous negative declaration was adopted, which would show any of the following:**
  - **The project would have one or more significant effects not discussed in the previous EIR or negative declaration;**

- Significant effects previously examined would be substantially more severe than shown in the previous EIR;
- Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or,
- Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

*The project does not include any new information that meets any of the above criteria. As discussed previously, it appears that the city has adequate water to provide the approved development and, therefore, the annexation does not result in any new significant effects not previously discussed nor will it increase the severity of those examined in the previous MND. In addition, because there is adequate water, no new or amended mitigation measures are needed. The project does not include any changes to the feasibility or effectiveness of any previously discussed mitigation measures.*

## Conclusion

The approved development is consistent with the General Plan and zoning. Annexation of the site to the Calleguas Municipal Water District was always a necessary component of the approved project. The city currently has adequate water to supply the development. Annexation of the site to the CMWD will pose no significant impacts regarding the provision of water.

An addendum to the MND is appropriate.

\* According to Calleguas MWD, the project will result in the following water demand:

Use type	Average water use per acre in gallons per day (GPD)	Number of acres in approved project	Projected water use in GPD
Industrial	2,800	2.92	8,176
Limited industrial	1,012	5.85	5,920
Commercial	1,500	.63	945
<b>Total</b>			<b>15,041 GPD</b>
Convert to cubic feet			2,010 cubic feet per day
Peak daily demand (1.5 x average)			3,015 cubic feet per day
Annual Consumption			733,650 cubic feet per year
<b>Expressed in Acre Feet</b>			<b>16.84 AFY</b>

**LAFCO 08-01**

**RESOLUTION OF THE VENTURA LOCAL AGENCY  
FORMATION COMMISSION MAKING DETERMINATIONS  
AND APPROVING THE CALLEGUAS MUNICIPAL WATER  
DISTRICT ANNEXATION – TEAL CLUB INVESTORS**

WHEREAS, the above-referenced proposal has been filed with the Executive Officer of the Ventura Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Section 56000 of the California Government Code); and

WHEREAS, at the times and in the manner required by law, the Executive Officer gave notice of the proposal as required by law; and

WHEREAS, the proposal was duly considered on April 16, 2008; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony for and against the proposal including, but not limited to, the LAFCO Staff Report and recommendation, the environmental documents, spheres of influence and applicable local plans and policies; and

WHEREAS, all landowners within the affected territory have consented to the proposal; and

WHEREAS, proof has been given to the Commission that the affected territory has fewer than 12 registered voters and is considered uninhabited; and

WHEREAS, the Local Agency Formation Commission finds the proposal to be in the best interest of the landowner and present and future inhabitants within the Calleguas Municipal Water District and within the affected territory, and the organization of local governmental agencies within Ventura County; and

WHEREAS, the Commission certifies that it has reviewed and considered the Mitigate Negative Declaration (MND) prepared by the Lead Agency and the Addendum prepared by LAFCO staff; and

WHEREAS the Commission has found that the MND discloses impacts that are not significant or are mitigated to a level of insignificance.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Ventura Local Agency Formation Commission as follows:

- (1) The LAFCO Staff Report and Recommendation for approval dated April 16, 2008 is adopted.
- (2) The annexation to the Calleguas Municipal Water District is hereby approved, and the boundaries are established as generally set forth in the attached Exhibit A.
- (3) The affected territory is uninhabited as defined by Government Code §56046.
- (4) The subject proposal is assigned the following distinctive short form designation: **LAFCO 08-01 CALLEGUAS MUNICIPAL WATER DISTRICT ANNEXATION – TEAL CLUB INVESTORS.**
- (5) The Commission, as a responsible agency, has reviewed and considered the information contained in the Mitigated Negative Declaration entitled “MND No 06-05” prepared by the City of Oxnard as lead agency as well as all comments received.
- (6) The Commission finds that, on the basis of the whole record before it, that there is no substantial evidence that the project will have a significant effect on the environment and the Mitigated Negative Declaration and its Addendum reflect the Commission’s independent judgment and analysis.
- (7) The Commission hereby adopts the lead agency’s Findings and Mitigation Measures.
- (8) The Commission directs staff to file a Notice of Determination in the same manner as the lead agency under CEQA Guidelines §15094 and §15096(i).
- (9) The Commission waives conducting authority proceedings, since satisfactory proof has been given that the subject property is uninhabited, that all landowners within the affected territory have given their written consent to the proposal, and that all affected agencies that will gain or

lose territory as a result of the proposal have not submitted written opposition to the waiver of conducting authority proceedings [Government Code §56663].

- (10) This annexation shall not be recorded until all LAFCO fees have been paid and until fees necessary for filing with the State Board of Equalization have been submitted to the Executive Officer.**
- (11) This annexation shall not be recorded until a map and legal description consistent with this approval and suitable for filing with the State Board of Equalization have been submitted to the LAFCO Executive Officer.**

This resolution was adopted on April 16, 2008.

AYES: Commissioner Grandsen, Hess, Lange, Long, Parvin, and Zaragoza

NOES: Parks

ABSTAINES: None

Dated: 4-16-08

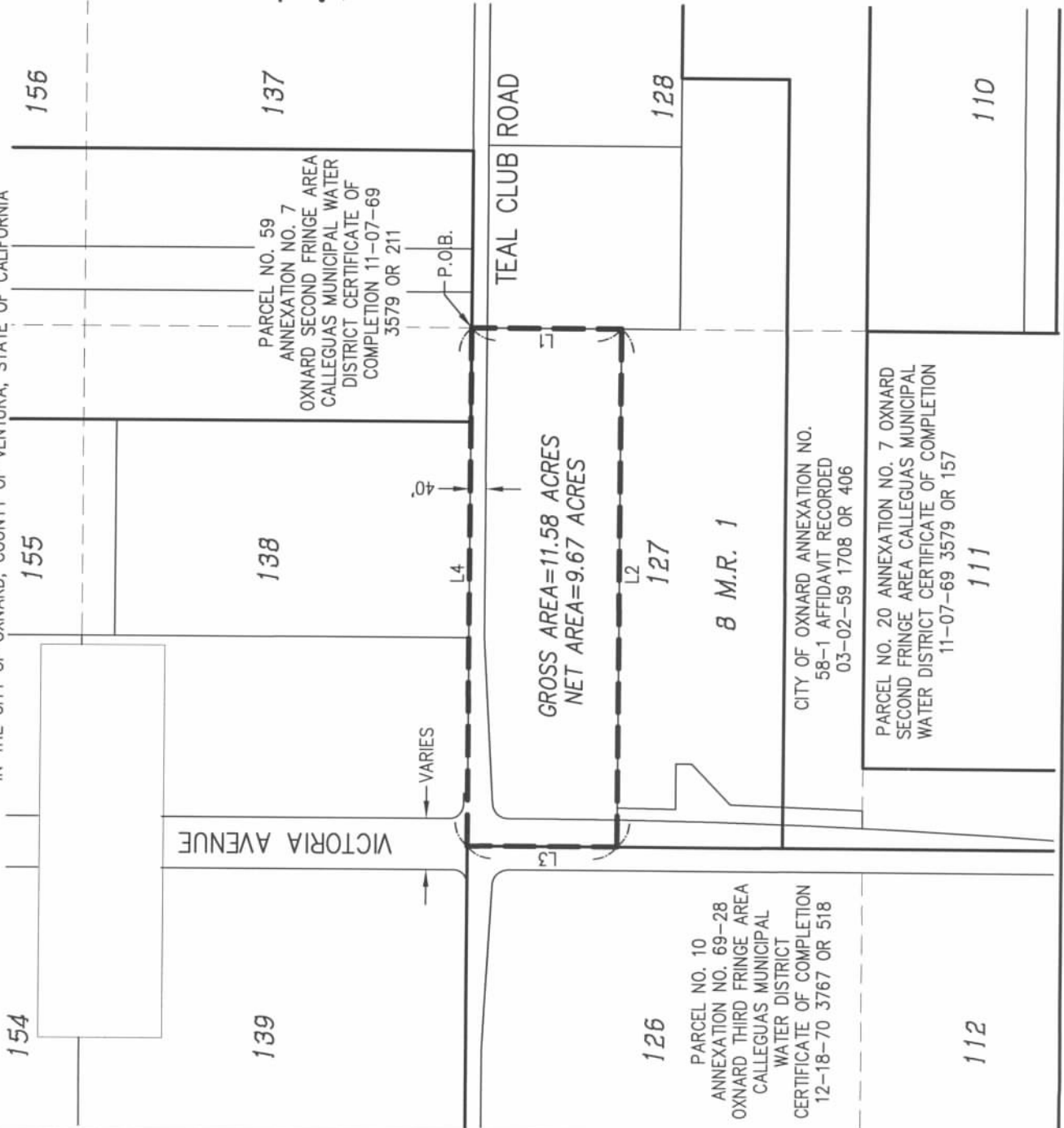
  
Chair, Ventura Local Agency Formation Commission

Attachments: Exhibit A

Copies: Calleguas Municipal Water District  
City of Oxnard  
Ventura County Assessor  
Ventura County Auditor  
Ventura County Surveyor  
Ventura County Planning  
Ventura County Elections – Registrar of Voters

# CALLEGUAS MUNICIPAL WATER DISTRICT ANNEXATION TEAL CLUB INVESTORS (ANNEXATION NO. 87)

BEING A PORTION OF LOT 127 OF PATTERSON RANCH AND TEAL CLUB ROAD PER 8 M.R. 1  
IN THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA



VICTORIA AVENUE

TEAL CLUB ROAD

GROSS AREA=11.58 ACRES  
NET AREA=9.67 ACRES

8 M.R. 1

CITY OF OXNARD ANNEXATION NO.  
58-1 AFFIDAVIT RECORDED  
03-02-59 1708 OR 406

PARCEL NO. 20 ANNEXATION NO. 7 OXNARD  
SECOND FRINGE AREA CALLEGUAS MUNICIPAL  
WATER DISTRICT CERTIFICATE OF COMPLETION  
11-07-69 3579 OR 157

PARCEL NO. 10  
ANNEXATION NO. 69-28  
OXNARD THIRD FRINGE AREA  
CALLEGUAS MUNICIPAL  
WATER DISTRICT  
CERTIFICATE OF COMPLETION  
12-18-70 3767 OR 518

PARCEL NO. 59  
ANNEXATION NO. 7  
OXNARD SECOND FRINGE AREA  
CALLEGUAS MUNICIPAL WATER  
DISTRICT CERTIFICATE OF  
COMPLETION 11-07-69  
3579 OR 211

VARIES

40'

L4

L2  
127

128

137

138

155

156

110

111

112

126



SCALE: 1"=400'  
MARCH 2006

LINE	BEARING	LENGTH
L1	S01°13'32"W	382.00'
L2	N88°47'31"W	1320.00'
L3	N01°13'32"E	382.00'
L4	S88°47'31"E	1320.00'

11.58 ACRES - GROSS AREA  
-1.91 ACRES - ROAD AREA  
9.67 ACRES - NET AREA

## LEGEND:

- EXISTING CALLEGUAS MUNICIPAL WATER DISTRICT BOUNDARY
- PROPOSED ANNEXATION BOUNDARY
- LOT LINE PER 8 M.R. 1

LOCATION MAP-N.T.S.



APR 26 2006

PREPARED BY:

**DAVID R. GRAY, INC.**

3211 CORTE MALPASO, SUITE 401  
CAMARILLO CA, 93012  
805-987-3945 FAX: 805-987-1655  
JOB NO. 0513 MARCH 2006

**CALLEGUAS MUNICIPAL WATER DISTRICT ANNEXATION  
TEAL CLUB INVESTORS  
(ANNEXATION NO. 87)**

THAT PORTION OF LOT 127 AND TEAL CLUB ROAD OF PATTERSON RANCH, IN THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 1 OF MISCELLANEOUS RECORDS (MAPS), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE INTERSECTION OF THE NORTHERLY LINE OF SAID TEAL CLUB ROAD, 40 FEET WIDE, WITH THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID LOT 127; THENCE, ALONG SAID NORTHERLY PROLONGATION AND EASTERLY LINE,

- 1<sup>ST</sup>: SOUTH 01°13'32" WEST 382.00 FEET TO THE NORTHERLY LINE OF THE SOUTHERLY 628.00 FEET, MEASURED AT RIGHT ANGLES, OF SAID LOT 127; THENCE, ALONG SAID NORTHERLY LINE,  
2<sup>ND</sup>: NORTH 88°47'31" WEST 1320.00 FEET TO THE EASTERLY LINE OF WEST ROAD SHOWN ON SAID MAP; THENCE, ALONG SAID EASTERLY LINE,  
3<sup>RD</sup>: NORTH 01°13'32" EAST 382.00 FEET TO SAID NORTHERLY LINE OF TEAL CLUB ROAD; THENCE, ALONG SAID NORTHERLY LINE,  
4<sup>TH</sup>: SOUTH 88°47'31" EAST 1320.00 FEET TO THE **POINT OF BEGINNING**.

11.58 ACRES – GROSS AREA  
-1.91 ACRES – ROAD AREA  
9.67 ACRES – NET AREA



APR 26 2006

**LAFCO 08-01-A1**  
**RESOLUTION OF THE VENTURA LOCAL AGENCY**  
**FORMATION COMMISSION APPROVING A ONE YEAR**  
**EXTENSION OF TIME FOR LAFCO 08-01 CALLEGUAS**  
**MUNICIPAL WATER DISTRICT ANNEXATION – TEAL**  
**CLUB INVESTORS**

WHEREAS, the Ventura Local Agency Formation Commission (LAFCO) approved LAFCO 08-01 Calleguas Municipal Water District Annexation – Teal Club Investors; on April 16, 2008; and

WHEREAS, conducting authority proceedings were waived by the Commission since satisfactory proof was given that the subject property was uninhabited, that all landowners within the affected territory gave their written consent to the proposal and the all affected agencies that will gain or lose territory as a result of the proposal did not submit written opposition to the waiver of conducting authority proceedings; and

WHEREAS, Government Code Section 57001 requires that a certificate of completion be filed within one year after LAFCO approved the change of organization proposal, unless extended by LAFCO; and

WHEREAS, the Calleguas Municipal Water District has submitted a request to LAFCO to extend the time for the filing of a certificate of completion for a one year time period; and

WHEREAS, the request was submitted prior to the expiration of the one year time limit set forth in Section 57001, is consistent with the law; and

WHEREAS, the basis for the request is that the conditions of approval have not yet been paid due to wide-scale uncertainties in the financial and real estate markets; and

WHEREAS, no new issues or impacts have been raised since LAFCO's approval of the change of organization proposal which were not known and considered at the time of approval; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony for and against the requested extension of time, including, but not limited to, the Executive Officer's report and recommendation; and

WHEREAS, the LAFCO finds the requested extension of time to be in the best interest of the affected area and the organization of local governmental agencies within Ventura County;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Ventura Local Agency Formation Commission as follows:



- (1) The Executive Officer's Staff Report and Recommendation dated January 21, 2009 is adopted.
- (2) The time frame for filing a certificate of completion to complete proceedings for LAFCO 08-01 Calleguas Municipal Water District Annexation – Teal Club Investors is hereby extended to April 16, 2010.
- (3) All provisions, terms and conditions of the LAFCO 08-01 resolution, dated April 16, 2008, shall remain in effect.

This resolution was adopted on January 21, 2009.

AYES: Commissioner Cunningham, Lange, Long, Parvin and Alternate Commissioner Pringle

NOES: None

ABSTAINS: None

Dated: 1/21/09   
Vice Chair, Ventura Local Agency Formation Commission

Copy: Calleguas Municipal Water District

**Agenda Item 8**

**STAFF REPORT**

Meeting Date: April 16, 2008

**TO:** LAFCO Commissioners

**FROM:** Kim Uhlich, Executive Officer

**SUBJECT:** Letter of Support for AB 1998



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**RECOMMENDATION:**

Authorize the Chair to send a letter to Assemblymember Caballero supporting Assembly Bill 1998.

**DISCUSSION:**

AB 2838 (Hertzberg), Chapter 761, Statutes of 2000, required expenditures for political purposes related to a petition initiating a change of organization or reorganization proposal that has been submitted to a LAFCO, and contributions in support of or in opposition to such a petition, to be disclosed in the same manner as local initiative measures to be presented to the electorate. Under the provisions of LAFCO law, once a change of organization or reorganization proposal has been approved, that proposal is subject to protest proceedings. During the protest proceedings, if more than 50 percent of the impacted voters or more than 50 percent of the impacted landowners, depending on the type of territory, file written protests, the proceedings stop and the organization or reorganization proposal is terminated.

Subsequent to the passage of AB 2838, it was discovered that the provisions of that bill did not require campaign reporting in conjunction with protest proceedings. As a result, last year the Legislature approved and the Governor signed AB 745 (Silva), Chapter 109, Statutes of 2007, which sought to provide further disclosure of contributions and expenditures made in connection with proceeding before a LAFCO. AB 745 required

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**COMMISSIONERS AND STAFF**

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<b>COUNTY:</b> Linda Parks Kathy Long <i>Alternate:</i> Steve Bennett	<b>CITY:</b> Janice Parvin John Zaragoza, Chair <i>Alternate:</i> Carl Morehouse	<b>SPECIAL DISTRICT:</b> Ted Grandsen George Lange, Vice Chair <i>Alternate:</i> Bill Lotts	<b>PUBLIC:</b> Kenneth M. Hess  <i>Alternate:</i> Louis Cunningham
<b>EXECUTIVE OFFICER:</b> Kim Uhlich	<b>SENIOR ANALYST</b> Kai Luoma	<b>OFFICE MGR/CLERK:</b> Debbie Schubert	<b>LEGAL COUNSEL:</b> Leroy Smith

contributions and expenditures for political purposes on boundary changes approved by a LAFCO to be disclosed and reported subject to the same requirements as the Political Reform Act provides for local initiative measures, and made a number of clarifying changes to the disclosure provisions from AB 2838. Most notably, AB 745 required contributions and expenditures for political purposes in conjunction with boundary changes approved by LAFCO to be disclosed and reported directly to LAFCO rather than the FPPC.

Although the disclosure requirements for expenditures and contributions made in connection with LAFCO proposals and proceedings has now been expanded twice in the last eight years, the Legislature has not previously considered legislation that would fully bring such contributions and expenditures entirely within the regulatory framework of the Political Reform Act. AB 1998 bill would do just that, thus making the FPPC responsible for administering the disclosure requirements affecting contributions and expenditures made in conjunction with LAFCO proposals and proceedings.

The current FPPC rules regarding expenditure reporting applies only to persons or groups who spend over \$1,000. Since the Ventura LAFCO receives relatively few proposals that would trigger this level of political expenditure, the burden on staff to administer the disclosure requirements is not excessively onerous. Nonetheless, FPPC staff has vastly more experience and training to implement campaign finance disclosure requirements and thus staff recommends that the Commission support AB 1998.

Attachment: Letter of Support for AB 1998



April 16, 2008

The Honorable Anna Caballero  
Chair, Assembly Local Government Committee  
State Capitol  
P.O. Box 942849  
Sacramento, CA 94249-0028

**RE: SUPPORT of AB 1998 (Silva): Filing of Campaign Statements Concerning LAFCO Proposals**

Dear Assemblywoman Caballero:

On behalf of the Ventura Local Agency Formation Commission (LAFCO) I have been authorized to send you this letter of support for AB 1998 which, among other changes, transfers responsibility for administering financial disclosure requirements applicable to proposals for changes of organization or reorganization to the Fair Political Practices Commission (FPPC).

This legislation will contribute to increased transparency in local government by expanding the existing law requiring reporting of political contributions and expenditures made in conjunction with LAFCO proposals and proceedings pursuant to provisions of the Political Reform Act. The financial disclosure requirements applicable to LAFCO proposals are the same as those that apply to the petition and initiative processes currently administered by the FPPC. Yet, under current law, LAFCOs are charged with overseeing the financial reporting requirements despite the fact that FPPC staff is already proficient in implementing and enforcing the relatively complex rules that govern this process.

Shifting responsibility for administering financial disclosure requirements for contributions and expenditures made in conjunction with LAFCO proposals to the FPPC would not only ease an administrative burden on the 58 LAFCOs throughout the State, it would also promote overall administrative efficiency by unifying review and enforcement of all financial reporting for political purposes under the umbrella of a single agency.

Thank you for taking the time to consider our comments regarding this important legislation.

Sincerely,

John Zaragoza,  
Chair, Ventura LAFCO

c: Members, Assembly Local Government Committee  
Assemblyman Jim Silva  
Senator George Runner  
Senator Tom McClintock  
Senator Sheila Kuehl  
Assemblyman Pedro Nava  
Assemblywoman Audra Strickland  
Assemblywoman Julia Brownley  
Bill Chiat, Executive Director, CALAFCO



**STAFF REPORT**

Meeting Date: April 16, 2008

**Agenda Item 9**

**TO:** LAFCO Commissioners

**FROM:** Kim Uhlich, Executive Officer

**SUBJECT:** Proposed Budget – Fiscal Year 2008 - 2009

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**RECOMMENDATION:**

Staff recommends that the Commission adopt the attached resolution:

1. Adopting the Proposed Budget for Fiscal Year 2008-09 including an increase in the Designation for Subsequent Year Financing in the amount of \$42,000 and;
2. Finding that a 22.5% decrease in the Proposed Budget for FY 2008-09 as compared to the FY 2007-08 Adopted Budget will not result in reductions in staffing or program costs to such an extent that the Commission would be impeded from fulfilling the purpose and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act.

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**COMMISSIONERS AND STAFF**

**COUNTY:**  
Linda Parks  
Kathy Long  
*Alternate:*  
Steve Bennett

**CITY:**  
Janice Parvin  
John Zaragoza, Chair  
*Alternate:*  
Carl Morehouse

**SPECIAL DISTRICT:**  
Ted Grandsen  
George Lange, Vice Chair  
*Alternate:*  
Bill Lotts

**PUBLIC:**  
Kenneth M. Hess  
  
*Alternate:*  
Louis Cunningham

**EXECUTIVE OFFICER:**  
Kim Uhlich

**SENIOR ANALYST**  
Kai Luoma

**OFFICE MGR/CLERK:**  
Debbie Schubert

**LEGAL COUNSEL:**  
Leroy Smith

**BACKGROUND:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires that each LAFCO adopt a proposed budget by May 1 and a Final budget by June 15. The hearing on the Proposed Budget is scheduled for April 16, 2008.

The attached Proposed Budget consists of a Budget Message and a line item budget of expenditures and revenue (Attachment 1). Included with the Proposed Budget for informational purposes only are the estimated allocation percentages for the 10 cities and 28 independent special districts that together with the County are responsible for the majority of LAFCO's revenue. The estimated allocation percentages are based on the 2004-2005 State Controller Reports for cities and the 2005-06 Report for special districts. These are the most current Reports available, but it is probable that the State will issue an updated Report for FY 2005-06 for the cities before the end of June. To the extent this occurs, the County Auditor-Controller will update the percentage share allocations.

The Proposed Budget has been transmitted to the County and each city and independent special district in the County for review. Comments may be provided at any time prior to action on a Final Budget. The hearing to consider the Final Budget is scheduled for May 21, 2008.

Most notably, the Proposed Budget reflects an overall decrease of approximately 22.5% as compared to the Adopted Budget for FY 2007-08. As explained in Attachment 1, this decrease is primarily the result of anomalous expenditures in FY 2007-08 associated with the retirement of the Executive Officer and the elimination of LAFCO's share of the County's pension bond debt, which was paid off late last year. In addition, the Proposed Budget reflects a small overall decrease in expenditures for services and supplies of approximately 4.5%.

On May 17, 2006, the Commission approved an amendment to the Commissioner's Handbook, Section 2.3.1.4 "Contingency and Designation Accounts" (Attachment 2), which states that 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% 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 2006. In November 2007 after the close of Fiscal Year 2006-07, \$15,205 was available in addition to what had been budgeted as Fund Balance for FY 2007-08 and was thus designated for subsequent year financing. The current total in this account is \$79,335, which represents approximately 10.8% of the Proposed Budget. It should be noted that if actual fund balance exceeds that of the projected actual fund balance after the close of FY 2007-08, the 5070 account balance will increase accordingly.

**DISCUSSION:**

With the above information as background, staff is recommending that the Commission consider making a one-time additional designation of \$42,000 of Projected Fund Balance as a means to expedite the achievement of the Commission's 25% funding goal and further enhance LAFCO's ability to respond to future unanticipated expenses such as those that might result from legal challenge to a LAFCO decision. An allocation in this amount would increase the 5070 account balance to a minimum of \$121,335, which would represent approximately 16.5% of the Proposed Budget. If actual fund balance exceeds that of the projected actual fund balance after the close of FY 2007-08, the 5070 account balance will increase accordingly.

Unlike the annual transfers of excess projected fund balance revenues to the 5070 account, the proposed additional designation to the 5070 account would directly impact the Fund Balance projection and, consequently, increase the amount of revenue collected from other agencies. Table 1 compares the impacts on revenue collected from other agencies based on differing additional designation amounts to the 5070 account.

**TABLE 1**

		<b>FY 2008-09 Proposed Budget Options</b>		
	<b>FY 2007-08 Adopted Budget</b>	<b>OPTION A Expenditures + 10% Contingency</b>	<b>OPTION B (Recommended by staff in FY 2008-09 Proposed Budget) Expenditures + 10% Contingency + \$42,000 Increase in Designation</b>	<b>OPTION C Expenditures + 10% Contingency + 104,520 Increase in Designation</b>
<b>Total Net Operating Expenses (Revenue Collected from Other Agencies)</b>	715,957	446,984	<b>488,984</b>	551,505
<b>County Allocation</b>	238,652	148,995	<b>162,995</b>	183,835
<b>Cities Allocation, Total</b>	238,652	148,995	<b>162,995</b>	183,835
<b>Independent Special Districts Allocation, Total</b>	238,652	148,995	<b>162,995</b>	183,835
Approximate Change from Revenue Collected from Other Agencies in 07-08		37.6% decrease	<b>31.7% decrease</b>	23.0% decrease
Designation for Subsequent Year Financing Account Minimum Balance		\$79,335 (10.8 % of Proposed Budget)	<b>\$121,335 (16.5% of Proposed Budget)</b>	\$183,855 (25% of Proposed Budget)

Option "A" reflects a "no action" alternative in which no additional designation made to the 5070 account. Under this option, the total revenue collected from other agencies for FY 08-09, would be approximately 37.6% less than that reflected in the Adopted Budget for the current year. Recommended Option "B", which reflects an additional designation of \$42,000 to account 5070, would result in a reduction in the amount of revenue collected from other agencies for FY 08-09 of approximately 31.7% as compared to the current year. Option "B" shows the option being recommended by staff and is also reflected in the attached Proposed Budget. Although not recommended, Option "C" reflecting an additional designation of \$104,520 to account 5070 is also included for the Commission's consideration. Assuming that actual fund balance exceeds that of the projected fund balance after the close of FY 2007-08, an additional allocation of \$104,520 would increase the 5070 account balance to a minimum of \$183,855, which would represent approximately 25% of the Proposed Budget. Option C would thus provide for full funding of the 5070 account pursuant to the Commission's policy regarding designation for subsequent year financing. An allocation of this amount would result in a reduction of revenue collected from other agencies for FY 2008-09 of approximately 23.0% over the current year amount.

It should be noted that the estimated percentage decreases in revenue collected from other agencies for their share of LAFCO expenses shown in Table 1 applies to the total allocation amounts for each of the three funding agency categories. Individual agency allocation amounts for FY 2008-09 may decrease or increase compared to current year allocations, depending on the latest revenue figures as reported in either the 2004-05 State Controller's Report for cities and special districts or the 2005-06 report, if available prior to the time billings are prepared by the County Auditor-Controller. Estimated allocation amounts for individual agencies are included in Attachment 1.

As indicated in the Background Section of this report, the FY 2008-09 Proposed Budget reflects an overall decrease of approximately 22.5% as compared to the Adopted Budget for 2007-08. Pursuant to Government Code Section 56381(a), the Commission's proposed and final budgets must be at least equal to the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or program costs will nevertheless allow the Commission to fulfill its purpose and the programs set forth in LAFCO law. As described in the paragraph above, the Adopted Budget is relatively higher than the Proposed Budget for FY 2008-09 partly due to the current year's pay-off of bond debt. With respect to staffing, programs and services, the Proposed Budget for FY 2008-09 proposes no reductions from existing levels, and the minor decrease in expenditures for services and supplies would not adversely impact service levels. As such, staff recommends that the Commission adopt the attached resolution (Attachment 2) reflecting these facts and containing the necessary findings.

Attachment:           (1) Resolution Adopting Proposed Budget – FY 2008-09  
                              (2) Commissioner's Handbook Excerpt, Section 2.3.1.4



**RESOLUTION OF THE VENTURA LOCAL AGENCY  
FORMATION COMMISSION ADOPTING A PROPOSED  
BUDGET FOR FISCAL YEAR 2008-09**

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 an annual budget; and

WHEREAS, at a minimum, the adopted budget must be equal to the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or program costs will nevertheless allow the Commission to fulfill the purposes and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act, and

WHEREAS, the Commission desires to adopt a Proposed Budget for Fiscal Year 2008-09 that is lower than the adopted Fiscal Year 2007-08 Budget; and

WHEREAS, on April 16, 2008, the public and other governmental agencies had an opportunity to comment and the Commission considered adoption of a Proposed Budget for Fiscal Year 2008-09;

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

- (1) Adopts the Proposed Budget for the 2008-2009 Fiscal Year as set forth in Exhibit A attached hereto; and
- (2) Finds the Proposed Budget as set forth in Exhibit A attached hereto will not result in reductions in staffing or program costs to such an extent that the Commission would be impeded from fulfilling the purpose and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act; and
- (3) Directs the Executive Officer to forward the Proposed Budget, as adopted, to all the independent special districts, cities and the County for their comment pursuant to Government Code Section 56381.

This resolution was adopted on April 16, 2008.

AYES:

NOES:

ABSTAINS:

Dated: \_\_\_\_\_  
Chair, Ventura Local Agency Formation Commission

Attachments: Exhibit A



Ventura  
Local Agency Formation Commission

# ***PROPOSED BUDGET***

**Fiscal Year  
2008-2009**

**Proposed April 16, 2008**





## **BUDGET MESSAGE**

### **Proposed Budget - Fiscal Year 2008-2009**

Meeting Date: April 16, 2008

### **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 will have a hearing on April 16, 2008 to consider this Proposed Budget for Fiscal Year (FY) 2008-09. A public hearing to consider action on the Final Budget for FY 2008-09 has been scheduled for May 21, 2008. Once adopted, 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*. This Proposed 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 2008-09 are part of this Proposed 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 2007-08, sets forth a basic work plan for FY 2008-09, and provides background and explanatory information about the anticipated expenditures and revenues in this Proposed FY 2008-09 Budget.

## **Major LAFCO Responsibilities**

(Asterisk indicates new responsibilities as of January 1, 2001)

- 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.
- Establish spheres of influence for cities and special districts.
- 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.
- Act on requests for out-of-agency contracts for extensions of services (now applicable to contracts between two public agencies\*).
- Function as either a responsible or lead agency under the California Environmental Quality Act.
- Serve as the conducting authority for the determination of protests relating to proposals for incorporation, formation, and subsequent boundary changes.\*
- Provide public information about LAFCO and public noticing of pending LAFCO actions.
- Establish and maintain a web site.\*
- Adopt written policies and procedures.\*
- Hire an Executive Officer and Legal Counsel.\*
- Adopt an annual budget.\*

## **FY 2007-2008 in Review**

Fiscal Year 2007–2008 was the seventh 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 March 2008, total projected actual expenditures for FY 2007-2008 should be approximately \$245,438 (25.8%) less than the adopted budget. Salaries and employee benefits are projected to be approximately \$110,191 (16.8%) less than the adopted budget. This is primarily due to the fact that the Office Assistant position has not been filled, a lower than estimated debt service payment on the County's pension obligation bond, and overestimates of "buy-down" expenses associated with the retirement of the former Executive Officer. Due to on-going fiscal prudence, actual services and supplies expenditures are projected to be approximately \$48,950 (23.4%) less than the adopted budget. As part of the Commission's action on

the Proposed Budget scheduled for April 16, 2008, staff will recommend consideration of a one-time additional designation of \$42,000 from the FY 2007-08 Fund Balance to the Designation for Subsequent Year Financing account (account code 5070). As is explained further in the FY 2008-2009 Financing Sources Section of this report, the purpose of this recommendation is to expedite the Commission's goal to augment the 5070 account until the total balance reaches at least 25% of the current year budget in order to enhance LAFCO's ability to cover future unanticipated expenses. Including the proposed additional designation from the Fund Balance, the anticipated savings in salaries/benefits and services/supplies will contribute to a projected available Fund Balance for FY 2008-09 of \$180,438, which is \$46,876 (35.1%) more than the Fund Balance adopted as a part of the FY 2007-08 budget (\$133,562).

Actual revenue for FY 2007-08 is now projected to be approximately \$23,000 (2.8%) 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). Based on applications filed as of the end of March, projected actual revenues from charges for LAFCO services (account code 9772) are approximately \$27,000 (31.0%) less than the \$87,000 Adopted Budget. However, the projected actual interest revenue is \$16,000, which is approximately \$4,000 (33.3%) more than the Adopted Budget.

The following work plan was adopted as a part of the FY 2007-08 budget:

- Complete the process to hire a new Executive Officer and, as necessary, fill other authorized staff positions.
- Complete all municipal service reviews and sphere of influence reviews/updates and establish a work plan for these mandates for the 2008 – 2013 cycle.
- Maintain and enhance operations with a focus on: communication with the Commission, cities, districts and the public; budget monitoring and information; staff training and development; and enhanced records management.
- Complete an audit of the LAFCO fund for FY 2006-07, and establish policies and procedures to have annual or biennial audits in the future.
- 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.

Substantial progress has been made on each of these work plan items. The Commission has approved an employment contract with Kim Uhlich to serve as the LAFCO Executive Officer following the retirement of Everett Millais. Shortly thereafter, a new LAFCO Analyst was hired to fill the Deputy Executive Officer position vacated by Kim Uhlich. Staff is currently in the process of reviewing a list of qualified candidates in anticipation of filling the vacant half-time Office Assistant II position before the end of this fiscal year.

The completion of the municipal service reviews (MSR) and sphere of influence (SOI) reviews/update for the Camarillo Health Care District, the Fillmore-Piru Memorial District, the Oxnard Harbor District and the Ventura Port District along with the sphere of influence reviews/updates for the three cemetery districts and Ventura County Service Area No. 33 marked the end of the final phase of the 2002-2007 sphere review and update cycle. To cap off the completion of this first cycle, a summary report was presented to the Commission reflecting LAFCO's actions associated with the MSR and SOI review/update process for ten cities and 50 special districts. A work plan for the 2008-2013 cycle will be presented to the Commission for action before the end of this fiscal year.

Positive communications have been maintained with all cities and districts. Staff continues to attend and participate in various meetings of municipal advisory/neighborhood councils and other neighborhood meetings, the local chapter of the special districts association, the Association of Water Agencies, city/county planning association, and other groups. Staff continues to take advantage of training and professional development opportunities, including CALAFCO University courses and annual CALAFCO staff workshops. Staff is continuing to work with the County Information Technology Services Division to develop a formal records management system that will be able to digitally archive LAFCO records and interconnect case files with maps based on geo-database information.

The Commission approved a contract with Moreland & Associates, Inc. to perform an audit of LAFCO's financial statements and activities for the fiscal year ended 2007. The resulting report will be presented to the Commission for action before the end of this fiscal year.

In the first quarter of this fiscal year staff recommended, and the Commission adopted, a number of substantive and non-substantive revisions to the Commissioner's Handbook. Staff is continuing to work on potential policy provisions for Commission consideration with the intention of presenting additional policy amendment recommendations for action before the end of this fiscal year.



## **FY 2008- 09 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 2008-09, 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.

- Initiate 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 scheduled for Commission action on May 21, 2008.
- 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.

## **FY 2008-09 Proposed Budget Expenditures**

The expense portion of the budget is divided into three main sections, the Employee Salary and Benefits section (1000 series account codes), the Services and Supplies section (2000 series account codes), and Contingencies (account code 6101). Including a 10% contingency, the Proposed Budget reflects an overall expenditure decrease of approximately 22.5% in comparison with the FY 2007-08 Adopted Budget. This is due both to decreases in both the Salary/Employee Benefits and Services/Supplies portions of the budget.

### Salary and Employee Benefits

Notwithstanding the fact that salaries and employee benefits comprise 63.8% of the total expenditures (substantially more if contingencies are not included) expenditures for salaries and benefits are proposed to decrease by approximately 28.3% from \$653,993 to \$468,960 as compared to FY 2007-08. This decrease is primarily the result of anomalous expenditures in FY 2007-08 associated with the retirement of the Executive Officer (e.g., account codes 1107, 1121 and 1128). It should be noted that retirement-related expenditures were also somewhat overestimated due to the complexities in calculating the certain costs (e.g., costs associated with "buy downs" of accrued leave).

Therefore, a portion of the budgeted amount for retirement-related costs was not expended and thus is reflected as part of the Proposed Budget Fund Balance.

The remainder of the decrease in proposed expenditures for salaries and benefits is due to the fact that LAFCO's share of the County's pension bond debt (account code 1126) was paid off in December, 2007. Correspondingly, the 1126 account decreased from \$57,100 for the current year to zero for the Proposed Budget.

The Proposed Budget includes prospective merit increases within existing salary ranges and a 4% cost of living adjustment for all allocated positions as of January 2009 (i.e. for one-half of the fiscal year). Cost of living adjustments would automatically occur based on action by the Board of Supervisors relating to management, confidential clerical and other unrepresented County employees. If the Board of Supervisors does not authorize any adjustments for management, confidential clerical and other unrepresented County employees during FY 2008-09, then no such adjustments will occur for the LAFCO positions.

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

<b>Title</b>	<b>FY 2007 - 08</b>	<b>FY 2008 - 09</b>
Executive Officer	1	1
Analyst/Deputy Executive Officer	1	1
Office Manager/Clerk of the Commission	1	1
Office Assistant II	.5	.5
<b>Total Authorized Positions</b>	<b>3.5</b>	<b>3.5</b>

#### Services and Supplies

The Proposed Budget for supplies and services is approximately 4.5% less than the Adopted Budget for the current fiscal year. Most of the service and supplies account codes are based on County charges and are decreasing overall due to basic decreases in costs. The major changes to expenditures for Services and Supplies are:

- A decrease in the amount budgeted for County GIS expenses (account code 2214) from \$35,000 in the current year to \$19,500 for FY 2008-09. Most of the customized GIS applications designed to expedite and enhance LAFCO-related analyses have been completed, so GIS expenditures for the next fiscal year reflects an anticipated decrease in GIS application development costs.
- A decrease in the amount budgeted for professional services (account code 2199) from \$20,000 in the current year to \$10,000 for FY 2008-09. This item was increased for the current fiscal year to reflect audit-related expenses, which are not proposed for FY 2008-09. The remaining \$10,000 amount reflects a

continuation of database development services equivalent to that budgeted for the current fiscal year.

- A decrease in the amount budgeted for Public Works charges (account code 2197) from \$15,000 in the current year to \$10,000 for FY 2008-09, due to the increasing use of customized geospatial mapping and analysis applications purchased in 2007.
- 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 Officer, including Human Resources. These charges have fluctuated significantly during the last several years. In FY 2004-05 LAFCO actually received a credit of \$18,569. In FY 2005-06 the charge was \$13,829. The current fiscal year charge is \$21,529. For FY 2008-09 the charge will be \$27,500. The Auditor-Controller's staff has indicated that this fairly represents costs accrued by LAFCO under the County's indirect cost recovery system for services provided two years ago by various County agencies and departments, but it remains a cost over which LAFCO has little control as long as LAFCO relies on the County for services.
- For the Proposed Budget, expenses related to computer equipment are to be assigned to account code 2293 pursuant to County Budget Guidelines. Approximately \$11,000 is budgeted to replace three computers and ancillary hardware.
- An increase of \$3,000 for Information Technology (IT) professional services (account code 2192) to reflect additional expenses related to installation of new computer hardware.

### 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. Thus, as the overall expenditures changes, the amount to be budgeted for contingencies changes. The Proposed Budget contains \$66,857 for contingencies, a decrease of approximately 22.5% compared to FY 2007-08.

## Financing Sources

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

### Miscellaneous Revenue

Miscellaneous revenue includes interest earnings and charges for service, primarily application fees. Overall, Proposed Miscellaneous Revenue for FY 2008-09 is anticipated to be \$33,750 (33.8%) less than the amount in the Adopted FY 2007-08 Budget.

Based on a lower than expected number of applications received last year and the most recent economic projections signaling a continued downturn in the overall economy, the Proposed Budget anticipates a decrease in LAFCO applications as compared with projections reflected in the Adopted FY 2007-08 Budget, but an increase in interest earnings to correct for the underestimate of interest earnings for the current budget. More specifically, the \$50,000 in proposed revenue from application fees for FY 2008-09 (account code 9772) is approximately 42.5% less than the Adopted Budget and the proposed interest earnings of \$16,000 (account code 8911) is \$4,000 (33.3%) more than the Adopted Budget.

The Commission has a policy to annually review the LAFCO fee schedule as a part of the budget process. It is recommended that the Commission review the fee schedule in May in conjunction with action on the Final Budget, particularly for the staff billing rates. While fee adjustments could result in slight increases to projected revenues, it is unlikely that sufficient fee increases can be justified to significantly offset the projected revenue required from other governmental agencies.

### 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 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% 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 2007, after the close of the 2006-

07 fiscal year, \$15,205 was available in addition to what had been budgeted as Fund Balance for FY 2007-08 and was designated for subsequent year financing. The current total in this account is \$79,335, which represents approximately 10.8% of the Proposed budget. None of this amount is proposed to be expended in FY 2008-09.

Including a 10% contingency, the Proposed Budget reflects an overall expenditure decrease of approximately 22.5% in comparison with the FY 2007-08 Adopted Budget. This is due both to decreases in both the Salary/Employee Benefits and Services/Supplies portions of the budget. In light of this relatively significant decrease in projected expenditures and the Commission's policy seeking to augment the Designation for Subsequent Year Financing account, the Proposed Budget includes a one-time additional designation of \$42,000 of FY 2007-08 Fund Balance (account code 6101) to Designation for Subsequent Year Financing (account code 5070). Assuming the actual Fund Balance is equal to or exceeds that the projected actual Fund Balance after the close of FY 2007-08, an allocation of \$42,000 would increase the 5070 account balance to a minimum of \$121,335, which would represent approximately 16.5% of the Proposed Budget.

Unlike the annual transfers of excess projected fund balance revenues to the 5070 account, the additional designation to the 5070 account reflected in the Proposed Budget directly impacts the fund balance projections and, consequently, increases the amount of revenue collected from other agencies. Without any additional designation to the 5070 account, the total revenue collected from other agencies for FY 2008-09 would be approximately 37.6% less than that reflected in the Adopted Budget for the current year. Including the additional designation of \$42,000 to account 5070 would result in a 31.7% reduction in the amount of revenue collected from other agencies for FY 2008-09 as compared to the current year.

#### 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." Including the proposed \$42,000 additional designation from the projected FY 2007-08 Fund Balance, approximately \$180,438 is projected to be available at the end of the current fiscal year. This is a direct result of FY 2007-08 expenditures being less than projected. The retention of these funds reduces the amount of revenue needed to be collected from other governmental agencies for FY 2008-09, as discussed in the following paragraph.

#### 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.

Expenditures are projected to decrease by approximately 22.5% overall, but the amount of revenue projected to be collected from the County, cities and independent special districts will decrease approximately 31.7%. 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:

<b>Year</b>	<b>Adopted Budget – Total Finance Sources &amp; Revenue</b>	<b>Amount of Revenue from Other Governmental Agencies</b>	<b>Percent of Total Revenue from Other Governmental Agencies</b>
<b>FY 2001-02</b>	\$548,737	\$468,737	85%
<b>FY 2002-03</b>	\$719,131	\$568,503	79%
<b>FY 2003-04</b>	\$641,215	\$390,699	61%
<b>FY 2004-05</b>	\$702,503	\$472,997	67%
<b>FY 2005-06</b>	\$723,226	\$361,874	50%
<b>FY 2006-07</b>	\$830,154	\$621,617	75%
<b>FY 2007-08</b>	\$949,269	\$715,957	75%
<b>FY 2008-09<sup>1</sup></b>	\$735,422	\$488,984	66%

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 2004-2005 State Controller Reports for cities and the 2005-06 Report for special districts. These are the most current Reports available, but it is probable that the State will issue an updated Report for FY 2005-06 for the cities before the end of June. To the extent this occurs, the County Auditor-Controller will update the percentage share allocations. Once LAFCO adopts a Final Budget the law requires the County Auditor-Controller to use the latest available State Controller Report as the basis for collecting revenue from cities and independent special districts.

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.

<sup>1</sup> Based on FY 2008-09 Proposed Budget

## 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 eight 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 Proposed Budget for FY 2008-09 was prepared and is being recommended 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 "Uhlich", with a stylized flourish at the beginning.

Kim Uhlich  
Executive Officer





**VENTURA LOCAL AGENCY FORMATION COMMISSION**  
**EXPENDITURES AND REVENUE DETAIL**  
**PROPOSED BUDGET**  
**FY 2008 - 2009**  
**April 16, 2008**

Account Code	Adopted Budget FY 07-08	Adjusted Budget FY 07-08	Projected Actual FY 07-08	Proposed Budget FY 08-09 (4/16/08)	Final Budget FY 08-09	Adopted Budget FY 08-09
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**EXPENDITURES**

**Salaries and Employee Benefits**

Regular Salaries	1101	305,528	305,528	274,600	306,000		
Supplemental Payments	1106	11,375	11,375	10,160	12,330		
Term/Buydown	1107	79,100	79,100	80,252	20,000		
Retirement Contribution	1121	123,000	123,000	81,330	55,000		
OASDI Contribution	1122	19,750	19,750	15,170	19,000		
FICA-Medicare	1123	5,750	5,750	5,410	5,100		
POB Debt Sevice	1126	57,100	57,100	38,300	0		
Mgmt. Retirement HC	1128	5,100	5,100	3,700	3,200		
Group Insurance	1141	26,000	26,000	20,350	25,780		
Life Ins/Dept Heads & Mgt	1142	415	415	300	400		
State Unemployment Ins	1143	0	0	0	0		
Management Disability Ins	1144	2,175	2,175	1,920	2,300		
Workers Compensation	1165	5,200	5,200	3,810	8,000		
401k Plan	1171	13,500	13,500	8,500	11,850		
<b>Total Salaries and Emp. Benefits</b>		<b>653,993</b>	<b>653,993</b>	<b>543,802</b>	<b>468,960</b>	<b>0</b>	<b>0</b>

**Services and Supplies**

Telephone Charges - Non ISF	2032	600	600	100	0		
Voice/Data -ISF	2033	5,000	5,000	4,000	5,000		
Telecom-Radio ISF	2034	200	200	0	0		
General Insur Allocation	2071	1,700	1,700	1,700	1,305		
Facil/Matls Sq Ft Alloc-ISF	2125	15,000	15,000	15,000	15,600		
Maintenance	2128	700	700	100	700		
Memberships & Dues	2141	5,500	5,500	5,500	6,500		
Education Allowance	2154	4,000	4,000	2,500	5,000		
Indirect Cost Recovery (County Cost Allocation Plan charges)	2158	21,529	21,529	21,529	27,500		
Books & Publications	2172	700	700	600	700		
Office Supplies	2173	4,000	4,000	2,000	3,500		

**VENTURA LOCAL AGENCY FORMATION COMMISSION**  
**EXPENDITURES AND REVENUE DETAIL**  
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Account Code	Adopted Budget FY 07-08	Adjusted Budget FY 07-08	Projected Actual FY 07-08	Proposed Budget FY 08-09 (4/16/08)	Final Budget FY 08-09	Adopted Budget FY 08-09
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**Services and Supplies**  
**Cont.**

Mail Center-ISF	2174	2,600	2,600	2,300	3,000		
Purchasing Charges-ISF	2176	500	500	260	400		
Graphics Charges-ISF	2177	7,400	7,400	6,000	7,400		
Copy Machine Chgs-ISF	2178	700	700	700	400		
Misc Office Expense	2179	6,000	6,000	6,000	6,000		
Stores-ISF	2181	4,000	4,000	4,040	4,500		
Board Member Fees	2191	4,500	4,500	3,500	4,500		
Information Technology- ISD Data Ctr/Svs Contracts	2192	2,500	2,500	2,500	5,500		
ISD-ISF Other Professional & Specialized Services	2195	0	0	0	0		
Public Works Charges	2197	15,000	15,000	6,000	10,000		
Other Prof & Spec Service	2199	20,000	20,000	9,000	10,000		
GSA Special Services	2205	600	600	100	600		
County GIS Expense	2214	35,000	35,000	25,000	19,500		
Public And Legal Notices	2261	5,000	5,000	5,000	5,000		
Records Storage Charges	2283	0	0	0	500		
Computer Equip <\$5000	2293	0	0	0	11,000		
Spec Dept xo4 (Assessor/Legal Counsel)	2304	20,000	20,000	18,000	20,000		
Trans Ch ISF-Tranport	2251	0	0	0	0		
Private Vehicle Mileage	2522	8,250	8,250	6,000	6,500		
Conference & Seminars Exp.	2523	18,000	18,000	12,600	19,000		
<b>Total Services and Supplies</b>		<b>208,979</b>	<b>208,979</b>	<b>160,029</b>	<b>199,605</b>	<b>0</b>	<b>0</b>
<b>Contingencies</b>							
Contingencies	6101	86,297	86,297	0	66,857		
<b>Total Contingencies</b>		<b>86,297</b>	<b>86,297</b>	<b>0</b>	<b>66,857</b>	<b>0</b>	<b>0</b>
<b>TOTAL EXPENDITURES</b>		<b>949,269</b>	<b>949,269</b>	<b>703,831</b>	<b>735,422</b>	<b>0</b>	<b>0</b>

**VENTURA LOCAL AGENCY FORMATION COMMISSION**  
**EXPENDITURES AND REVENUE DETAIL**  
**PROPOSED BUDGET**  
**FY 2008 - 2009**  
**April 16, 2008**

	Account Code	Adopted Budget FY 07-08	Adjusted Budget FY 07-08	Projected Actual FY 07-08	Proposed Budget FY 08-09 (4/16/08)	Final Budget FY 08-09	Adopted Budget FY 08-09
<b>FINANCING SOURCES</b>							
<b>Fund Balance</b>	5040	133,562	133,562	133,562	180,438		
<b>Designation for Subsequent Year</b>	5070	90,342	79,335	121,335	121,335		
<b>Miscellaneous Revenue</b>							
Interest Earnings	8911	12,000	12,000	16,000	16,000		
(charges for LAFCO services)	9772	87,000	87,000	60,000	50,000		
CALAFCO for E.O. expenses)	9772	750	750	750	0		
<b>Total Miscellaneous Revenue</b>		<b>99,750</b>	<b>99,750</b>	<b>76,750</b>	<b>66,000</b>	<b>0</b>	<b>0</b>
<b>Other Governmental Agencies</b>							
Other Gov't Agencies (County of Ventura)	9372	238,652	238,652	238,652	162,995	0	0
Other Gov't Agencies (Cities)	9372	238,652	238,652	238,652	162,995	0	0
Other Gov't Agencies (Indep. Special Districts)	9372	238,652	238,652	238,652	162,995	0	0
<b>Total Other Government Agencies Revenue</b>		<b>715,957</b>	<b>715,957</b>	<b>715,957</b>	<b>488,984</b>	<b>0</b>	<b>0</b>
<b>Total Revenue</b>		<b>815,707</b>	<b>815,707</b>	<b>792,707</b>	<b>554,984</b>	<b>0</b>	<b>0</b>
<b>TOTAL FINANCE SOURCES &amp; REVENUE</b>		<b>949,269</b>	<b>949,269</b>	<b>926,269</b>	<b>735,422</b>	<b>0</b>	<b>0</b>
<b>Projected Fund Balance</b>				<b>222,438</b>			
<b>Less: Increase in Designation for Subsequent Yr Financing</b>				<b>(42,000)</b>			
<b>PROJECTED FUND BALANCE, Available for FY 2008-09</b>				<b>180,438</b>			



**LAFCO NET OPERATING EXPENSES**  
**GOV'T CODE 56381 (b) (1)**

**PROPOSED BUDGET FOR BUDGET YEAR 2008 - 2009**

**ALLOCATION - CITIES**

**SOURCE: STATE OF CALIFORNIA, CITIES ANNUAL REPORT, FY 04/05**

CITY	TOTAL REVENUE	PERCENTAGE	ALLOCATION
	PER REPORT		\$ 162,995
1 Camarillo	\$ 55,856,103	6.76%	\$ 11,013
2 Fillmore	12,778,478	1.55%	2,520
3 Moorpark	25,164,249	3.04%	4,962
4 Ojai	7,812,430	0.95%	1,540
5 Oxnard	296,752,086	35.89%	58,511
6 Port Hueneme	23,600,937	2.85%	4,653
7 San Buenaventura	129,272,355	15.64%	25,490
8 Santa Paula	22,884,847	2.77%	4,512
9 Simi Valley	118,129,079	14.29%	23,292
10 Thousand Oaks	134,411,774	16.26%	26,502
TOTAL	<u>\$ 826,662,338</u>	<u>100.00%</u>	<u>\$ 162,995</u>

- (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.
- (2) This is the most current SCO Report available, but the SCO has signified that it will issue the updated report for FY 2005-06 for the cities before the end of June. To the extent the updated report is available, the percentage share allocations will correspondingly be recalculated.

**LAFCO NET OPERATING EXPENSES**  
**GOV'T CODE 56381.5 (b) (1)**

**PROPOSED BUDGET FOR BUDGET YEAR 2008- 2009**

**ALLOCATION - SPECIAL DISTRICTS**

**SOURCE: STATE OF CALIFORNIA, SPECIAL DISTRICTS ANNUAL REPORT, FY 05/06**

NAME	TOTAL REVENUE	PERCENTAGE	ALLOCATION
	PER REPORT	(See Note 2)	\$ 162,995
1 Bardsdale Public Cemetery	\$ 157,402	0.079%	\$ 128
2 Bell Canyon Comm. Services Dist.	\$ 392,180	0.196%	319
3 Calleguas Municipal Water Dist.	\$ 91,635,468	45.703%	74,491
4 Camarillo Health Care Dist.	\$ 3,208,948	1.600%	2,609
5 Camrosa Water Dist.	\$ 10,715,550	5.344%	8,711
6 Casitas Municipal Water Dist.	\$ 13,351,363	6.659%	10,854
7 Channel Island Beach CSD	\$ 2,992,470	1.492%	2,433
8 Conejo Recreation & Park Di:	\$ 13,764,411	6.865%	11,190
9 El Rancho Simi Public Cemetery Dist.	\$ 120,295	0.060%	98
10 Fillmore-Piru Memorial Dist.	\$ 159,343	0.079%	130
11 Fox Canyon Groundwater Mgmt. Agency	\$ 524,673	0.262%	427
12 Hidden Valley Municipal Water Dist.	\$ 40,908	0.020%	33
13 Meiners Oaks County Water Dist.	\$ 664,163	0.331%	540
14 Montalvo Municipal Impv. Dist.	\$ 580,224	0.289%	472
15 Ojai Valley Sanitary Dist.	\$ 6,796,038	3.390%	5,525
16 Ojai Water Conservation Dist.	\$ 5,745	0.003%	5
17 Oxnard Drainage Dist. No. 1	\$ 50,312	0.025%	41
18 Oxnard Drainage Dist. No. 2	\$ 194,830	0.097%	158
19 Oxnard Harbor Dist.	\$ 13,228,744	6.598%	10,754
20 Piru Public Cemetery Dist.	\$ 4,273	0.002%	3
21 Pleasant Valley Co. Water Dist.	\$ 2,271,203	1.133%	1,846
22 Pleasant Valley Rec & Parks	\$ 5,681,290	2.834%	4,619
23 Rancho Simi Rec & Park Dist	\$ 12,601,445	6.285%	10,244
24 Saticoy Sanitary Dist.	\$ 318,064	0.159%	259
25 United Water Conservation D	\$ 13,290,528	6.629%	10,804
26 Ventura Co. Resource Conserv. Dist.	\$ 59,670	0.030%	49
27 Ventura Port District	\$ 6,603,234	3.293%	5,368
28 Ventura River County Water Dist.	\$ 1,088,179	0.543%	885
<b>TOTAL</b>	<b>\$200,500,953</b>	<b>100.000%</b>	<b>\$ 162,995</b>

- (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 a 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 share apportioned by the auditor to independent special districts.

## CHAPTER 3 – FINANCIAL

### SECTION 2.3.1 BUDGET POLICIES

#### 2.3.1.4 Contingency reserve:

(a) The annual budget shall include a contingency reserve 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) 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 years financing. The designated for subsequent years financing account will be considered as a reserve account. This reserve account should be augmented, as funds may be available, until it contains an amount equal to at least 25% of the current year 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) Funds in the designated for subsequent years financing account that constitute the LAFCO reserve account shall not be used for any current years 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.