

ACTION ITEMS

10. LAFCo 11-07 Montalvo Municipal Improvement District Expedited Reorganization
Adopt Resolution LAFCo 11-07 making determinations and approving the expedited reorganization to convert the Montalvo Municipal Improvement District to a community services district.

RECOMMENDED ACTION: Approval

PUBLIC HEARING ITEMS

11. LAFCo 11-05 Ahmanson Ranch Community Services District Reorganization
(Continued from October 19, 2011)
To terminate the existence of the Ahmanson Ranch Community Services District (ARCSD) and detach the territory within the ARCSD from the Triunfo Sanitation District.

RECOMMENDED ACTION: Approval

TIME CERTAIN ITEMS

9:30 AM

12. Discussion of Proposed OUHSD School Sites – Annexation Considerations
Receive information regarding plans by the Oxnard Union High School District to develop two high schools and provide comments to the School District Board of Trustees regarding the annexation of one of the school sites to the City of Camarillo and the other to the City of Oxnard.

RECOMMENDED ACTION: Receive information and provide direction as appropriate

EXECUTIVE OFFICER'S REPORT

Legislative Update
LAFCo Website

COMMISSIONER COMMENTS

ADJOURNMENT

Ventura LAFCo Agenda
November 16, 2011
Page 2 of 3

WEB ACCESS:

**LAFCo Agendas, Staff Reports
and Adopted Minutes can be found at:**

www.ventura.lafco.ca.gov

Written Materials - Written materials relating to items on this Agenda that are distributed to the Ventura Local Agency Formation Commission within 72 hours before they are scheduled to be considered will be made available for public inspection at the LAFCo office, 800 S. Victoria Avenue, Administration Building, 4th Floor, Ventura, CA 93009-1850, during normal business hours. Such written materials will also be made available on the Ventura LAFCo website at www.ventura.lafco.ca.gov, subject to staff's ability to post the documents before the meeting.

Public Presentations - Except for applicants, public presentations may not exceed five (5) minutes unless otherwise increased or decreased by the Chair, with the concurrence of the Commission. Any comments in excess of this limit should be submitted in writing at least ten days in advance of the meeting date to allow for distribution to, and full consideration by, the Commission. Members of the public who wish to make audio-visual presentations must provide and set up their own hardware and software. Set up of equipment must be complete before the meeting is called to order. All audio-visual presentations must comply with the applicable time limit for oral presentations and thus should be planned with flexibility to adjust to any changes to the time limit established by the Chair. For more information about these policies, please contact the LAFCo office.

Quorum and Voting – The bylaws for the Ventura LAFCo Commissioner's Handbook provide as follows:

1.1.6.1 Quorum: Four (4) members shall constitute a quorum for the transaction of business, but a lesser number may adjourn from time to time.

1.1.6.2 Voting: Unless otherwise provided by law or these By-Laws, four affirmative votes are required to approve any proposal or other action. A tie vote, or any failure to act by at least four affirmative votes, shall constitute a denial.

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

REGULAR MEETING

Agenda Item 6

Wednesday, October 19, 2011, 9:00 A.M.
Hall of Administration, Board of Supervisors' Hearing Room
800 S. Victoria Avenue, Ventura

1. Call to Order

Chair Cunningham called the meeting to order at 9:00 A.M.

2. Pledge of Allegiance

Commissioner Morehouse led the Pledge of Allegiance

3. Roll Call

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

Commissioner Cunningham	Commissioner Morehouse
Commissioner Freeman	Commissioner Pringle
Commissioner Long	Alternate Commissioner Smith
Commissioner Parvin	Alternate Commissioner Dandy

4. Commission Presentations and Announcements

Kim Uhlich and the Commission congratulated Chair Cunningham on his election to the CALAFCO Board of Directors. Chair Cunningham congratulated Debbie Schubert for receiving the Clerk of the Year Award for 2011. Elections to the CALAFCO Board and the CALAFCO annual awards ceremony took place at the Annual Conference last month in Napa.

PUBLIC COMMENTS

5. There were no public comments.

COMMISSIONERS AND STAFF

COUNTY: Kathy Long Linda Parks <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin, Vice Chair <i>Alternate:</i> Carol Smith	SPECIAL DISTRICT: Elaine Freeman Gail Pringle <i>Alternate:</i> Bruce Dandy	PUBLIC: Lou Cunningham, Chair <i>Alternate:</i> Vacant	
Executive Officer: Kim Uhlich	Dep. Exec. Officer Kai Luoma	Office Mgr/Clerk: Debbie Schubert	Office Assistant Martha Escandon	Legal Counsel: Michael Walker

CONSENT ITEMS

- 6. Minutes of the Ventura LAFCo July 20, 2011 Regular Meeting
- 7. Adopt a LAFCo 2012 Meeting Calendar

MOTION: Approve Item 6 as Recommended: Freeman
SECOND: Long
MOTION: Approve Item 7 as Recommended: Parvin
SECOND: Pringle
FOR: Cunningham, Freeman, Long, Morehouse, Parvin and Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 6/0/0

Commissioner Morehouse recused himself from agenda items 8 and 9 and left the meeting. Alternate Commissioner Smith participated as a voting member in Commissioner Morehouse’s absence.

ACTION ITEMS

- 8. Extension of Time Request for LAFCo 10-12 City of Santa Paula Reorganization - East Area 1

Kim Uhlich presented the staff report.

MOTION: Approve as Recommended: Long
SECOND: Parvin
FOR: Cunningham, Freeman, Long, Parvin, Pringle and Smith
AGAINST: None
ABSTAIN: None
MOTION PASSED 6/0/0

- 9. LAFCo 10-12 City of Santa Paula Reorganization – East Area 1 Condition of Approval Requiring Annexation of East Area 2 Island

Kim Uhlich presented the staff report. The following person gave public comment: Mayor Robinson, City of Santa Paula. The Commission discussed their intent in imposing condition number 22 of resolution LAFCo 10-12 City of Santa Paula Reorganization – East Area 1, clarifying that the condition requiring the City to file an application to annex the East Area 2 Island did not restrict the City from including additional territory in the application.

Commissioner Morehouse rejoined the meeting.

10. LAFCo 10-06 City of San Buenaventura Reorganization - Parklands

Kai Luoma presented the staff report. The following persons gave public comment: Jeffrey Lambert, Community Development Director, City of San Buenaventura; John Ashkar, Developer for Parklands; Chuck Cohen, representing Westwood Communities Property Owner; Eileen McCarthy, California Rural League Assistance.

MOTION: Approval as Recommended: Morehouse

SECOND: Freeman

FOR: Cunningham, Freeman, Long, Morehouse, Parvin and Pringle

AGAINST: None

ABSTAIN: None

MOTION PASSED 6/0/0

11. LAFCo Public Member Vacancy

Kim Uhlich presented the staff report. Commissioners Long, Morehouse and Alternate Commissioner Dandy agreed to serve on a three-member ad hoc selection committee.

MOTION: Approval of Recommendations 1-5, initiating the recruitment process immediately: Long

SECOND: Parvin

FOR: Cunningham, Freeman, Long, Morehouse, Parvin and Pringle

AGAINST: None

ABSTAIN: None

MOTION PASSED 6/0/0

PUBLIC HEARING ITEMS

12. Sphere of Influence Review/Update: Oxnard Drainage District No. 1 and Oxnard Drainage District No. 2

Kim Uhlich presented the staff report. Chair Cunningham opened the public hearing. With no one wishing to speak, the public hearing was closed.

MOTION: Approve as recommended: Freeman

SECOND: Long

FOR: Cunningham, Freeman, Long, Morehouse, Parvin and Pringle

AGAINST: None

ABSTAIN: None

MOTION PASSED 6/0/0

13. LAFCo 11-05 Ahmanson Ranch Community Service District – Dissolution
Kim Uhlich recommended that the Commission continue the item to the November 16, 2011 meeting.

MOTION: Continue to November 16, 2011: Long
SECOND: Parvin
FOR: Cunningham, Freeman, Long, Parvin and Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 6/0/0

EXECUTIVE OFFICER'S REPORT

Kim Uhlich reported: All Assembly and Senate bills that were supported by CALAFCO have been signed by the Governor. The City of San Buenaventura has determined that a water service extension to a proposed Boys & Girls Club facility in Saticoy is not a new or extended service subject to LAFCo approval under section 56133 of the Government Code. She is scheduled to meet with the Superintendent of the Oxnard Union High School District on Thursday, October 20 to discuss annexation requirements for a proposed school site on the northwest corner of Victoria Avenue and Wooley Road. At the meeting, she will extend an invitation for the Board of Trustees to attend a future LAFCo meeting for the purpose of receiving Commission feedback.

COMMISSIONER COMMENTS

Chair Cunningham announced that he would be attending the CALAFCO Executive Board meeting Friday, November 4 in Sacramento and reminded everyone to vote on November 8.

ADJOURNMENT

Chair Cunningham adjourned the meeting at 11:05 a.m.

These Minutes were approved on November 16, 2011

Motion:

Second:

Ayes:

Nos:

Abstains:

Dated:

Chair, Ventura Local Agency Formation Commission



STAFF REPORT

Meeting Date: November 16, 2011
(Consent)

Agenda Item 7

TO: LAFCo Commissioners
FROM: Kim Uhlich, Executive Officer *KU*
SUBJECT: Unaudited Year End Financial Reports for FY 2010-11

RECOMMENDATION:

Receive and file the Unaudited Year End Financial Reports for Fiscal Year 2011 which include a transfer of \$46,927 from Fund Balance Account 5040 to Unassigned Fund Balance Account 5395.

DISCUSSION:

The following unaudited financial reports for fiscal year 2010-11 have been prepared (Attachments 1 through 3):

- Balance Sheet as of June 30, 2011
- Statement of Revenues, Expenditures and Changes in Fund Balance for Year Ended June 30, 2011
- Budget to Actual FY 2010-11 for Year Ended June 30, 2011.

At the end of a fiscal year, if there are funds in excess of what is needed, State law provides that the Commission can retain this fund balance and calculate it into the following fiscal year's budget. (Gov. Code §56381(c)) Doing this basically offsets LAFCo's costs for the County, the cities and the independent special districts in subsequent years. In conjunction with the preparation of the budget for 2011-12, the projected assigned fund balance for FY 2010-11 was estimated to be \$122,813. Commissioners Handbook Section 2.3.2.2 ("Appropriate Level of Unassigned Fund Balance in the General Fund") provides that excess fund balance remaining over and above the committed and assigned fund balances should be classified as "unassigned" in the General Fund (account 5395). The amount in Unassigned Fund Balance is not constrained for any specific purpose and is therefore available for appropriation in the event of revenue shortfalls or unanticipated expenditures other than those for which a

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committed fund balance classification has been established (such as that for unanticipated litigation expenses).

Revenues for FY 2010-11 were more than budgeted and expenditures were less than budgeted. The result is that the actual ending Unassigned Fund Balance is \$156,380, which is 46.4 percent more than budgeted (\$106,837).

Attachments:

1. Balance Sheet as of June 30, 2011
2. Statement of Revenues, Expenditures and Changes in Fund Balance for Year Ending June 30, 2011
3. Budget to Actual FY 2010-11 for Year Ending June 30, 2011
4. Commissioner's Handbook Section 2.3.2.2

LOCAL AGENCY FORMATION COMMISSION (LAFCO)
BALANCE SHEET
June 30, 2011
(Unaudited)

ASSETS

Cash & Investments with Treasurer ⁽¹⁾	\$	397,808
Accounts Receivable		0
Property Taxes Receivable		0
Interest Receivable		911
Due from County of Ventura		0
Total Assets	\$	398,720

LIABILITIES

Accounts Payable	\$	1,195
Accrued Payroll Liabilities		6,297
Due to County of Ventura		3,586
Deposits payable		8,450
Total Liabilities		19,527

FUND BALANCE

Committed	100,000
Assigned	122,813
Unassigned	156,380
Total Fund Balance	379,193
Total Liabilities and Fund Balance	\$ 398,720

(1) At fair value.

Prepared by LAFCO and Auditor-Controller Staff

LOCAL AGENCY FORMATION COMMISSION (LAFCO)
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2011
(Unaudited)

ATTACHMENT 2

REVENUES:	
General revenue:	
Interest	\$ 6,284
Program revenue:	
Charges for services:	
Apportionments from Other Governmental Units	590,055
Filing fees	108,691
Total Revenues	705,030
EXPENDITURES	
Salaries and Wages	345,278
Retirement Benefits, various	74,709
Employee Group Insurance	29,840
Workers' Compensation Insurance	2,341
Other Benefits	9,834
Total Contract Services	462,002
Communications	4,436
Insurance	2,156
Maintenance-Building & Improv	15,328
Membership	6,236
Miscellaneous Expense	32,266
Office Expense	15,887
Professional and Specialists	39,585
Publications and Legal Notice	4,969
Rents and Leases - Equipment	291
Small Tools and Instruments	0
Special Department Expense - Services	40,279
Transportation and Travel	18,559
Total Services and Supplies	179,991
Total Expenditures	641,992
Excess(deficit) of revenues over expenditures	63,038
<u>Fund Balance July 1, 2010</u>	<u>316,155</u>
<u>Fund Balance June 30, 2011</u>	<u>\$ 379,193</u>

Includes fair market value adjustment at June 30, 2011.



BUDGET TO ACTUAL FY 2010-11
YEAR TO DATE ENDING June 30, 2011 (100% of year)
Fund 7920, Organization 8950

Summary	Budget	Adj. Budget	To Date
Estimated Sources	772,892	772,892	811,733
Appropriations	772,892	772,892	641,992

Account Number	Title	BUDGET			ACTUAL YTD			Variance Favorable (Unfavorable)	
		Budget	Proposed Adjustments	Adjusted Budget	Actual	Encumbered	Total Revenue/Obligation		
UNRESERVED FUND BALANCE									
	Beginning Balance	314,893.00		314,893.00	314,893.00		314,893.00	0.00	
5070	Designation-Subsequent Years Financing	(208,056.00)		(208,056.00)	(208,056.00)		(208,056.00)	0.00	
5040	Unreserved Fund Balance	106,837.00		106,837.00	106,837.00		106,837.00	0.00	
REVENUE									
8911	Interest Earnings	16,000.00		16,000.00	6,149.64		6,149.64	9,850.36	38%
9372	Other Governmental Agencies	590,055.00		590,055.00	590,055.00		590,055.00	0.00	100%
9772	Other Revenue - Miscellaneous	60,000.00		60,000.00	108,691.06		108,691.06	(48,691.06)	181%
	Total Revenue	666,055.00	0.00	666,055.00	704,895.70		704,895.70	(38,840.70)	106%
	TOTAL SOURCES	772,892.00	0.00	772,892.00	811,732.70	0.00	811,732.70	(38,840.70)	105%
EXPENDITURES									
1101	Regular Salaries	325,000.00		325,000.00	321,593.19		321,593.19	3,406.81	99%
1105	Overtime	0.00		0.00	217.66		217.66	(217.66)	0%
1106	Supplemental Payments	13,000.00		13,000.00	11,039.07		11,039.07	1,960.93	85%
1107	Term/Buydown	47,000.00		46,000.00	12,428.03		12,428.03	33,571.97	27%
1121	Retirement Contribution	60,000.00		60,000.00	50,582.98		50,582.98	9,417.02	84%
1122	OASDI Contribution	20,000.00		20,000.00	17,873.42		17,873.42	2,126.58	89%
1123	FICA - Medicare	5,800.00		5,800.00	5,005.88		5,005.88	794.12	86%
1124	Safe Harbor	1,300.00		1,300.00	1,246.75		1,246.75	53.25	96%
1141	Group Insurance	28,000.00		28,000.00	26,148.20		26,148.20	1,851.80	93%
1142	Life Ins/Dept. Heads & Mgmt.	400.00		400.00	359.75		359.75	40.25	90%
1143	State Unempl	0.00		1,000.00	1,067.78		1,067.78	(67.78)	107%
1144	Management Disability Ins.	2,300.00		2,300.00	2,264.15		2,264.15	35.85	98%
1165	Worker Compensation Ins	2,600.00		2,600.00	2,340.83		2,340.83	259.17	90%
1171	401K Plan	14,000.00		14,000.00	9,833.89		9,833.89	4,166.11	70%
	Salaries and Benefits	519,400.00	0.00	519,400.00	462,001.58	0.00	462,001.58	57,398.42	89%
2033	Voice/Data ISF	5,000.00		5,000.00	4,435.59		4,435.59	564.41	89%
2071	General Insurance Alloca - ISF	2,500.00		2,500.00	2,156.00		2,156.00	344.00	86%
2125	Facil/Matls Sq. Ft. Alloc. - ISF	17,000.00		17,000.00	15,328.00		15,328.00	1,672.00	90%
2128	Other Maint	700.00		700.00	0.00		0.00	700.00	0%
2141	Memberships & Dues	6,600.00		6,600.00	6,236.00		6,236.00	364.00	94%
2154	Education Allowance	2,500.00		2,500.00	2,000.00		2,000.00	500.00	80%
2158	Indirect Cost Recovery	31,000.00		31,000.00	30,266.00		30,266.00	734.00	98%
2172	Books & Publications	700.00		700.00	615.53		615.53	84.47	88%
2174	Mail Center - ISF	7,500.00		7,500.00	6,320.12		6,320.12	1,179.88	84%
2176	Purchasing Charges - ISF	1,000.00		1,000.00	88.52		88.52	911.48	9%
2177	Graphics Charges - ISF	5,500.00		5,500.00	5,755.42		5,755.42	(255.42)	105%
2178	Copy Machine Charges - ISF	400.00		400.00	298.20		298.20	101.80	75%
2179	Miscellaneous Office Expense	7,000.00		7,000.00	2,788.17		2,788.17	4,211.83	40%
2181	Stores ISF	0.00		0.00	21.00		21.00	(21.00)	0%
2191	Board Members Fees	4,500.00		4,500.00	2,750.00		2,750.00	1,750.00	61%
2192	Information Technology - ISF	5,500.00		5,500.00	4,469.45		4,469.45	1,030.55	81%
2195	Specialized Services/Software	2,500.00		2,500.00	1,066.00		1,066.00	1,434.00	43%
2197	Public Works - Charges	12,000.00		12,000.00	3,771.02		3,771.02	8,228.98	31%
2199	Other Prof & Spec Service	13,000.00		13,000.00	7,500.00		7,500.00	5,500.00	58%
2205	GSA Special Services ISF	500.00		500.00	0.00		0.00	500.00	0%
2214	County GIS Expenses	20,000.00		20,000.00	20,028.12		20,028.12	(28.12)	100%
2261	Public & Legal Notices	5,000.00		5,000.00	4,968.64		4,968.64	31.36	99%
2283	Records Storage Charges	1,500.00		1,500.00	290.98		290.98	1,209.02	19%
2293	Computer Equipment <5000	3,500.00		3,500.00	0.00		0.00	3,500.00	0%
2304	County Legal Counsel	20,000.00		20,000.00	40,279.00		40,279.00	(20,279.00)	201%
2521	Transportation Charges ISF	1,000.00		1,000.00	637.96		637.96	362.04	64%
2522	Private Vehicle Mileage	6,500.00		6,500.00	5,072.72		5,072.72	1,427.28	78%
2523	Conf. & Seminars Expense	13,000.00		13,000.00	12,129.37		12,129.37	870.63	93%
2526	Conf. & Seminars Expense ISF	500.00		500.00	719.00		719.00	(219.00)	144%
	Services and Supplies	196,400.00	0.00	196,400.00	179,990.81	0.00	179,990.81	16,409.19	92%
6101	Contingency	57,092.00		57,092.00	0.00		0.00	57,092.00	0%
	TOTAL EXPENDITURES	772,892.00	0.00	772,892.00	641,992.39	0.00	641,992.39	130,899.61	83%

0.00

DIVISION 2 – OPERATIONAL POLICIES

CHAPTER 3 – FINANCIAL

SECTION 2.3.2 FUND BALANCE POLICIES

2.3.2.2. Appropriate Level of Unassigned Fund Balance in the General Fund:

The Commission will maintain an unassigned fund balance in the General Fund of approximately 60 days working capital. Excess fund balance remaining over and above the committed and assigned fund balances should be classified as “unassigned” in the General Fund. Should Unassigned Fund Balance fall below 45 days working capital it should be addressed in the next fiscal year budget.



STAFF REPORT

Meeting Date: November 16, 2011
(Consent)

Agenda Item 8

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer 

SUBJECT: Professional Services Agreement for Audit Services – Vavrinek, Trine, Day & Co., LLP

RECOMMENDATION:

Adopt the attached resolution approving a professional services agreement for audit services with Vavrinek, Trine, Day & Co., LLP for an amount not to exceed \$7,725 and authorizing the Chair to execute the agreement.

BACKGROUND:

Beginning with the fiscal year ended June 30, 2010, Commissioner’s Handbook Policy Section 2.3.5.1 (Attachment 1) provides for annual audits of the LAFCo financial statements by an independent accounting firm. Last year, staff issued a request for proposals for an outside audit of the LAFCo financial statements for the fiscal year ended June 30, 2010 with an option for extension for the fiscal years ending June 30, 2011 and June 30, 2012. After reviewing all eligible proposals, staff selected Vavrinek, Trine, Day & Co., LLP (VTD) and the audit of the LAFCo 2009-10 financial statements was completed in May 2011.

DISCUSSION:

In an engagement letter (Agreement) dated September 19, 2011 (Exhibit A of the Resolution) VTD proposes to audit the LAFCo 2010-11 financial statements at a cost not to exceed \$7,725. Work is scheduled to begin in December and final reports would be issued by March 4, 2012. The quoted cost is consistent with that detailed in VTD’s initial proposal and commensurate with that of recently completed LAFCo audits.

Pursuant to Commissioner’s Handbook Section 2.5.4 (Attachment 2), any contract or agreement greater than \$5,000 shall be presented to the Commission for approval and execution. In accordance with the Handbook policies and based on VTD’s satisfactory

COMMISSIONERS AND STAFF

COUNTY:

Kathy Long
Linda Parks
Alternate:
Steve Bennett

CITY:

Carl Morehouse
Janice Parvin, Vice Chair
Alternate:
Carol Smith

SPECIAL DISTRICT:

Elaine Freeman
Gail Pringle
Alternate:
Bruce Dandy

PUBLIC:

Lou Cunningham, Chair

Alternate:
Vacant

Executive Officer:

Kim Uhlich

Dep. Exec. Officer

Kai Luoma

Office Mgr/Clerk:

Debbie Schubert

Office Assistant

Martha Escandon

Legal Counsel:

Michael Walker

performance with regard to the audit of the LAFCo 2009-10 financial statements, staff is recommending that the Commission adopt the attached resolution (Attachment 3) authorizing the Agreement as attached hereto.

The Agreement has been reviewed by the Ventura County Auditor-Controller's staff, which has agreed to prepare the LAFCo financial statements, and by LAFCo legal counsel.

- Attachments: (1) Commissioner's Handbook Section 2.3.5.1 – Independent Auditor Role
(2) Commissioner's Handbook Section 2.5.4 – Contract Approval and Execution
(3) Resolution to authorize and execute a professional services agreement with Vavrinek, Trine, Day & Co.

SECTION 2.3.5 AUDITS

2.3.5.1 Independent Auditor Role: For the two-year period between July 1, 2007 and June 30, 2009, LAFCo shall arrange for a single audit of its financial statements to be conducted by an independent accounting firm. All subsequent year financial statements shall be audited annually thereafter. LAFCo staff, the Commission, and any Commission committee appointed for the purpose of audit oversight are authorized to communicate directly with the independent accounting firm.

SECTION 2.5.4 CONTRACT APPROVAL AND EXECUTION

LAFCo hereby delegates to the Executive Officer or designee the authority to approve and execute contracts and agreements for \$5,000.00 or less, provided sufficient funds are contained in the appropriate line item of the LAFCo budget. In order to expedite work, the Executive Officer is authorized to make minor modifications as may be necessary and to approve increases in contracts in an amount not to exceed \$500, provided sufficient funds are contained in the appropriate line item of the LAFCo budget. Any contract or agreement greater than \$5,000.00, any amendment to a contract or agreement which would cause the total amount of the contract or agreement to exceed \$5,500.00, or any contract or agreement for any amount where there are not sufficient funds contained in the appropriate line item of the LAFCo budget, shall be presented to the Commission for approval and execution.

**RESOLUTION OF THE VENTURA LOCAL AGENCY
FORMATION COMMISSION TO AUTHORIZE AND
EXECUTE A PROFESSIONAL SERVICES AGREEMENT
FOR AUDIT SERVICES WITH VAVRINEK, TRINE, DAY &
CO., LLP**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Section 56000 et seq. of the California Government Code) requires each Local Agency Formation Commission to adopt an annual budget; and

WHEREAS, the policies of the Ventura Local Agency Formation Commission provide for independent audits of its annual financial statements; and

WHEREAS, the policies of the Ventura Local Agency Formation Commission provide that any contract or agreement authorizing expenditures greater than \$5,000 shall be presented to the Commission for approval and execution; and

WHEREAS, an engagement letter containing the terms of a professional services agreement to audit the LAFCo financial statements for fiscal year ended June 30, 2011 between Vavrinek, Trine, Day & Co., LLP and the Ventura Local Agency Formation Commission dated September 19, 2011 was duly considered on November 16, 2011;

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

- (1) The engagement letter containing the terms of a professional services agreement for audit services between Vavrinek, Trine, Day & Co., LLP and the Ventura Local Agency Formation Commission (“Agreement”) dated September 19, 2011 as set forth in the attached Exhibit A is approved.
- (2) The Chair is directed to execute the Agreement .

This resolution was adopted on November 16, 2011.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Long	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Pringle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: _____
Chair, Ventura Local Agency Formation Commission

Attachments: Exhibit A



September 19, 2011

Ventura Local Agency Formation Commission
800 S. Victoria Avenue
Ventura, CA 93009-1850

We are pleased to confirm our understanding of the services we are to provide Ventura Local Agency Formation Commission (LAFCo) for the fiscal year ended June 30, 2011. We will audit the financial statements of the governmental activities, and the general fund, which collectively comprise the basic financial statements of LAFCo as of and for the fiscal year ended June 30, 2011. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement LAFCo's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to LAFCo's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) General Fund Budgetary Comparison Schedules

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of LAFCo and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance will include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the entity, and specific legislative or regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties. If during our audit we become aware that LAFCo is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are responsible for making all management decisions and performing all management functions relating to the financial statements and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any nonaudit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities and general fund of the LAFCo and the respective changes in financial position and in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for ensuring that management and financial information is reliable and properly recorded. Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report. You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of LAFCo's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to LAFCo; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Vavrinek, Trine, Day & Co., LLP (VTD) and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of VTD personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by an oversight agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit in approximately December 2011 and to issue our reports no later than March 4, 2012. Roger E. Alfaro is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$7,725. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2008 peer review accompanies this letter.

Vavrinek, Trine, Day & Co., LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business and Professions Code. It is not anticipated that any of the non-licensure owners will be performing audit services for the LAFCo.

We appreciate the opportunity to be of service to LAFCo and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Roger Alfaro
of Vavrinek, Trine, Day & Co., LLP

RA:gbd

110306

RESPONSE:

This letter correctly sets forth the understanding of the Ventura Local Agency Formation Commission.

By: _____

Title: _____

Date: _____

YANARI WATSON MCGAUGHEY P.C.

DALE M. YANARI (1947-2004) ♦ RANDY S. WATSON ♦ G. LANCE MCGAUGHEY
FINANCIAL CONSULTANTS/CERTIFIED PUBLIC ACCOUNTANTS

System Review Report

June 26, 2009

To the Partners of
Vavrinek, Trine, Day & Co., LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Vavrinek, Trine, Day & Co., LLP (the firm) applicable to non-SEC issuers in effect for the year ended December 31, 2008. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards*; audits of employee benefit plans, and audits performed under FDICIA.

In our opinion, the system of quality control for the accounting and auditing practice of Vavrinek, Trine, Day & Co., LLP applicable to non SEC issuers in effect for the year ended December 31, 2008, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Vavrinek, Trine, Day & Co., LLP has received a peer review rating of *pass*.

Yanari Watson McGaughey P.C.

Yanari Watson McGaughey P.C.

9250 EAST COSTILLA AVENUE, SUITE 450
GREENWOOD VILLAGE, COLORADO 80112-3647
(303) 792-3020
FAX (303) 792-5153

STAFF REPORT

Meeting Date: November 16, 2011
(Consent)

Agenda Item 9

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer *KU*

SUBJECT: FY 2011-12 Budget to Actual Reports – July, August and September 2011

RECOMMENDATION:

Receive and file the Budget to Actual reports for July, August and September 2011.

DISCUSSION:

Pursuant to the Commissioner’s Handbook policies, the Executive Officer is to provide monthly budget reports to the Commission as soon as they are available. The attached reports, which have been prepared with the assistance of the County Auditor-Controller staff, reflects revenue and expenditures for the first three months of the 2012 Fiscal Year.

No adjustments or transfers between expenditure account codes or from contingencies are necessary or recommended.

- Attachments: (1) Budget to Actual Report July, 2011
 (2) Budget to Actual Report August, 2011
 (3) Budget to Actual Report September, 2011

COMMISSIONERS AND STAFF

COUNTY: Kathy Long Linda Parks <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin, Vice Chair <i>Alternate:</i> Carol Smith	SPECIAL DISTRICT: Elaine Freeman Gail Pringle <i>Alternate:</i> Bruce Dandy	PUBLIC: Lou Cunningham, Chair <i>Alternate:</i> Vacant
Executive Officer: Kim Uhlich	Dep. Exec. Officer Kai Luoma	Office Mgr/Clerk: Debbie Schubert	Office Assistant Martha Escandon
			Legal Counsel: Michael Walker



**BUDGET TO ACTUAL FY 2011-12
YEAR TO DATE ENDING July 31, 2011 (8.3% of year)
Fund 7920, Organization 8950**

Summary	Budget	Adj. Budget	To Date
Estimated Sources	766,598	766,598	270,604
Appropriations	766,598	766,598	46,183

Account Number	Title	BUDGET			ACTUAL YTD			Variance Favorable (Unfavorable)
		Budget	Proposed Adjustments	Adjusted Budget	Actual	Encumbered	Total Revenue/Obligation	
FUND BALANCE								
	Beginning Balance	377,796		377,796	377,796.00		377,796.00	0.00
5331	Committed	100,000		100,000	100,000.00		100,000.00	0.00
5395	Unassigned	154,983		154,983	154,983.00		154,983.00	0.00
5395	Unassigned - Appropriated	122,813		122,813	122,813.00		122,813.00	0.00
REVENUE								
8911	Interest Earnings	8,000		8,000	(911.34)		(911.34)	8,911.34 -11%
9372	Other Governmental Agencies	570,285		570,285	146,452.00		146,452.00	423,833.00 26%
9772	Other Revenue - Miscellaneous	65,500		65,500	2,250.00		2,250.00	63,250.00 3%
	Total Revenue	643,785	0	643,785	147,790.66		147,790.66	495,994.34 23%
	TOTAL SOURCES	766,598	0	766,598	270,603.66	0.00	270,603.66	495,994.34 35%
EXPENDITURES								
1101	Regular Salaries	337,000		337,000	20,492.90		20,492.90	316,507.10 6%
1106	Supplemental Payments	13,000		13,000	701.84		701.84	12,298.16 5%
1107	Term/Buydown	17,000		17,000	0.00		0.00	17,000.00 0%
1121	Retirement Contribution	66,000		66,000	3,393.20		3,393.20	62,606.80 5%
1122	OASDI Contribution	20,000		20,000	1,259.03		1,259.03	18,740.97 6%
1123	FICA - Medicare	5,200		5,200	310.83		310.83	4,889.17 6%
1124	Safe Harbor	1,750		1,750	108.90		108.90	1,641.10 6%
1141	Group Insurance	27,100		27,100	1,644.92		1,644.92	25,455.08 6%
1142	Life Ins/Dept. Heads & Mgmt.	400		400	8.88		8.88	391.12 2%
1143	State Unempl	700		700	37.05		37.05	662.95 0%
1144	Management Disability Ins.	2,400		2,400	29.43		29.43	2,370.57 1%
1165	Worker Compensation Ins	2,600		2,600	153.89		153.89	2,446.11 6%
1171	401K Plan	13,000		13,000	632.13		632.13	12,367.87 5%
	Salaries and Benefits	506,150	0	506,150	28,773.00	0.00	28,773.00	477,377.00 6%
2033	Voice/Data ISF	5,000		5,000	0.00		0.00	5,000.00 0%
2071	General Insurance Alloca - ISF	2,500		2,500	0.00		0.00	2,500.00 0%
2125	Facil/Matls Sq. Ft. Alloc. - ISF	17,000		17,000	0.00		0.00	17,000.00 0%
2128	Other Maint	500		500	0.00		0.00	500.00 0%
2141	Memberships & Dues	6,300		6,300	5,691.00		5,691.00	609.00 90%
2154	Education Allowance	2,000		2,000	2,000.00		2,000.00	0.00 100%
2158	Indirect Cost Recovery	20,107		20,107	0.00		0.00	20,107.00 0%
2172	Books & Publications	700		700	201.53		201.53	498.47 29%
2174	Mail Center - ISF	3,000		3,000	0.00		0.00	3,000.00 0%
2176	Purchasing Charges - ISF	500		500	0.00		0.00	500.00 0%
2177	Graphics Charges - ISF	5,500		5,500	0.00		0.00	5,500.00 0%
2178	Copy Machine Charges - ISF	400		400	0.00		0.00	400.00 0%
2179	Miscellaneous Office Expense	7,000		7,000	0.00		0.00	7,000.00 0%
2181	Stores ISF	50		50	0.00		0.00	50.00 0%
2191	Board Members Fees	5,000		5,000	350.00		350.00	4,650.00 7%
2192	Information Technology - ISF	13,500		13,500	0.00		0.00	13,500.00 0%
2195	Specialized Services/Software	1,850		1,850	0.00		0.00	1,850.00 0%
2197	Public Works - Charges	6,000		6,000	0.00		0.00	6,000.00 0%
2199	Other Prof & Spec Service	9,000		9,000	1,329.50	3,389.50	4,719.00	4,281.00 52%
2203	Accounting and Auditing Services	5,000		5,000	0.00		0.00	5,000.00 0%
2205	GSA Special Services ISF	100		100	0.00		0.00	100.00 0%
2214	County GIS Expenses	25,000		25,000	0.00		0.00	25,000.00 0%
2261	Public & Legal Notices	5,000		5,000	195.00		195.00	4,805.00 4%
2283	Records Storage Charges	250		250	0.00		0.00	250.00 0%
2293	Computer Equipment <5000	3,500		3,500	0.00		0.00	3,500.00 0%
2304	County Legal Counsel	25,000		25,000	0.00		0.00	25,000.00 0%
2521	Transportation Charges ISF	1,000		1,000	0.00		0.00	1,000.00 0%
2522	Private Vehicle Mileage	6,500		6,500	479.05		479.05	6,020.95 7%
2523	Conf. & Seminars Expense	13,000		13,000	3,774.00		3,774.00	9,226.00 29%
2526	Conf. & Seminars Expense ISF	500		500	0.00		0.00	500.00 0%
	Services and Supplies	190,757	0	190,757	14,020.08	3,389.50	17,409.58	173,347.42 9%
6101	Contingency	69,691		69,691	0.00		0.00	69,691.00 0%
	TOTAL EXPENDITURES	766,598	0	766,598	42,793.08	3,389.50	46,182.58	720,415.42 6%

0.00

Note: Amounts with "()" in the ACTUAL column reflect FY11 accruals in excess of actual expenditures to date



BUDGET TO ACTUAL FY 2011-12
YEAR TO DATE ENDING August 31, 2011 (16.7% of year)
Fund 7920, Organization 8950

Summary	Budget	Adj. Budget	To Date
Estimated Sources	766,598	766,598	690,395
Appropriations	766,598	766,598	83,001

Account Number	Title	BUDGET			ACTUAL YTD			Variance Favorable (Unfavorable)
		Budget	Proposed Adjustments	Adjusted Budget	Actual	Encumbered	Total Revenue/Obligation	
FUND BALANCE								
	Beginning Balance	377,796		377,796	377,796.00		377,796.00	0.00
5331	Committed	100,000		100,000	100,000.00		100,000.00	0.00
5395	Unassigned	154,983		154,983	154,983.00		154,983.00	0.00
5395	Unassigned - Appropriated	122,813		122,813	122,813.00		122,813.00	0.00
REVENUE								
8911	Interest Earnings	8,000		8,000	(637.94)		(637.94)	8,637.94 -8%
9372	Other Governmental Agencies	570,285		570,285	564,070.00		564,070.00	6,215.00 99%
9772	Other Revenue - Miscellaneous	65,500		65,500	4,150.00		4,150.00	61,350.00 6%
	Total Revenue	643,785	0	643,785	567,582.06		567,582.06	76,202.94 88%
	TOTAL SOURCES	766,598	0	766,598	690,395.06	0.00	690,395.06	76,202.94 90%
EXPENDITURES								
1101	Regular Salaries	337,000		337,000	45,596.08		45,596.08	291,403.92 14%
1106	Supplemental Payments	13,000		13,000	1,660.88		1,660.88	11,339.12 13%
1107	Term/Buydown	17,000		17,000	0.00		0.00	17,000.00 0%
1121	Retirement Contribution	66,000		66,000	7,536.69		7,536.69	58,463.31 11%
1122	OASDI Contribution	20,000		20,000	2,797.73		2,797.73	17,202.27 14%
1123	FICA - Medicare	5,200		5,200	690.67		690.67	4,509.33 13%
1124	Safe Harbor	1,750		1,750	234.94		234.94	1,515.06 13%
1141	Group Insurance	27,100		27,100	3,650.92		3,650.92	23,449.08 13%
1142	Life Ins/Dept. Heads & Mgmt.	400		400	22.72		22.72	377.28 6%
1143	State Unempl	700		700	88.70		88.70	611.30 0%
1144	Management Disability Ins.	2,400		2,400	90.93		90.93	2,309.07 4%
1165	Worker Compensation Ins	2,600		2,600	340.02		340.02	2,259.98 13%
1171	401K Plan	13,000		13,000	1,404.10		1,404.10	11,595.90 11%
	Salaries and Benefits	506,150	0	506,150	64,114.38	0.00	64,114.38	442,035.62 13%
2033	Voice/Data ISF	5,000		5,000	0.00		0.00	5,000.00 0%
2071	General Insurance Alloca - ISF	2,500		2,500	0.00		0.00	2,500.00 0%
2125	Facil/Matls Sq. Ft. Alloc. - ISF	17,000		17,000	0.00		0.00	17,000.00 0%
2128	Other Maint	500		500	0.00		0.00	500.00 0%
2141	Memberships & Dues	6,300		6,300	5,691.00		5,691.00	609.00 90%
2154	Education Allowance	2,000		2,000	2,000.00		2,000.00	0.00 100%
2158	Indirect Cost Recovery	20,107		20,107	0.00		0.00	20,107.00 0%
2172	Books & Publications	700		700	439.53		439.53	260.47 63%
2174	Mail Center - ISF	3,000		3,000	0.00		0.00	3,000.00 0%
2176	Purchasing Charges - ISF	500		500	0.00		0.00	500.00 0%
2177	Graphics Charges - ISF	5,500		5,500	0.00		0.00	5,500.00 0%
2178	Copy Machine Charges - ISF	400		400	0.00		0.00	400.00 0%
2179	Miscellaneous Office Expense	7,000		7,000	364.64		364.64	6,635.36 5%
2181	Stores ISF	50		50	7.00		7.00	43.00 14%
2191	Board Members Fees	5,000		5,000	350.00		350.00	4,650.00 7%
2192	Information Technology - ISF	13,500		13,500	0.00		0.00	13,500.00 0%
2195	Specialized Services/Software	1,850		1,850	0.00		0.00	1,850.00 0%
2197	Public Works - Charges	6,000		6,000	112.21		112.21	5,887.79 2%
2199	Other Prof & Spec Service	9,000		9,000	1,329.50	3,389.50	4,719.00	4,281.00 52%
2203	Accounting and Auditing Services	5,000		5,000	0.00		0.00	5,000.00 0%
2205	GSA Special Services ISF	100		100	0.00		0.00	100.00 0%
2214	County GIS Expenses	25,000		25,000	0.00		0.00	25,000.00 0%
2261	Public & Legal Notices	5,000		5,000	210.00		210.00	4,790.00 4%
2283	Records Storage Charges	250		250	0.00		0.00	250.00 0%
2293	Computer Equipment <5000	3,500		3,500	0.00	364.80	364.80	3,135.20 10%
2304	County Legal Counsel	25,000		25,000	0.00		0.00	25,000.00 0%
2521	Transportation Charges ISF	1,000		1,000	0.00		0.00	1,000.00 0%
2522	Private Vehicle Mileage	6,500		6,500	854.05		854.05	5,645.95 13%
2523	Conf. & Seminars Expense	13,000		13,000	3,774.00		3,774.00	9,226.00 29%
2526	Conf. & Seminars Expense ISF	500		500	0.00		0.00	500.00 0%
	Services and Supplies	190,757	0	190,757	15,131.93	3,754.30	18,886.23	171,870.77 10%
6101	Contingency	69,691		69,691	0.00		0.00	69,691.00 0%
	TOTAL EXPENDITURES	766,598	0	766,598	79,246.31	3,754.30	83,000.61	683,597.39 11%

0.00

Note: Amounts with "()" in the ACTUAL column reflect FY11 accruals in excess of actual expenditures to date

**BUDGET TO ACTUAL FY 2011-12
YEAR TO DATE ENDING SEPTEMBER 30, 2011 (25% of year)
Fund 7920, Organization 8950**

Summary	Budget	Adj. Budget	To Date
Estimated Sources	766,598	766,598	698,528
Appropriations	766,598	766,598	130,742

Account Number	Title	BUDGET			ACTUAL YTD			Variance Favorable (Unfavorable)
		Budget	Proposed Adjustments	Adjusted Budget	Actual	Encumbered	Total Revenue/Obligation	
FUND BALANCE								
	Beginning Balance	377,796		377,796	377,796.00		377,796.00	0.00
5331	Committed	100,000		100,000	100,000.00		100,000.00	0.00
5395	Unassigned	154,983		154,983	154,983.00		154,983.00	0.00
5395	Unassigned - Appropriated	122,813		122,813	122,813.00		122,813.00	0.00
REVENUE								
8911	Interest Earnings	8,000		8,000	0.00		0.00	8,000.00 0%
9372	Other Governmental Agencies	570,285		570,285	569,340.00		569,340.00	945.00 100%
9772	Other Revenue - Miscellaneous	65,500		65,500	6,375.00		6,375.00	59,125.00 10%
	Total Revenue	643,785	0	643,785	575,715.00		575,715.00	68,070.00 89%
	TOTAL SOURCES	766,598	0	766,598	698,528.00	0.00	698,528.00	68,070.00 91%
EXPENDITURES								
1101	Regular Salaries	337,000		337,000	70,699.25		70,699.25	266,300.75 21%
1106	Supplemental Payments	13,000		13,000	2,619.92		2,619.92	10,380.08 20%
1107	Term/Buydown	17,000		17,000	0.00		0.00	17,000.00 0%
1121	Retirement Contribution	66,000		66,000	11,680.18		11,680.18	54,319.82 18%
1122	OASDI Contribution	20,000		20,000	4,336.45		4,336.45	15,663.55 22%
1123	FICA - Medicare	5,200		5,200	1,070.51		1,070.51	4,129.49 21%
1124	Safe Harbor	1,750		1,750	360.98		360.98	1,389.02 21%
1141	Group Insurance	27,100		27,100	5,656.92		5,656.92	21,443.08 21%
1142	Life Ins/Dept. Heads & Mgmt.	400		400	36.56		36.56	363.44 9%
1143	State Unempl	700		700	140.33		140.33	559.67 0%
1144	Management Disability Ins.	2,400		2,400	152.43		152.43	2,247.57 6%
1165	Worker Compensation Ins	2,600		2,600	526.15		526.15	2,073.85 20%
1171	401K Plan	13,000		13,000	2,176.07		2,176.07	10,823.93 17%
	Salaries and Benefits	506,150	0	506,150	99,455.75	0.00	99,455.75	406,694.25 20%
2033	Voice/Data ISF	5,000		5,000	625.41		625.41	4,374.59 13%
2071	General Insurance Alloca - ISF	2,500		2,500	0.00		0.00	2,500.00 0%
2125	Facil/Matls Sq. Ft. Alloc. - ISF	17,000		17,000	3,696.00		3,696.00	13,304.00 22%
2128	Other Maint	500		500	0.00		0.00	500.00 0%
2141	Memberships & Dues	6,300		6,300	5,691.00		5,691.00	609.00 90%
2154	Education Allowance	2,000		2,000	2,000.00		2,000.00	0.00 100%
2158	Indirect Cost Recovery	20,107		20,107	0.00		0.00	20,107.00 0%
2172	Books & Publications	700		700	439.53		439.53	260.47 63%
2174	Mail Center - ISF	3,000		3,000	1,047.63		1,047.63	1,952.37 35%
2176	Purchasing Charges - ISF	500		500	44.38		44.38	455.62 9%
2177	Graphics Charges - ISF	5,500		5,500	0.00		0.00	5,500.00 0%
2178	Copy Machine Charges - ISF	400		400	148.77		148.77	251.23 37%
2179	Miscellaneous Office Expense	7,000		7,000	768.69		768.69	6,231.31 11%
2181	Stores ISF	50		50	7.00		7.00	43.00 14%
2191	Board Members Fees	5,000		5,000	350.00		350.00	4,650.00 7%
2192	Information Technology - ISF	13,500		13,500	473.16		473.16	13,026.84 4%
2195	Specialized Services/Software	1,850		1,850	0.00		0.00	1,850.00 0%
2197	Public Works - Charges	6,000		6,000	751.22		751.22	5,248.78 13%
2199	Other Prof & Spec Service	9,000		9,000	1,329.50	3,389.50	4,719.00	4,281.00 52%
2203	Accounting and Auditing Services	5,000		5,000	0.00		0.00	5,000.00 0%
2205	GSA Special Services ISF	100		100	0.00		0.00	100.00 0%
2214	County GIS Expenses	25,000		25,000	3,087.24		3,087.24	21,912.76 12%
2261	Public & Legal Notices	5,000		5,000	210.00		210.00	4,790.00 4%
2283	Records Storage Charges	250		250	71.15		71.15	178.85 28%
2293	Computer Equipment <5000	3,500		3,500	364.80		364.80	3,135.20 10%
2304	County Legal Counsel	25,000		25,000	832.50		832.50	24,167.50 3%
2521	Transportation Charges ISF	1,000		1,000	0.00		0.00	1,000.00 0%
2522	Private Vehicle Mileage	6,500		6,500	1,229.05		1,229.05	5,270.95 19%
2523	Conf. & Seminars Expense	13,000		13,000	4,730.14		4,730.14	8,269.86 36%
2526	Conf. & Seminars Expense ISF	500		500	0.00		0.00	500.00 0%
	Services and Supplies	190,757	0	190,757	27,897.17	3,389.50	31,286.67	159,470.33 16%
6101	Contingency	69,691		69,691	0.00		0.00	69,691.00 0%
	TOTAL EXPENDITURES	766,598	0	766,598	127,352.92	3,389.50	130,742.42	635,855.58 17%

0.00

Note: Amounts with "()" in the ACTUAL column reflect FY11 accruals in excess of actual expenditures to date



STAFF REPORT

Meeting Date: November 16, 2011

Agenda Item 10

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer

SUBJECT: LAFCo 11-07 Montalvo Municipal Improvement District Expedited Reorganization

RECOMMENDATION:

Adopt the attached resolution LAFCo 11-07 making determinations and approving the expedited reorganization to convert the Montalvo Municipal Improvement District to a community services district.

BACKGROUND:

The Montalvo Municipal Improvement District is an independent special district formed in 1955 to provide wastewater service to unincorporated areas surrounding the City of Ventura (Attachment 1). Currently, the District provides wastewater collection and treatment services for the Montalvo community and portions of the Ventura Auto Center. Pursuant to the special act under which it was formed, the District’s powers include the following: acquire, maintain and operate street and highway lighting facilities and facilities for the collection, treatment and disposal of sewage, industrial wastes, storm waters, garbage and refuse; and the production, treatment and distribution of water for public and private purposes.

Effective January 1, 2011, the Cortese-Knox-Hertzberg Act provides for “expedited” reorganizations to dissolve a resort improvement district or any of three specified municipal improvement districts, including the Montalvo Municipal Improvement District, and concurrently form a community services district with the same exterior boundary, sphere of influence, powers, duties, responsibilities, obligations, liabilities and jurisdiction as that of the former improvement district (Government Code §56853.5). The primary purpose for expedited reorganizations is to encourage the subject special districts, which operate under outdated enabling statutes, to convert to community services districts, which are subject to more current enabling statutes.

COMMISSIONERS AND STAFF

COUNTY: Kathy Long Linda Parks <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin, Vice Chair <i>Alternate:</i> Carol Smith	SPECIAL DISTRICT: Elaine Freeman Gail Pringle <i>Alternate:</i> Bruce Dandy	PUBLIC: Lou Cunningham, Chair <i>Alternate:</i> Vacant	
Executive Officer: Kim Uhlich	Dep. Exec. Officer Kai Luoma	Office Mgr/Clerk: Debbie Schubert	Office Assistant Martha Escandon	Legal Counsel: Michael Walker

Municipal improvement districts were created in the mid-1950s under special legislative acts to provide public services to particular communities, some of which supported individual development projects. This practice was discontinued in 1960. Meanwhile, the municipal improvement districts continue to operate under antiquated special acts that lack clear links to the Brown Act, Public Records Act, and Propositions 13, 62, and 218.

The Community Services District Law, which became effective in 2006, authorizes community services districts to provide a number of services and facilities including, among others, the supply of water; collection, treatment, and disposal of waste water and storm water; collection and disposal of solid waste; fire protection and emergency response; operation of recreation facilities and programs; maintenance and operation of street lighting and landscaping; vector control; law enforcement and security services; library services; construction and maintenance of public roads, streets, bridges, drains, curbs, gutters and sidewalks; transportation services; graffiti abatement; construct, maintain and operate flood protection facilities; operation of community facilities; weed abatement; and animal control services.

In March 2010, the Commission authorized the Chair to sign a letter supporting enactment of the legislation that led to the expedited reorganization statute (Attachment 2).

DISCUSSION:

By resolution adopted September 21, 2011, the Montalvo Municipal Improvement District (MMID) Board of Directors has requested Commission approval of a proposal for an expedited reorganization.

The Commission may approve, disapprove or conditionally approve a proposal for an expedited reorganization unless the governing body of the subject agency files a resolution of objection before the close of the Commission hearing. It is staff's belief that the proposal would promote the general principal of governmental transparency and accountability by bringing the MMID under a more current principal act. Staff is therefore recommending that the Commission take action to approve the proposal.

Although the conversion to a community services district would increase the array of potential powers that the MMID would be authorized to exercise beyond those which its current governing act authorizes, all powers not currently exercised by the District would be considered latent powers. Under the Community Services District Law, the exercise of any latent power is subject to prior review and approval by LAFCo (Government Code §61106).

A proposal for an expedited reorganization must specify terms and conditions, all of which are included in the attached resolution (Attachment 3). Although the Commission is not prohibited from imposing other terms and conditions, staff is not recommending that any be required. If the Commission wishes to order any material changes to the conditions set forth in the attached resolution, the Commission must direct staff to provide mailed notice of the

changes to the subject agency and may take no further action on the reorganization for 30 days following the mailing.

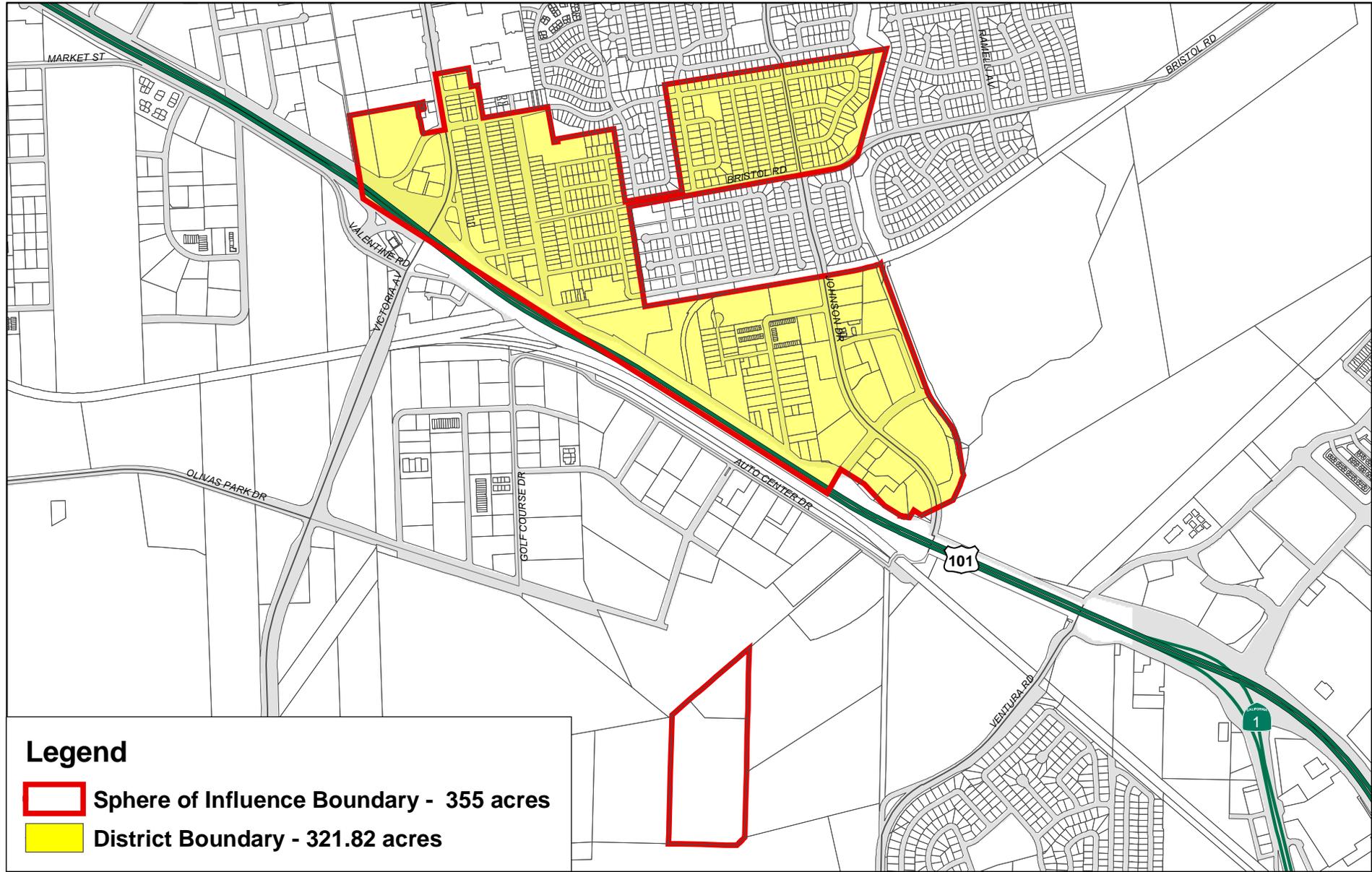
LAFCo staff has determined that an action to approve the subject proposal would be statutorily exempt from CEQA under the “general rule” exemption. Specifically, CEQA Guidelines Section 15061(b)(3) provides that a project is exempt from CEQA if:

“The activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.”

The MMID is proposing no changes to the services or service levels from what it currently provides. It can therefore be seen with certainty that the proposal will not result in any physical alterations to the environment.

Notice of this matter as a public hearing was provided as required by law.

Attachments: (1) Montalvo Municipal Improvement District Boundary & Sphere Map
(2) Letter from LAFCo Chair to the Honorable Patricia Wiggins, dated March 17, 2010
(3) Resolution LAFCo 11-07



Montalvo Municipal Improvement District

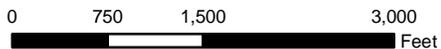
Sphere of Influence

As Reviewed by the Ventura LAFCO - January 21, 2009

Prepared by County of Ventura - IT Services Department - GIS Services
 State Plane Coordinate System California Zone V - NAD 27

This map was compiled from records and computations

WARNING: The information contained hereon was created by the Ventura County Geographic Information System (GIS), which is designed and operated solely for the convenience of the County and related contract entities. The County does not warrant the accuracy of this information, and no decision involving a risk of economic loss or physical injury should be made in reliance thereon.



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Published: October, 2009



March 17, 2010

The Honorable Patricia Wiggins
California State Senate
State Capitol, Room 4081
Sacramento, California 95814

Subject: Support for SB 1023

Dear Senator Wiggins:

I am pleased to inform you that the Ventura Local Agency Formation Commission supports your Senate Bill 1023 which makes it easier to convert special districts formed under outdated laws into community services districts.

The state laws that govern resort improvement districts and municipal improvement districts are archaic, making it hard for those districts' governing boards and managers to deliver quality public services. While it is possible to use current law to convert these districts into more modern community services districts, the statutory procedures are expensive, complicated, and time consuming.

Your SB 1023 allows local officials to set up community services districts to replace the RIDs and MIDs without substantive changes to their powers, duties, financing, or service areas. The expedited procedures in SB 1023 promote accountability and transparency without imposing fiscal burdens on taxpayers and other local governments.

Please include our name on the list of those who support SB 1023. We appreciate your leadership on this issue.

Sincerely,


Kathy Long
Chair, Ventura LAFCo

cc: Members, Senate Local Government Committee
Ryan Eisberg, Senate Republican Caucus
Senator Fran Pavley
Senator Tony Strickland
Senator George Runner
Assemblywoman Julia Brownley
Assemblyman Pedro Nava
Assemblyman Cameron Smyth
Assemblywoman Audra Strickland
Bill Chiat, Executive Director, CALAFCO

LAFCO 11-07

**RESOLUTION OF THE VENTURA LOCAL AGENCY
FORMATION COMMISSION APPROVING THE
MONTALVO MUNICIPAL IMPROVEMENT DISTRICT
EXPEDITED REORGANIZATION; DISSOLUTION OF THE
MONTALVO MUNICIPAL IMPROVEMENT DISTRICT AND
FORMATION OF THE MONTALVO COMMUNITY
SERVICES DISTRICT**

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

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

WHEREAS, the proposal was duly considered on November 16, 2011; 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 recommendations; and

WHEREAS, no resolution of objection has been filed by the governing body of the subject agency; and

WHEREAS, the Commission finds the proposal to be in the best interest of the landowners and present and future inhabitants within the Montalvo Municipal Improvement District and within the affected territory, 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 LAFCo Staff Report dated November 16, 2011 and the recommendations are adopted.
- (2) The reorganization consisting of the dissolution of the Montalvo Municipal Improvement District and the formation of the Montalvo Community Services District pursuant to Government code Section 56853.5, is hereby approved, and the boundaries are established as generally set forth in the attached Exhibit A.

- (3) The boundaries of the proposal are found to be definite and certain as approved.
- (4) The subject proposal is assigned the following distinctive short form designation: **LAFCO 11-07 MONTALVO MUNICIPAL IMPROVEMENT DISTRICT EXPEDITED REORGANIZATION.**
- (5) The Commission waives conducting authority proceedings pursuant to Government Code § 56853.5(a).
- (6) The proposed community services district is declared to be, and shall be deemed a community services district as if the district had been formed pursuant to the Community Services District Law (Division 3 (commencing with Section 61000) of Title 6 of the Government Code). The exterior boundary and sphere of influence of the proposed community services district shall be the exterior boundary and sphere of influence of the district proposed to be dissolved.
- (7) The proposed community services district succeeds to, and is vested with, the same powers, duties, responsibilities, obligations, liabilities, and jurisdiction of the district proposed to be dissolved.
- (8) The status, position, and rights of any officer or employee of the district proposed to be dissolved shall not be affected by the transfer and shall be retained by the person as an officer or employee of the proposed community services district.
- (9) The proposed community services district shall have ownership, possession, and control of all books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, land, and other assets and property, real or personal, owned or leased by, connected with the administration of, or held for the benefit or use of, the district proposed to be dissolved.
- (10) The unexpended balance as of the effective date of the expedited reorganization of any funds available for use by the district proposed to be dissolved shall be available for use by the proposed community services district.
- (11) No payment for the use, or right of use, of any property, real or personal, acquired or constructed by the district proposed to be dissolved shall be

required by reason of the succession pursuant to the expedited reorganization, nor shall any payment for the proposed community services district's acquisition of the powers, duties, responsibilities, obligations, liabilities and jurisdiction be required by reason of that succession.

- (12) All ordinances, rules, and regulations adopted by the district proposed to be dissolved in effect immediately preceding the effective date of the expedited reorganization, shall remain in effect and shall be fully enforceable unless amended or repealed by the proposed community services district, or until they expire by their own terms. Any statute, law, rule, or regulation in force as of the effective date of the expedited reorganization, or that may be enacted or adopted with reference to the district proposed to be dissolved shall mean the proposed community services district.
- (13) All allocations of shares of property tax revenue pursuant to Part 0.5 (commencing with Section 50) of the Revenue and Taxation Code, special taxes, benefit assessments, fees, charges, or any other impositions of the district proposed to be dissolved shall remain in effect unless amended or repealed by the proposed community services district, or until they expire by their own terms.
- (14) The appropriations limit established pursuant to Division 9 (commencing with Section 7900) of Title 1 of the Government Code of the district proposed to be dissolved shall be the appropriations limit of the proposed community services district.
- (15) Any action by or against the district proposed to be dissolved shall not abate, but shall continue in the name of the proposed community services district, and the proposed community services district shall be substituted for the district proposed to be dissolved by the court in which the action is pending. The substitution shall not in any way affect the rights of the parties to the actions.
- (16) No contract, lease, license, permit, entitlement, bond, or any other agreement to which the district proposed to be dissolved is a party shall be void or voidable by reason of the enactment of the expedited reorganization, but shall continue in effect, with the proposed community

services district assuming all of the rights, obligations, liabilities, and duties of the district proposed to be dissolved.

- (17) Any obligations, including, but not limited to, bonds and other indebtedness, of the district proposed to be dissolved shall be the obligations of the proposed community services district. Any continuing obligations or responsibilities of the district proposed to be dissolved for managing and maintaining bond issuances shall be transferred to the proposed community services district without impairment to any security contained in the bond instrument.

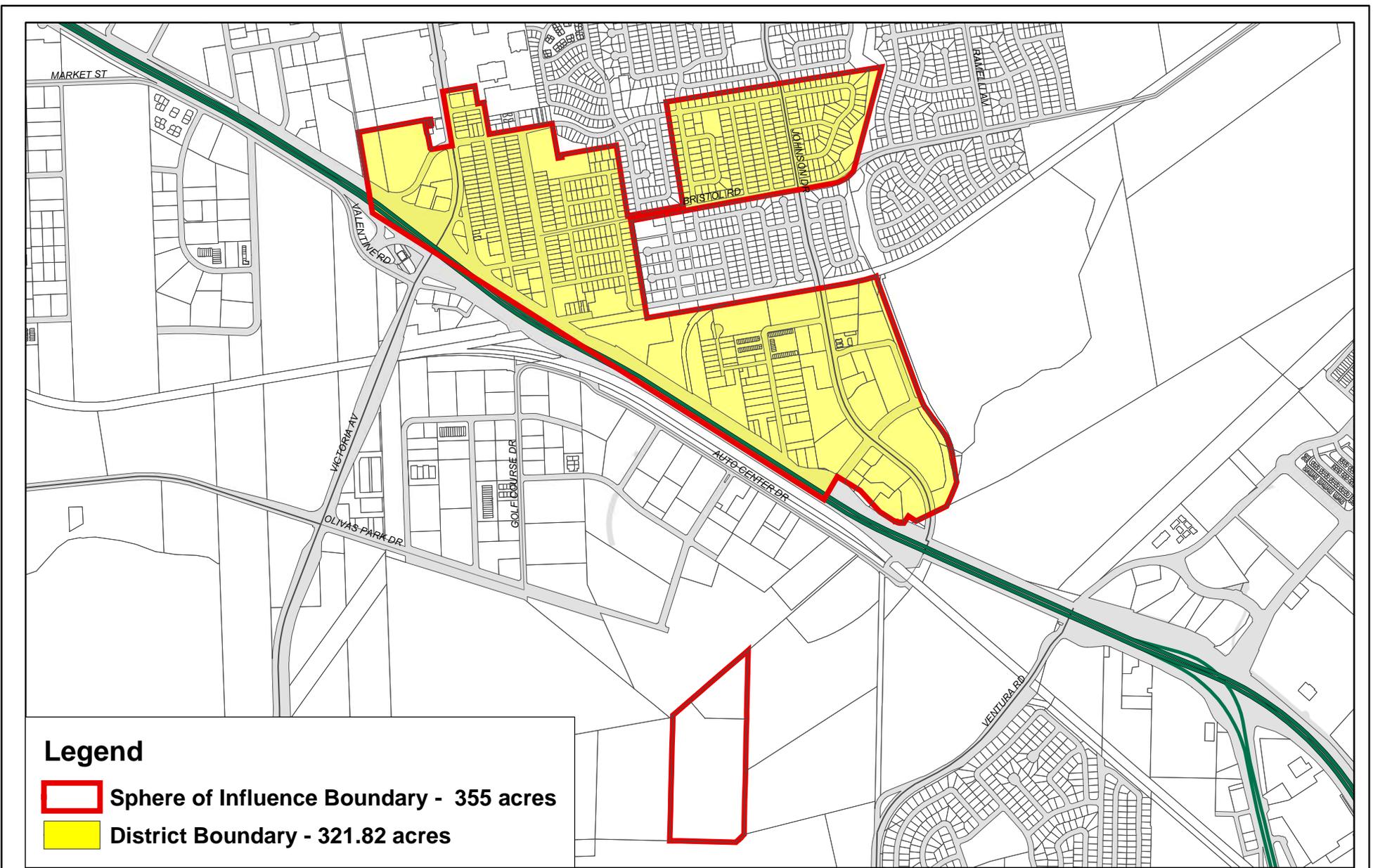
This resolution was adopted on November 16, 2011.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Long	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Pringle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: _____
Chair, Ventura Local Agency Formation Commission

Attachments: Exhibit A

Copies: Montalvo Municipal Improvement District
Ventura County Assessor
Ventura County Auditor
Ventura County Surveyor
Ventura County Planning
Ventura County Elections – Registrar of Voters



Legend

- Sphere of Influence Boundary - 355 acres
- District Boundary - 321.82 acres

Montalvo Community Services District Boundary and Sphere of Influence



Prepared by County of Ventura - IT Services Department - GIS Services
State Plane Coordinate System California Zone V - NAD 27



EXHIBIT A

This map was compiled from records and computations

WARNING: The information contained herein was created by the Ventura County Geographic Information System (GIS), which is designed and operated solely for the convenience of the County and related contract entities. The County does not warrant the accuracy of this information, and no decision involving a risk of economic loss or physical injury should be made in reliance thereon.

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Published: November 2011

STAFF REPORT

Meeting Date: November 16, 2011

Agenda Item 11

LAFCO CASE

NAME & NO: LAFCo 11-05 Ahmanson Ranch Community Services District Reorganization

PROPOSAL: To terminate the existence of the Ahmanson Ranch Community Services District (ARCSD) and to detach the territory within the ARCSD from the Triunfo Sanitation District (Triunfo).

SIZE: Approximately 2,785 acres

LOCATION: The ARCSD is located east of the City of Thousand Oaks and south of the City of Simi Valley abutting the County of Los Angeles.

PARCEL INFORMATION: The Assessor parcels within the boundaries of the ARCSD are 685-0-060-360, -040 and 685-0-070-040, -080, -090, -120, -140, -160.

PROPONENT: Boards of Directors of the ARCSD and Triunfo by resolutions.

NOTICE: This matter has been noticed as a public hearing as prescribed by law.

RECOMMENDATION

Adopt the attached resolution (LAFCo 11-05) making determinations and approving the ARCSD dissolution and detachment of the same territory from Triunfo.

BACKGROUND

The Ahmanson Ranch Specific Plan was approved by the Ventura County Board of Supervisors in 1992. The Specific Plan and related entitlements permitted the development of 2,700 residential units, approximately 150,000 square feet of commercial space, 250,000 square feet of office space, a hotel, schools, two golf

COMMISSIONERS AND STAFF

<p>COUNTY: Kathy Long Linda Parks <i>Alternate:</i> Steve Bennett</p>	<p>CITY: Carl Morehouse Janice Parvin, Vice Chair <i>Alternate:</i> Carol Smith</p>	<p>SPECIAL DISTRICT: Elaine Freeman Gail Pringle <i>Alternate:</i> Bruce Dandy</p>	<p>PUBLIC: Lou Cunningham, Chair <i>Alternate:</i> Vacant</p>	
<p>Executive Officer: Kim Uhlich</p>	<p>Dep. Exec. Officer Kai Luoma</p>	<p>Office Mgr/Clerk: Debbie Schubert</p>	<p>Office Assistant Martha Escandon</p>	<p>Legal Counsel: Michael Walker</p>

courses, and other supporting development. As part of the approval, the Board of Supervisors agreed to pursue the formation of a community services district to fund and provide a variety of municipal services. At the request of the County, LAFCo approved the formation of the ARCSD in 1993. The ARCSD is authorized to provide the following services:

- Maintenance of bike trails, open space, trails, slopes, and other public spaces and facilities
- Parkway maintenance
- School busing
- Drainage
- Law enforcement
- Street lighting and sweeping
- Potable water

Following the County's approval of the Specific Plan, development was delayed for several years and ultimately never initiated due to public opposition and litigation. In 2003, the State of California purchased the land with the intent of preserving it as undeveloped open space. The territory is owned by the Santa Monica Mountains Conservancy and managed by the Mountains Recreation and Conservation Authority. As no development was constructed the ARCSD was never funded and no services were ever provided. Because the territory is in public ownership, it is unlikely to ever be developed and will thus never require the urban services that the ARCSD was formed to provide.

At its meeting on February 17, 2010 the Commission considered initiating the dissolution of the ARCSD. Instead of initiating dissolution, which would have required the preparation of a municipal service review, the Commission directed LAFCo staff to work with staff from the County Executive Office to bring the matter before the County Board of Supervisors for consideration. On March 15, 2011 the County Board of Supervisors, acting as the board of directors of the ARCSD, adopted a resolution to initiate LAFCo proceedings for the dissolution of the ARCSD.

The Ahmanson Ranch development is within the boundaries of Triunfo. It appears that Triunfo was to provide sewage collection and treatment services to the development. Triunfo does not currently own facilities or provide any services within the ARCSD boundary. Because no development is likely to occur in the area, Triunfo's services will not be necessary in the future. Santa Monica Mountains Conservancy staff have indicated that public restrooms may one day be constructed to serve the trailheads at the terminuses of Las Virgenes Road and/or Victory Boulevard, but due to the likely impracticality and expense of extending Triunfo's sewer infrastructure, it is expected that sewage disposal will be dealt with through the use of individual sewage disposal systems or by public sewer providers in Los Angeles County. As it appears that there will be no future need for Triunfo to provide sewer services within the Ahmanson Ranch

area, at its meeting on October 24, 2011 the Triunfo Board of Directors adopted a resolution initiating detachment from the Triunfo boundaries.

GENERAL ANALYSIS

Affected Agencies

In addition to Triunfo, the ARCSD is within the boundaries of the Calleguas Municipal Water District (Calleguas) and the Rancho Simi Recreation and Park District (RSRPD). LAFCo staff contacted staff from both agencies to explore whether detachment of the ARCSD territory from either agency would be warranted.

Calleguas staff recommended against detachment of the territory from Calleguas' boundaries because it would also necessitate detachment from the Metropolitan Water District (MWD). Should the State construct restrooms at the aforementioned trailheads, public water service may be needed. Though Calleguas does not operate any facilities or provide service within the territory, two public water providers in Los Angeles County (the City of Los Angeles and Las Virgenes Municipal Water District) currently provide service to urban development in close proximity to the trailheads. Due to their proximity, these agencies would be the most efficient and logical providers of potable water to the restrooms. Because both Los Angeles and Las Virgenes Municipal Water district are member agencies of MWD, the territory would have to be within MWD's service area in order for either agency to provide service. Thus, not detaching the territory from Calleguas will keep the territory within MWD's boundary, thereby avoiding the time and expense of having to re-annex the territory to MWD in the future.

Regarding the RSRPD, RSRPD staff recommended against detachment of the territory at this time due to the RSRPD's relationship with the Santa Monica Mountains Conservancy. These two agencies, along with the Conejo Recreation and Park District, comprise the Mountains Recreation and Conservation Authority, which is a joint powers agency responsible for managing the Ahmanson Ranch parkland. Should the State ever withdraw all or part of the funding necessary to operate and maintain the parkland, RSRPD staff indicated that it may be necessary for the local recreation and park agencies to take responsibility for providing services within the area. Although there is no information at this time to suggest that State funding will be discontinued, it nevertheless seems logical for the territory within the ARCSD to remain within the RSRPD due to its joint powers relationship with the Mountains Recreation and Conservation Authority.

Government Code Section 56668 Factors

Government Code Section 56668 requires the Commission to consider a number of factors as part of action on a change of organization proposal, including dissolutions and detachments.

- §56668(a) – “...land area and land use...topography, natural boundaries, and drainage basins...”

The territory is undeveloped open space in its natural state. It is comprised of oak studded grassland/chaparral on topography ranging from gentle to steep slopes. The site is crossed by the east and west forks of Las Virgenes Creek and several of its tributaries, all of which generally drain to the south. The creeks support riparian vegetation and habitat.

- §56668(b) – “The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls” and the “probable effect...on the cost and adequacy of services and controls in the area and adjacent areas.”

Because the development to which the ARCSD is authorized to provide services was never constructed, there is no demand or need for any of these services or those of Triunfo. Therefore, cost and adequacy of the services is not applicable. In addition, because the development is unlikely to ever be constructed, there is no probable need for the services in the future and thus no probable effect on the cost and adequacy of future services.

- §56668(c) – “The effect of the proposed action...on adjacent areas, on mutual social and economic interests, and on local government structure of the county.”

The proposed dissolution/detachment would have no effect on adjacent areas because it would result in no changes to the existing and anticipated future land use within the proposal area. Staff has identified no mutual social or economic interests. There will be no effect on local government structure because, though the ARCSD and Triunfo are local governmental agencies, they have provided no services to the territory.

- §56668(d) – “The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in [Government Code] Section 56377”

The proposal would dissolve the ARCSD, an approved provider of urban services that were intended to support urban development. The development was also to be served by Triunfo. This development has not occurred and is not expected to occur in the foreseeable future. The Commission’s policies on providing planned, orderly, and efficient patterns of urban development (Ventura LAFCo Commissioner’s Handbook Section 3.3.5) apply to proposals that encourage and/or support urban development. These policies are intended to preserve agricultural and open space to the extent possible. The proposed dissolution of the ARCSD and detachment

from Triunfo will serve to discourage potential urban development by eliminating urban service providers from the territory, and, therefore, will help to preserve open space. Thus, the proposal can be considered consistent with these Commission policies.

- §56668(e) – “The effect of the proposal on maintaining the physical and economic integrity of agricultural lands...”

The proposal area is not used for agricultural purposes.

- §56668(f) – “...the creation of islands or corridors of unincorporated territory...”

The proposal will not create islands or corridors of unincorporated territory.

- §56668(g) – “A regional transportation plan adopted pursuant to [Government Code] Section 65080, and consistency with city or county general and specific plans.”

Staff is aware of no inconsistencies with the regional transportation plans.

- §56668(h) – “The sphere of influence of any local agency which may be applicable to the proposal being reviewed.”

The proposal area is within the boundaries of Calleguas, the RSRPD, the Ventura County Fire Protection District, Ventura County Service Area 32, and the Ventura County Resource Conservation District. The boundaries of these districts will not be affected by the proposed dissolution. The proposal area is not within the sphere of influence of any other local agency.

- §56668(i) – “The comments of any affected local agency or other public agency.”

Comments from Calleguas and the RSRPD were discussed previously in this staff report. No other comments have been received from other affected local agencies or other public agencies.

- §56668(j) – “The ability of the...receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.”

The ARCSD has never provided any services or received any funding. Triunfo provides no services and maintains no facilities in the territory. In addition, because the area is undeveloped there is no need for any of the services that the ARCSD or Triunfo are authorized to provide. Thus, the proposal will have no affect on those agencies which currently provide services to the territory, such as the Ventura County Fire Protection District and County Sheriff.

- §56668(k) – “Timely availability of water supplies adequate for projected needs...”

The ARCSD and Triunfo do not provide water services and, because the area is unlikely to ever be developed, there are no projected water supply needs.

- §56668(l) – “The extent to which the proposal will affect [the] city...and the county in achieving their respective fair shares of the regional housing needs...”

No portion of the Specific Plan area has been designated by the County for the provision of affordable housing in accordance with the Regional Housing Needs Assessment process and is no longer eligible for such designation since being acquired by the State for the purpose of open space preservation. Therefore, the proposal will have no effect on the County in achieving its fair share of regional housing needs.

- §56668(m) – “Any information or comments from the landowner or owners, voters, or residents of the affected territory.”

As of the writing of this staff report no comments from the landowners, voters, or residents of the affected territory have been received by LAFCo staff.

- §56668(n) – “Any information relating to existing land use designations.”

The existing land use designations are those contained in the Ahmanson Ranch Specific Plan, which allows for the development generally described under the “Background” section of this report. However, as the territory is under state ownership, its sovereign immunity renders the existing land use designations inapplicable. The dissolution of the ARCSD and the detachment from Triunfo would be consistent with the state’s current and future open space land use of the site.

- §56668(o) - “The extent to which the proposal will promote environmental justice.”

The territory is uninhabited and will likely remain so. Further, the ARCSD and Triunfo provide no services within the territory. Therefore, the proposal would not result in the unfair treatment of any person based on race, culture or income and would not result in an issue of environmental justice.

Government Code Section 57102 Dissolution Findings

Government Code Section 57102 provides that in ordering a dissolution, the Commission shall make a finding upon one or more of four matters. Each of these matters is identified below and is followed by staff's analysis:

1. *That the corporate powers have not been used, as specified in Government Code Section 56871, and that there is a reasonable probability that those powers will not be used in the future.*

Section 56871 provides three conditions that establish, either separately or together, that corporate powers of a district have not been used. These three conditions are:

- There has not been a duly selected and acting quorum of the board of directors of the district
- The board of directors has not furnished or provided services or facilities of substantial benefit to residents, landowners, or property within the district
- The board of directors has not levied or fixed and collected any taxes, assessments, service charges, rentals, or rates or expended the proceeds of those levies or collections for district purposes.

Regarding the first condition, the County Board of Supervisors has served as the board of directors of the ARCSD since its formation. Regarding the second condition, the board of directors has provided no services or facilities to any residents or property owners within the district. Regarding the third condition, the board of directors has not collected any taxes, assessments, charges, rentals or rates and has not expended any proceeds of such levies or collections for district purposes.

Because two of the three conditions provided for in Section 56871 have been met, it can be determined that the corporate powers have not been used. Further, because the State of California owns the land within the ARCSD with the intent of preserving it in an undeveloped state, there is a reasonable probability that the ARCSD's powers will not be used in the future.

2. *That the district is a registered-voter district and is uninhabited.*

The ARCSD is a registered-voter district. In addition, the County Registrar of Voters has confirmed that there are no registered voters residing within the ARCSD, making it uninhabited.

3. *That the board of directors of the district has, by unanimous resolution, consented to the dissolution of the district.*

The proposed dissolution was made at the request of the ARCSD board of directors via a resolution. The resolution was approved unanimously.

4. *That the commission has authorized, pursuant to Government Code Section 56854, the dissolution of the district without an election.*

Section 56854 provides that the Commission shall order the dissolution without an election except if written protest has been submitted. In the case of the subject dissolution where the proposal was not initiated by the Commission and where an affected city or district has not objected by resolution to the proposal, an election shall only be held if: 1) the territory is inhabited and a specified number of written protests have been submitted, or 2) the district is an uninhabited land-owner voter district and a petition signed by a certain number of landowners has been submitted. The ARCSD is not inhabited and is not a land-owner voter district. Thus, neither of the two conditions that would require an election under section 56854 exists. The Commission is therefore required to order the dissolution without election.

Environmental Impact of the Proposal

In conjunction with their action to initiate the dissolution proposal, the Boards of Directors for both the ARCSD and Triunfo determined that, pursuant to section 15378 of the CEQA Guidelines, the proposal does not meet the definition of a “project” and is not subject to CEQA. LAFCo staff has determined that LAFCo’s action to dissolve the ARCSD and detach the territory from Triunfo, even if considered a project, would be statutorily exempt from CEQA under the “general rule” exemption. Specifically, CEQA Guidelines Section 15061(b)(3) provides that a project is exempt from CEQA if:

“The activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.”

The ARCSD and Triunfo provide no services and operate no facilities within the proposal area. Thus, the proposal will not affect service levels and will not result in any physical alterations to the environment. It can be seen with certainty that the proposal will not result in a significant effect on the environment.

PROCESS CONSIDERATIONS

Revenue and Taxation Code Section 99

Revenue and Taxation (R&T) Code Section 99 outlines the process by which the allocation of property tax revenue is adjusted for local agencies whose service area or service responsibility would be altered as a result of a change of organization. The

process is not applicable if a master property tax exchange agreement exists. There exists such an agreement between the County and Triunfo. However, there is no master property tax exchange agreement in place between the County and the ARCSD, thus the process outlined in R&T Code Section 99 would apply to the proposed dissolution. The process includes the following steps:

1. Upon the filing of an application for a change of organization to LAFCo, prior to filing a certificate of filing, the Executive Officer is to give notice of the filing to the County Assessor and Auditor.
2. The Assessor has 30 days to provide the Auditor with the assessed valuations of the territory that is subject to the jurisdictional change.
3. The Auditor must estimate the amount of property tax revenue generated within the territory during the current fiscal year and estimate what proportion of the property tax revenue is attributable to each local agency. The Auditor must provide the allocation factors with respect to the estimated property tax revenue to the governing body of each local agency whose service responsibility will be altered.
4. Upon receipt of the property tax revenue estimates, the local agencies must commence negotiation to determine the amount of property tax revenues to be exchanged among the local agencies. The negotiation period may not exceed 60 days, though there are provisions to extend the period up to 90 days. In the event that the jurisdictional change would affect the service area of a special district, the county board of supervisors must negotiate the property tax exchange on behalf of, and in consultation with, the district.
5. The Executive Officer may file a certificate of filing only after the local agencies have presented adopted resolutions whereby each agency agrees to accept the negotiated exchange of property tax revenues. If no agreement is reached within the applicable time period, no further action on the proposal may be taken by LAFCo.

However, in LAFCo Counsel's opinion, the Commission need only comply with those components of the R&T Code that are rational under the circumstances. In staff's opinion, there appears to be no rational basis to conduct property tax negotiations for the following reasons:

- The County Assessor's office provided written confirmation that the subject territory is owned by the State of California, which is exempt from property taxes. Thus, there is no assessed value and no property tax revenue being generated from the proposal area. In addition, when LAFCo approved the formation of the ARCSD in 1993, Resolution LAFCo 93-8 provided that "...there shall be no exchange of property tax revenue under [former] Government Code section 56842." Therefore, the territory generates no property tax revenue and, even if there were any, no portion of it is attributable to the ARCSD.
- Because there is no property tax revenue, there is no basis for a property tax revenue exchange negotiation. If such a negotiation were to occur, it would

result in the absurd situation of the board of supervisors negotiating with itself over nonexistent property tax revenue to which the ARCSD is not entitled in the first place.

- Because no negotiations will be conducted, no resolutions adopting the terms of such a negotiation are necessary.

The purpose of an exchange in this case would not be to allocate a share of property tax to the ARCSD, but to shift ARCSD's share to another agency (such as a successor agency). Because staff found that there is no rational basis to conduct property tax exchange negotiations, staff proceeded with the issuance of a certificate of filing without having received resolutions from the County or ARCSD regarding a property tax exchange agreement.

Conducting Authority Proceedings

For dissolution proposals, Govt. Code Section 57077(a) provides that the Commission shall do either of the following:

- (1) Order the change of organization subject to confirmation of the voters, or in the case of a landowner-voter district, subject to confirmation by the landowners, unless otherwise stated in the formation provisions of the enabling statute of the district or otherwise authorized pursuant to Section 56854.
- (2) Order the change of organization without election if it is a change of organization that meets the requirements of Section 56854, 57081, 57102, or 57107; otherwise, the commission shall take the action specified in paragraph (1).

Regarding subsection (2), the Commission is to order the dissolution without an election if it meets the requirements of any of the listed Government Code Sections, including Section 57102. Pursuant to Section 57102, the Commission shall make one or more of four findings in the resolution ordering dissolution. If the Commission makes any of these findings it may order the dissolution of the ARCSD without election. As discussed previously in this report under the subsection titled "Government Code Section 57102 Dissolution Findings" it is staff's opinion that all four findings can be made by the Commission, in which case the Commission must order the dissolution without election.

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 the materials submitted, determines that the boundaries of the proposal should be approved subject to any changes or additions to the terms and conditions recommended, a motion to approve should clearly specify any changes or additions to the terms and conditions of approval.

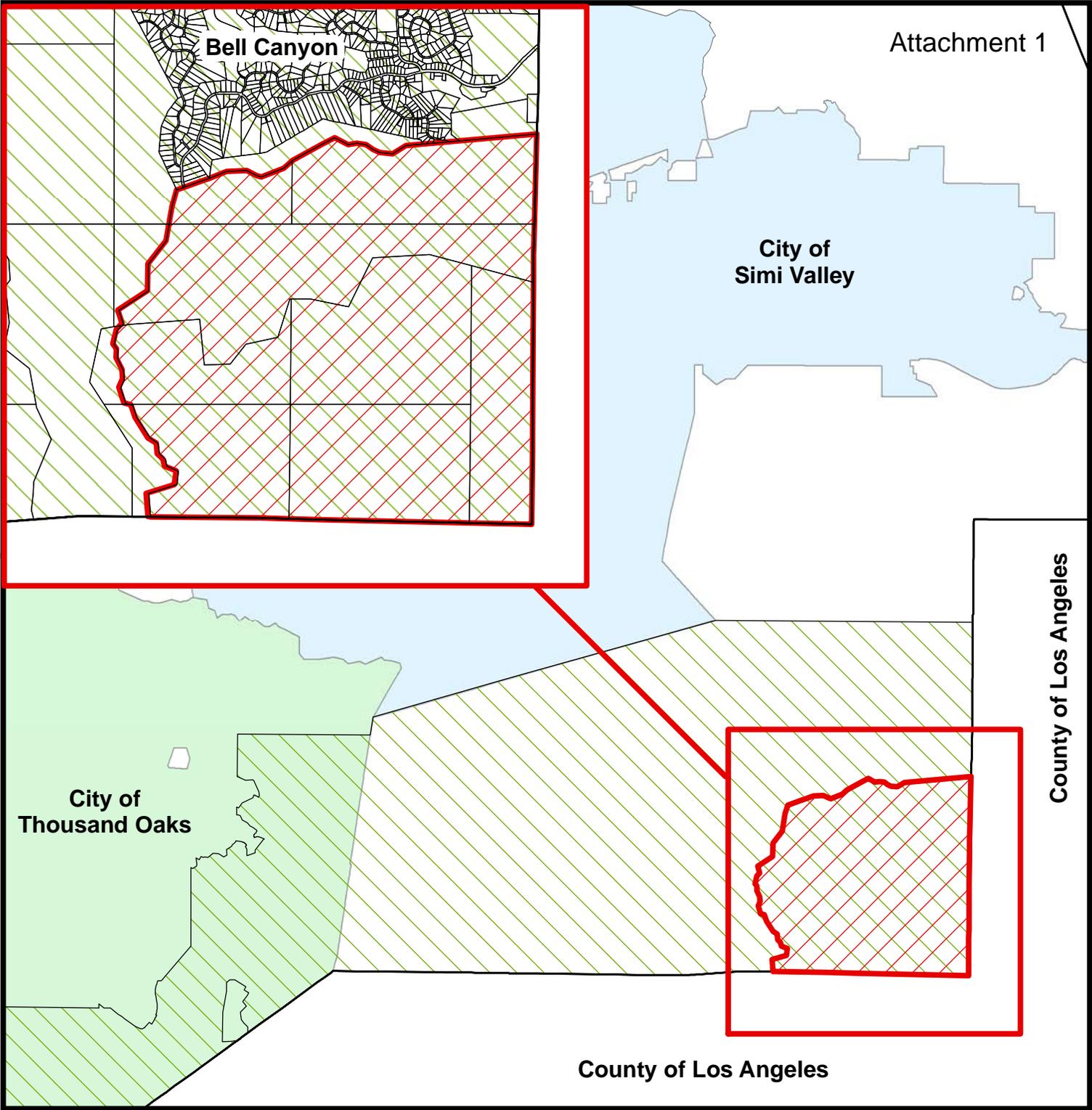
- C. If the Commission, following public testimony and review of materials submitted, wishes to deny or modify the proposal, a motion to deny should include direction that the matter be continued to the next meeting and that staff prepare a new report consistent with the evidence submitted and the anticipated decision.

BY: 

Kai Luoma, AICP
Deputy Executive Officer

Attachments: (1) Vicinity Map *
(2) LAFCo 11-05 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.



LAFCo 11-05
 Ahmanson Ranch Community Services District
 Reorganization

Legend

-  Ahmanson Ranch Community Services District
-  Triunfo Sanitation District



LAFCO 11-05

RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION COMMISSION MAKING DE TERMINATIONS AND APPROVING THE AHMANSON RANCH COMMUNITY SERVICES DISTRICT REORGANIZATION: DISSOLUTION OF THE AHMANSON RANCH COMMUNITY SERVICES DISTRICT AND DETACHMENT FROM THE TRIUNFO SANITATION DISTRICT

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

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

WHEREAS, the proposal was duly considered on November 16, 2011, as specified in the notice of hearing; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony for and against the proposal including, but not limited to, the factors set forth in Section 56668, the LAFCo Staff Report and recommendation, the environmental determination, and applicable local plans and policies; 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 Commission finds the proposal to be in the best interest of the landowners and present and future inhabitants within the affected territory, 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 LAFCo Staff Report and recommendation for approval dated November 16, 2011, is adopted.
- (2) The Commission has considered the matters set forth in Government Code Section 57102 and finds as follows:

That the corporate powers have not been used, as specified in Government Code Section 56871, and that there is a reasonable probability that those powers will not be used in the future.

Section 56871 provides three conditions that establish, either separately or together, that corporate powers of a district have not been used. These three conditions are:

- There has not been a duly selected and acting quorum of the board of directors of the district
- The board of directors has not furnished or provided services or facilities of substantial benefit to residents, landowners, or property within the district
- The board of directors has not levied or fixed and collected any taxes, assessments, service charges, rentals, or rates or expended the proceeds of those levies or collections for district purposes.

Regarding the first condition, the Ventura County Board of Supervisors has served as the board of directors of the Ahmanson Ranch Community Services District (ARCSD) since its formation. Regarding the second condition, the board of directors has provided no services or facilities to any residents or property owners within the district. Regarding the third condition, the board of directors has not collected any taxes, assessments, charges, rentals or rates and has not expended any proceeds of such levies or collections for district purposes.

Because two of the three conditions provided for in Section 56871 have been met, the Commission determines that the ARCSD corporate powers have not been used. Further, the Commission finds that because the State of California owns the property within the ARCSD with the intent of preserving it in an undeveloped state, there is a reasonable probability that the ARCSD's powers will not be used in the future.

That the district is a registered-voter district and is uninhabited.

The ARCSD is a registered-voter district. In addition, the County Registrar of Voters has confirmed that there are no registered voters residing within the ARCSD, making it uninhabited.

That the board of directors of the district has, by unanimous resolution, consented to the dissolution of the district.

The proposed dissolution was made at the request of the ARCSD board of directors via a resolution. The resolution was approved unanimously.

That the commission has authorized, pursuant to Government Section 56854, the dissolution of the district without an election.

Section 56854 provides that the Commission shall order the dissolution without an election except if written protest has been submitted. In the case of the subject dissolution where the proposal was not initiated by the Commission and where an affected city or district has not objected by resolution to the proposal, an election shall only be held if : 1) the territory is inhabited and a specified number of written protests have been submitted, or 2) the district is an uninhabited land-owner voter district and a petition signed by a certain number of landowners has been submitted. The ARCS D is not inhabited and is not a land-owner voter district. Thus, neither of the two conditions that would require an election under section 56854 exists. The Commission is therefore required to order the dissolution without election.

- (3) The affected territory is uninhabited as defined by Government Code Section 56046.
- (4) The dissolution of the ARCS D and the detachment of territory from Triunfo Sanitation District, with boundaries as generally set forth in the attached Exhibit A, are hereby approved.
- (5) The dissolution of the ARCS D is hereby ordered without election pursuant to Government Code Sections 57077(a), 56854, and 57102.
- (6) Upon the effective date of the dissolution, the ARCS D is dissolved, its existence is terminated and all of its corporate powers shall cease.
- (7) The subject proposal is assigned the following distinctive short form designation:
LAFCO 11-05 AHMANSON RANCH COMMUNITY SERVICES DISTRICT REORGANIZATION.
- (8) In concurrence with the Executive Officer's determination, the Commission hereby finds the proposal to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the CEQA Guidelines.
- (9) The Commission directs staff to file a Notice of Exemption pursuant to Section 15062 of the CEQA Guidelines.
- (10) Pending the issuance and recordation of a Certificate of Completion the ARCS D shall not: i) Approve any increase in compensation or benefits for members of the governing board, its officers, or the executive officer of the agency; or ii) Appropriate, encumber, expend, or otherwise obligate, any revenue of the District

beyond that provided in the current budget at the time the dissolution is approved by the Commission; or iii) Hire any staff or contractors.

- (11) This proposal shall not be recorded until all LAFCo fees have been paid to the Executive Officer.**

This resolution was adopted on November 16, 2011.

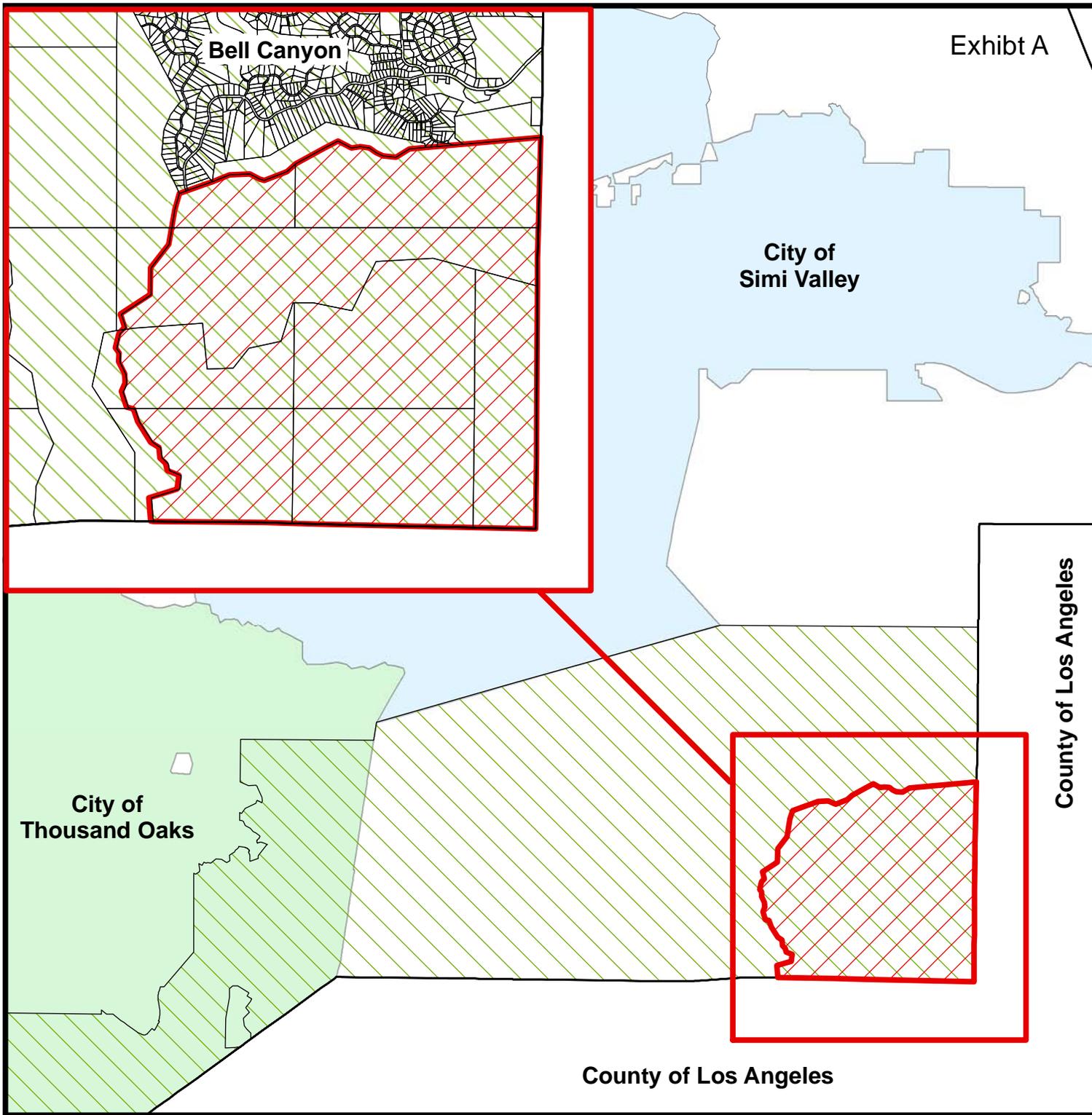
	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Long	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Pringle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alternate Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: _____
Chair, Ventura Local Agency Formation Commission

Attachments: Exhibit A

Copies: Triunfo Sanitation District
Ventura County Executive Office
Ventura County Assessor
Ventura County Auditor
Ventura County Surveyor
Ventura County Planning
Ventura County Elections – Registrar of Voters

LAFCo 11-05 Ahmanson Ranch CSD Reorganization
Resolution of Approval
November 16, 2011
Page 5 of 5



LAFCo 11-05
 Ahmanson Ranch Community Services District
 Reorganization

Legend

-  Ahmanson Ranch Community Services District
-  Triunfo Sanitation District



STAFF REPORT

Meeting Date: November 16, 2011

Agenda Item 12

TO: LAFCO Commissioners

FROM: Kim Uhlich, Executive Officer *KU*

SUBJECT: Discussion of Proposed OUHSD School Sites – Annexation Considerations

RECOMMENDATION:

Receive information regarding plans by the Oxnard Union High School District to develop two high schools and provide comments to the School District Board of Trustees regarding the annexation of one of the school sites to the City of Camarillo and the other to the City of Oxnard.

BACKGROUND:

The Oxnard Union High School District (OUHSD) is currently in the process of working with an architectural firm to design a high school campus on a 77-acre parcel of land it owns near the intersection of Las Posas and Lewis roads adjacent to the City of Camarillo (Camarillo) (Attachment 1). As shown on Attachment 1, the parcel is located outside of the boundary and sphere of influence of Camarillo. The land is designated for agricultural use in the County General Plan and the zoning designation is A-E (agricultural exclusive). All of the land meets the definition of “prime agricultural land” contained in LAFCo law. It is also located outside of the Camarillo Urban Restriction Boundary (CURB).

The OUHSD is also pursuing plans to acquire a property located west of Victoria Avenue and north of Wooley Road and adjacent to the City of Oxnard (Oxnard) for the purpose of constructing a high school campus (Attachment 2). As shown on Attachment 2, the southerly and easterly boundaries of the parcel are directly contiguous with the Oxnard boundary and sphere of influence. The land is designated for open space use in the County General Plan and the zoning designation is C-A (coastal agriculture). The site meets the definition of “prime agricultural land” contained in LAFCo law. It is also located outside of

COMMISSIONERS AND STAFF

COUNTY: Kathy Long Linda Parks <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin, Vice Chair <i>Alternate:</i> Carol Smith	SPECIAL DISTRICT: Elaine Freeman Gail Pringle <i>Alternate:</i> Bruce Dandy	PUBLIC: Lou Cunningham, Chair <i>Alternate:</i> Vacant	
Executive Officer: Kim Uhlich	Dep. Exec. Officer Kai Luoma	Office Mgr/Clerk: Debbie Schubert	Office Assistant Martha Escandon	Legal Counsel: Michael Walker

the Oxnard Urban Restriction Boundary (CURB) and within the Oxnard-Ventura Greenbelt, as designated by the Cities of Oxnard and Ventura. It should also be noted that the site is currently outside of the boundary of the Calleguas Municipal Water District and the Metropolitan Water District. If Oxnard is to be the provider of domestic water service to the school site, it must also be annexed to the Districts.

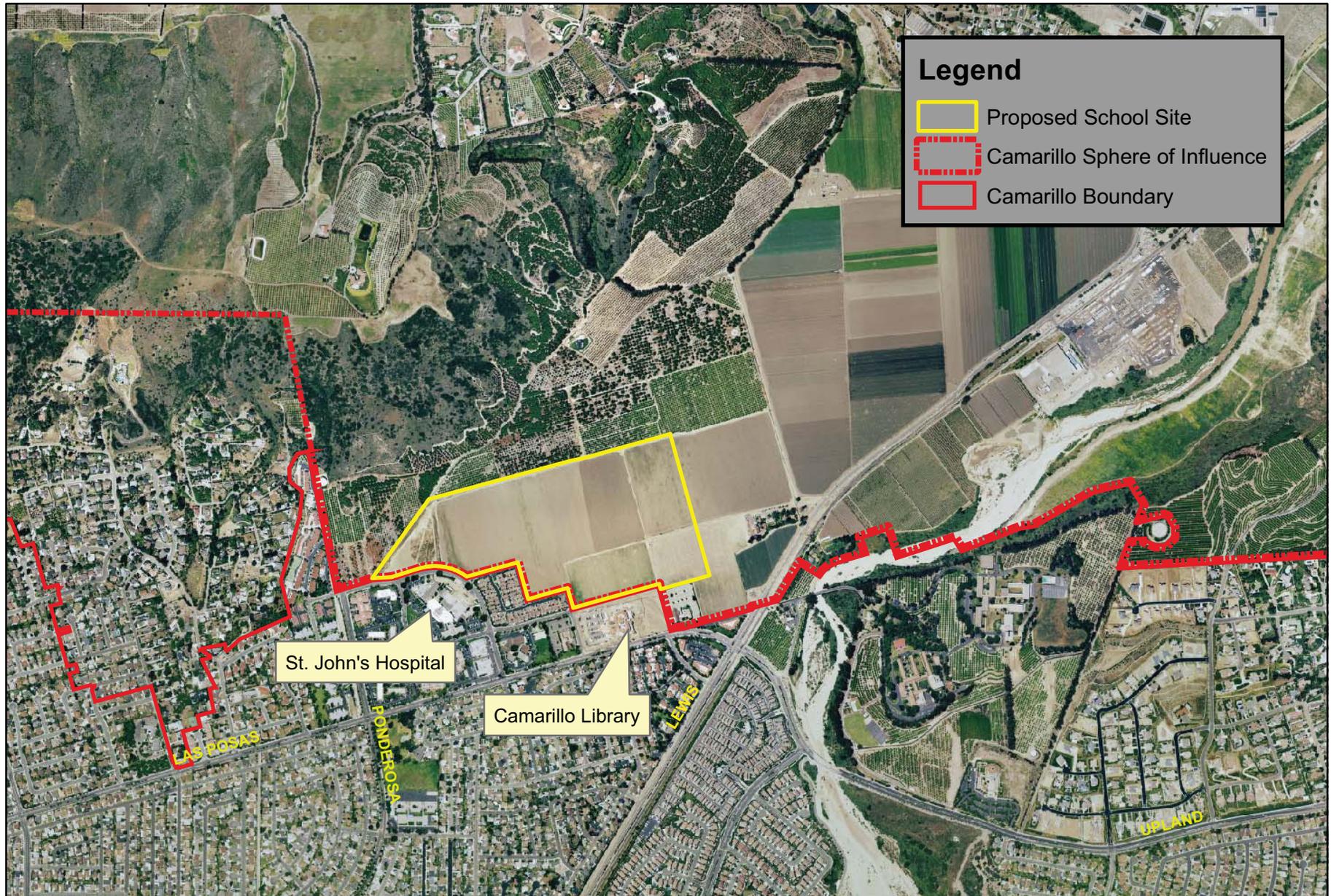
As the Commission is aware, LAFCo staff previously submitted preliminary comments to the OUHSD (Attachments 3 and 4). In addition, Chairman Cunningham and the Executive Officer attended a meeting of the Board of Trustees on January 26, 2011 to provide comments on several potential sites that were under consideration at the time, including the Camarillo site.

Although proposals for annexation of the sites have not yet been received by LAFCo, this item is being brought before the Commission to provide OUHSD staff and Trustees an opportunity to share information about their needs and to allow the Commission an opportunity to provide a conceptual review and comments with respect to the applicable provisions of LAFCo law and policies. An overview of the specific statutory and policy factors that may be applicable to the annexation of the school sites will be provided by LAFCo staff at the meeting. The relevant sections of the LAFCo Commissioner's Handbook are attached for reference (Attachment 5).

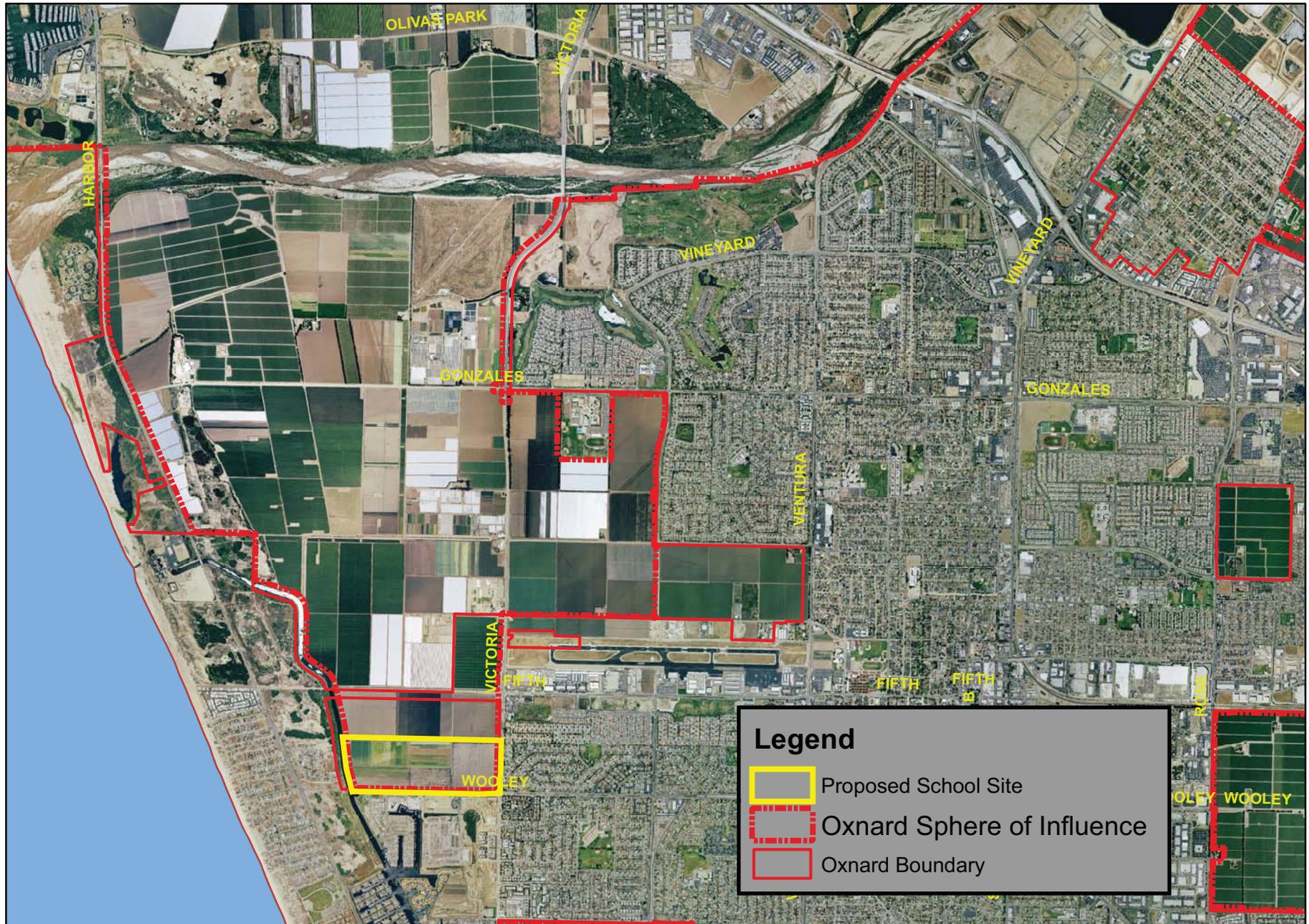
Dr. Gabe Soumakian, Superintendent of the OUHSD, and two members of the OUHSD Board of Trustees have indicated that they intend to participate in the meeting. In addition, staff from the Camarillo Community Development Department, the Oxnard Development Services Department, and the Calleguas Municipal Water District have been invited to attend.

- Attachments: (1) Map of proposed high school site, Camarillo
(2) Map of proposed high school site, Oxnard
(3) Letter from Kai Luoma to Randy Winton, dated April 27, 2009
(4) Letter from Kim Uhlich to OUHSD Board of Trustees, dated September 8, 2009
(5) Commissioner's Handbook Sections

Northeastern Camarillo Proposed OUHSD High School Site



Northwestern Oxnard Proposed OUHSD High School Site





April 27, 2009

Randy Winton
Assistant Superintendent
Oxnard Unified High School District
309 South "K" Street
Oxnard, CA 93030

Subject: Proposed High School – Victoria Avenue and Wooley Road

Dear Mr. Winton:

Thank you for taking the time to meet with me on April 16, 2009 regarding the Oxnard Unified High School District's plans for a future high school. This letter will serve as a summary of our meeting.

The state legislature established Local Agency Formation Commissions (LAFCOs) in order to encourage the orderly formation of local governmental boundaries, preserve agricultural and open space lands, reduce urban sprawl, and ensure the efficient provision of public services. Though each LAFCO acts at the local level, the provisions of the State Government Code (GC) which LAFCOs implement (Section 56000 et. seq.) are not local laws and regulations, but are applicable statewide. Although LAFCOs do not regulate school district boundaries, a variety of other local agencies that provide public services (i.e. domestic water and wastewater collection and treatment) to schools are subject to LAFCO authority.

The High School District is currently pursuing acquisition of 119 acres of land located at the northwest corner of Wooley Road and Victoria Avenue for purposes of constructing a high school. The District has retained a consultant to begin preparation of an environmental impact report (EIR). Public services for the high school, such as water and wastewater collection/treatment, are to be provided by the City of Oxnard. The site is located outside the City's jurisdictional boundaries, sphere of influence, and CURB, though it abuts all three (see attached map). It is also within a multi-jurisdictional greenbelt and the Coastal Zone. The site is currently in agricultural production.

Services

At our meeting, we discussed the two options available for the City to provide services to the school: an out of agency service agreement or annexation. LAFCO

approval would be necessary for either of these options. In addition, both options would require LAFCo approval of an amendment to the City's sphere of influence (SOI) boundary. Pursuant to Section 5.1.3 of the Ventura LAFCo Commissioner's Handbook, "Annexations to cities or special districts are always preferred to out of agency service agreements." As a result, our meeting focused on annexation.

For the City to annex the site, the City's SOI would need to be amended. We discussed, and I gave you a copy, of the Ventura LAFCo's criteria for city SOI amendments for schools (Commissioner's Handbook Section 4.1.4, attached). In particular, I want to take this opportunity to highlight the criteria noted in Sections 4.1.4.1 and 4.1.4.2. The general intent of these sections are to articulate the Commission's disfavor toward sphere of influence amendments for school sites that result from relatively insular planning processes in lieu of proposals that arise from proactive, long range collaborations between school districts and the affected cities. We therefore urge the district to carefully consider these criteria as you continue with your planning process and hope that the City of Oxnard will commit the necessary resources to partner with the District in this endeavor.

Please note that LAFCo policies 4.1.4.1(iv.) and 4.1.4.2 (ii) through (vi), which primarily relate to analyses of facility needs and alternatives, require a level of detail typically not provided in an EIR. Should an application for a sphere amendment and annexation be ultimately filed with LAFCo, you should be aware that our review might be delayed if we determine that the application contains insufficient information to analyze consistency of the proposal with LAFCo policies.

We also discussed LAFCo's policies regarding the preservation of agriculture. I suggested that the plan for the school incorporate buffers adequate to ensure that the high school would be compatible with the farming operations that abut the site to the north. I encouraged the District to consult with the County Agricultural Commissioner's Office to discuss appropriate buffering options.

Annexation to Calleguas Municipal Water District

We also discussed LAFCo Handbook Section 3.2.2, which would require annexation of the site to the Calleguas Municipal Water District (MWD) prior to, or concurrently with, annexation to the City. For your additional information, any territory that is to be annexed to Calleguas MWD must also be annexed to the Metropolitan Water District, although annexations to Metropolitan do not require LAFCo approval.

CEQA

LAFCo, the City of Oxnard, Calleguas MWD, and Metropolitan Water District will each have discretionary approval authority over certain aspects of the project. More specifically, the following agency actions would be subject to CEQA:

- Metropolitan Water District
 - Annexation of the site
- Calleguas MWD
 - Annexation of the site
- City of Oxnard
 - Amend the general plan and adopt a rezoning designation
 - Adopt a resolution of application to initiate LAFCo proceedings to amend the SOI and annex the site
- LAFCO
 - Annexation of the site to Calleguas MWD
 - Amendment of the SOI for the City of Oxnard
 - Annexation of the site to the City of Oxnard

The District's environmental consultant is in the process of preparing an EIR. As agencies that will have discretionary approval authority over certain aspects of the project, LAFCo, the City of Oxnard, Calleguas MWD, and Metropolitan are responsible agencies for the project pursuant to CEQA. Responsible agencies must be provided with a notice of preparation (NOP) immediately after the decision is made that an EIR is required so that each agency can provide details about the scope and content of the EIR related to the agency's statutory responsibility (CEQA Guidelines 15082(a)). As conveyed in our meeting, LAFCo will appreciate the opportunity to review the NOP and subsequent draft EIR.

Again, thank you for taking the time to meet with me. Please feel free to contact me should you have any questions.

Sincerely,



Kai Luoma, AICP
Deputy Executive Officer

Attachments

C: LAFCo Commissioners
Kim Rodriguez, County of Ventura RMA, Planning Division
Matthew Winegar, City of Oxnard
Chris Williamson, City of Oxnard
Nelson Hernandez, City of Ventura
Cy Johnson, Calleguas MWD
Henry Gonzales, Agricultural Commissioner's Office



September 18, 2009

Board of Trustees
Oxnard Unified High School District
309 S. "K" Street
Oxnard, CA 93030

Subject: Proposed High School Site – Victoria Avenue and Wooley Road

Dear President Stocks and Members of the Board:

Ventura Local Agency Formation Commission (LAFCo) staff understands that the Oxnard Union High School District is pursuing development of a new high school and that of three sites under consideration, the preferred site is located at the northwest corner of Victoria Avenue and Wooley Road. In light of the pending discussion of this site at your September 23 Board meeting, I am writing to provide information about LAFCo's role in conjunction with the provision of public services to the site by the City of Oxnard. Please note that these comments are solely those of the LAFCo staff; the Commission has not had an opportunity to review the project.

The state legislature established LAFCos to encourage the orderly formation of local governmental boundaries, preserve agricultural and open space lands, reduce urban sprawl, and ensure the efficient provision of public services. LAFCos operate at a local level, although our specific responsibility is to implement certain provisions of state law (California Government Code Section 56000 et seq.). While LAFCo does not regulate school district boundaries, most other local public agencies are subject to LAFCo authority, including those that typically provide services to schools (such as cities and special districts).

As shown on the enclosed map, the preferred school site is located outside of the sphere of influence and municipal boundaries of the City of Oxnard. Therefore, before the City could provide public services (e.g., domestic water and wastewater collection and treatment) to the school, it must first obtain LAFCo approval. Such approval must be consistent with the requirements of state law and local LAFCo policies. In matters that will require LAFCo action, our practice is to meet with property owners and prospective applicants and other interested parties to provide information about our requirements as early in the process as possible. To this end, LAFCo staff met with District staff in April, 2009 soon after we learned of the District's planned acquisition of the site. LAFCo staff also attended a meeting on September 11, 2009 with staff from the City of Oxnard and the District's architecture firm, at which some of the following information was discussed.

Service Options

Based on the information we know at this point, it appears that there are two options through which the City of Oxnard might obtain authorization to provide services to the school, both of which require LAFCo approval: 1) extraterritorial service agreement; or 2) annexation of the school site to the City. California Government Code Section 56133 provides, in part, that a city or special district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the LAFCo in the affected county. LAFCo may authorize a city to provide new or extended services outside its jurisdictional boundaries *but within its sphere of influence* in anticipation of a later change of organization (emphasis added). For territory located *outside* of a city's sphere of influence boundary, as is the proposed high school site, Section 56133(c) provides for LAFCo authorization of new or extended services only in response to an existing or impending threat to the public health or safety of the residents of the affected territory. As there are no residents living in the affected territory, approval of such an agreement would be unlikely. Moreover, it should be noted that the Ventura LAFCo has adopted policies reflecting the Commission's preference for annexations to cities over the approval of extraterritorial service agreements. Since annexation of the school site is possible by virtue of its contiguity with the City boundary, LAFCo staff would be unlikely to support approval of an extraterritorial service agreement.

Annexation to the City of Oxnard

To be annexed to the City of Oxnard, the school site would need to be within the sphere of influence for the City. As such, the City would need to request approval of both a sphere of influence amendment and annexation from LAFCo. Based on our understanding of the project thus far, the City would need to take the following actions prior to submitting a resolution of application to LAFCo:

- *General Plan Amendment* – The City's General Plan Land Use Element designates the site as "Other/Ventura County" and as "Agriculture". Neither designation identifies schools as a permitted use. The City's Open Space Plan (Open Space/Conservation Element) identifies the site as "Open Space". A school is not an open space use. The Ventura LAFCo Commissioner's Handbook (Handbook) Section 2.5.1.1 provides that LAFCo will not approve a proposal unless it is consistent with the City's General Plan. Therefore, it appears that the City would need to amend its General Plan Land Use Element and Open Space Plan.
- *Local Coastal Program Compliance* – The site is within the Coastal Zone, as identified by the California Coastal Act. Pursuant to the Act, the City of Oxnard has adopted a Local Coastal Program (LCP) and coastal zoning ordinance (CZO), which regulate land use in the Coastal Zone. Although school districts are authorized to exempt themselves from non-coastal local land use authority,

no such exemption appears to exist for lands within the Coastal Zone. As such, it appears that development of a school on the preferred site may be subject to the LCP and CZO. Currently the LCP identifies the site as agricultural, which would preclude the development of schools or other urban development. As a result, it appears that the City would need to amend the LCP and CZO. In addition, Section 30514 of the Coastal Act provides that the Coastal Commission must certify any amendments to LCPs and CZOs.

- *Prezoning* – Prior to submitting an application to LAFCo, the City would need to prezone the site (Government Code §56375(a)(7)). However, none of the zoning designations within the City's CZO appear to allow for schools. As such, the City and Coastal Commission may need to approve an amendment to the CZO before the City could approve development of a school.
- *Approval of Entitlements* – If the City retains land use authority over the development of the school, the City would have to approve the necessary land use entitlement such as a Coastal Development Permit.
- *Greenbelt Amendment* – The proposal site is within the Oxnard-Ventura Greenbelt, a three-party agreement between the City of Oxnard, the City of San Buenaventura, and the County of Ventura. LAFCo Handbook Section 2.5.3 provides that LAFCo will not approve a proposal from a city that is in conflict with any Greenbelt Agreement unless exceptional circumstances exist. As such, we recommend that all parties be consulted early in the process to begin discussions regarding a Greenbelt amendment.
- *City Urban Restriction Boundary Amendment* – The site is outside the City's urban restriction boundary (CURB). Handbook Section 2.5.1.2 states that LAFCo will not approve a proposal unless it is consistent with such ordinances. The City will be responsible for determining whether a CURB amendment will be necessary to allow annexation and development of the site for a school.

California Environmental Quality Act Compliance – If the City of Oxnard will retain primary responsibility for the land use decisions associated with the school project, we recommend that the District consult with the City to determine which agency would be the most appropriate to serve as the CEQA Lead Agency. LAFCo, which has discretionary authority over aspects of the project, would be a Responsible Agency.

Annexation to Calleguas Municipal Water District

Handbook Section 3.2.2 requires that an annexation to the City of Oxnard shall only be considered and approved if the subject territory is already within the Calleguas Municipal Water District (MWD), or is approved concurrently with an annexation to the Calleguas MWD. Because the school site is outside of the boundaries of the Calleguas MWD, it would need to be annexed. Since Calleguas will likely initiate annexation as a

separate process, I encourage the District to consult with Calleguas staff as early as possible if your staff has not done so already.

We hope that the Board finds these comments helpful as it seeks an appropriate location for a new high school. Please feel free to contact me should have any questions.

Sincerely,



Kim Uhlich
Executive Officer

Enclosure

c: LAFCo Commissioners
Dr. Bob Carter, Oxnard Union High School District
Matt Winegar, City of Oxnard, Development Services
Chris Williamson, City of Oxnard, Development Services
Jeff Lambert, City of San Buenaventura, Community Development
Chris Stephens, County of Ventura, RMA
Cy Johnson, Calleguas Municipal Water District

DIVISION 3 – CHANGES OF ORGANIZATION AND REORGANIZATION

CHAPTER 2 – SPECIFIC POLICIES

SECTION 3.2.4 CONFORMANCE WITH LOCAL PLANS AND POLICIES

3.2.4.1 Consistency with General and Specific Plans: Unless exceptional circumstances are shown, LAFCo will not approve a proposal unless it is consistent with the applicable general plan and any applicable specific plan. For purposes of this policy, the applicable general plan is as follows:

- (a) For proposals by a city, the general plan of the city.
- (b) For proposals by a district, where the affected territory lies within an adopted sphere of influence of a city, the general plan of the city.
- (c) For proposals by a district, where the affected territory lies outside an adopted city sphere of influence, the Ventura County General Plan.

3.2.4.2 Consistency With Ordinances Requiring Voter Approval: For cities that have enacted ordinances that require voter approval for the extension of services or for changing general plan designations, LAFCo will not approve a proposal unless it is consistent with such ordinances and voter approval has first been granted, or unless exceptional circumstances are shown to exist.

3.2.4.4 Greenbelts: The County of Ventura and various cities in the County have adopted Greenbelt Agreements for the purposes of preserving agriculture and/or open space, providing separation between cities, and/or limiting the extension of urban services. The Ventura LAFCo is not a direct party to these Greenbelt Agreements, but has endorsed them as statements of local policy. As such, LAFCo will not approve a proposal from a city that is in conflict with any Greenbelt Agreement unless exceptional circumstances are shown to exist. LAFCo encourages that Greenbelt Agreements be amended by all parties involved prior to the filing of any proposal that may be in conflict with the Agreements.

CHAPTER 3 – STANDARDS

SECTION 3.3.1 GENERAL STANDARDS FOR ANNEXATION TO CITIES AND DISTRICTS

3.3.1.1 Factors Favorable To Approval:

- (a) The proposal would eliminate islands, corridors, or other distortion of existing boundaries.
- (b) The affected territory is urban in character or urban development is imminent, requiring municipal or urban-type services.
- (c) The affected territory can be provided all urban services by the city or district as shown by the city's or district's service plans and the proposal would enhance the efficient provision of urban services.
- (d) The proposal is consistent with state law, adopted spheres of influence, applicable general and specific plans, and these policies.
- (e) The proposal is for the annexation of city or district owned property, used or to be used for public purposes.

3.3.1.2 Factors Unfavorable To Approval:

- (a) The proposal would create or result in corridors, peninsulas, or flags of city or district area or would otherwise cause or further the distortion of existing boundaries.
- (b) The proposal would result in a premature intrusion of urbanization into a predominantly agricultural or rural area.
- (c) The proposal is inconsistent with state law, adopted spheres of influence, adopted general or specific plans, adopted habitat conservation and/or restoration plans, other applicable plans adopted by any governmental agency, or these policies.
- (d) For reasons of topography, distance, natural boundaries, or like considerations, the extension of services would be financially infeasible, or another means of supplying services by acceptable alternatives is preferable.
- (e) Annexation would encourage a type of development in an area that due to terrain, isolation, or other economic or social reason, is not in the public interest.
- (f) The proposal appears to be motivated by inter-agency rivalry or other motives not in the public interest.
- (g) The proposed boundaries do not include logical service areas or are otherwise improperly drawn.
- (h) The proposal area would accommodate new development and includes a tsunami inundation zone, wildfire hazard zone, FEMA designated floodway or floodplain, or other hazardous area designated by federal, state or local public agencies, unless the Commission determines that the hazard or hazards can be adequately mitigated.
- (i) The proposal will result in an unacceptable significant adverse impact(s) to the environment as determined by the Commission.

SECTION 3.3.5 AGRICULTURE AND OPEN SPACE PRESERVATION

3.3.5.1 Findings and Criteria for Prime Agricultural and Open Space Land Conversion: LAFCo will approve a proposal for a change of organization or reorganization which is likely to result in the conversion of prime agricultural or open space land use to other uses only if the Commission finds that the proposal will lead to planned, orderly, and efficient development. For the purposes of this policy, a proposal for a change of organization or reorganization leads to planned, orderly, and efficient development only if all of the following criteria are met:

- (a) The territory involved is contiguous to either lands developed with an urban use or lands which have received all discretionary approvals for urban development.
- (b) The territory is likely to be developed within 5 years and has been pre-zoned for non-agricultural or open space use. In the case of very large developments, annexation should be phased wherever possible.
- (c) Insufficient non-prime agricultural or vacant land exists within the existing boundaries of the agency that is planned and developable for the same general type of use.
- (d) The territory involved is not subject to voter approval for the extension of services or for changing general plan land use designations. Where such voter approval is required by local ordinance, such voter approval must be obtained prior to LAFCo action on any proposal unless exceptional circumstances are shown to exist.
- (e) The proposal will have no significant adverse effects on the physical and economic integrity of other prime agricultural or open space lands.

3.3.5.2 Findings that Insufficient Non-Prime Agricultural or Vacant Land Exists: The Commission will not make affirmative findings that insufficient non-prime agricultural or vacant land exists within the boundaries of the agency unless the applicable jurisdiction has prepared a detailed alternative site analysis which at a minimum includes:

- (a) An evaluation of all vacant, non-prime agricultural lands within the boundaries of the jurisdiction that could be developed for the same or similar uses.
- (b) An evaluation of the re-use and redevelopment potential of developed areas within the boundaries of the jurisdiction for the same or similar uses.
- (c) Determinations as to why vacant, non-prime agricultural lands and potential re-use and redevelopment sites are unavailable or undesirable for the same or similar uses, and why conversion of prime agricultural or open space lands are necessary for the planned, orderly, and efficient development of the jurisdiction.

3.3.5.3 Impacts on adjoining prime agricultural or open space lands: In making the determination whether conversion will adversely impact adjoining prime

agricultural or open space lands, the Commission will consider the following factors:

- (a) The prime agricultural and open space significance of the territory and adjacent areas relative to other agricultural and open space lands in the region.
- (b) The economic viability of the prime agricultural lands to be converted.
- (c) The health and well being of any urban residents adjacent to the prime agricultural lands to be converted.
- (d) The use of the territory and the adjacent areas.
- (e) Whether public facilities related to the proposal would be sized or situated so as to facilitate the conversion of prime agricultural or open space land outside of the agency's sphere of influence, or will be extended through prime agricultural or open space lands outside the agency's sphere of influence.
- (f) Whether natural or man-made barriers serve to buffer prime agricultural or open space lands outside of the agency's sphere of influence from the effects of the proposal.
- (g) Applicable provisions of local general plans, applicable ordinances that require voter approval prior to the extension of urban services or changes to general plan designations, Greenbelt Agreements, applicable growth-management policies, and statutory provisions designed to protect agriculture or open space.
- (h) Comments and recommendations by the Ventura County Agricultural Commissioner.

DIVISION 4 – SPHERES OF INFLUENCE

CHAPTER 3 – STANDARDS FOR DETERMINING, UPDATING AND AMENDING SPHERE OF INFLUENCE BOUNDARIES

SECTION 4.3.3 CRITERIA FOR CITY SPHERE OF INFLUENCE AMENDMENTS FOR SCHOOLS

4.3.3.1 City and School District Collaborative Planning: To ensure that the affected city and school district(s) have engaged in good faith, collaborative long range planning for school sites, LAFCo will consider the following criteria when reviewing proposals for city sphere of influence amendments: (Amended October 16, 2002)

- (a) Whether a school site committee, made up of the affected city and school officials have been meeting to engage in discussions and long range planning and the meetings are ongoing.
- (b) Whether the affected city has discussed all major development proposals with the school district.
- (c) Whether the affected city has a policy of considering school capacity and location when reviewing major development proposals and long range plans.

- (d) Whether an official inventory of all potential sites has been evaluated and has been subject to public review.
- (e) Whether the affected city general plan and specific plans include adequate and appropriate school locations.
- (f) Whether school siting has been addressed in the last five years of development in the affected city.
- (g) Whether the proposed sphere of influence change may be unnecessary if the affected city is considering expansions to the sphere of influence or city urban growth boundary.

4.3.3.2 Options Exhausted: To ensure that the affected school district(s) have exhausted options within the existing sphere of influence or city urban growth boundary, LAFCo will consider the following criteria when reviewing proposals for city sphere of influence amendments: (Amended October 16, 2002)

- (a) Whether the affected school district(s) has a long-range facility plan.
- (b) Whether the affected school district(s) has prepared an inventory and evaluation of all district-owned facilities.
- (c) Whether the affected school district(s) has considered joint use facilities with other entities, cities, parks, and other public institutions.
- (d) Whether the affected school district(s) has evaluated all undeveloped land within the affected city's sphere of influence or city urban growth boundary.
- (e) Whether the affected school district(s) has, after consideration of the safety and health of the children, considered asking for any appropriate exceptions from State of California school size guidelines.
- (f) Whether the school district has considered and eliminated multi-story school buildings as an option.

4.3.3.3 Overall Planning Issues Addressed: To ensure that the affected city and school district(s) have addressed overall planning issues, LAFCo will consider the following

criteria when reviewing proposals for city sphere of influence amendments: (Amended October 16, 2002)

- (a) Whether there are unique safety and health concerns of the proposal.
- (b) Whether the proposed new school site is considered growth inducing.
- (c) Whether the proposal adversely affects agriculture and/or provides buffers between the school site and adjacent agriculture.
- (d) Whether the proposed school site is the best site available when considering logical, orderly, and efficient city boundaries and adopted greenbelts.
- (e) Whether the affected city is willing to support expanding the urban growth boundary to accommodate the development site, including requesting a citizen's vote if necessary.
- (f) Whether the affected school district(s), after an unsuccessful vote for approval, indicates that the school site must be sited outside the existing urban growth boundary.