



VENTURA LOCAL AGENCY FORMATION COMMISSION

AGENDA

Wednesday April 16, 2014

9:00 A.M.

Hall of Administration, Board of Supervisors Hearing Room
800 S. Victoria Avenue, Ventura CA

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. The Executive Officer or any member of the Commission may request that the order of business be changed to accommodate a special circumstance (*Commissioner's Handbook Section 1.3.3.1*).
5. Commission Presentations and Announcements
 - A. Presentation to Supervisor Kathy Long for her many years of service to LAFCo
 - B. Introduction of Andrea Ozdy, LAFCo's new Analyst

PUBLIC COMMENTS

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

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

COMMISSIONERS AND STAFF

COUNTY: Linda Parks, Chair John Zaragoza <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Carol Smith	DISTRICT: Bruce Dandy Vacant <i>Alternate:</i> Elaine Freeman	PUBLIC: Linda Ford-McCaffrey, Vice Chair <i>Alternate:</i> Lou Cunningham
Executive Officer: Kai Luoma, AICP	Analyst Andrea Ozdy	Office Mgr/Clerk Debbie Schubert	Legal Counsel Michael Walker

INFORMATIONAL ITEMS

Applications Received:

LAFCo 14-07 OASA Lake Sherwood Community Services District - Valestrino

COMMISSIONER COMMENTS

ADJOURNMENT

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.



VENTURA LOCAL AGENCY FORMATION COMMISSION

MEETING MINUTES

Wednesday February 19, 2014

Agenda Item 7

Hall of Administration, Board of Supervisors Hearing Room
800 S. Victoria Avenue, Ventura

1. Call to Order

Chair Parks called the meeting to order at 9:00 AM.

3. Roll Call

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

Commissioner Dandy	Commissioner Pringle
Commissioner Ford-McCaffrey	Commissioner Zaragoza
Commissioner Morehouse	Alternate Commissioner Cunningham
Commissioner Parks	Alternate Commissioner Freeman
Commissioner Parvin	

2. Pledge of Allegiance

Commissioner Pringle led the pledge of allegiance.

4. Commission Presentations and Announcements

Chair Parks welcomed Supervisor John Zaragoza as a County Member starting a new four year term, formerly held by Supervisor Kathy Long. In appreciation of her many years of LAFCo service, resigning Special District Member Gail Pringle was presented a plaque by Chair Parks on behalf of the Commission. Unable to attend today, Supervisor Kathy Long will be honored for her years of service on LAFCo at the Commission's April 16 meeting.

Chair Parks asked that an "Agenda Review" item be added to each agenda giving the Commission an opportunity to change the order of items being considered.

PUBLIC COMMENTS

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

There were no public comments.

COMMISSIONERS AND STAFF

COUNTY: Linda Parks, Chair John Zaragoza <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Carol Smith	DISTRICT: Bruce Dandy Gail Pringle <i>Alternate:</i> Elaine Freeman	PUBLIC: Linda Ford-McCaffrey, Vice Chair <i>Alternate:</i> Lou Cunningham
Executive Officer: Kai Luoma, AICP	Analyst/Dep. Exec. Officer Vacant	Office Mgr/Clerk Debbie Schubert	Legal Counsel Michael Walker

CONSENT ITEMS

6. Minutes of the Ventura LAFCo January 15, 2014 Meeting
7. Budget to Actual Reports: December 2013 and January 2014
MOTION: Approval of Item 6 and receive and file Item 7: Pringle
SECOND: Parvin
AYES: Dandy, Ford-McCaffrey, Morehouse, Parks, Parvin, Pringle
NOES: None
ABSTAINED: Zaragoza
MOTION PASSES 6/0/1

ACTION ITEM

8. Presentation by Ventura County Assistant Auditor-Controller Jeffery Burgh Regarding Federal Tax Withholding from Commissioner Stipends
The Commission received a presentation from Jeff Burgh, Ventura County Assistant Auditor-Controller, regarding federal tax withholding from Commissioner stipends.

PUBLIC HEARING ITEMS

12. LAFCo 13-14S and 13-14 Ventura River County Water District Sphere of Influence Amendment and Reorganization – Boundary Cleanup (Parcels A-F)
Chair Parks opened the public hearing. Kai Luoma presented the staff report. There were no public speakers. Chair Parks closed the public hearing.
MOTION: Approval of A and B as recommended: Morehouse
SECOND: Dandy
AYES: Dandy, Ford-McCaffrey, Morehouse, Parks, Parvin, Pringle, Zaragoza
NOES: None
ABSTAINED: None
MOTION PASSES 7/0/0

ACTION ITEMS (Continued)

9. LAFCo 13-15 City of Oxnard Reorganization/Calleguas Municipal Water District Annexation – East Village Phase III
Kai Luoma presented the staff report. Chris Williamson, Principal Planner with the City of Oxnard, answered questions from the Commission.
MOTION: Approval as recommended: Zaragoza
SECOND: Dandy
AYES: Dandy, Ford-McCaffrey, Morehouse, Parks, Parvin, Pringle, Zaragoza
NOES: None
ABSTAINED: None
MOTION PASSES 7/0/0

10. LAFCo 13-16 Lake Sherwood Community Services District – Formation of County Waterworks District No. 38

Kai Luoma presented the staff report. There were no public speakers

MOTION: Direct staff to request the Lake Sherwood Community Services District (CSD) Board to submit to LAFCo as part of the formation of a Waterworks District (WWD) application proposal: 1) An adopted property tax exchange agreement between the proposed WWD and the County of Ventura; 2) a request for a divestiture of water service from the CSD; 3) consent that the Commission may consider as a condition of approval of the formation of the Waterworks District that an application be filed requesting the determination of the sphere of influence for the district prior to the recording of the Certificate of Completion; 4) a request to waive Commissioner’s Handbook Policy Section 3.1.5 – Preferred Service Providers, with applicable fees; and 5) consent to waive protest proceedings and go directly to a special election: Parks

SECOND: Morehouse

AYES: Dandy, Ford-McCaffrey, Morehouse, Parks, Parvin, Pringle, Zaragoza

NOES: None

ABSTAINED:None

MOTION PASSES 7/0/0

11. Cancel the March 19, 2014 Regular LAFCo meeting

MOTION: Approval as recommended: Ford-McCaffrey

SECOND: Zaragoza

AYES: Dandy, Ford-McCaffrey, Morehouse, Parks, Parvin, Pringle, Zaragoza

NOES: None

ABSTAINED:None

MOTION PASSES 7/0/0

EXECUTIVE OFFICER’S REPORT

The next LAFCo meeting is April 16, 2014

COMMISSIONER COMMENTS

Commissioner Zaragoza commented that he was happy to be back on LAFCo after service as a City Member from 2000-2008.

ADJOURNMENT:

Chair Parks adjourned the meeting at 10:12 A.M.

These Minutes were approved on April 16, 2014.

Motion:

Second:

Ayes:

Nos:

Abstains:

Date

Chair, Ventura Local Agency Formation Commission

DRAFT



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: April 16, 2014

(Consent)

Agenda Item 8

**LAFCo CASE
NAME & NO:**

LAFCo 14-06 City of Thousand Oaks Reorganization – Miller Ranch

PROPOSAL:

To annex an approximately 27-acre Assessor parcel (690-0-340-025) to the City of Thousand Oaks to allow for the development of a residential subdivision approved by the City in January 2014. The subdivision consists of 13 single-family residential lots and 2 lots to be used for landscape and/or open space purposes. The same territory is proposed to be detached from the Ventura County Resource Conservation District and County Service Area No. 32 (CSA 32).

SIZE:

Approximately 27 acres.

LOCATION:

The proposal area is surrounded by the City of Thousand Oaks on all sides and is located northeast of the intersection of Upper Ranch Road and Kanan Road in the eastern portion of the City (see Attachments 1 and 2). The site is within the sphere of influence for the City, as well as the Thousand Oaks City Urban Restriction Boundary (CURB).

PROPONENT:

City of Thousand Oaks by resolution.

NOTICE:

This matter has been noticed as prescribed by law.

RECOMMENDATIONS

1. Certify that the Commission has reviewed and considered the information contained in the environmental impact report entitled “Final Environmental Impact Report No. 330 – Miller Ranch Residential Project” prepared by the City as lead agency.
2. Adopt the attached resolution LAFCo 14-06 making determinations and approving the City of Thousand Oaks Reorganization – Miller Ranch.

COMMISSIONERS AND STAFF

COUNTY:
Linda Parks, Chair
John Zaragoza
Alternate:
Steve Bennett

CITY:
Carl Morehouse
Janice Parvin
Alternate:
Carol Smith

DISTRICT:
Bruce Dandy
Vacant
Alternate:
Elaine Freeman

PUBLIC:
Linda Ford-McCaffrey, Vice Chair
Alternate:
Lou Cunningham

Executive Officer:
Kai Luoma, AICP

Analyst
Andrea Ozdy

Office Mgr/Clerk
Debbie Schubert

Legal Counsel
Michael Walker

DESCRIPTION OF PROPOSAL

The proposal is to annex a 27-acre Assessor parcel to the City of Thousand Oaks to allow for the development of a residential subdivision approved by the City Council on January 14, 2014. The subdivision consists of 13 single-family residential lots ranging in size from 1 to 2.35 acres. Two lots (2.5 and 7 acres) which will be owned and maintained by a homeowners association, are to be used for landscape and/or open space purposes.

The same territory is proposed to be detached from the Ventura County Resource Conservation District and CSA 32. The Resource Conservation District provides soil and water conservation services to unincorporated County areas only. CSA 32 monitors and regulates individual sewage disposal systems outside cities and sanitation districts.

GENERAL ANALYSIS

1. Land Use

Site Information

The site currently supports one existing single-family residence and several accessory structures. The remaining areas have historically been ranched.

The proposal area currently has a County General Plan land use designation of Open Space-Urban Reserve, and a zoning designation of Open Space, 20 acre minimum parcel size. Once annexed to the City of Thousand Oaks, the proposal area would have a City General Plan land use designation of Very Low Density Residential – 0-2 dwelling units per net acre, and a zoning designation of RPD-0.5U-SFD (Residential Planned Development – 0.5 dwellings per net acre – single family detached homes).

Surrounding Land Uses and Zoning and General Plan Designations

The proposal area is surrounded on all sides by the City of Thousand Oaks. The proposal area abuts urban development to the west and south, and open space to the north and east, as follows:

	Current use	City General Plan	City Zoning
North	Open Space	Existing Parks, Golf Courses	Open Space with Protected Ridgeline Overlay Zone (OS-PR)
South	Single-Family Residential	Very Low Density Residential	Residential Planned Development – 1.5 dwellings per net acre – Specific Plan (RPD 1.5 U-SP)

East	Vacant/Open Space	Very Low Density Residential	Residential Planned Development – 1.5 dwellings per net acre – Specific Plan (RPD 1.5 U-SP)
West	Single-Family Residential	Very Low Density Residential	Residential Planned Development – 1.5 dwellings per net acre – Specific Plan (RPD 1.5 U-SP)

The subject proposal will not affect surrounding zoning or general plan designations.

Topography, Natural Features and Drainage

According to the application materials submitted, the proposal area consists of low to moderate slopes, and contains some areas where slopes exceed 25%. Vegetation within the proposal area consists primarily of native and nonnative grasses and also includes a limited number of native oak and other trees. Historical ranching activities on the site have resulted in disturbance to natural vegetation and changes in topography.

Conformity with Plans

The proposed development within the proposal area would be consistent with the City’s General Plan.

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

In evaluating impacts to agricultural resources, LAFCo must utilize the definition of prime agricultural land found in LAFCo law (Govt. Code § 56064). The proposal area is not being used for agricultural purposes and does not contain soils types considered to be prime, pursuant to soils survey data available from the Natural Resources Conservation Service. Additionally, there are no active Land Conservation Act contracts within the proposal area. Therefore, annexation of the proposal area to the City of Thousand Oaks would not result in the conversion of agriculture or prime agricultural land to urban uses.

In evaluating impacts to open space land, LAFCo must utilize the definition of open space found in LAFCo law (Govt. Code § 56059). The definition of open space includes, in part, that the area must be “devoted to an open space use” as defined in Govt. Code § 65560, including open space for the preservation of natural resources and for outdoor recreation. The County General Plan designates the proposal area as Open Space – Urban Reserve. However, pursuant to Commissioner’s Handbook Section 3.2.4.1, “Unless exceptional circumstances shown, LAFCo will not approve a proposal unless it is consistent with the applicable general plan...” For proposals made by cities, the applicable general plan is that of the city. The proposal area is designated by the City General Plan as Very Low Density Residential. Therefore, the proposal area does not consist of open space that would be converted to urban use as a result of annexation to the City.

3. Population

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

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

The City of Thousand Oaks established the allowable land uses for the proposal area. It appears that the proposed development is consistent with the City's General Plan.

Fire Protection Services: The Ventura County Fire Protection District provides fire protection services within the City's jurisdiction. The closest fire station to the proposal area is located at 2010 Upper Ranch Road, at the intersection of Upper Ranch Road and Kanan Road, approximately 115 feet from the proposal area.

According to the application materials submitted, the citywide average emergency response time is 5 minutes 2 seconds, and the expected response time for service calls to the proposal area is 2 minutes. Future development within the proposal area will increase demands for fire protection and related services. However, due to the proximity of the proposal area to an existing fire station, it is anticipated that emergency response times to the additional residences will be less than the City's average.

Law Enforcement: The Ventura County Sheriff's Department provides law enforcement services within the City. According to the 2012 Municipal Service Review (MSR) for the City of Thousand Oaks, in 2007-2008, the Sheriff's Department provided 1 sworn officer per 1,289 residents. The 2012 MSR projected that in 2012, the Sheriff's Department would provide 1 sworn officer per 1,377 residents. The application materials submitted indicate that development of the proposal area is expected to increase the City's population by approximately 49 residents. In order to maintain the City's current ratio of officers to residents, no additional officers would be required once the proposal area is developed.

Library Services: The City of Thousand Oaks provides library services within the City and operates two libraries: the Grant R. Brimhall Library and the Newbury Park Branch Library. The Grant R. Brimhall Library, which is the City library located closest to the proposal area, is approximately two miles east of the proposal area. Library services are funded through the City's General Fund and property tax revenues. According to the 2012 MSR, the 2012-2013 per capita cost for library services in the City was expected to be \$59.65.

Recreation and Parks Services: The Conejo Recreation and Parks District provides recreation and park services within the City of Thousand Oaks. Additionally, the

Conejo Open Space Conservation Agency (COSCA) manages natural open space within the Conejo Valley, as authorized through a joint powers agreement between the City of Thousand Oaks and the Conejo Recreation and Parks District. The proposal area is located in the vicinity of the North Ranch Trail, which is operated by COSCA. According to the application materials submitted, development of the proposal area would result in an additional 49 residents who would have access to existing recreation and parks facilities.

Schools: The proposal area would be served by Westlake Hills Elementary School, Colina Middle School, and Westlake High School, within the Conejo Valley Unified School District. Attendance at Colina Middle School and Westlake High School currently exceed design capacity. The number of students generated from development of the proposal area would further impact these schools. The developer will be required to pay a school impact mitigation fee. Pursuant to state law, payment of this fee is deemed sufficient to mitigate all impacts to school facilities. If the fee is paid, LAFCo cannot deny a proposal based on a lack of school capacity, regardless of whether the mitigation fee is or is not adequate to address the school capacity issue.

Street Maintenance: The proposal does not include any new public streets. The developer will be responsible for constructing all private road infrastructure, and the homeowners association will be responsible for ongoing road maintenance of the private roads within the proposal area. Therefore, the City would not be responsible for any new road maintenance services.

Wastewater: According to the Environmental Impact Report (EIR) prepared for the project, Hill Canyon Wastewater Treatment Plant, operated by the City of Thousand Oaks, will provide sewer service to the proposal area. According to the “*Nine Ventura County Cities*” MSR adopted by the Commission in 2012, the Hill Canyon Wastewater Treatment Plant has a current capacity of 14 million gallons per day with average daily flows of approximately 10.5 million gallons. According to the EIR prepared for the project, build-out of the project will generate approximately 0.002 million gallons per day. Therefore, it appears that Hill Canyon Wastewater Treatment Plant has adequate capacity to serve development within the proposal area.

The development within the proposal area will require connection to the existing sewer system in two locations: (1) at the intersection of Kanan Road and Miller Ranch Drive, and (2) on Upper Ranch Road, approximately 350 feet north of Kanan Road. The project will require an approximately 600-foot extension of an existing sewer mainline, which will connect to the closest sewer trunkline approximately 15,000 feet from the proposal area. According to the EIR, the existing sewer system has adequate capacity to serve development of the proposal area. The developer will finance the initial sewer infrastructure within the proposal area at the time of development. On-going maintenance service will be provided by the City of

Thousand Oaks, and will be financed through connection fees and other service fees.

Water: According to the application materials, California Water Service Company will provide domestic water service to the proposal area. California Water Service currently provides approximately 9,800 acre feet of potable water per year to a large area within the eastern portion of the City. California Water Service has indicated that it has sufficient long-term water supply to serve the proposal area with the estimated necessary 18.3 acre feet per year. California Water Service is a water retailer that receives water wholesale from the Calleguas Municipal Water District (CMWD). The proposal area is within the boundaries of CMWD. Therefore, it appears that California Water Service has adequate long-term water supplies to serve the proposal area.

Potable water will be provided within the proposal area by means of a water mainline extended approximately 1,265 feet from the existing water mainline that serves the adjacent areas within the City. The developer will finance initial infrastructure installation at the time of development. On-going maintenance within the development will be provided by the homeowners association.

5. Boundaries and Lines of Assessment

County Surveyor review and certification of the map and legal description as being accurate and sufficient for the preparation of a Certificate of Completion pursuant to Govt. Code § 57201 and for filing with the State Board of Equalization are in progress but have not been completed as of the date this report was finalized.

Commissioner's Handbook Sections 3.1.4.2 and 3.1.4.3 provide that the boundaries of a proposal shall follow lines of assessment or ownership and that a proposal involve only legal lots. The proposal boundary follows lines of assessment or ownership and staff has no information to indicate that any of the subject lot was not legally created.

6. Environmental Impact of the Proposal

An Environmental Impact Report (EIR) was prepared for the project and provided to the Commission under separate cover. It is discussed later in this report under the *California Environmental Quality Act* section.

7. Regional Housing Needs

The proposal will allow for the development of up to 13 residences. Pursuant to the application materials submitted, the City's General Plan Housing Element does not identify the site as one needed in order for the City to meet its regional housing needs obligation.

8. Environmental Justice

There are no communities adjacent to the proposal area that do not already receive City services. Staff has determined that approval of the proposal would not result in the unfair treatment of any person based on race, culture or income with respect to the provision of municipal services to the proposal area.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The Miller Ranch subdivision was approved by the City Council on January 14, 2014, at which time the EIR was certified. The EIR focused on the following issues:

- Aesthetics
- Air quality
- Biological resources
- Cultural resources
- Geology and soils
- Hazards and Hazardous Materials
- Hydrology and water quality
- Land use planning
- Noise
- Population and housing
- Public services
- Transportation and traffic
- Utilities and Services Systems

The EIR determined that the project would not result in significant impacts that could *not* be mitigated to less-than-significant levels.

COMMISSION PROCEEDINGS – PROCESS CONSIDERATIONS

Pursuant to Govt. Code § 56662(a), the Commission may make determinations on the proposal without notice and a hearing and can waive protest proceedings entirely if the following criteria are met:

- (1) The territory is uninhabited.
- (2) An affected local agency has not submitted a written demand for notice and hearing during the 10-day period following the issuance of the notice of Receipt of Application.
- (3) The proposal is accompanied by proof, satisfactory to the Commission, that all the owners of land within the affected territory have given their written consent to the proposal.

As indicated in the *Population* section of this report, the proposal area is considered to be uninhabited. No affected agency has submitted a written demand for notice and hearing. The property owners of the land within the proposal area are the proponents of the development and the annexation. Staff recommends that the Commission consider the proposal without notice and a hearing, and waive protest proceedings entirely. The resolution approving the annexation contains the appropriate language to waive protest proceedings.

ALTERNATIVE ACTIONS AVAILABLE:

- A. If the Commission, following public testimony and review of the materials submitted, determines that further information is necessary, a motion to continue the reorganization 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 reorganization proposal should be modified, or that 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 boundary changes and/or 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 reorganization 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.

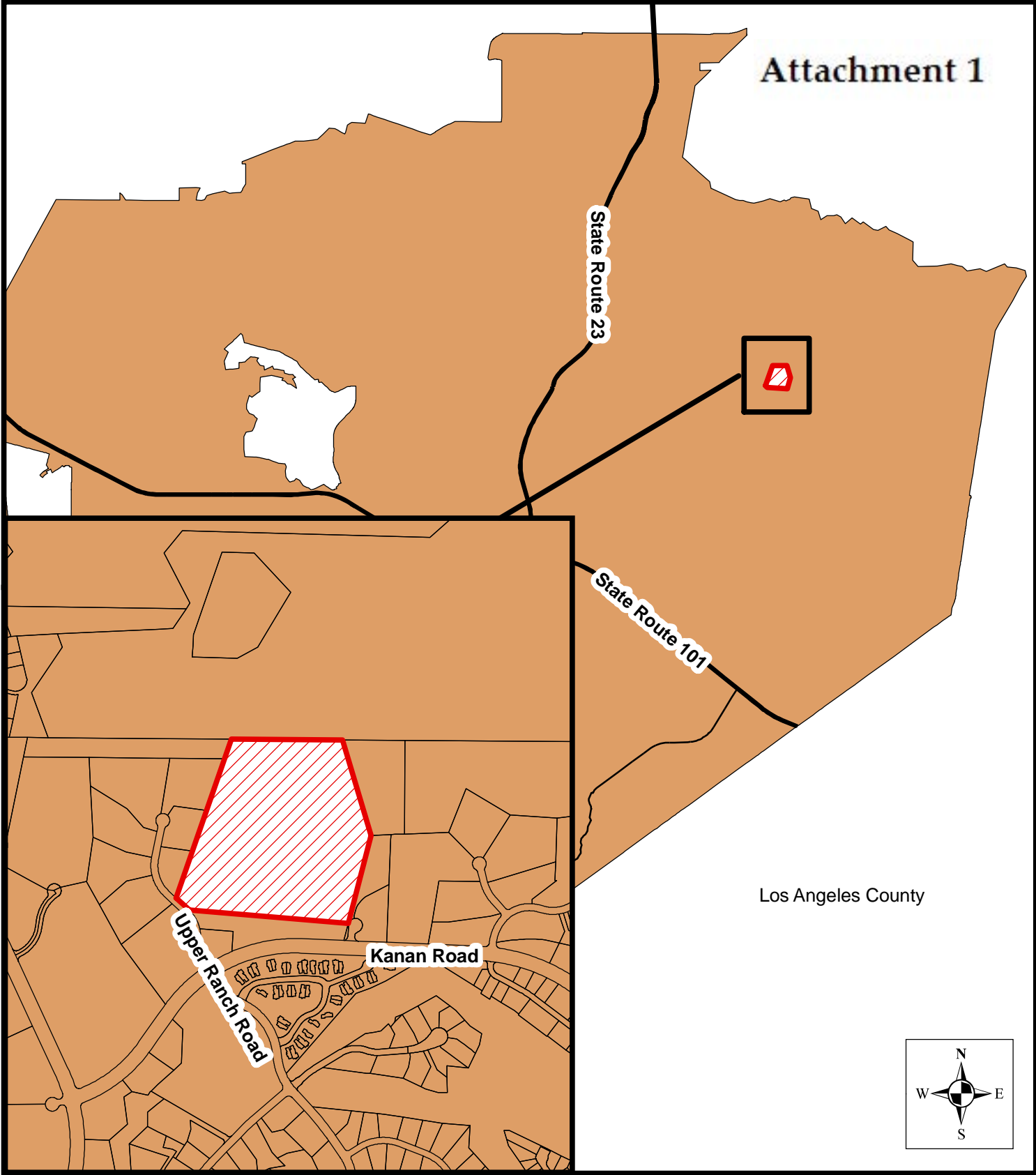
BY: Andrea Ozdy
Andrea Ozdy
Analyst

Attachments:



- 1. Vicinity map
- 2. Aerial photo of proposal area
- 3. City's CEQA finding and mitigation measures
- 4. LAFCo 14-06 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.

Attachment 1

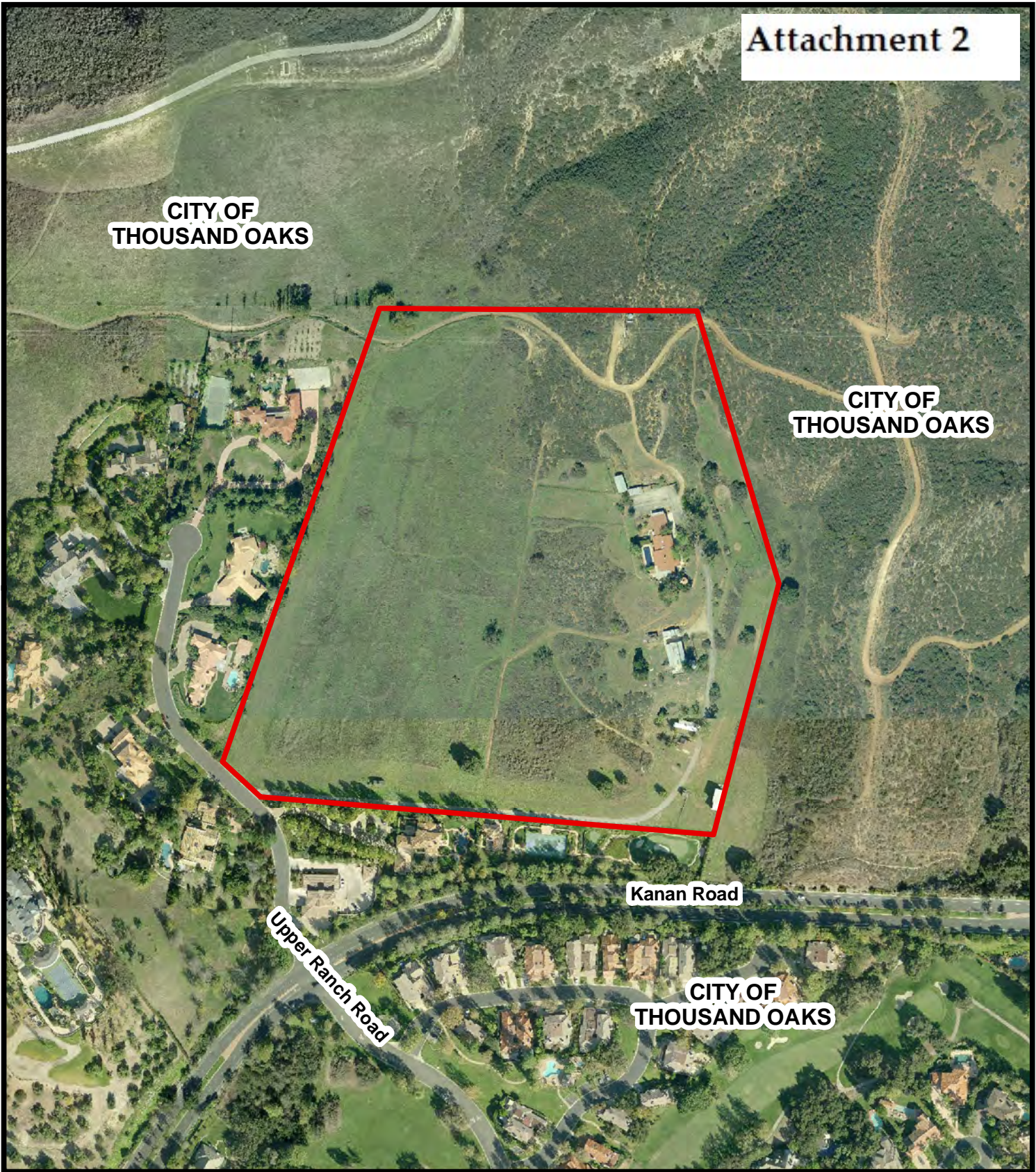


Legend

-  14-06 Proposal Area
-  Thousand Oaks

LAFCo 14-06
City of Thousand Oaks Reorganization
Miller Ranch





LAFCo 14-06
City of Thousand Oaks Reorganization
Miller Ranch

Legend

 14-06 Proposal Area



RESOLUTION NO. 2014-003

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF THOUSAND OAKS CERTIFYING FINAL ENVIRONMENTAL IMPACT REPORT NO. 330, ADOPTING MITIGATION MONITORING AND REPORTING PROGRAM AND APPROVING **TENTATIVE TRACT MAP TTM 2010-70187** (TRACT 5873) (APPLICANT: KSK INVESTMENTS, LP) FOR USE OF CERTAIN PROPERTY WITHIN THE CITY'S PLANNING AREA AND PROPOSED FOR ANNEXATION TO THE CITY OF THOUSAND OAKS

WHEREAS, the applicant filed a petition requesting approval of a Tentative Tract Map under the provisions of the City of Thousand Oaks Municipal Code to allow the subdivision of a 27.29 acre parcel of record into fifteen (15) lots of record, consisting of thirteen (13) residential lots, a common lot and an open space lot on land located on the east side of Upper Ranch Road, approximately 350 feet north of Kanan Road (2000 Upper Ranch Road); and,

WHEREAS, on September 10, 2012, the Planning Commission of the City of Thousand Oaks conducted a duly-advertised public hearing and recommended to City Council, certification of Final Environmental Impact Report No. 330, adoption of Mitigation Monitoring and Reporting Program and approval of Tentative Tract Map TTM 2010-70187 (Tract 5873); and,

WHEREAS, pursuant to Section 9-3.702(a)(1) of the Thousand Oaks Municipal Code, the matter was referred to City Council for decision, and upon notice duly given as required by law, a public hearing was held at a regular meeting of the City Council of the City of Thousand Oaks on November 13, 2012, at which time evidence, both oral and written, including the applicant's testimony, public input, City Staff Report and exhibits, and Final EIR No. 330, was presented and received, and arguments were heard from all interested parties appearing in the matter; and,

WHEREAS, City Council continued the public hearing to December 18, 2012 and directed staff and City Attorney to review action required to not proceed with initiation of annexation process; and,

WHEREAS, thereafter on December 18, 2012 City Council granted the applicant's request for a continuance to a date uncertain to allow additional time for the applicant to meet and confer with individuals and organizations potentially affected by the project; and,

WHEREAS, thereafter on December 17, 2013 City Council continued the public hearing to January 14, 2014 to allow additional time for the applicant and residents to complete the language of the implementation agreement related to grading, to be executed between them, pursuant to the signed Memorandum of Understanding, and,

WHEREAS, pursuant to Section 9-4.2803(a)(1) of the Thousand Oaks Municipal Code, the matter was referred to City Council for a decision, and upon notice duly given as required by law, a public hearing was held by the City Council of the City of Thousand Oaks on January 14, 2014, at which time evidence, both oral and written, including the applicant's testimony, public input, City Staff Report and exhibits, and Final EIR No. 330 were presented and received, and arguments were heard from all interested parties appearing in the matter; and,

WHEREAS, a resolution is required to formalize Council action of the Thousand Oaks Municipal Code and this resolution is adopted for that purpose and reflects the action of a majority of the members of the City Council on this matter following the public hearing at the regular meeting of January 14, 2014.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Thousand Oaks that the Final Environmental Impact Report (FEIR) No. 330 is hereby certified, the Mitigation Monitoring and Report Program is adopted and the application for Tentative Tract Map 5873 (TTM 2010-70187) is approved based on the findings set forth below and subject to conformance with the conditions set forth and attached hereto and made a part hereof. Except as otherwise expressly indicated, said conditions shall be fully performed and completed or shall be secured by a bank or cash deposit or other security satisfactory to the City Attorney before the final map is approved by City Council. The violation of any of the conditions shall be grounds for revocation of said Tentative Tract Permit by City Council:

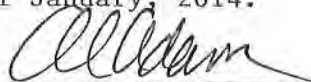
1. The subdivision, together with its proposed design and improvements, is consistent with the Thousand Oaks General Plan, including the Land Use Element of the General Plan, in that the proposed density of development (0.5 dwellings per net acre) does not exceed the range specified for the property (0-2 dwellings per net acre), and is consistent with all other Elements of the General Plan.
2. The tentative tract map and its proposed design and improvements are consistent with the underlying Residential Planned Development zoning of the property, as established by pre-zoning application Z 2010-70185.
3. The project site is physically suited to accommodate the proposed type and density of development in that the project is consistent with subdivision and grading standards of the Municipal Code.

4. The design of the subdivision and proposed improvements are not likely to cause substantial environmental damage.
5. The design of the subdivision and its improvements are not likely to cause public health problems in that the project is not expected to release any hazardous substances or interfere with any emergency response or evacuation plans.
6. The design and improvements of the subdivision do not conflict with existing public easements.
7. Final Environmental Impact Report (FEIR) No. 330 was prepared in accordance with the requirements of the California Environmental Quality Act, includes all comments received on the Draft EIR and the City's response thereto, reflects the independent judgment of the City of Thousand Oaks, and has been reviewed and considered by the City Council prior to making its decision.
8. Changes or alterations have been incorporated into the project through design or conditions that reduce potentially significant environmental impacts to a less than significant level, as identified in the Final EIR.
9. FEIR No. 330 identifies aesthetics, air quality, biological resources, cultural and paleontological resources, geology and soils, hazards and hazardous materials, hydrology and water quality, land use and planning, population and housing, noise, public services, transportation/traffic, utilities and service systems as potential and less than significant impacts. Mitigation measures have been imposed upon the project which will feasibly reduce or eliminate any potential adverse effects to less than significant levels. On the basis of FEIR No. 330, the Mitigation Monitoring and Reporting Program and any comments received, it is found that, as mitigated, there is no substantial evidence that the project will have a significant effect on the environment.
10. A Mitigation Monitoring and Reporting Program (MMRP) has been prepared for the project associated with this application, and is incorporated herein by reference. The MMRP designates responsibility and anticipated timing for the implementation of mitigation measures imposed as conditions of approval which are fully enforceable through fees, permit conditions, agreements or other measures.

BE IT FURTHER RESOLVED that the approval of Tentative Tract Map TTM 2010-70187 shall become effective only upon both the completion of annexation of the subject property to the City of Thousand Oaks and upon the effective date of the ordinance approving companion pre-zoning application Z 2010-70185.

This decision became final under Section 9-3.702(a)(1) of the Thousand Oaks Municipal Code when the City Council voted on and rendered its decision at the end of the above referenced public hearing. As stated on the City Council's written and posted agenda, all applicants, appellants, parties and persons affected by or having any interest in this matter should note that this final decision of the City Council, and any other City action on this entitlement application, is subject to a judicial review under Section 1094.5 of the California Code of Civil Procedure. Pursuant to California Code of Civil Procedure Section 1094.6, a judicial review of that decision must be filed within 90 days of that City Council decision. Other statutes, however, may shorten the statute of limitations, or may impose different filing requirements.

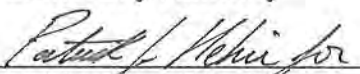
PASSED AND ADOPTED this 14th day of January, 2014.


Per Andrew P. Fox, Mayor
City of Thousand Oaks, California

ATTEST:


Linda D. Lawrence, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney


Tracy M. Noghnan, City Attorney

APPROVED AS TO ADMINISTRATION:


Scott Mitnick, City Manager

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF VENTURA) SS.
CITY OF THOUSAND OAKS)

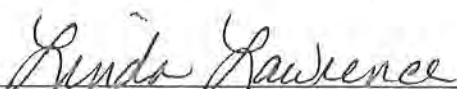
I, LINDA D. LAWRENCE, City Clerk of the City of Thousand Oaks, DO HEREBY CERTIFY that the foregoing is a full, true, and correct copy of Resolution No. 2014-003 which was duly and regularly passed and adopted by said City Council at a regular meeting held January 14, 2014, by the following vote:

AYES: Councilmembers Bill-de la Peña, Irwin, Price, and Adam

NOES: None

ABSENT: Mayor Fox

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Thousand Oaks, California.


Linda D. Lawrence, City Clerk
City of Thousand Oaks, California

1/14/14
Date Attested

COMMUNITY DEVELOPMENT DEPARTMENT CONDITIONS FOR TTM 2010-70187 (Tract 5873)

GENERAL

1. **Land and Application** – The Tentative Tract Map is granted for the land described in the application and any attachments thereto as indicated on the Tentative Map labeled Exhibit A(6) dated November 25, 2013 pursuant to the following conditions.
2. **Scope of Permit Approval** – The Tentative Tract Map is approved for the subdivision of 27.29 acres of land into fifteen (15) lots of record consisting of thirteen (13) residential lots, a common lot and an open space lot as shown on the Tentative Tract Map labeled Exhibit A(6) dated November 25, 2013; 25% Slope Map labeled Exhibit S; Manufactured Slope Map labeled Exhibit S1; Mass Grading Map labeled Exhibit G; Kanan Road Median labeled Exhibit M; Line-of-Sight Key Map labeled Exhibit LS; Line-of-Sight labeled Exhibit LS1; Line-of-Sight for Upper Ranch Road Lots labeled Exhibit LS2; Cross-Section Key Map labeled Exhibit CS; and Cross Sections labeled Exhibit CS1, all dated November 5, 2013. The approval of this Tentative Tract Map shall not be complete or effective until and unless the corresponding pre-zoning is approved by City Council, the property is annexed into the City and a Certificate of Completion is recorded.
3. **Approval Period/Map Recordation** – The Tentative Tract Map is approved for a three (3) year period of time ending January 14, 2017, at which time said map shall expire unless a final map has been recorded or filed in a timely manner as set forth in Condition No. 4. below. The applicant may request a time extension of this period, as allowed by Section 9-3.704(b) of the Thousand Oaks Municipal Code, by filing a minor modification application with the Community Development Department prior to the expiration date.
4. **Timely Filing Provisions** – The filing of the final map for recordation shall be submitted in a timely manner to the City Engineer. The delivery of specific information to constitute a timely filing shall be provided to the City Engineer and shall include the following to allow for processing, approving and recording of the final map within a maximum of sixty (60) days from filing. In order to be considered a timely filing for the purpose of this condition, the subdivider shall provide the following:

The final map shall be ready for signature, improvement plans shall be ready for signature, bonds and agreements shall be fully executed, the confirmation of fees paid to all necessary government agencies; written clearances from other participating agencies shall be provided; total and

complete compliance with the relevant development conditions imposed on the respective tentative tract or land division; and covenants and restrictions or other necessary documents approved by the respective departments, including the City Attorney's office. Without the concurrent submittal of all this required information, the final map review process shall not be considered a timely filing allowing for the final map to be scheduled for City Council approval and recordation. A complete list of this information shall be obtained from the Public Works Department in order to be properly advised regarding the material or information that must be submitted in order to constitute a timely filing of a final map and avoid expiration of the recording period time limit.

5. **Map Changes/Modifications** – Any minor changes to the Tentative Map may be approved by the Community Development Department, but any substantial changes will require the filing of a major modification application to be considered by the Planning Commission.
6. **Other Applicable Permits** – The conditions of approval for RPD 2010-70179, OTP 2010-70181 and LTP 2012-70078 shall be applicable to this subdivision.
7. **Standard Conditions (Res. No. 95-20) Compliance** – The Tentative Tract Map shall comply with all applicable standard conditions for residential development as included in Resolution No. 95-20.
8. **Recordation Phases** – Recordation of the tract shall occur in one (1) phase.
9. **Minimum Street Frontage Requirement** – All residential lots shall have a minimum forty (40) foot street frontage, except flag lots shall have a minimum twenty (20) foot street frontage.
10. **Minimum Lot Size** – All lots shall have minimum lot sizes as specified on the Tentative Map labeled Exhibit A(6) dated November 25, 2013 except as modified herein.
11. **Private Streets, Gated Entry Areas and Secondary Access** – The private streets, associated gated entry areas and secondary access shall be designated as easement areas to be maintained by a Homeowner's Association in conjunction with the recordation of a final map, a provision in the CC&R's shall require the establishment of a Homeowner's Association to guarantee the maintenance of the private streets, gated entry improvements and secondary access as well as associated landscape and drainage easement areas. Any detention basin which serves more than one lot shall be maintained by the Homeowners Association for Tract 5873.

12. **Condition Compliance** – All development on the subject property shall be constructed and thereafter maintained in accordance with the conditions of this tentative tract.
13. **Dedications/Reservations/Public Improvements** – With respect to fees, dedications, reservations and construction of public improvements as required by the project development conditions, the applicant is advised pursuant to Government Code Section 66020, that a ninety (90) day protest period has commenced upon approval of the proposed development conditions by the City.
14. **Recordation of Conditions** – All conditions of the tentative map shall be recorded as deed restrictions in the Office of the County Recorder.
15. **Mitigation Compliance** – Prior to the issuance of any grading and or building permit, the applicant shall submit a written report demonstrating that all mitigation measures imposed by the City to either reduce or avoid significant environmental impacts identified in the Environmental Impact Report No. 330 have either been incorporated in the project design or undertaken as required. Final determination of compliance with imposed mitigation measures pursuant to the requirements of Section 21081.6 of the Public Resources Code shall in turn be subject to the review and approval of the Community Development Department.
16. **Indemnification** – The applicant agrees to defend, indemnify and hold harmless the City, its agents, officials and employees from any claim, action or proceeding against the City or its agents, officials or employees to attach, set aside, void or annul an approval of the City. The City shall notify the applicant of any claim, action or proceeding and the City shall cooperate in the defense.
17. **Department of Fish and Game Fee** – There is evidence that the proposed project may have the potential for an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code. The applicant shall be responsible for the payment of a fee in the amount of \$2,919.00 plus handling fee in the amount of \$50.00 payable to the Ventura County Clerk which is collected when the Notice of Determination for the project is filed by the City. Under the provisions of the Public Resources Code, Section 21089, any project approved under a certified regulatory program authorized pursuant to Section 21080.5 of this code is not operative, vested, or final until the filing fees required pursuant to Section 711.4 of the Fish and Game Code are paid. Correspondingly, no other such entitlements including building or grading permits shall be issued by the City until proof of payment has been received.
18. **Homeowners Association** – In order to ensure compatibility with the existing North Ranch Design Guidelines Plan Area, the landowner shall

establish a separate Homeowners Association (HOA) with appropriate CC&R's and architectural design guidelines which are compatible with those of Westlake North Property Owners Association. The Homeowners Association shall own and provide maintenance for the common Lot 15.

19. **Completion of Rough Grading** – Rough grading shall be completed in no more than sixty (60) business days from the first day of physical grading. For purposes of this condition, "business days" shall be defined as Monday thru Friday, except holidays. The 60 day period of rough grading may be extended on a day-for-day basis due to inclement weather, grading limitations and restrictions imposed by public agencies in order to comply with conditions of approval or other environmental regulations, including SQUIMP and SCAQMD regulations or Acts of God.
20. **Access to Property** – Primary access to the property shall be from Kanan Road with internal access to residential lots provided from "A" Street. Secondary emergency access shall be provided from "A" Street to Upper Ranch Road. Gates shall be installed at each end of the secondary access road. The secondary access gate at Upper Ranch Road will provide ingress for emergency vehicles via a Knox box and egress shall be auto-open. The secondary access gate at "A" Street shall be auto open for both ingress and egress. The Homeowners Association (HOA) described in Condition No. 18 shall include a provision in its CC&R's precluding the use of the secondary access road for non-emergency ingress/egress with appropriate signage to advise future residents that the secondary access road is for emergency access only. This provision shall be initially enforced through the HOA and may be enforced by Upper Ranch Road property owners.
21. **Completion of Construction for Kanan Road Median** – Construction of the new median for the project's full access to Kanan Road shall be completed prior to any building construction on the project site.
22. **Replacement of Ornamental Trees in Median** – Ornamental trees removed for line-of-sight purposes to construct the new median on Kanan Road shall be replaced at a ratio of 3:1. Each replacement tree shall be a minimum size of 15 gallon and may be located near the public sidewalk or in existing median on Kanan Road.
23. **Signed Acceptance of Conditions** – An Acceptance of Conditions form provided by the Community Development Department shall be executed by the applicant and property owner or his/her duly authorized representative and filed with the Department prior to recordation of the final map.

CITY/COUNTY/AGENCY FEES

24. **Other Fees** – All Police, Fire Department and School District fees, and any other fees identified in the Standard Conditions Resolution No. 95-20 shall be paid prior to the issuance of any building permit.

25. **Park Dedication (Quimby) Fees** – The developer shall pay a fee in lieu of dedication of land in order to satisfy the park needs of future residents within the subdivision. This fee is to be determined by and paid to the Conejo Recreation and Park District prior to recordation of the final map and will be used for needed park improvements within the service area of the subdivision.

ENVIRONMENTAL MITIGATION MEASURES

26. **Exterior Illumination** – All exterior lighting shall be designed to incorporate downward illumination patterns which may include shielding devices in order to minimize glare and avoid spillover of illumination into adjacent neighborhoods or designated open space areas.
27. **Illumination of Open Space** – Exterior lighting adjacent to open space Lot 14 shall be reviewed by the Project's Biologist to ensure that no spill-over of illumination occurs onto the open space.
28. **Grading and Construction Vehicular Access** – Vehicular access to the project for grading operations shall be obtained through the east side of the project from Kanan Road, while for development of each single-family dwelling, grading operations and construction traffic shall be minimized from Upper Ranch Road.
29. **Minimize Area of Grading** – The area disturbed by clearing, grading, earth moving or excavation operations shall be minimized to prevent excessive amounts of dust.
30. **Mitigation of Fugitive Dust** – The applicant shall prepare and submit a dust control plan at such time that grading permits are requested for review and approval by the City. The dust control plan shall include the following measures: a) sufficiently pre-water the area to be graded prior to construction activities and water all active portions of the construction site at least twice daily; b) replace ground cover or apply APCD-approved environmentally safe chemical soil stabilizers or roll compaction according to manufacturer's specifications to all inactive portions of the construction site (previously graded areas inactive for four days or more); c) apply water twice daily or chemical stabilizers according to manufacturer's specifications to all unpaved parking or staging areas, and unpaved road surfaces; d) sweep adjacent street and roads at least once per day, preferably at the end of the day if visible soil material is carried over to adjacent streets and roads; e) suspend all excavating and grading operations when wind speeds exceed 20 miles per hour averaged over one hour. The site superintendent may contact the APCD meteorologist for current information about average wind speeds; f) sufficiently water or

securely cover all material transported off-site and all fill material (if any) transported on-site in accordance with requirements of the California Vehicle Code; g) inform all employees involved in grading and construction operations on the project site to wear respiratory protection in accordance with California Division of Occupational Safety and Health regulations; h) post signs on-site which limit traffic speeds on all unpaved roads to 15 miles per hour or less; i) utilize grading and construction equipment vehicles with air-conditioned or enclosed cabs with sufficient ventilation and particulate matter filtration systems; j) require grading and construction crews to work upwind from excavation sites where possible; k) maintain equipment and vehicle engines in good condition and in proper tune as per manufacturer's specifications to minimize exhaust emissions, and l) heavy construction equipment operating on site shall be equipped, where feasible, with catalysts and shall utilize low-sulfur aqueous diesel fuel.

31. **APCD Permit** – If needed, an APCD Authority to Construct Permit shall be obtained by the applicant prior to beginning any grading on-site. Verification shall also be provided to the City.
32. **Demolition of Structures Containing Asbestos** – APCD Rule No. 62.7 (Asbestos – Demolition and Renovation) shall be complied with by the applicant for all demolition activities.)
33. **Control of Weed Growth** – Where acceptable to Fire Department, weed growth shall be controlled by mowing instead of discing, in order to leave the ground undisturbed and with a mulch covering.
34. **Paved or Treated Access Way** – During rough grading and construction operations, the access way into the project site shall be paved or treated with environmentally-safe dust control agents.
35. **Archaeological Resources** – If archaeological resources are uncovered on the project site during excavation, the developer must notify the City of Thousand Oaks immediately and work must stop within a 100-foot radius until a qualified archeologist has evaluated the find. Construction activity may continue unimpeded on other portions of the project site. If the find is determined to be a unique resource, the site shall be treated in accordance with the provisions of Section 20183.2 of the Public Resources Code. If the find is determined not to be a unique archeological resource, no further action is necessary and construction may continue.
36. **Biological Resources** – Prior to any grading and construction activities, a qualified biologist shall conduct a minimum of three surveys to capture and relocate individual reptiles in order to avoid or minimize the taking of these special-status species. The Project's Biologist shall be present during

ground-disturbing activities adjacent to or within habitat that supports populations of these species.

37. **Required Survey for Desert Woodrat** – Thirty days (30) prior to any grading or construction activities, a qualified biologist shall conduct a preconstruction survey for the San Diego Desert Woodrat within the proposed construction disturbance boundaries in order to avoid or minimize the taking of special-status species. Individuals shall be relocated to nearby undisturbed areas with suitable habitat. Results of the survey and relocation efforts shall be provided to the California Department of Fish and Game (CDFG) in the annual Mitigation Status Report.
38. **Required Survey for Special-Status Bats** – Thirty days (30) prior to any grading or construction activities, a preconstruction survey shall be conducted by a qualified biologist to determine if active roosts of special species bats are present within 300 feet of the proposed construction disturbance boundaries. If an active maternity roost is identified, it shall not be disturbed and construction within 300 feet shall be postponed or halted, until the roost is vacated and juveniles have fledged.
39. **Required Survey for Breeding Birds** – If project activities occur between February 1st and September 1st, a breeding bird survey is required to be conducted and active nests shall be avoided and provided with a minimum buffer distance as determined by a qualified biological monitor. In order to prevent disturbance of any active nests, a 500-foot radius for raptors and 300-foot radius for other bird species is required until all juveniles have fledged, or the nest is abandoned.
40. **Required Survey for Braunton's Milk-vetch Plants** – To reduce potential impacts to Braunton's Milk-vetch (*Astragalus brauntonii*) during grading and construction activities, focused surveys for this species shall be conducted prior to commencement of ground disturbing activities to determine if plants have established subsequent to project approval. In the event that the focused surveys locate milk-vetch plants within the grading area, then all plants shall be flagged and notice to the City is required. Applicant shall undertake the mitigation in Condition No 41, below. Mitigation may include collection of milk-vetch seeds which shall be presented to the Center for Plant Conservation.
41. **Protective Fencing for Braunton's Milk-vetch Plants** – Prior to any ground disturbing activities, protective chainlink fencing measuring five feet (5') in height shall be placed a minimum distance of ten feet (10') away from all milk-vetch plants growing outside the area to be graded. Prior to grading, the Project Biologist shall instruct the grading contractor regarding the importance of avoiding incidental impacts. Prior to each day of grading, the grading contractor shall verify that all protective fencing is in place. The

protective fencing shall remain in place and shall only be relocated/removed in consultation with the City.

42. **Inform Future Property Owners** – Subsequent to the construction of any new residence, the developer shall provide the new homeowner with literature explaining the sensitivity of Braunton's Milk-vetch.
43. **Annual Report for Braunton's Milk-vetch Plants** – The developer shall provide an annual report prepared by the Project Biologist on the extent and survival of any and all Braunton's Milk-vetch plants to the City from the commencement of grading until two years after completion of initial grading of the project site.
44. **Hazardous Fire Area Building Code Requirements** – All structures shall meet hazardous fire area building code requirements to the satisfaction of the Ventura County Fire Protection District.
45. **Fuel Modification Zone** – The fuel modification zone shall be a minimum of one hundred feet (100') slope distance from developable pads.
46. **Manufactured Slope Landscaping** – In accordance with the City's Grading Ordinance, all manufactured slopes shall be landscaped with fire-resistant and drought-tolerant native plant materials including tree clusters and ground cover and provided with a permanent irrigation system throughout. Landscaping and an irrigation system shall be installed six (6) months following the completion of fine grading.
47. **Automatic Fire Sprinkler System for All Structures** – All structures shall be equipped with automatic fire sprinkler systems.
48. **Hours of Construction and Construction Vehicles** – All grading and construction activity shall be limited to the hours of 7:00 a.m. to 7:00 p.m. Monday through Saturday as specified in Section 8-11.01 of the Thousand Oaks Municipal Code. No construction activity shall be permitted on Sunday. Any vehicles associated with construction and/or workers for the project shall not be permitted to park on Upper Ranch Road, Westlake Boulevard or Kanan Road and construction workers shall not be permitted to congregate in residential areas or on Upper Ranch Road, Westlake Boulevard or Kanan Road, nor on the site prior to the construction hours authorized above. Likewise, the warming-up of the equipment engines prior to the authorized construction hours shall be prohibited.
49. **Construction Site Sign Posting** – The project applicant shall post signs which inform all workers and subcontractors of the time restrictions for construction activities. The Community Development Department shall review and approve the signs which shall be posted at the entrances to the

project site and include telephone numbers for the applicant's project coordinator, City Code Compliance and Police where complaints associated with construction noise can be reported.

50. **Location of Construction Equipment and Associated Vehicles** – All construction equipment and vehicles associated with the grading and construction of the project shall be limited to be located or parked only on the project site.
51. **Diesel Equipment** – Construction contractors shall operate all diesel equipment with closed engine doors and equipment shall include factory recommended mufflers.
52. **Electrical Power for Equipment** – Whenever feasible, construction contractors shall use electric power to run air compressors and similar power tools.
53. **Sound Blankets** – When feasible, construction contractors shall use sound blankets on noise-generating equipment.
54. **Participation in City's Recycling Program** – Future residents shall participate in the City's recycling program which collects newspaper, glass, aluminum, plastics and ferrous containers which would otherwise be diverted to landfills.
55. **Use of Post-Consumer Building Materials** – The applicant shall attempt to use post-consumer building materials (recycled products) wherever possible in the construction of the project's waste generation.

PUBLIC WORKS DEPARTMENT CONDITIONS FOR TTM 2010-70187 (Tract 5873)

GENERAL

56. **Plan Format** – All plans submitted to the Public Works Department shall be on 24 inch by 36 inch sheet size, and as-built/record plans submitted as part of the closure and acceptance of the project shall be on 4 mil mylar.
57. **Standard Plates** – The City of Thousand Oaks Public Works Road Design and Construction Standards and Standard Plates, adopted May 20, 2003 in Resolution No. 2003-059 and updated March 27, 2012 shall be used as the principal criteria for the design of development plans. It shall be the responsibility of the applicant to maintain a copy of the latest edition of said Plates available to all parties utilizing said Plates for construction purposes. The Standards establish uniform criteria, polices, standard and procedures for the design and construction of City roads, drainage facilities and

appurtenances. The design engineer shall review the methods and procedures contained in the Road Standards, where not considered applicable, the design engineer shall request an exception from these standards in writing to be approved by the City Engineer. These Road Standards are available for download at www.toaks.org/developmentforms.

58. **Updating of Existing Improvement Drawings** – As part of the design process, the applicant's engineer shall update all existing improvement drawings and/or plans in the Department's possession including, but not limited to, storm drain, water, wastewater, and street plans which are affected by the subject project. All new facilities being constructed as a part of the subject project shall be shown on these existing drawings. This work shall be considered as part of the project design and subject to a change order fee.
59. **Base Topography Map** – The grading plan for this project must be prepared utilizing topography which has been plotted by photogrammetric methods or survey data compiled no longer than two years prior to the date of submittal of the grading plan, and must be on current City datum. The name of the firm which prepared the topography and the date(s) on which the data was compiled or obtained must be shown on the plan. Topography must be presented in 1" = 40' or larger (closer) scale and must extend a minimum of 100 feet outside the limits of the property proposed for development. Any deviation from this condition must be approved by the City Engineer.
60. **Submission of Construction and Demolition Debris Recycling Plan** – Prior to the issuance of a demolition permit (where the site contains existing structures or facilities) or of a grading/building permit, the applicant shall submit a Construction and Demolition (C&D) Debris Recycling Plan to the Department for review and approval. The applicant must divert a minimum sixty-percent (60%) of all C&D waste materials generated from the project. The C&D Debris Recycling Plan shall indicate the proposed means of disposition of all C&D waste materials, including but not limited to, asphalt, concrete, wood, drywall, brush and vegetation, landscaping materials, lights, piping, concrete block, metal, and the like, which will be recycled, reused, salvaged, and/or delivered to a landfill. The Recycling Plan must also include estimated weights of the materials, list of proposed recycling/disposal facilities, and authorized hauling companies to be used (for a list of authorized waste haulers and/or to obtain a C&D Debris Recycling Plan form go to www.toaks.org/GoGreen).
61. **Title Report** – A copy of the applicant's preliminary title report for the subject property, dated within 1 year of the entitlement application, shall be submitted to the Public Works Department for review prior to grading plancheck or the issuance of any Building or Grading Permit.

62. **Inspection Hours** – The applicant is advised that City Hall is closed on alternating Fridays, and as such, inspection services are not available on those particular dates. The applicant shall schedule any and all grading, stormwater, encroachment, paving and utility work requiring City inspection accordingly. A schedule of City Hall hours may be obtained from City Hall or at the City's website www.toaks.org.

WATER AND WASTEWATER

63. **Calleguas Municipal Water District Fees** – Prior to the issuance of building permits, the applicant shall provide verification from the Calleguas Municipal Water District that all required fees due that agency have been paid.
64. **Water Service Requirements** – Prior to, or concurrent with, submittal of improvement plans to the City, the applicant shall submit letter to the City from the California Water Service Company indicating that the applicant has made the necessary financial and administrative arrangements with said Water Company to receive water service. Prior to the issuance of a grading permit, said Water Company shall provide a letter and appropriate calculations to the Department indicating that the fire-flow requirements prescribed by the Ventura County Fire Protection District can be met in accordance with Section 2.2 of the City's Water Design and Construction Standards.
65. **Location of Water Meter Boxes** – Water meter boxes may not be located within driveways. It is the responsibility of the applicant and his engineer to properly coordinate and locate all water service lateral locations such that there is a single, unbroken/unrepaired service line between the main in the street and the meter box to each residence or building. In the event the configuration of the proposed house or building is revised and the meter box is then situated in a driveway, the applicant shall abandon the existing service by excavating the service at the main, closing the corporation stop, severing the service lateral approximately 12 inches beyond the corporation stop, folding and crimping this remaining portion of the service lateral and soldering the crimped pipe together. The remainder of the lateral may be abandoned in place, but the meter box must be removed and the area returned to a condition acceptable to the water purveyor. If service laterals are relocated, the applicant's engineer shall process a change order and pay any applicable charges for said change order.
66. **Fire-Flow Verification** – In the event the fire flow, as determined by the Ventura County Fire Protection District, cannot be met utilizing the existing system, the applicant shall design and install new water main(s) of sufficient size and length, as determined by the Department, to provide

said fire flow. A completed copy of the above-mentioned fire flow calculation must be provided to the Department before, or at the same time as, the submittal of the first plan check for grading. Plans will not be checked or processed unless these calculations, along with a copy of the plan showing locations for proposed fire hydrants approved by the Fire Department, are submitted.

67. **Cross Connection Inspection** – Prior to the issuance of clearance for occupancy by the Department, all cross connection control devices (typically found on fire sprinkler and irrigation systems) must be inspected and approved by the Cross Connection Control Specialist of the County of Ventura, telephone 805.654.2436 (MC 10-2.600). It is noted that backflow prevention devices are mandatory for irrigation and fire sprinkler systems.
68. **Revision to Wastewater Design and Construction Standards- for Cleanouts and Slopes of Mains** – The end of all mains shall terminate in a manhole rather than a cleanout, regardless of the downstream length to the next manhole. The minimum slope for wastewater mains shall be 1 percent where the main has less than 10 residences connected to said main. In streets with grades of less than 1.5 percent, the engineer shall attempt to attain the maximum slope possible on wastewater mains in those streets.

For manholes: Standard Plates 17 through 20 are modified to provide that all joints between the barrel sections/riser shafts and/or cone sections shall be wrapped around the exterior circumference of the shafts with “Rub-R-Neck” and joints sealed with “Ram-Neck” mastic joint sealer (both as manufactured by the Henry Company Sealants Division, 1277 Boyles Street, Houston, Texas 77020) or approved equal. Manholes shall be negative pressure tested as specified in ASTM Designation C 1244-93. Steps shall not be installed in the manholes.

For manhole frame and covers: The Alhambra A-1254 frame and cover specified on Standard Plate 17 shall have a cover diameter of 26¼ inches, along with lettering conforming to Section 3.10 of the City’s “Wastewater Design and Construction Standards”. A note shall be shown on the title sheet of the wastewater plans indicating the last two revisions mentioned above for manhole construction.

69. **Wastewater Service** – The applicant shall design, engineer, and construct an 8” onsite Public Wastewater Main to serve the subject development, to which each new lot can directly connect for wastewater laterals. The applicant shall pay the wastewater connection charges to the City of Thousand Oaks for each lot (subject to revision annually on December 1) prior to or concurrent with issuance of a building permit. The applicant is

strongly encouraged to contact the Public Works Department to calculate required fees.

DEVELOPMENT ENGINEERING

70. **Construction of Utility Structures Relative to Public Trails** – To provide for the safety of equestrians and other trail users, and to minimize damage to utility facilities, the applicant, through his engineer, shall be responsible to review and coordinate the design and construction of all utility structures (including, but not limited to, vaults, boxes, stands, fire hydrants, metering structures, and the like) such that these types of utility structures are constructed free and clear of the full width of the “tread” of any proposed public trail. If, as a result of their location relative to the equestrian trail, such structures are proposed to be situated outside of a specific easement or the public service easement, said easement(s) shall be enlarged as necessary to encompass the structure(s). Easements shall be shown on the tract or parcel map, or dedicated by separate instrument. Any structures constructed within the “tread” of the equestrian trail shall be removed and reconstructed at the applicant’s cost.
71. **Encroachment Permit** – Where any construction occurs within public right-of-way, an encroachment permit shall be obtained, plan check and inspection fees paid, an approved traffic control submitted, and bond/security posted prior to initiating construction of any improvements.
72. **Public Improvement Bond, Dedication, Guarantee** – Developer shall furnish to the City, a sufficient bond to guarantee the faithful performance and payment of labor and materials for all public improvements required to be constructed under this entitlement. The public improvements shall be offered to the City for public use and accepted by the City Engineer upon satisfactory completion.

Said improvements shall be guaranteed by the Developer after acceptance by the City Engineer for a period of one year, during which time said improvements shall continue to have security in place with the City of at least ten percent of the original posted bond during the guarantee period. At the conclusion of the one year guarantee, City shall re-inspect said public improvements and Developer shall without delay, repair, replace or reconstruct any defective work or materials to the satisfaction of the City Engineer and at no cost to the City.

At anytime during the actual construction or during the guarantee period, the Developer fails or refuses to complete said work, surety agrees to take over and complete the work and the improvements which were guaranteed. If the guarantee posted is any other form than a paper bond from a surety

company, City may make demand on such guarantee and complete said work to the satisfaction of the City Engineer and at no cost to the City.

73. **Underground Conduits** – Pursuant to City Council policy and Resolution No. 91-174, adopted on July 23, 1991, the applicant shall install a minimum two-inch diameter conduit capable of carrying coaxial or fiber optic cable suitable for carrying health and safety features such as fire alarm, water meter reading, telecommunications, etc. Said conduit shall be continuous and placed behind the sidewalk or curb within a public service easement or within a public right-of-way, where applicable. Pull boxes shall be placed at alternate property lines of all lots. The conduit and pull boxes shall be of materials approved by the Public Works Department. The conduits and pull boxes shall be dedicated to the City. The architecture and technical specifications of the conduit system shall be subject to the review and approval of the City Engineer. A 1"=100' scale plan shall be prepared under the direction of a Registered Engineer and shall be submitted to the City Engineer for review prior to approval of the final map or improvement plans. The plan shall include details and general notes, and shall be part of the plan set.
74. **No Known Easement Conflicts** – The Department has reviewed available map records and has determined there are no known conflicts with existing easements. The applicant is encouraged to confirm these findings by reviewing the subject property's title report prior to starting the proposed construction.
75. **Annexation to Lighting and Landscape District** – In order to mitigate the impacts of this project and to have this project pay its fair share of maintenance costs for existing and future street lighting and landscape improvements that provide a benefit to the property, the applicant is hereby notified, consents to and agrees that the real property subject to this entitlement will be annexed into the City's Lighting and Landscape Assessment District No. 79-2 at the next annual renewal of the District (typically June of each year). Said annexation will occur only if the City has given final approval to this entitlement. Prior to recording the final map or the issuance of any subsequent City permit needed for this project, whichever event occurs first, the applicant shall sign an annexation pre-submittal form, as provided by the City, agreeing to the unconditional annexation of the real property to said District. If not already enrolled at the time of map recordation, the applicant shall also post with the City a cash deposit or other security, as approved by the City, that could equal up to 30 years of maintenance costs for the property, based on City's estimate of all expenses associated with the improvements for the period City deems appropriate, in order to guarantee funding for maintenance by City of lighting and landscape improvements that provide a benefit to the property.

76. **Permission for Off-site Construction** – Prior to the issuance of a grading permit, written permission for all proposed off-site construction along with any required easements from the owners of the affected property shall be submitted to the City Engineer.
77. **Blasting** – If blasting is found to be necessary within the tract boundaries, a modification to the grading permit shall be required, whereupon special provisions relating to the protection of adjacent residential areas from damage shall be made a part of said grading permit.
78. **Hauling of Imported or Exported Materials** – In the event this project will require either the importing or exporting of earth to or from the project site, prior to issuance of a grading permit the applicant shall submit a written plan to the Department for review and approval. Said plan shall detail the quantity of earth to be imported or exported, the location from which or to which the earth will be removed or taken, the proposed haul routes to be used, the size and numbers of the trucks to be used, the proposed hours of operation (times of day, days of the week, and estimated number of days), the estimated number of round trip truck movements, the proposed methods to be utilized to keep the haul route clear of any dirt dropped along the route, and any other information as may be required by the Department.
79. **Grading Permit and Soils Certification** – The applicant shall prepare and submit final grading plans, improvement plans, erosion control plans, BMP improvement plans, geotechnical soils reports, supporting hydrology and hydraulic calculation reports, title report, and other items as required by the City Engineer in order to obtain a grading permit in accordance with the requirements of the City's Grading Ordinance. Applicant shall also prepare and submit detailed erosion control plans for both phases of land development; the pre-grading/site stabilization phase, as well as the post grading/building construction phase. The grading and improvement plans submitted to the City for plancheck shall at a minimum indicate all topography, proposed improvements, drainage features, water/wastewater connections and laterals, existing easements, interface with adjacent properties, storm drain and drainage systems, and street improvements. All submittals shall include the completed public and private improvement cost estimate worksheets, the required plancheck and inspection fees, and the posting of the required grading bond prior to the start of any construction. After the grading is complete, the applicant shall submit a building pad compaction report and a rough grading certificate from the soils engineer prior to issuance of a building permit. Grading bonds shall be exonerated after satisfactory completion of the project punchlist items, which are generated after the applicant's engineer provides a submittal of the final Record (as-built) Drawings.

80. **Pre-Grading Meeting with Adjacent Property Owners and Residents** – Prior to issuance of a grading permit, the applicant shall arrange for a public meeting to inform adjacent residents of their project. The applicant shall mail a letter notice to all owners of record within 300 feet of the subject property (or other distance and residents as determined by City Engineer) not later than 10 days prior to the start of construction. The notice shall indicate the date which shall be a Monday through Saturday, time, which shall occur between the hours of 4-8 p.m., and location of the meeting, which shall be within the City of Thousand Oaks, the purpose of the meeting, and contain a small map showing the location of the proposed grading. A representative of the applicant and the grading contractor shall be present at the meeting; the applicant shall inform those residents present of his schedule, the approximate quantity of earth to be moved, the route for any import or export, whether or not any blasting will occur on the project, and if so, the nature, extent, and approximate schedule for the blasting. The applicant shall also provide a daytime telephone number at which a responsible person representing the grading contractor may be reached by residents in the event they have further questions or complaints during the grading operation. Prior to issuance of the grading permit and subsequent to the above-mentioned meeting, the applicant shall submit to the Department copies of the letter notice and any other materials sent or provided to the residents. The applicant may commence grading work anytime after the meeting has been held, provided a grading permit has been issued.
81. **On-site Run-off** – On-site storm water shall be intercepted within the project boundaries in approved pick-up structures, treated and retained and/or conveyed to the nearest public street or existing storm drain system to the maximum extent practicable, as approved by the City Engineer (M.C. 7-3.09 and 7-3.21).
82. **Drainage Study** – The Project's Hydrology and Drainage design shall be based on a full engineered routing analysis and fattening of the hydrograph for the entire 27 acre parcel, with time of concentration (T_c) calculations utilized for developing the Q_{10} (developed) discharge flows and for the detention calculations up through Q_{100} . Onsite catch basin(s) and conveyances can pass only the Q_{10} (developed) flows into the public storm drain system. All flows in excess of Q_{10} (developed) up to and including Q_{100} (developed) must be detained on-site. The study shall also include addressing offsite tributary flows, detention, inlet hydraulics and storm drains and appurtenances intended to convey project storm discharges. The focus of the study is to ensure the existing conveyances possess sufficient capacity to pass the Q_{10} (developed) and to demonstrate that no new flooding will occur south of the property during a Q_{100} event as a result of development. The study shall also analyze the existing and proposed Q_{100} flooding situation upon the site, and demonstrate no new construction

will be subject to flooding during a Q₁₀₀. The study shall be subject to the review and approval of the City Engineer prior to grading permit issuance.

83. **Existing Improvements** – Existing improvements fronting the project shall conform to minimum City standards, and, if deemed necessary by the City Engineer shall be repaired or replaced.
84. **On-site Improvement/Paving Permit** – The applicant shall submit for and obtain an on-site paving and improvement permit. An approved pavement section from the registered soils engineer of record shall accompany the permit application, along with payment of plan check and inspection fees, prior to initiating the construction of on-site parking, paving, and/or drainage improvements (M.C. 9-4.2405).
85. **Streetlights** – The applicant shall arrange with the City and Southern California Edison Company to install new City-owned (LS-2) LED Street Lights on Marbelite poles with underground conduits, to be placed at all street intersections. Exact locations, wattage, number and type of streetlights shall be determined by the City Engineer per City of Thousand Oaks Standard Plates No. 8-10 & 8-11.
86. **Alternative Paving Materials** – To the extent practicable, the applicant shall incorporate porous paving, interlocking pavers, or other recognized means to encourage the capture, conveyance, and vegetative-contact based treatment of runoff from the proposed parking areas.
87. **Geotechnical Investigation** – It is vital that the geotechnical engineer for this project has thoroughly reviewed the proposed Best Management Practices (BMP's) and concurs with their design. Special attention should be given to the property's grading history, presence and location of groundwater, and ability to sustain soil saturation that may result from the proposed infiltration BMP's. As part of the grading plancheck review, the applicant shall provide the Department with the geotechnical report responding to the subject concerns and findings with regard to probable soil saturation and infiltration BMPs' feasibility.
88. **Emergency Egress Gate** – The final design and operational function of the proposed emergency egress gate shall be to the satisfaction of the Public Works Director and Fire Department.
89. **Final Map Recordation Requirements** – Upon conditional approval of the subject subdivision (Exhibit A(6) dated November 25, 2013) by the City Council, a final map shall be prepared by a registered civil engineer or licensed surveyor. It shall conform to the requirements of the current State Subdivision Map Act, the requirements of the Thousand Oaks Municipal Code, and be approved by the City Engineer. Also required is a certificate

of consent, signed and acknowledged by all parties having any record title interest in the real property being subdivided.

90. **Indicate Facilities On Map** – All existing and proposed streets, survey control monuments, utility, storm drain, slope, access and other easements shall be shown on the final map.
91. **Final Map Submittal** – The applicant shall submit with the first plan check of the final map, a current preliminary title report and subdivision guarantee, five prints of the final map, a map checking fee, one copy of all boundary and lot calculations, and copies of any reference maps and deeds as may be required to facilitate the map checking process as determined by the City Engineer.
92. **Subdivision Improvement Agreement and Bond Requirements** – Prior to the recordation of the final map, the applicant shall submit to the City of Thousand Oaks an executed subdivision improvement agreement and Faithful Performance and Labor & Materials bond and a cash deposit for monument placement security. The submittal shall also include all bonds specified in the Thousand Oaks Municipal Code and in the current edition of the California Subdivision Map Act.
93. **Public Service Easement** – For all subdivisions a six-foot wide Public Service Easement (PSE) adjacent to the public street right-of-way shall also be dedicated to the City of Thousand Oaks.
94. **Right-Of-Way and Access** – All rights-of-way for public streets, shown on the final map, and all remaining rights of access to and from all lots of the proposed subdivision abutting Kanan Road (a controlled access street) shall be offered on the map for dedication free and clear of any prior easements to the City of Thousand Oaks (M.C. 7-2.208).
95. **Reciprocal Driveways** – An owner's covenant with improvement and maintenance rights satisfactory to the City Attorney shall be recorded with the County Recorder's Office for the common driveway for Lots 11 and 12 granted as a part of the subject land division permit. Said covenant shall describe an unobstructed area, with a minimum depth as required, feet and a width equal to the respective driveway opening, to the satisfaction of the Public Works Director. A copy of the said recorded document shall be submitted to the City Engineer.
96. **CC&R's** – Prior to recordation of the final map, the applicant shall prepare and file CC&R's for the newly formed HOA/POA on the project. The CC&R's shall include language requiring all property owners and their successors in interest to assume the following (as applicable) limitations, restrictions and responsibilities in perpetuity by the HOA/POA:

- a. Reciprocal access.
- b. Ownership and maintenance of Stormwater BMP's, ownership and maintenance of private streets and access roads, gutters, sidewalks, sewer collection laterals/mains, backflow devices, gates, trails, landscaping, & other improvements.
- c. Limited rights of access to public street (for homes abutting).
- d. Preservation of traffic sight distance, and associated maintenance of landscaping.
- e. Clause stating that any onsite improvements are not to be modified with the approval of the City's Departments of Public Works and Community Development.
- f. In the event the City determines that proper maintenance has not been performed on any of the above items, City has the right to enter property, perform required maintenance work, and bill/collect from the HOA/POA.
- g. The CC&R's shall be submitted to the City Attorney's Office and Public Works Department for review and approval prior to recordation (MC 7-8.401(c)).

97. **Lot Line Adjustment** – In order to formalize the rights for the required secondary access for the subject development, the applicant shall, concurrent with the recordation of the subject Tract Map, process and record a Lot Line Adjustment incorporating Lots 4 & 5 of the adjacent approved subdivision Tract 5707 into the overall boundary of the this project.

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM

98. **NPDES Permit Compliance** – Development shall be undertaken in accordance with conditions and requirements of the Ventura Countywide Stormwater Quality Management Program, National Pollutant Discharge Elimination System (NPDES) Permit No. CAS004002. The project shall employ NPDES best management practices in accordance with the latest applicable version of the Countywide Stormwater Program "Technical Guidance Manual" and the California Stormwater Quality Association (CASQA) "BMP Handbooks" and/or other approved reference documents cited in Permit No. CAS004002 (M.C. 7-8.302).
99. **Compliance with SQUIMP** – Prior to initial submittal of site improvement plans, the applicant shall comply with all design requirements of the Stormwater Quality Urban Impact Mitigation Plan (SQUIMP) provisions issued to the City of Thousand Oaks in Stormwater Permit CAS004002. The provisions applicable to all SQUIMP categories include detention to Q₁₀-developed maximum discharge, treatment of Q₅₀-developed, conserving natural areas, minimizing pollutants of concern, protecting

slopes and channels, providing storm drain signage & stenciling, furnishing proof of on-going BMP maintenance, and properly designing structural or treatment control BMP's. The July 2002 Countywide "Technical Guidance Manual for Stormwater Quality Control Measures" shall be the basis of NPDES mitigation design. The final design of treatment BMP's shall incorporate vegetated contact and bio-remediation to the greatest extent practicable, and shall be finalized and refined during the plancheck process to the satisfaction of the City Engineer.

100. **Stormwater Quality Master Plan** – The Owner shall submit a Stormwater Quality Master Plan for the review and approval of the Public Works Department prior to the issuance of a grading permit.
101. **BMP Sizing Requirements** – Prior to issuance of a grading/paving permit, the project's engineer shall prepare analyses to demonstrate that the proposed Best Management Practices (BMP's) for stormwater treatment will mitigate pollutants of concern. The analyses shall include calculations demonstrating that the selected BMP's must satisfy one of the following sizing criteria:

Treat the storm flow equivalent to ten percent (10%) of the 50-year peak flow (for which the applicant may use the City's 2007 Master Plan of Drainage - the project lies within subarea 140D, with $Q_{10} = 1.46$ CFS/Ac and $Q_{10} = 2.64$ CFS/Ac; or

Treat the volume of annual runoff (based upon the unit storage water quality volume) to achieve 80 percent or more volume treatment by the method recommended in the "*California Stormwater Best Management Practices Handbook – Industrial/Commercial(1993)*" and the "*Ventura Countywide Stormwater Quality Management Program Technical Guidance Manual for Stormwater Quality Control Measures (2002)*."

102. **Permanent Stormwater Facilities** – Parking and associated drive areas, material storage and handling areas, delivery areas, loading docks and outdoor work areas shall be designed to minimize degradation of stormwater quality. Best Management Practices, such as oil/water separators, sand filters, landscaped areas for infiltration, basins or approved equals, shall be installed to mitigate pollutants, to the maximum extent practicable, from discharging to the storm drain system. The design must be submitted to the Public Works Department for review and approval prior to the issuance of a paving permit.
103. **Inlet Labels** – All on-site drain inlets, whether newly constructed or existing, shall be labeled "Don't Dump - Drains to Creek" in accordance with City requirements prior to final acceptance.

104. **Deed Restriction Regarding Best Management Practices (BMPs)** – The applicant/owner shall record a Covenant and Deed Restriction on the property *and furnish a copy of same to the Department* prior to issuance of the first building/paving/grading permit for the project, which requires all property owners and their successors in interest to assume all Best Management Practice (BMP) duties and responsibilities including, but not limited to, maintenance of all Best Management Practice and any and all equipment which is required for implementation of Best Management Practices. Contained within the Covenant and Deed Restriction must be a description of the BMP's that are being provided as part of the project, a description of the maintenance requirements and how the necessary maintenance shall be performed. The language included in the Covenant and Deed Restriction shall be submitted to the City Attorney's Office and Public Works Department for review and approval prior to its recordation (MC 7-8.401(c)).

TRAFFIC

105. **Traffic Mitigation Fees** – The subject development is expected to generate additional traffic on public streets. This additional traffic, in combination with that generated from other development projects will, over time, contribute to incremental congestion on city streets, and potentially require mitigation. Therefore, development projects, including this, are required to contribute their fair share of traffic mitigation fees to ensure that future traffic mitigation efforts may be funded.

Pursuant to the City's fair share policy, the applicant shall deposit with the City of Thousand Oaks the appropriate non-refundable fees in cash no later than prior to the issuance of building permits. The following table provides an estimate of the project's Traffic Mitigation Fees, determined in accordance with City Council Resolutions. Each fee amount will be recalculated at the time of payment. Fees collected will be based on the current fee amount in effect at the time of payment.

Fee Name	Fee Rate	# of DU	Trip Rate (ADT/DU)	# of Trips DU	Fee Amount
Master Plan Traffic Signal Fee	\$33.47 per ADT	13	10	130	\$4,351.10
Thousand Oaks Road Improvement	\$4,022.00 per DU	13	n/a		\$52,286.00
Ventura County Reciprocal Traffic Mitigation Fee	\$6.99 per ADT	13	10	130	\$908.70
Total Fees =					\$57,545.80

106. **Entry Gates** – All entry gates shall be designed to comply with Plate 3-4, facilitating turnaround and queue storage length to the satisfaction of the City Traffic Engineer. The centerline of the “Bulb” shall be aligned with the centerline of “A-Street”, and any curvature shall conform to City Road Design Standards.
107. **Access** – No access points, other than those identified on the design plans submitted for entitlement review shall be permitted.
108. **Traffic Control Signs** – Prior to occupancy, traffic control signs for regulation, warning and guidance of traffic shall be installed as required by the Public Works Department. These shall include, but are not limited to, stop signs, speed limit signs, turn prohibition and one-way signs, pedestrian and school crossing signs, curve and hill warnings, not-a-through-street signs, parking signs, bicycle route signing, together with pavement striping, road symbols and street name signs.
109. **Supplemental Traffic Control Devices** – Prior to final acceptance, the City may require the developer to add traffic safety devices, such as signing and striping, flashing beacons or other devices defined by the California Manual of Uniform Control Devices, the need for which are not apparent at time of plan approval but are warranted due to actual field conditions. The developer shall install the traffic safety devices prior to final acceptance.
110. **Haul Route and Vehicle Staging** – Prior to grading permits, the applicant shall submit haul route and vehicle staging plans for review by and approval of the City Traffic Engineer.

111. **Decorative Paving** – No decorative paving shall be installed within 50 feet of the prolongation of the back of the sidewalk to allow for installation and maintenance of striping, pavement markers and pavement legends.
112. **Intersection Sight Distance** – Adequate vehicular and pedestrian sight-distance (visibility) shall be provided at all intersections of public streets, private streets, and private driveways in accordance with the criteria specified within Plate 3-10. The improvement plans for all projects shall demonstrate compliance with this plate (and a mechanism to preserve the required sight-distance in perpetuity).

For the intersection of “A” Street and Kanan Road, final street improvement plans must provide minimum standard stopping sight distance based upon the posted speed limit (45 mph) with reasonable mitigation to the satisfaction of the City Engineer.

Intersection Sight Distance shall be the principal criterion in determining the appropriate location of on- or off-site improvements. It is especially critical that mature landscaping be considered in evaluating visibility, not just the barren ground. Where applicable, CC&R’s shall require continued compliance with this condition and the requirements contained within Plate 3-10.

113. **Stopping Sight Distance** – All roads shall comply with Plate 3-9 and provide sufficient stopping sight distance along the roadway continuously.
114. **Project Design Features** - Grading, walls and mature landscaping shall be designed to maximize intersection sight distance and stopping sight distance in the vicinity of the project.
115. **Street Name Signs** – Street name signs shall be installed at the intersection of “A” Street with Kanan Road. The street name signs shall comply with City Standards, including Plates 7-6, and 7-7. Advance road name guide signs shall be provided on Kanan Road per Plate 7-3.
116. **Kanan Road Proposed Median Opening and Full Access Intersection** - Applicant shall submit a plan for the intersection design for review and approval by the City Engineer. The design shall conform to the latest edition of the City of Thousand Oaks Road Design and Construction Standards, the California Manual on Uniform Traffic Control Devices, and the State of California Standard Plans and Specifications.
117. **Driveways** – All new driveway gradients shall conform to Plate 6-1.

118. **Mail Boxes** – Mailboxes shall be constructed inside the gated entrance. No mailboxes, or central mailbox, shall be located in the gated turn-around area.

FIRE DEPARTMENT CONDITIONS FOR TTM 2010-70187 (Tract 5873)

119. **Access Road Width** – Private roads shall comply with Public Road Standards, unless modified by the Fire Department with City approval.
- a. An on-site access road width of 36 feet shall be provided for residential use.
 - b. A secondary access road of not less than 25 feet shall be provided per VCFPD Ord. #28, Appendix O.
120. **Access Covenant** – A covenant and deed restriction shall be recorded at the time of map recordation and a copy of the record document shall be provided to the Fire District within (7) days of recordation. This covenant shall require upon the sale of any of these parcels, a reciprocal access easement be recorded on all parcels who share the access road/driveway. This easement shall allow for an access road/driveway meeting all Ventura County Fire Protection District access standards and shall be approved by the Ventura County Fire Protection District prior to recordation.
121. **Private Driveways, Single-Family Dwellings** – Private driveways, serving one (1) R-3 structure shall be constructed 15 feet wide. A width of 20 feet shall be provided on common driveways serving two (2) to four (4) R-3 structures. Private driveways and required Fire Department turnarounds serving 2 or more lots shall be located in a HOA lot or HOA easement. The HOA lot or easement shall be a minimum of five feet (5') wider than the required driveway and turnaround area widths (2-1/2 feet each side). Signs prohibiting obstruction and parking along the common driveway shall be posted at the discretion of the Fire Department.
122. **All-Weather Access Road** – Prior to combustible construction, a paved all-weather access road/driveway suitable for use by a 20 ton Fire District vehicle shall be installed at locations approved by the Fire District.
123. **Construction Access** – Prior to combustible construction, all utilities located within the access road and the first lift of the access road pavement shall be installed. A minimum 20 foot clear width shall remain free of obstruction during any construction activities within the development once combustible construction starts.
124. **Turning Radius** – The access road shall be of sufficient width to allow for a 40 foot outside turning radius at all turns in the road.

125. **Vertical Clearance** – All access roads/driveways shall have a minimum vertical clearance of 13 feet, 6 inches (13' 6").
126. **Turnarounds** – Approved turnaround areas for fire apparatus shall be provided when dead-end Fire Department access roads/driveways exceed 150 feet. Turnaround areas shall not exceed a 5% cross slope in any direction and shall be located within 150 feet of the end of the access road/driveway. Turnaround areas shall not be used for parking and shall be kept free of obstructions at all times. Turnaround areas shall be posted as Fire Lanes in accordance with Fire District Fire Lane Standards.
127. **Turnarounds Shared Use** – Fire Department turnarounds serving 2 or more lots shall be located in a HOA lot or HOA easement. The HOA lot or easement shall be a minimum of 5 feet wider than the required driveway and turnaround area widths (2-1/2 feet each side).
128. **Parking Prohibited** – The property owner(s) are hereby advised that parking on access roads/driveways and any fire department turnarounds is prohibited.
129. **Access Road Location** – The access/driveway shall be extended to within 150 feet of all portions of the exterior walls of the first story of any building and shall be in accordance with Fire District access standards. Where the access roadway cannot be provided, approved fire protection system or systems shall be installed as required and acceptable to the Fire District.
130. **Maximum Dead-End Access Road Length** – When only one (1) access point is provided, the maximum length of access roads shall not exceed 800 feet from the point of two (2) separate means of ingress/egress.
131. **Site Access** – Two (2) means of ingress/egress shall be provided and maintained within the development in accordance with Fire District access standards.
132. **Access Road Certification** – The access road(s)/driveway(s) shall be certified by a registered civil engineer as having an all weather surface in conformance with Public Works and/or Fire District standards. This certification shall be submitted to the Fire District for review and approval prior to occupancy.
133. **Fire Lanes – Prior to construction**, the applicant shall submit two (2) site plans to the Fire District for approval of the location of fire lanes. **Prior to occupancy**, all fire lanes shall be posted "NO PARKING-FIRE LANE-TOW AWAY" in accordance with California Vehicle Code, the International Fire

Code and current VCFPD Fire Lane Standards. All signs and or Fire Lane markings shall be within recorded access easements.

134. **Access Road Gates** – Any gates to control vehicle access are to be located to allow a vehicle waiting for entrance to be completely off the intersecting roadway. A minimum clear open width of 15 feet in each direction shall be provided for separate entry/exit gates and a minimum 20 feet for combined entry/exit gates. If gates are to be locked, a Knox system shall be installed. The method of gate control, including operation during power failure (battery back-up), shall be subject to review by the Fire Prevention Division. Gate plan details shall be submitted to the Fire District for approval prior to installation. A final acceptance inspection by the Fire District is required prior to placing any gate into service.
135. **Gates** – Gates across access roads shall provide for egress for all persons at all times without the use of keys, codes, remote controls or special knowledge.
136. **Road/Street Name Required** – Public and private roads shall be named if serving more than four (4) parcels or as required by the Fire Department.
137. **Street Names** – Prior to recordation of street names, proposed names shall be submitted to the Fire District's Mapping Unit for review and approval.
138. **Street Name Signs** – Street name signs shall be installed in conjunction with the road improvements. The type of sign shall be in accordance with the City of Thousand Oaks Road Standards.
139. **Address Numbers (Single Family Homes)** – Address numbers, a minimum of 4 inches (4") high, shall be installed prior to occupancy, shall be of contrasting color to the background, and shall be readily visible at night. Brass or gold plated numbers shall not be used. Where structures are set back more than 150 feet (150') from the street, larger numbers will be required so that they are distinguishable from the street. In the event the structure(s) is not visible from the street, the address number(s) shall be posted adjacent to the driveway entrance on an elevated post.
140. **Address Number Plan** – A plan shall be submitted to the Fire District for review indicating the method in which buildings are to be identified by address numbers.
141. **Fire Hydrant Plan** – Prior to construction, the applicant shall submit plans to the Fire District for placement of fire hydrants. On plans, show existing hydrants within 500 feet of the development. The type of hydrant, number and size of outlets must be indicated on the plans.

142. **Fire Hydrant(s) Required** – Fire hydrant(s) shall be provided in accordance with current adopted edition of the International Fire Code, Appendix C and adopted amendments. On-site fire hydrants may be required as determined by the Fire District.
143. **Fire Hydrant Design (Single-Family Homes)** – Fire hydrants shall be installed and in service prior to combustible construction and shall conform to the minimum standards of the City of Thousand Oaks Water Works Manual and the following.
- a. Each hydrant shall be a 6 inch wet barrel design and shall have one (1) 4 inch and one (1) 2 ½ inch outlet.
 - b. The required fire flow shall be achieved at no less than 20-psi residual pressure.
 - c. Fire hydrants shall be spaced 500 feet on center, and so located that no structure will be farther than 250 feet from any one hydrant.
 - d. Fire hydrants shall be set back from the curb face 24 inches on center.
 - e. No obstructions, including walls, trees, light and sign posts, meter, shall be placed within three (3) feet of any hydrant.
 - f. A concrete pad shall be installed extending 18 inches out from the fire hydrant.
 - g. Ground clearance to the lowest operating nut shall be between 18 to 24 inches.
144. **Fire Hydrant Installation** – Prior to combustible construction on any parcel, a fire hydrant capable of providing the required fire flow and duration shall be installed and in service along the access road/driveway at a location approved by the Fire District, but no further than 250 feet from the building site. The owner of the combustible construction is responsible for the cost of this installation.
145. **Hydrant Location Markers** – Prior to occupancy of any structure, blue reflective hydrant location markers shall be placed on the access roads in accordance with Fire District standards. If the final asphalt cap is not in place at time of occupancy, hydrant location markers shall still be installed and shall be replaced when the final asphalt cap is completed.
146. **Fire Flow Verification** – Prior to map recordation, the applicant shall provide to the Fire District, verification from the water purveyor that the purveyor can provide the required fire flow of 1,000 gallons per minute at 20 psi for a minimum 2 hour duration.

147. **Fire Sprinklers** – All structures shall be provided with an automatic fire sprinkler system in accordance with current VCFPD Ordinance at time of building permit application.
148. **Fire Protection System Plans** – Plans for all fire protection systems (sprinklers, dry chemical, hood systems, etc.) shall be submitted, with payment for plan check, to the Fire District for review and approval prior to installation. Note: Fire sprinkler systems with 20 or more heads shall be supervised by a fire alarm system in accordance with Fire District requirements.
149. **Hazardous Watershed Fire Area** – This project is located in a Hazardous Watershed Fire Area and all structures shall meet hazardous fire area building code requirements. The applicant shall contact the Building Department for requirements.
150. **Hazard Abatement** – All grass or brush exposing any structure(s) to fire hazards shall be cleared for a distance of 100 feet prior to construction of any structure and shall be maintained in accordance with VCFPD Ordinance. In addition, all grass and brush shall be cleared to a distance of ten feet (10') on each side of all access roads/driveways.
151. **Spark Arrester** – An approved spark arrester shall be installed on the chimney of any structure(s).
152. **Fire Department Clearance** – Applicant shall obtain VCFD Form #126 "Requirements for Construction" prior to obtaining a building permit for any new structures or additions to existing structures.
153. **Phasing Plan** – Applicant shall submit a phasing plan to the Fire Department for review and approval prior to construction.
154. **Map Approval** – At least 14 days prior to recordation of any maps, including parcel map waivers, the applicant shall submit two copies of the map to the Fire Prevention Division for approval.
155. **Recorded Map** – A copy of all recorded maps shall be provided to the Fire Prevention Division within seven (7) days of recordation of said map.
156. **Road Maintenance Agreement and Fund** – Prior to recordation, provisions for road maintenance, including a funding mechanism and account, shall be made in order to ensure continuous access by Fire Department equipment. A Road Maintenance Agreement shall be entered into and be binding on all owners of any parcel within the development. The maintenance agreement shall include all access road improvements (including surfacing, drainage control, vertical clearance, hazard abatement

and signs/markings) for this development. On-going road maintenance shall be performed as required to maintain the road and at anytime as requested by the Fire Department. The road maintenance agreement shall be approved by the Fire Department. This condition can be satisfied by inclusion within a Homeowners or Property Owners Association (HOA/POA) CC&R's and dues assessments.

POLICE DEPARTMENT CONDITIONS FOR TTM 2010-70187 (Tract 5873)

157. **Crime Prevention Measures** – The Police Department shall be requested by the Community Development Department to immediately examine crime prevention measures within the design of this complex including, but not limited to the adequacy of lighting, tract entry areas, perimeter fencing, vehicular access and landscaping. Revisions recommended by the Police Department shall be considered by the Community Development Department and be implemented as determined necessary.

CONEJO OPEN SPACE CONSERVATION AGENCY CONDITIONS FOR TTM 2010-70187 (Tract 5873)

OPEN SPACE

158. **Open Space Lot** – Lot 14 shall be an open space lot owned in fee by the Homeowners Association.

ACCESS CONTROL

159. **Fencing Alongside Residential Lots** – Prior to issuance of occupancy, all residential lot access to open space Lot 14 shall be precluded by non-gated fences or walls along the property lines between Lots 7, 8 and 13 and the open space, except for direct Homeowners Association access from the common lot for maintenance purposes, subject to the review and approval by the Community Development Department.

TRAILS

160. **Trail Easement** – Developer and its successors and assigns hereby consent to allow and/or assist the City or the Conejo Open Space Conservation Agency (COSCA) in obtaining a Consent Agreement from Southern California Edison to allow public multi-purpose trail access through Lot 14 in the future.

IMPROVEMENTS

161. **Color** – All improvements adjacent to open space areas, including stream channel inlets, brow ditches, and bench drains, shall be stained an earth

color to blend with the surrounding natural landscape conditions and be located on private property.

162. **Drainage Structures** – All drainage flowing onto or influencing open space areas shall provide adequate energy dissipating structures to diminish soil erosion and deposits. The design and location of such structures shall be shown on the grading plan for review by COSCA.
163. **Lighting** – Lighting fixtures shall be designed to minimize illumination of natural open space areas.

FUEL MODIFICATION ZONES

164. **Location** – Fuel Modification Zones (fire/brush clearance) shall be a minimum of one hundred feet (100') slope distance from the developable pad. All land to be maintained as a fuel modification zone or for slope stabilization shall be located within private parcels with maintenance responsibility exercised and controlled by private landowners, according to current City policies. Access points for brush clearance maintenance from streets must be provided and clearly identified on the tract map.
165. **Brush Clearance** – Brush clearance over Lot 14 shall be provided by the Homeowners Association in accordance with the requirements and standards of the Ventura County Fire Protection District.

LAFCO 14-06

RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND APPROVING THE CITY OF THOUSAND OAKS REORGANIZATION – MILLER RANCH; ANNEXATION TO THE CITY OF THOUSAND OAKS AND DETACHMENT FROM THE VENTURA COUNTY RESOURCE CONSERVATION DISTRICT AND COUNTY SERVICE AREA NO. 32

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 hearing as required by law; and

WHEREAS, the proposal was duly considered on April 16, 2014; and

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

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

WHEREAS, the affected territory has fewer than twelve registered voters and is considered uninhabited; and

WHEREAS, information satisfactory to the Commission has been presented that no subject or affected agencies have submitted written opposition to the proposal; and

WHEREAS, the Commission finds the proposal to be in the best interest of the landowners and present and future inhabitants within the City of Thousand Oaks (City) and within the affected territory, and the organization of local governmental agencies within Ventura County; and

WHEREAS, the Commission certifies that it has reviewed and considered the Environmental Impact Report (EIR) prepared by the lead agency; and

WHEREAS, the Commission has found that the EIR discloses impacts that are not significant or are mitigated to a level of insignificance;

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

- (1) The LAFCo Staff Report dated April 16, 2014 and recommendation for approval of the proposal are adopted.
- (2) The reorganization 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:
CITY OF THOUSAND OAKS REORGANIZATION – MILLER RANCH
- (5) The Commission has reviewed and considered the information contained in the EIR for the Miller Ranch project prepared for the City as lead agency as well as all comments received and determines that adopted mitigation measures will substantially lessen or avoid any significant effect on the environment.
- (6) The Commission hereby adopts the lead agency's Findings, Mitigation Measures and Mitigation Monitoring Program (Attachment 3 to the Staff Report).
- (7) The Commission directs staff to file a Notice of Determination in the same manner as a lead agency under CEQA Guidelines §15094 and §15096(i).
- (8) The Commission determines that the project is in compliance with Government Code § 56741 as the territory to be annexed is located within one county and is contiguous with the boundaries of the City.
- (9) The affected territory is uninhabited as defined by Government Code § 56046.
- (10) Pursuant to Government Code Section 56662(a), the territory is uninhabited, no affected local agency has submitted a written demand for notice and hearing, and all the owners of land within the affected territory have given their written consent to the proposal. The Commission hereby waives protest proceedings entirely.
- (11) The affected territory shall be liable for all taxes, charges, fees or assessments that are levied on similar properties within the City.

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

This resolution was adopted on April 16, 2014.

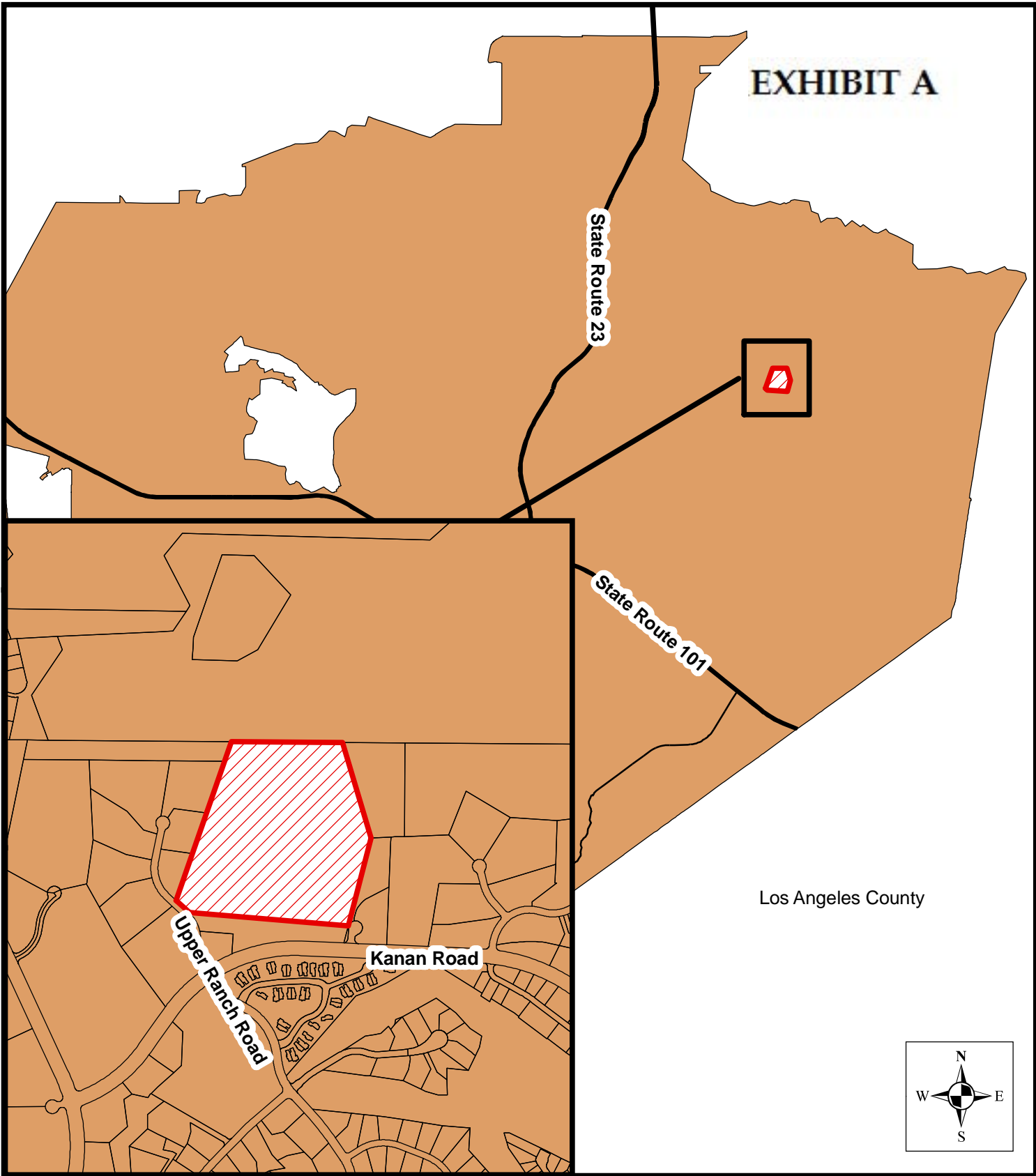
	AYE	NO	ABSTAIN	ABSENT
Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Ford-McCaffrey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<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 Zaragoza	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: _____
Chair, Ventura Local Agency Formation Commission

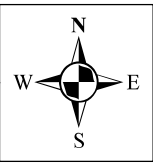
Attachments: Exhibit A

Copies: City of Thousand Oaks
Calleguas Municipal Water District
Southern California Edison
Southern California Gas Company
Ventura County Watershed Protection District
Ventura County Assessor
Ventura County Auditor/Controller
Ventura County Elections-Registrar of Voters
Ventura County Fire Protection District
Ventura County Planning
Ventura County Environmental Health
Ventura County Resource Conservation District
Ventura County Sheriff – EOC
Ventura County Surveyor

EXHIBIT A





Los Angeles County



LAFCo 14-06
City of Thousand Oaks Reorganization
Miller Ranch

Legend

-  14-06 Proposal Area
-  Thousand Oaks





VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: April 16, 2014

(Consent)

Agenda Item 9

TO: LAFCo Commissioners

FROM: Kai Luoma, AICP, Executive Officer

SUBJECT: FY 2013-14 Budget to Actual Report – February 2014

RECOMMENDATION:

Receive and file Budget to Actual report for February 2014.

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 report, which has been prepared with the assistance of the County Auditor-Controller staff, reflect revenue and expenditures for February 2014 of the 2013-2014 Fiscal Year.

Attachments: Budget to Actual Report for February 2014

COMMISSIONERS AND STAFF

COUNTY:
Linda Parks, Chair
John Zaragoza
Alternate:
Steve Bennett

CITY:
Carl Morehouse
Janice Parvin
Alternate:
Carol Smith

DISTRICT:
Bruce Dandy
Vacant
Alternate:
Elaine Freeman

PUBLIC:
Linda Ford-McCaffrey, Vice Chair
Alternate:
Lou Cunningham

Executive Officer:
Kai Luoma, AICP

Analyst
Andrea Ozdy

Office Mgr/Clerk
Debbie Schubert

Legal Counsel
Michael Walker



**BUDGET TO ACTUAL FY 2013-14
YEAR TO DATE ENDING FEBRUARY 28, 2014 (66.67% of year)
Fund 7920, Organization 8950**

Summary	Budget	Adj. Budget	To Date
Estimated Sources	675,769	675,769	678,943
Appropriations	675,769	675,769	380,978

Account Number	Title	BUDGET			ACTUAL YTD			Variance Favorable (Unfavorable)	
		Budget	Proposed Adjustments	Adjusted Budget	Actual	Encumbered	Total Revenue/Obligation		
FUND BALANCE									
	Beginning Balance	388,453		388,453	388,452.87		388,452.87	(0.13)	
5331	Committed	100,000		100,000	100,000.00		100,000.00	0.00	
5395	Unassigned	220,320		220,320	220,319.87		220,319.87	(0.13)	
5395	Unassigned - Appropriated	68,133		68,133	68,133.00		68,133.00	(0.26)	
REVENUE									
8911	Interest Earnings	4,000		4,000	1,346.37		1,346.37	(2,653.63)	34%
9372	Other Governmental Agencies	573,636		573,636	573,636.00		573,636.00	0.00	100%
9772	Other Revenue - Miscellaneous	30,000		30,000	35,828.02		35,828.02	5,828.02	119%
	Total Revenue	607,636	0	607,636	610,810.39		610,810.39	3,174.39	101%
	TOTAL SOURCES	675,769	0	675,769	678,943.39		678,943.39	3,174.13	100%
EXPENDITURES									
1101	Regular Salaries	328,000		328,000	200,616.16		200,616.16	127,383.84	61%
1105	Overtime	0		0	0.00		0.00	0.00	0%
1106	Supplemental Payments	12,600		12,600	7,626.87		7,626.87	4,973.13	61%
1107	Term/Buydown	31,500		31,500	16,076.76		16,076.76	15,423.24	51%
1121	Retirement Contribution	77,500		77,500	47,652.50		47,652.50	29,847.50	61%
1122	OASDI Contribution	19,000		19,000	10,834.82		10,834.82	8,165.18	57%
1123	FICA - Medicare	5,100		5,100	3,240.11		3,240.11	1,859.89	64%
1141	Group Insurance	21,400		21,400	13,351.16		13,351.16	8,048.84	62%
1142	Life Ins/Dept. Heads & Mgmt.	150		150	83.53		83.53	66.47	56%
1143	State Unempl	400		400	242.66		242.66	157.34	61%
1144	Management Disability Ins.	820		820	486.73		486.73	333.27	59%
1165	Worker Compensation Ins	3,000		3,000	1,894.27		1,894.27	1,105.73	63%
1171	401K Plan	12,500		12,500	6,559.72		6,559.72	5,940.28	52%
	Salaries and Benefits	511,970	0	511,970	308,665.29	0.00	308,665.29	203,304.71	60%
2033	Voice/Data ISF	3,500		3,500	2,101.45		2,101.45	1,398.55	60%
2071	General Insurance Alloca - ISF	2,000		2,000	984.00		984.00	1,016.00	49%
2125	Facil/Matls Sq. Ft. Alloc. - ISF	15,500		15,500	9,728.00		9,728.00	5,772.00	63%
2128	Other Maint	500		500	0.00		0.00	500.00	0%
2141	Memberships & Dues	6,550		6,550	6,105.00		6,105.00	445.00	93%
2154	Education Allowance	0		0	0.00		0.00	0.00	0%
2158	Indirect Cost Recovery	5,500		5,500	2,676.00		2,676.00	2,824.00	49%
2172	Books & Publications	500		500	249.49		249.49	250.51	50%
2174	Mail Center - ISF	2,500		2,500	1,481.80		1,481.80	1,018.20	59%
2176	Purchasing Charges - ISF	500		500	0.00		0.00	500.00	0%
2177	Graphics Charges - ISF	2,000		2,000	0.00		0.00	2,000.00	0%
2178	Copy Machine Charges - ISF	1,000		1,000	(11.85)		(11.85)	1,011.85	-1%
2179	Miscellaneous Office Expense	7,000		7,000	2,130.86		2,130.86	4,869.14	30%
2181	Stores ISF	50		50	11.25		11.25	38.75	23%
2191	Board Members Fees	4,500		4,500	1,900.00		1,900.00	2,600.00	42%
2192	Information Technology - ISF	3,000		3,000	630.00		630.00	2,370.00	21%
2195	Specialized Services/Software	1,500		1,500	737.50		737.50	762.50	49%
2197	Public Works - Charges	3,000		3,000	33.17		33.17	2,966.83	1%
2199	Other Prof & Spec Service	10,000		10,000	5,690.00		5,690.00	4,310.00	57%
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	23,000		23,000	8,587.16		8,587.16	14,412.84	37%
2261	Public & Legal Notices	5,000		5,000	1,507.40		1,507.40	3,492.60	30%
2283	Records Storage Charges	350		350	120.64		120.64	229.36	34%
2293	Computer Equipment <5000	4,000		4,000	0.00		0.00	4,000.00	0%
2304	County Legal Counsel	22,500		22,500	13,432.00		13,432.00	9,068.00	60%
2521	Transportation Charges ISF	0		0	0.00		0.00	0.00	0%
2522	Private Vehicle Mileage	7,000		7,000	4,614.04		4,614.04	2,385.96	66%
2523	Conf. & Seminars Expense	13,000		13,000	9,516.11		9,516.11	3,483.89	73%
2526	Conf. & Seminars Expense ISF	500		500	20.00		20.00	480.00	4%
2528	County Motor Pool	1,000		1,000	68.42		68.42	931.58	0%
	Services and Supplies	150,550	0	150,550	72,312.44	0.00	72,312.44	78,237.56	48%
6101	Contingency	13,249		13,249	0.00		0.00	13,249.00	0%
	TOTAL EXPENDITURES	675,769	0	675,769	380,977.73	0.00	380,977.73	294,791.27	56%

0.00

Note: Amounts with "()" in the ACTUAL column reflect FY13 accruals in excess of actual expenditures to date




VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: April 16, 2014

Agenda Item 10

TO: LAFCo Commissioners
FROM: Kai Luoma, Executive Officer 
SUBJECT: Review and Readopt the LAFCo Fee Schedule

RECOMMENDATION:

Determine that no changes to the LAFCo Fee Schedule are necessary and adopt the attached resolution readopting the existing LAFCo Fee Schedule.

BACKGROUND:

The current LAFCo Fee Schedule (Attachment 1) was adopted by the Commission on June 9, 2010 and became effective July 1, 2010. It was re-adopted in 2011, 2012 and 2013. Pursuant to Section 2.3.3.1 of the Commissioner’s Handbook, the Commission is to annually review the LAFCo Fee Schedule as a part of the budget process.

Application filing fees cover only the costs associated with processing applications. These fees do not apply to other types of LAFCo mandated functions, such as preparing municipal service reviews and sphere of influence updates. Most of LAFCo staff time is spent on mandated work that is not subject to application fees. As such, fee revenue provides a relatively small portion of the total revenue. Depending on the number and complexity of the applications received in any year, revenue from applications has ranged from approximately 5.5% to 16.8% of total revenue over the past eleven years.

DISCUSSION:

LAFCo staff recommends that no changes be made to the existing LAFCo Fee Schedule. Historically, the LAFCo staff composite rate component of the Fee Schedule has been tied to the Planning Division contract rate charged by the County of Ventura Resource Management Agency for processing land use entitlement applications. The Planning Division contract rate currently includes a base rate of \$129.27 per hour plus various surcharges for a total of \$155.77 per hour. The Planning Division rate is proposed to be

COMMISSIONERS AND STAFF

COUNTY: Linda Parks, Chair John Zaragoza <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Carol Smith	DISTRICT: Bruce Dandy Vacant <i>Alternate:</i> Elaine Freeman	PUBLIC: Linda Ford-McCaffrey, Vice Chair <i>Alternate:</i> Lou Cunningham
Executive Officer: Kai Luoma, AICP	Analyst Andrea Ozdy	Office Mgr/Clerk Debbie Schubert	Legal Counsel Michael Walker

reduced to \$153.59 for fiscal year 2014-15. The LAFCo staff composite rate is currently \$150 per hour and is therefore less than the current and proposed Planning Division contract rate. Staff does not recommend a corresponding decrease in the LAFCo staff composite rate because portions of the Planning Division surcharge are unique to that department and not generally applicable to LAFCo processing costs.

In real dollar terms, leaving the fees unchanged would represent a decrease in fees and a corresponding decrease in fee revenue. However, as indicated above, fee revenue comprises a relatively small percentage of LAFCo's total revenue, so the overall budgetary impact of maintaining existing fees would not be significant.

This item has been publicly noticed as prescribed by law.

Attachments: 1) Current Fee Schedule
 2) Resolution Readopting the LAFCo Fee Schedule



VENTURA LOCAL AGENCY FORMATION COMMISSION

COUNTY GOVERNMENT CENTER • HALL OF ADMINISTRATION

800 S. VICTORIA AVENUE • VENTURA, CA 93009-1850

TEL (805) 654-2576 • FAX (805) 477-7101

WWW.VENTURA.LAFCO.CA.GOV

ATTACHMENT 1

FEE SCHEDULE Effective on July 1, 2010 (Re-adopted April 17, 2013)

Fees and deposits are charged and accounted for as described in the Ventura LAFCo Fee and Billing Policies. Each application or petition to LAFCo must be accompanied by payment of the Administrative Fee and the Initial Deposit set forth below. All LAFCo staff time and legal counsel time spent on the proposal shall be billed to the applicant or petitioner at the hourly rates set forth below, and shall be paid from the deposit, with the exception of deposits for incorporation proposals ***. If the hourly charges exceed the amount of the deposit, the applicant or petitioner shall pay the excess within 15 days of receipt of a statement from LAFCo. Failure to pay may be cause for denial of the application/petition, and no proceeding or proposal shall be completed until all fees due have been paid in full.

TYPE OF ACTION		Administrative Fee (Non Refundable)	Deposit Required (Initial)	Total Initial Payment	
Changes of Organization or Reorganization	Annexation to, or detachment from, a city or district	Does NOT require conducting authority protest proceedings*	\$1,750	\$1,800	\$3,550
		Requires, or may require, conducting authority protest proceedings**	\$1,750	\$3,600	\$5,350
	Special District - Consolidation, Merger, Dissolution, or Formation of a Subsidiary District		\$1,750	\$4,500	\$6,250
	Expansion of Special District Powers		\$1,750	\$1,800	\$3,550
	Special District Formation		\$1,750	\$5,400	\$7,150
	City Incorporation***		\$5,000	\$25,000	\$30,000
Changes to Spheres of Influence	Update (filed separately from a change of organization or reorganization)		\$1,750	\$3,600	\$5,350
	Amendment (filed in conjunction with a Change of Organization or Reorganization)		\$1,750	\$900	\$2,650
Out of Agency Service Agreements	Administrative Action	Determination	\$450		\$450
		Time Extension	\$450		\$450
	Commission Action	Determination	\$1,750	\$1,800	\$3,550
		Time Extension	\$450	\$600	\$1,050
Other Actions	Extension of Time Request to Complete Proceedings		\$1,750	\$900	\$2,650
	Reconsideration Request		\$1,750	\$900	\$2,650
	Amendment to, Waiver of, or Establishment of New LAFCo Policy		\$1,750	\$900	\$2,650
	Fee Waiver or Reduction of Fee Request		\$600		\$600
Other Requests for Commission Action – Administrative fee plus actual time			\$450		\$450
Pre-application Review and Meetings - 3 hour minimum plus additional actual time in excess of 3 hours - due at time of scheduling)			\$450		\$450

* Area is uninhabited and all owners and subject agencies consent to the proposal.

** Area is inhabited or uninhabited and all owners and/or subject agencies do not consent to the proposal.

*** For incorporations, the application deposit shall be held in trust until all outstanding charges are paid and LAFCo proceedings are completed. No LAFCo charges associated with the processing of an incorporation application may be paid from the deposit; the applicant shall be provided with a monthly invoice starting from the date of application submittal in accordance with the applicable LAFCo fee agreement.

LAFCo TIME BILLING RATES

LAFCo staff composite rate	\$150/hour
LAFCo legal counsel rate	Actual Costs

**NON-LAFCo FEES
Fees & Charges Related to LAFCo Actions**

FEES	APPLICANT/PETITIONER SHALL PAY:
Mapping fees	Payable to the County Surveyor's Section of the Ventura County Public Works Agency per the applicable County Surveyor's Fee Schedule
State Board of Equalization fees	For changes of organization and reorganization; payable to the State Board of Equalization in accordance with its latest fee schedule; collected by LAFCo prior to County and State filing of an action
Publication costs	Costs for publishing notices in the newspaper will be charged at actual costs
Consultant costs	Costs for any consultants hired by LAFCo (e.g. environmental consultants, fiscal review consultants, etc.) will be charged at actual costs
State Department of Fish and Game fees	Payable to the State Department of Fish and Game; collected, as necessary, by LAFCo prior to filing environmental notices of determination
Charges by County Assessor, County Clerk and Recorder or other County agencies for verifying ownership information, registered voter information, filing notices, recording documents, etc.	Actual costs
State Controller's costs	Costs by the State Controller's Office for fiscal reviews to be paid by the party making the request; payable to the State Controller in accordance with the Controller's latest fee schedule; collected by LAFCo prior to submittal to the State Controller.
Special legal counsel and any legal defense costs	Actual costs
Reproductions and Copies	Per County Ordinance No. 4339

**RESOLUTION OF THE VENTURA LOCAL AGENCY
FORMATION COMMISSION READOPTING
THE LAFCo FEE SCHEDULE**

WHEREAS, California Government Code Section 56383 allows for a Local Agency Formation Commission to establish a schedule of fees for the costs of proceedings; and

WHEREAS, Section 2.3.3.1(a) of the Commissioner's Handbook provides that the Commission will review its fee schedule annually as part of the annual budget process; and

WHEREAS, the Commission adopted the current fee schedule on June 9, 2010 and it was readopted on April 20, 2011, April 18, 2012, and April 17, 2013; and

WHEREAS, the Commission determines that fees should be based on actual processing costs plus indirect and administrative costs; and

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

WHEREAS, the Commission discussed and considered all oral and written testimony for and against this matter including, but not limited to, the LAFCo Staff Report and recommendation; and

WHEREAS, the Commission duly considered the matter on April 16, 2014;

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

- (1) The fee schedule set forth in Exhibit A attached hereto is hereby readopted.
- (2) The fees set forth in Exhibit A attached hereto do not exceed the estimated reasonable costs of providing the services for which the fees are charged, and are necessary to pay the costs of operation of the Ventura Local Agency Formation Commission.
- (3) The Executive Officer is directed to notify all cities and all special districts in Ventura County of this action.

This resolution was passed and adopted on April 16, 2014.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Ford-McCaffrey	<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 Zaragoza	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: _____
Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

Copies: Ventura County Cities
Ventura County Special Districts
County Executive Office



VENTURA LOCAL AGENCY FORMATION COMMISSION

COUNTY GOVERNMENT CENTER • HALL OF ADMINISTRATION
 800 S. VICTORIA AVENUE • VENTURA, CA 93009-1850
 TEL (805) 654-2576 • FAX (805) 477-7101
 WWW.VENTURA.LAFCO.CA.GOV

EXHIBIT A

FEE SCHEDULE Effective on July 1, 2010 (Re-adopted April 16, 2014)

Fees and deposits are charged and accounted for as described in the Ventura LAFCo Fee and Billing Policies. Each application or petition to LAFCo must be accompanied by payment of the Administrative Fee and the Initial Deposit set forth below. All LAFCo staff time and legal counsel time spent on the proposal shall be billed to the applicant or petitioner at the hourly rates set forth below, and shall be paid from the deposit, with the exception of deposits for incorporation proposals ***. If the hourly charges exceed the amount of the deposit, the applicant or petitioner shall pay the excess within 15 days of receipt of a statement from LAFCo. Failure to pay may be cause for denial of the application/petition, and no proceeding or proposal shall be completed until all fees due have been paid in full.

TYPE OF ACTION		Administrative Fee (Non Refundable)	Deposit Required (Initial)	Total Initial Payment	
Changes of Organization or Reorganization	Annexation to, or detachment from, a city or district	Does NOT require conducting authority protest proceedings*	\$1,750	\$1,800	\$3,550
		Requires, or may require, conducting authority protest proceedings**	\$1,750	\$3,600	\$5,350
	Special District - Consolidation, Merger, Dissolution, or Formation of a Subsidiary District		\$1,750	\$4,500	\$6,250
	Expansion of Special District Powers		\$1,750	\$1,800	\$3,550
	Special District Formation		\$1,750	\$5,400	\$7,150
	City Incorporation***		\$5,000	\$25,000	\$30,000
Changes to Spheres of Influence	Update (filed separately from a change of organization or reorganization)		\$1,750	\$3,600	\$5,350
	Amendment (filed in conjunction with a Change of Organization or Reorganization)		\$1,750	\$900	\$2,650
Out of Agency Service Agreements	Administrative Action	Determination	\$450		\$450
		Time Extension	\$450		\$450
	Commission Action	Determination	\$1,750	\$1,800	\$3,550
		Time Extension	\$450	\$600	\$1,050
Other Actions	Extension of Time Request to Complete Proceedings		\$1,750	\$900	\$2,650
	Reconsideration Request		\$1,750	\$900	\$2,650
	Amendment to, Waiver of, or Establishment of New LAFCo Policy		\$1,750	\$900	\$2,650
	Fee Waiver or Reduction of Fee Request		\$600		\$600
Other Requests for Commission Action – Administrative fee plus actual time			\$450		\$450
Pre-application Review and Meetings - 3 hour minimum plus additional actual time in excess of 3 hours - due at time of scheduling)			\$450		\$450

* Area is uninhabited and all owners and subject agencies consent to the proposal.

** Area is inhabited or uninhabited and all owners and/or subject agencies do not consent to the proposal.

*** For incorporations, the application deposit shall be held in trust until all outstanding charges are paid and LAFCo proceedings are completed. No LAFCo charges associated with the processing of an incorporation application may be paid from the deposit; the applicant shall be provided with a monthly invoice starting from the date of application submittal in accordance with the applicable LAFCo fee agreement.

LAFCo TIME BILLING RATES

LAFCo staff composite rate	\$150/hour
LAFCo legal counsel rate	Actual Costs

**NON-LAFCo FEES
Fees & Charges Related to LAFCo Actions**

FEES	APPLICANT/PETITIONER SHALL PAY:
Mapping fees	Payable to the County Surveyor's Section of the Ventura County Public Works Agency per the applicable County Surveyor's Fee Schedule
State Board of Equalization fees	For changes of organization and reorganization; payable to the State Board of Equalization in accordance with its latest fee schedule; collected by LAFCo prior to County and State filing of an action
Publication costs	Costs for publishing notices in the newspaper will be charged at actual costs
Consultant costs	Costs for any consultants hired by LAFCo (e.g. environmental consultants, fiscal review consultants, etc.) will be charged at actual costs
State Department of Fish and Game fees	Payable to the State Department of Fish and Game; collected, as necessary, by LAFCo prior to filing environmental notices of determination
Charges by County Assessor, County Clerk and Recorder or other County agencies for verifying ownership information, registered voter information, filing notices, recording documents, etc.	Actual costs
State Controller's costs	Costs by the State Controller's Office for fiscal reviews to be paid by the party making the request; payable to the State Controller in accordance with the Controller's latest fee schedule; collected by LAFCo prior to submittal to the State Controller.
Special legal counsel and any legal defense costs	Actual costs
Reproductions and Copies	Per County Ordinance No. 4339



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: April 16, 2014

Agenda Item 11

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer

SUBJECT: Recommended Proposed Budget – Fiscal Year 2014 - 2015

RECOMMENDATION:

Adopt the attached resolution:

- A. Approving the Proposed Budget for FY 2014-15 and directing staff to transmit the Proposed Budget to the County, each city, and each independent special district; and
- B. Finding that a decrease in program costs, as set forth in the Proposed Budget, will nevertheless allow the Commission to fulfill the purposes and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

BACKGROUND:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires each LAFCo to adopt a Proposed Budget by May 1 and a Final Budget by June 15. The enclosed Proposed Budget consists of a Budget Message and the line item budget of expenditures and revenue.

DISCUSSION:

The FY 2014-15 Proposed Budget being recommended by staff reflects an overall expenditure decrease of approximately 5% compared to the FY 2013-14 Adopted Final Budget. This is primarily due to decreases in projected costs for Salaries and Employee Benefits as outlined in the attached Budget Message.

The Proposed Budget includes a recommended contingency appropriation of \$18,699 which is equivalent to 3% of total expenditures. The Commission’s budget policies indicate that the budget should provide for contingencies equaling 10% of total expenditures, unless the Commission deems that a different amount is appropriate. Staff believes that a lower amount is appropriate for two reasons: 1) Unassigned Fund

COMMISSIONERS AND STAFF

COUNTY:
Linda Parks, Chair
John Zaragoza
Alternate:
Steve Bennett

CITY:
Carl Morehouse
Janice Parvin
Alternate:
Carol Smith

DISTRICT:
Bruce Dandy
Vacant
Alternate:
Elaine Freeman

PUBLIC:
Linda Ford-McCaffrey, Vice Chair
Alternate:
Lou Cunningham

Executive Officer:
Kai Luoma, AICP

Analyst
Andrea Ozdy

Office Mgr/Clerk
Debbie Schubert

Legal Counsel
Michael Walker

Balance can be used as a financing source in the event it is needed; and 2) it will reduce the amount of revenue needed from other governmental agencies. The unassigned fund balance at the close of the current fiscal year is projected to be \$229,338.

The Proposed Budget reflects a decrease of approximately 9.5% in total revenue from other government agencies compared to the FY 2013-14 Adopted Final Budget. This decrease is due to an overall decrease in anticipated expenditures for FY 2014-15, primarily as a result of salary savings, and the proposed appropriation of \$90,000 of fund balance.

Included with the Proposed Budget are the estimated allocation percentages for the 10 cities and 29 independent special districts that together with the County are responsible for the majority of LAFCo's revenue. The estimated allocation percentages are based on the latest published State Controller Reports (FY 2010-11 for cities and FY 2011-12 for special districts), which were used by the County Auditor-Controller's Office as the basis for computing revenue amounts to be collected from the cities and special districts for FY 2014-15. Should the State issue an updated Cities Report for FY 2011-12 before the end of June, the County Auditor-Controller's Office will use that Report as the basis for calculating revenue to be collected from the cities for FY 2014-15.

The Proposed Budget has been transmitted to the County and each city and independent special district for review and comment at any time prior to the adoption of a Proposed Budget. The Recommended Final Budget will also be transmitted to the affected local agencies for review and comment prior to adoption of a Final Budget, which is tentatively scheduled for May 21, 2014.

Attachment: (1) Resolution adopting the Proposed Budget FY 2014-15

**RESOLUTION OF THE
VENTURA LOCAL AGENCY FORMATION COMMISSION
ADOPTING A PROPOSED BUDGET FOR FISCAL YEAR 2014-15**

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

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

WHEREAS, the Commission desires to adopt a Proposed Budget for Fiscal Year 2014-15 that is lower than the adopted Fiscal Year 2013-14 Final Budget; and

WHEREAS, the public and other governmental agencies had an opportunity to comment and the Commission considered adoption of a Proposed Budget for Fiscal Year 2014-15 on April 16, 2014.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that pursuant to Government Code Section 56381, the Ventura Local Agency Formation Commission hereby:

- (1) Adopts the Proposed Budget for the 2014-15 Fiscal Year as set forth in Exhibit A attached hereto; and
- (2) Finds that the Proposed Budget as set forth in Exhibit A attached hereto will not result in reductions in staffing or program costs to such an extent that the Commission would be impeded from fulfilling the purpose and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act; and
- (3) Directs the Executive Officer to forward the Proposed Budget, as adopted, to all the independent special districts, cities and the County.

This resolution was passed and adopted on April 16, 2014.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Ford-McCaffrey	<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"/>
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Alt. Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: _____
Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

c: County of Ventura
Ventura County Cities
Ventura County Independent Special Districts



BUDGET MESSAGE
Proposed Budget - Fiscal Year 2014-2015

Hearing Date: April 16, 2014

Introduction

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 *et seq.*) (CKH) requires each Local Agency Formation Commission (LAFCo) to adopt a Proposed Budget by May 1 of each year and a Final Budget by June 15 of each year. The Ventura LAFCo will have a hearing on April 16, 2014 to consider this Proposed Budget for Fiscal Year (FY) 2014-15. A public hearing to consider action on the Final Budget for FY 2014-15 is tentatively scheduled for May 21, 2014. Once adopted, the Final Budget will be used by the County Auditor-Controller's Office to collect revenues as necessary from the County, cities and independent special districts.

The Ventura LAFCo Commissioner's Handbook, the compendium of the Ventura LAFCo's policies and procedures, contains budget policies in Section 2.3.1 *et seq.* The Proposed Budget for 2014-15 was prepared in accordance with these policies. Major goals continue to be minimizing expenditures while fulfilling basic functions, and providing for effective and efficient compliance with mandates.

LAFCo and the County of Ventura entered into a Memorandum of Agreement effective July 1, 2001. While LAFCo is an independent agency, the Memorandum of Agreement provides for the County to provide personnel, support services, offices and materials as requested by LAFCo. All of the personnel, support services, offices and materials to be requested of the County for FY 2014-15 are part of this Proposed Budget. Budget information is formatted using County of Ventura account descriptions and codes.

This Budget Message highlights LAFCo's major responsibilities, reviews the major work accomplishments and budget information for the first three quarters of FY 2013-14, sets forth a basic work plan for FY 2014-15, and provides background and explanatory information about the anticipated expenditures and revenues in this Proposed FY 2014-15 Budget.

Major LAFCo Responsibilities

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

FY 2013-14 in Review

Based on information through the end of March 2014, total projected actual expenditures for FY 2013-14 should be approximately:

Description	FY 13-14 Adopted	FY 13-14 Projected	Estimated Savings
Total Salaries and Benefits	511,970	456,580	55,390
Total Services and Supplies	150,550	126,870	23,680
Contingencies	13,249	0	13,249
Total Expenditures	675,769	583,450	92,319

As shown above, we anticipate not using the Contingency appropriation of \$13,249. The anticipated savings in Salaries and Benefits and Services/Supplies and Contingency is projected to be \$92,319 for FY 2013-14.

Actual revenue for FY 2013-14 is projected to be approximately:

Account Code	Description	FY 13-14 Adopted	FY 13-14 Projected	Estimated Savings/ (Deficit)	Percent Change
8911	Interest Earnings	4,000	2,700	(1,300)	-32.5%
9772	Other Revenue (from Fees)	30,000	38,000	8,000	26.6%
9372	Other Govt. Agencies	573,636	573,636	0	0
	Total Revenue	607,636	614,336	6,700	1.1%

As noted in the table above, projected revenue exceeds that adopted as part of the current budget by \$6,700.

The projected \$92,319 savings in Salaries/Benefits and Services/Supplies and Contingency along with the projected \$6,700 in excess revenue results in a total projected unappropriated Fund Balance of \$99,019, which is \$30,886 more than the appropriated Fund Balance adopted as a part of the FY 2013-14 Final Budget (\$68,133).

The following work plan was adopted as a part of the FY 2013-14 Adopted Final Budget:

- Establish a work plan for sphere review mandates for the 2013-2017 cycle and begin municipal service reviews and sphere of influence reviews/updates in accordance with the approved 2013-2017 work plan.
- Continue to review and comment on draft environmental documents and general plan updates as they may be prepared by the cities and the County.
- Maintain and enhance operations with a focus on communication with the Commission, the County, cities, districts and the public; budget monitoring and information; staff training and development; and enhanced records management.
- Update and revise the Commissioner's Handbook and consider policy additions consistent with the mission and purpose of LAFCo.
- Increase public awareness about the mission, purpose and function of LAFCo.

Substantial progress has been made on each of these work plan items. In May 2013 LAFCo approved a Work Plan for the 2013-2017 sphere of influence review/update and municipal service review cycle. All sphere reviews scheduled for 2013 were completed in March 2013. Staff has begun to review those spheres of influence scheduled for 2014. Further, an external audit of LAFCo's financial statements for the year ended June 30, 2013 was performed. Over the course of the current fiscal year, LAFCo staff has thus far reviewed and/or commented on a total of 9 CEQA notices/documents, general plan updates, and development proposals.

Positive communications have been maintained with all cities and districts. Staff continues to attend and participate in meetings with staff and consultants representing cities, special districts and other local public agencies as well as individual members of the public and community groups. As time allows, staff continues to attend meetings of

the Ventura Special Districts Association, the Association of Water Agencies, the City and County Planning Association and other local and regional associations.

Opportunities for ongoing training and professional development, including California Association of Local Agency Formation Commissions (CALAFCO) University courses, annual staff workshops and conferences, and classes offered by the County of Ventura are pursued as time and budget permit.

Work Plan

The Ventura LAFCo Commissioner's Handbook provides that LAFCo will annually review and adopt a work plan as a part of the budget development process. For FY 2014-15, the recommended work plan maintains the focus on municipal service reviews and sphere of influence updates and is otherwise similar to the work plan for this year.

FY 2014-15 Work Plan

- Continue municipal service reviews and sphere of influence reviews/updates in accordance with the approved 2013-2017 work plan.
- Continue to review and comment on draft environmental documents and general plan updates as they may be prepared by the cities and the County.
- Maintain and enhance operations with a focus on communication with the Commission, the County, cities, districts and the public; budget monitoring and information; staff training and development; and enhanced records management.
- Update and revise the Commissioner's Handbook and consider policy additions consistent with the mission and purpose of LAFCo.
- Increase public awareness about the mission, purpose and function of LAFCo.

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

PROPOSED BUDGET

Expenditures

The expense portion of the budget is divided into three main sections, the Salary and Employee Benefits section (1000 series account codes), the Services and Supplies section (2000 series account codes), and Contingencies (account code 6101). Including a 3% contingency, the Proposed Budget reflects an overall expenditure decrease of approximately 5.0% compared to the FY 2013-14 Adopted Final Budget.

Salary and Employee Benefits

Salaries and Employee Benefits continue to be the major expense, comprising approximately 74.2% of the total expenditures (more if contingencies are not included). Expenditures for Salaries and Benefits are proposed to decrease by approximately 7.0% as compared to the FY 2013-14 as indicated in the following table:

Description	FY 13-14 Adopted	FY 14-15 Proposed	Increase / (Decrease)	Percent Change
Total Salaries and Benefits	511,970	476,200	(35,770)	-7.0%

The decrease comes primarily from reductions in regular salaries (account code 1101) due to staffing changes and related decreases in the various benefit accounts (especially account code 1121, Retirement Contribution), offset by an increase in Management Retiree Health Benefit (account code 1128). The decrease in expenditures for Salaries and Benefits is also partly due to a decrease in the anticipated expenditures associated with the redemption of accrued annual leave by the Executive Officer, Analyst, and Commission Clerk (account code 1107, Term/Buydown) as indicated in the following table:

Description	Acct Code	FY 13-14 Adopted	FY 14-15 Proposed	Increase / (Decrease)	Percent Change
Term/Buydown	1107	31,500	24,500	(7,000)	-22.2%

The Term/Buydown account code includes costs for pay in lieu of accrued annual leave up to a specified number of hours each year, which is a benefit LAFCo staff members are entitled to receive as employees of the County of Ventura.

It should also be noted that the amount budgeted for regular salaries (account code 1101) reflects two salary increases for all employees covered by the County of Ventura Management, Confidential Clerical and Other Unrepresented Employees Resolution. These increases were adopted by the Board of Supervisors in August 2013 and include:

- An estimated 4.14% increase to offset an increase to the amount each employee must contribute to his/her retirement. The intent is for each employee to cover half of his/her retirement contribution, which is equivalent to 7.14% of salary. Currently, employees contribute 3% of their salary to retirement. The 4.14% increase will become effective in July 2014.
- A 1.0% general salary increase that takes effect in August 2014.

The amount budgeted also includes prospective merit increases within the existing salary ranges of the Executive Officer and Analyst as provided for under the terms of the Executive Officer employment contract and the County of Ventura Management, Confidential Clerical and Other Unrepresented Employees Resolution.

The currently authorized and proposed classifications are reflected in the following table:

Title	FY 2013 – 14	FY 2014 – 15
Executive Officer	1	1
Analyst/Deputy Executive Officer	1	1
Office Manager/Clerk of the Commission	1	1
Total Authorized Positions	3	3

Services and Supplies

The Proposed Budget for Services and Supplies is approximately 2.3% less than the Adopted Final Budget for the current fiscal year, as indicated in the following table:

Description	FY 13-14 Adopted	FY 14-15 Proposed	Increase / (Decrease)	Percent Change
Services and Supplies	150,550	147,050	(3,500)	-2.3%

For those Services and Supplies account codes that reflect discretionary expenditures, most of the proposed budget amounts are either unchanged or lower as compared to the current fiscal year. The major Services and Supplies expenditures are proposed to change as follows:

- An increase in the amount budgeted for education allowance (account code 2154) from \$0.00 in the current year to \$1,000 for FY 2014-15. The increase will allow for the recently hired Analyst to attend a GIS mapping class.
- An increase in Indirect Cost Recovery charges (account code 2158). These cost recovery charges are for County services provided primarily by the General Services Agency, the Auditor-Controller's Office and the County Executive Office, including Human Resources. The current fiscal year charge is \$5,500. For FY 2014-15 the total charges for this account will be approximately \$12,200.
- A decrease in internal service fund charges for Graphics charges (account code 2177) from \$2,000 in the current year to \$500 for FY 2014-15. All monthly meeting packets are currently being produced internally by LAFCo staff. As such, the decrease in County Graphics charges reflects a reduction in the number of anticipated external printing jobs.
- A decrease in the amount budgeted for Miscellaneous Office Expenses (account code 2179) from \$7,000 in the current year to \$4,000 for FY 2014-15. The decrease reflects the one-time purchases made in FY 2013-14 of replacement signage in the hallway outside of the LAFCo office and replacement of worn out and/or nonfunctioning conference room furniture.
- A decrease in the County GIS Expense (account code 2214) from \$23,000 in the current year to \$21,500 for FY 2014-15. This account code includes LAFCo's share of Countywide GIS charges as well as specialized costs including that for maintaining/updating digital sphere of influence maps and printing maps in conjunction with the mandate to review and update spheres of influence for each city and special district. The budgeted amount reflects the anticipated number of sphere reviews that are planned to be completed in FY 2014-15.
- A decrease in the Conference and Seminars Expense (account code 2523) from \$13,000 in the current year to \$12,000 for FY 2014-15. This reduction is due to lower anticipated travel costs to attend the 2014 CALAFCO Annual conference to be held in Ontario.

Contingencies

In accordance with the Commission's budget policies, the budget should provide for contingencies equaling 10% of total expenditures, unless the Commission deems that a different amount is appropriate. To reduce the amount of revenue necessary from other

governmental agencies, it is recommended that the FY 2014-15 Proposed Budget include a contingency appropriation of \$18,699 which is equivalent to approximately 3.0% of total expenditures. Should there be a need for any unanticipated expenditures which might exceed the contingency amount, an appropriation could be made from the unassigned fund balance (which is estimated to be \$229,338 at the beginning of FY 2014-15 and includes \$97,242 to cover 60 days working capital, \$30,886 net income, and \$101,210 unassigned).

Financing Sources

Potential financing sources consist of Fund Balance and Miscellaneous Revenues, including interest earnings and application filing fees (e.g. account codes 8911 and 9772), and Other Governmental Agencies, the revenue to be collected from the County, cities and independent special districts (account code 9372).

Fund Balance

Section 56381(c) of the CKH provides, "If, at the end of the fiscal year, the commission has funds in excess of what it needs, the commission may retain those funds and calculate them into the following fiscal year's budget." As indicated in the 'FY 2013-14 in Review' section above, approximately \$99,019 is projected to be available at the end of the current fiscal year to appropriate for the FY 2014-15 Budget. However, because this is only a projection, the proposed budget includes an appropriated fund balance of \$90,000.

The Commission's budget policies provide for the maintenance of a Litigation Reserve Account balance in the amount of \$100,000 with the intent of limiting its use for unanticipated expenditures resulting from litigation against the Commission that does not occur routinely and would not be reimbursed by another party. This amount is classified as "committed" fund balance with respect to the Governmental Accounting Standards Board (GASB) requirements and the Commission's fund balance policies. The policies also provide that excess fund balance remaining over and above the committed and assigned fund balances should be classified as unassigned. Currently the LAFCo General Fund does not include any assigned fund balance. Further, the policies provide that an unassigned (and unappropriated) fund balance of approximately 60 days working capital must be maintained. Based on the Projected Actual Expenditures for FY 2013-14 (\$583,450), 60 days working capital would be approximately \$97,242. The total unassigned fund balance for the current year is \$229,338 which is equivalent to approximately 142 days working capital.

Miscellaneous Revenue

Miscellaneous revenue includes interest earnings and Other Revenue, primarily application filing fees. The Proposed Budget for Miscellaneous Revenue is \$32,700, which is approximately 3.8% less than the Adopted Budget amount for the current fiscal year (\$34,000). This decrease is reflected in the \$2,700 budgeted for Interest Earnings (account code 8911), which is 32.5% lower than the \$4,000 budgeted for the current year and consistent with the projected actual amount for FY 2013-14.

The Commission has a policy to annually review the LAFCo fee schedule as a part of the budget process. The existing fee schedule has been in effect since July 2010. On the April 16, 2014 agenda is a separate action item recommending that no changes be made to the fee schedule for FY 2014-15. Should the Commission instead take action to revise the fee schedule, this may alter the projections in the Proposed and Recommended Final Budget for Miscellaneous Revenues to the extent that revenue from application fees is altered.

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

Pursuant to the CKH, the LAFCo net operating expenses are to be apportioned one-third to the County, one-third to the cities, and one-third to the independent special districts. The Ventura LAFCo determines net operating expenses as the cost for LAFCo operations net of those funds appropriated for budget purposes plus Other Revenue. The CKH describes how the County Auditor-Controller is to make this apportionment and collect revenues once LAFCo adopts a Final Budget.

The revenue projected to be collected from the County, cities and independent special districts is proposed to decrease from \$573,636 to \$519,249 for the current year (9.5%). The table below shows how the amount of revenue from Other Governmental Agencies (the County, cities and independent special districts) has fluctuated since LAFCo first adopted an independent budget in June, 2001. As shown in the table, the amount of projected total revenue from Other Governmental Agencies for FY 2014-15 is lower than it has been in the previous 5 years. This is due to an overall decrease in anticipated expenditures for FY 2014-15, primarily as a result of salary savings, and the proposed appropriation of \$90,000 of fund balance.

Year	Adopted Budget – Total Finance Sources	Amount of Revenue from Other Governmental Agencies	Percent of Total Revenue from Other Governmental Agencies
FY 2001-02	\$548,737	\$468,737	85%
FY 2002-03	\$719,131	\$568,503	79%
FY 2003-04	\$641,215	\$390,699	61%
FY 2004-05	\$702,503	\$472,997	67%
FY 2005-06	\$723,226	\$361,874	50%
FY 2006-07	\$830,154	\$621,617	75%
FY 2007-08	\$949,269	\$715,957	75%
FY 2008-09	\$735,422	\$488,684	66%
FY 2009-10	\$783,101	\$587,084	75%
FY 2010-11	\$772,892	\$590,055	76%
FY 2011-12	\$766,598	\$570,285	74%
FY 2012-13	\$659,706	\$550,515	83%
FY 2013-14	\$675,769	\$573,636	85%
FY 2014-15 ¹	\$641,949	\$519,249	81%

¹ Based on FY 2014-15 Proposed Budget

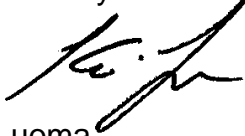
Not formally a part of the budget, but included for general information are the percentage shares of the Other Governmental Agencies revenue for each of the cities (Attachment 1) and the independent special districts (Attachment 2). City revenues and Special District revenues are based on the FY 2010-11 and FY 2011-12 State Controller Reports, respectively. These are the most current Reports available at this time. Should the State issue an updated Cities Report for FY 2011-12 before the end of June, the County Auditor-Controller's Office will use that Report as the basis for collecting revenue from the cities for FY 2014-15. As a further means of comparison, Attachment 3 shows individual agency revenue allocation amounts as a percentage of each agency's total revenue.

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

Conclusion

The Ventura LAFCo is continuing to exercise fiscal prudence. The Commission and its staff understand the economic realities of the time and the constraints on local government revenues. The Commission's budgeting process has come a long way in the last thirteen years. Systems and policies are now in place to ensure best practices and proper oversight. Mandates are being met and basic services provided with a highly trained staff that seeks to limit discretionary expenditures. The Proposed Budget for FY 2014-15 was prepared and is being recommended consistent with the Commission's policies and the knowledge and experience gained from prior years.

Respectfully submitted,



Kai Luoma
Executive Officer

- ATTACHMENTS:
- (1) Other Governmental Agencies-Cities Allocation Amounts
 - (2) Other Governmental Agencies-Independent Special District Allocation Amounts
 - (3) Agency Revenue Allocation Percentages

Appendix Glossary of Terms

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

APPROPRIATED FUND BALANCE: A portion of existing fund balance that is incorporated into the subsequent year's budget to "balance" expected expenditures in excess of expected revenues.

ASSET: Resources with present service capacity that the government presently controls; for example, money, investments and property.

ASSIGNED FUND BALANCE: Comprises amounts intended to be used by the government for specific purposes; for example, appropriated fund balance. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority to assign amounts to be used for specific purposes.

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

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

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

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

COMMITTED FUND BALANCE: Includes amounts that can be used only for the specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Commitments may be changed or removed only by the same decision-making authority taking the same formal action that imposed the constraint originally.

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

DEFICIT: An excess of expenditures or expenses over revenues.

EXPENDITURES: Under the current financial resources measurement focus, decreases in net financial resources not properly classified as *other financing uses*; for example, disbursements of cash for the cost of salaries, benefits, services or supplies.

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

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

FUND BALANCE: The difference between a fund's assets and its liabilities. With regard to a LAFCo budget, Government Code Section 56381(c) provides, "If, at the end of the fiscal year, the commission has funds in excess of what it needs, the commission may retain those funds and calculate them into the following fiscal year's budget."

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

GASB: The Governmental Accounting Standards Board (GASB) is the ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the NCGA (National Council on Governmental Accounting).

GIS: Geographic Information System.

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

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

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

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

LIABILITIES: Present obligations to sacrifice resources that the government has little or no discretion to avoid; for example, amounts owed for items received, services rendered, expenses incurred and assets acquired.

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

OBJECT: An individual expenditure account.

FINANCING SOURCES: Total amounts available during the fiscal year for appropriation including estimated revenues and appropriated fund balances.

UNAPPROPRIATED FUND BALANCE: The portion of fund balance remaining, following an approved budget appropriation of fund balance and any commitments.

UNASSIGNED FUND BALANCE: The difference between total fund balance in a governmental fund and its non-spendable, restricted, committed and assigned components.

UNRESTRICTED FUND BALANCE: The difference between total fund balance in a governmental fund and its non-spendable and restricted components.

**VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
PROPOSED BUDGET
FY 2014 - 2015**

	Acct Code	Final Adopted/ Adjusted FY 13-14	Projected Actuals FY 13-14	Recommended Proposed Budget FY 14-15 04/16/14	Recommended Final Budget FY 14-15 MM/DD/YY	Final Budget FY 14-15 Adopted MM/DD/YY
EXPENDITURES						
Salaries and Employee Benefits						
Regular Salaries	1101	328,000	297,500	310,000		
Supplemental Payments	1106	12,600	11,100	11,500		
Term/Buydown	1107	31,500	17,500	24,500		
Retirement Contribution	1121	77,500	70,500	63,000		
OASDI Contribution	1122	19,000	19,000	18,500		
FICA-Medicare	1123	5,100	5,000	4,700		
Mgmt. Retiree Health Benefit	1128	0	0	5,300		
Group Insurance	1141	21,400	20,500	23,000		
Life Ins/Dept Heads/Mgt	1142	150	130	150		
State Unemployment	1143	400	400	400		
Management Disability Ins	1144	820	750	750		
Workers Compensation	1165	3,000	2,700	2,900		
401k Plan	1171	12,500	11,500	11,500		
Total Salaries and Employee Benefits		511,970	456,580	476,200	-	-

**VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
PROPOSED BUDGET
FY 2014 - 2015**

	Acct Code	Final Adopted/ Adjusted FY 13-14	Projected Actuals FY 13-14	Recommended Proposed Budget FY 14-15 04/16/14	Recommended Final Budget FY 14-15 MM/DD/YY	Final Budget FY 14-15 Adopted MM/DD/YY
EXPENDITURES						
Services and Supplies						
Voicemail/Data -ISF	2033	3,500	3,500	2,500		
General Insurance Allocation	2071	2,000	2,000	2,000		
Facilities/Materials Sq Ft Alloc-ISF	2125	15,500	15,500	15,000		
Other Maintenance	2128	500	200	500		
Memberships & Dues	2141	6,550	6,570	7,100		
Education Allowance	2154	0	0	1,000		
Indirect Cost Recovery (Co. Cost Allocation Plan Charges)	2158	5,500	5,500	12,200		
Books & Publications	2172	500	300	300		
Mail Center-ISF	2174	2,500	2,500	2,500		
Purchasing Charges-ISF	2176	500	75	100		
Graphics Charges-ISF	2177	2,000	250	500		
Copy Machine Charges-ISF	2178	1,000	500	750		
Misc Office Expenses	2179	7,000	7,000	4,000		
Stores-ISF	2181	50	25	50		
Board Member Fees	2191	4,500	3,700	4,500		
Info Tech-ISF Data Ctr/Service Contracts	2192	3,000	3,000	2,500		
Specialized Services/Software	2195	1,500	750	1,500		
Public Works Charges	2197	3,000	3,000	3,000		
Other Professional & Special Service	2199	10,000	8,000	10,000		
Accounting and Auditing Services	2203	5,000	3,300	4,500		
GSA Special Services ISF	2205	100	0	100		
County GIS Expense	2214	23,000	12,000	21,500		
Public And Legal Notices	2261	5,000	2,200	5,000		
Records Storage Charges	2283	350	250	350		
Computer Equip <\$5000	2293	4,000	4,000	3,100		
Spec Dept xo4 (Legal Counsel)	2304	22,500	22,500	22,500		
Private Vehicle Mileage	2522	7,000	7,000	7,000		
Conference & Seminars Exp.	2523	13,000	13,000	12,000		
Conference & Seminars ISF	2526	500	100	500		
County Motor Pool	2528	1,000	150	500		
Total Services and Supplies		150,550	126,870	147,050	-	-
Contingencies	6101	13,249	0	18,699		
Total Contingencies		13,249	0	18,699	-	-
TOTAL EXPENDITURES		675,769	583,450	641,949	-	-

**VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
PROPOSED BUDGET
FY 2014 - 2015**

	Acct Code	Final Adopted/ Adjusted FY 13-14	Projected Actuals FY 13-14	Recommended Proposed Budget FY 14-15 04/16/14	Recommended Final Budget FY 14-15 MM/DD/YY	Final Budget FY 14-15 Adopted MM/DD/YY
FINANCING SOURCES						
Appropriation of Fund Balance		68,133	0	90,000		
Interest Earnings	8911	4,000	2,700	2,700		
Other Revenue-Misc. (LAFCo application fees)	9772	30,000	38,000	30,000		
Total Miscellaneous Revenue		34,000	40,700	32,700	-	-
Other Governmental Agencies						
Other Government Agencies (County of Ventura)	9372	191,212	191,212	173,083	0	0
Other Government Agencies (Cities)	9372	191,212	191,212	173,083	0	0
Other Government Agencies (Independent Special Districts)	9372	191,212	191,212	173,083	0	0
Total Other Government Agencies Revenue Revenue		573,636	573,636	519,249	0	0
TOTAL REVENUE		607,636	614,336	551,949	0	0
TOTAL FINANCING SOURCES		675,769	614,336	641,949	0	0
PROJECTED UNAPPROPRIATED FUND BALANCE (Net Income)			30,886			

**Preliminary Fund Balance and Estimated
Ending Fund Balance at June 30, 2015**

FUND BALANCES	Actual Fund Balance 6/30/13	Projected Fund Balance 6/30/14	Estimated Fund Balance 06/30/15	
Assigned:				
Appropriated	68,133	90,000	0	
Committed:				
Litigation	100,000	100,000	100,000	
Unassigned:				
60 Days' Working Capital	98,697	97,242	106,991	
Unassigned	121,623	132,096	122,348	
TOTAL UNASSIGNED	220,319	229,338	229,338	
TOTAL FUND BALANCE	388,452	419,338	329,338	

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

Attachment 1

ADOPTED BUDGET FOR FISCAL YEAR 2014 - 2015

ALLOCATION - CITIES

SOURCE: STATE OF CALIFORNIA, CITIES ANNUAL REPORT, FY 10/11

CITY	TOTAL REVENUE PER REPORT	PERCENTAGE	ALLOCATION \$
1 Camarillo	\$ 89,182,991	9.05%	\$ 15,664
2 Fillmore	21,305,403	2.16%	\$ 3,739
3 Moorpark	24,818,023	2.52%	\$ 4,362
4 Ojai	15,388,269	1.56%	\$ 2,700
5 Oxnard	369,129,262	37.47%	\$ 64,854
6 Port Hueneme	38,324,210	3.89%	\$ 6,733
7 San Buenaventura	157,086,557	15.94%	\$ 27,589
8 Santa Paula	38,701,563	3.93%	\$ 6,802
9 Simi Valley	86,355,564	8.76%	\$ 15,162
10 Thousand Oaks	145,021,824	14.72%	\$ 25,478
TOTAL	\$ 985,313,666	100.00%	\$ 173,083

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

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

Attachment 2

ADOPTED BUDGET FOR FY 2014- 2015

ALLOCATION - SPECIAL DISTRICTS

SOURCE: STATE OF CALIFORNIA, SPECIAL DISTRICTS ANNUAL REPORT, FY 11/12

NAME	TOTAL		ALLOCATION
	REVENUE PER REPORT	PERCENTAGE (See Note 2)	
1 Bardsdale Cemetery District	\$ 170,401	0.060%	\$ 104
2 Bell Canyon Comm. Services District	458,552	0.162%	280
3 Calleguas Municipal Water District	124,398,906	44.072%	76,281
4 Camarillo Health Care District	3,615,186	1.281%	2,217
5 Camrosa Water District	16,199,700	5.739%	9,933
6 Casitas Municipal Water District	15,660,766	5.549%	9,604
7 Channel Islands Beach Comm. Serv. Dist.	3,981,748	1.411%	2,442
8 Conejo Recreation & Park District	19,500,060	6.908%	11,957
9 El Rancho Simi Pioneer Cemetery District	130,078	0.046%	80
10 Fillmore-Piru Memorial District	172,027	0.061%	106
11 Fox Canyon Groundwater Mgmt. Agency	1,248,118	0.442%	765
12 Hidden Valley Municipal Water District	7,176	0.003%	5
13 Meiners Oaks Water District	1,191,831	0.422%	730
14 Montalvo Comm. Services District	719,452	0.255%	441
15 Ojai Valley Sanitary District	8,842,277	3.133%	5,423
16 Ojai Water Conservation District	7,328	0.003%	5
17 Oxnard Drainage District No. 1	47,614	0.017%	30
18 Oxnard Drainage District No. 2	165,095	0.058%	100
19 Oxnard Harbor District	12,208,234	4.325%	7,486
20 Piru Public Cemetery District	34,954	0.012%	21
21 Pleasant Valley Co. Water District	3,187,554	1.129%	1,954
22 Pleasant Valley Rec & Park District	7,753,621	2.747%	4,755
23 Rancho Simi Rec & Park District	18,560,158	6.575%	11,380
24 Saticoy Sanitary District	330,154	0.117%	203
25 Triunfo Sanitation District	14,095,113	4.994%	8,644
26 United Water Conservation District	19,860,339	7.036%	12,178
27 Ventura Co. Resource Conserv. District	63,447	0.022%	38
28 Ventura Port District	8,167,365	2.894%	5,009
29 Ventura River County Water District	1,486,915	0.527%	912
TOTAL	\$ 282,264,169	100.000%	\$ 173,083

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

Ventura LAFCo Budget FY 2014-15
Apportionment of Net Operating Expenses Expressed As Percentage Of Each Agency's Total Revenue

Attachment 3

NAME	TOTAL REVENUE PER REPORT*	ALLOCATION	PERCENTAGE OF TOTAL REVENUE
COUNTY OF VENTURA			
	\$ 961,545,694	\$ 173,083	0.02%
CITIES*			
Camarillo	\$ 89,182,991	\$ 15,664	0.02%
Fillmore	21,305,403	3,739	0.02%
Moorpark	24,818,023	4,362	0.02%
Ojai	15,388,269	2,700	0.02%
Oxnard	369,129,262	64,854	0.02%
Port Hueneme	38,324,210	6,733	0.02%
San Buenaventura	157,086,557	27,589	0.02%
Santa Paula	38,701,563	6,802	0.02%
Simi Valley	86,355,564	15,162	0.02%
Thousand Oaks	145,021,824	25,478	0.02%
TOTAL	\$ 985,313,666	173,083	0.02%
SPECIAL DISTRICTS			
Bardsdale Cemetery District	\$ 170,401	\$ 104	0.06%
Bell Canyon Comm. Services District	458,552	280	0.06%
Calleguas Municipal Water District	124,398,906	76,281	0.06%
Camarillo Health Care District	3,615,186	2,217	0.06%
Camrosa Water District	16,199,700	9,933	0.06%
Casitas Municipal Water District	15,660,766	9,604	0.06%
Channel Islands Beach Comm. Serv. Dist.	3,981,748	2,442	0.06%
Conejo Recreation & Park District	19,500,060	11,957	0.06%
El Rancho Simi Pioneer Cemetery District	130,078	80	0.06%
Fillmore-Piru Memorial District	172,027	106	0.06%
Fox Canyon Groundwater Mgmt. Agency	1,248,118	765	0.06%
Hidden Valley Municipal Water District	7,176	5	0.07%
Meiners Oaks Water District	1,191,831	730	0.06%
Montalvo Comm. Services District	719,452	441	0.06%
Ojai Valley Sanitary District	8,842,277	5,423	0.06%
Ojai Water Conservation District	7,328	5	0.07%
Oxnard Drainage District No. 1	47,614	30	0.06%
Oxnard Drainage District No. 2	165,095	100	0.06%
Oxnard Harbor District	12,208,234	7,486	0.06%
Piru Public Cemetery District	34,954	21	0.06%
Pleasant Valley Co. Water District	3,187,554	1,954	0.06%
Pleasant Valley Rec & Park District	7,753,621	4,755	0.06%
Rancho Simi Rec & Park District	18,560,158	11,380	0.06%
Saticoy Sanitary District	330,154	203	0.06%
Triunfo Sanitation District	14,095,113	8,644	0.06%
United Water Conservation District	19,860,339	12,178	0.06%
Ventura Co. Resource Conserv. District	63,447	38	0.06%
Ventura Port District	8,167,365	5,009	0.06%
Ventura River County Water District	1,486,915	912	0.06%
TOTAL	\$ 282,264,169	\$ 173,083	0.06%

Source: State of California Annual Reports FY 11/12.

* Source: State of California Annual Reports FY 10/11.

For special districts, total revenue excludes aid from other governments.



VENTURA LOCAL AGENCY FORMATION COMMISSION
STAFF REPORT

Meeting Date: April 16, 2014

Agenda Item 12

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer 

SUBJECT: Audited Financial Statements for Fiscal Year Ended June 30, 2013

RECOMMENDATION:

Receive and file the attached audited Annual Financial Report for fiscal year ended June 30, 2013.

DISCUSSION:

The Commissioner’s Handbook policies provide for annual independent audits of the LAFCo financial statements (Attachment 1). On October 16, 2013 the Commission approved and directed the Chair to sign a professional services agreement for audit services with Vavrinek, Trine, Day & Company, LLP for fiscal year 2012-13. The audit of the FY 2012-13 LAFCo financial statements was completed in February.

A representative from Vavrinek, Trine, Day & Company will attend the meeting to present an overview of the audit process and to answer questions.

- Attachments: (1) Commissioner’s Handbook Section 2.3.6.1 providing for regular independent audits of the LAFCo financial statements
 (2) LAFCo audited Annual Financial Report for the year ended June 30, 2013

COMMISSIONERS AND STAFF

COUNTY: Linda Parks, Chair John Zaragoza <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Carol Smith	DISTRICT: Bruce Dandy Vacant <i>Alternate:</i> Elaine Freeman	PUBLIC: Linda Ford-McCaffrey, Vice Chair <i>Alternate:</i> Lou Cunningham
Executive Officer: Kai Luoma, AICP	Analyst Andrea Ozdy	Office Mgr/Clerk Debbie Schubert	Legal Counsel Michael Walker



Attachment 1

SECTION 2.3.6 AUDITS

2.3.6.1 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.

**VENTURA LOCAL AGENCY FORMATION
COMMISSION**

Annual Financial Report

Fiscal Year Ended June 30, 2013

INTRODUCTORY SECTION

VENTURA LOCAL AGENCY FORMATION COMMISSION

**ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

The Commissioners of Ventura
Local Agency Formation Commission

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the general fund of the Local Agency Formation Commission for Ventura County (Commission), California, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and, the general fund of the Commission, as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in note 1 to the financial statements, the Commission adopted Governmental Accounting Standards Board (GASB) Statement No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective July 1, 2012. Our opinion is not modified with respect to this matter.

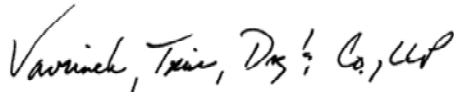
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and budgetary comparison information on pages 5 through 9 and pages 23 through 25 be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2014, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission’s internal control over financial reporting and compliance.



Rancho Cucamonga, California
February 14, 2014

**MANAGEMENT'S
DISCUSSION
AND ANALYSIS
(UNAUDITED)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the financial performance of the Ventura Local Agency Formation Commission (Commission) provides an overview of the Commission's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the basic financial statements and the notes to those financial statements identified in the accompanying table of contents.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements include three components: the governmental fund financial statements, the government-wide financial statements, and the notes to the basic financial statements. The basic financial statements consolidate the two kinds of statements that present different views of the Commission. The statements and notes are followed by a section of required supplementary information that provide additional financial and budgetary information.

The two statements presented are the Governmental Fund Balance Sheet/Statement of Net Position, and the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities. The General Fund columns reflect the governmental fund financial statements that focus on the short-term. The Statement of Net Position and the Statement of Activities columns reflect the government-wide financial statements that provide both long-term and short-term information about the Commission's overall financial status. These statements can be found on pages 11 - 12.

Government-wide Financial Statements

The financial statements created by Governmental Accounting Standards Board Statement No. 34 (GASB 34) and its related Statements, GASB 37 and 38, and Interpretation No. 6, are designed to provide readers with a broad overview of the Commission's finances in a manner similar to a private-sector business. The *statement of net position* and *statement of activities* use the flow of economic resources measurement focus and accrual basis of accounting. The focus and basis emphasize the *long-term* view of the Commission's finances.

The *statement of net position* presents information on all Commission assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The *statement of activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the Commission rather than the Commission as a whole. They are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Commission is a single purpose, single fund entity and utilizes a governmental fund to account for its activities.

The fund financial statements consist of the balance sheet and statement of revenues, expenditures, and changes in fund balance. These are prepared on the modified-accrual basis of accounting. The government-wide statements are prepared on the full-accrual basis.

In general, these financial statements under the modified-accrual basis have a short-term emphasis and for the most part, measure and account for assets that are current financial resources, and liabilities that are expected to be liquidated with current financial resources. Specifically, cash and receivables collectible within a very short period of time are reported on the balance sheet.

Fund liabilities include amounts that are to be paid within a very short time after the end of the fiscal year. The long-term liabilities are not included. The difference between a fund's total assets and total liabilities represents the fund balance. The assigned and unassigned portions of the fund balance represents the amount available to finance future activities.

The operating statement for the governmental fund reports only those revenues and expenditures that were collected in cash or paid with cash during the current period or very shortly after the end of the year.

The focus of the fund financial statements is narrower than that of the government-wide financial statements. Since the different accounting basis is used to prepare the above statements, reconciliation is required to facilitate the comparison between the fund statements and the government-wide statements. The reconciliation between the total fund balances and net position of governmental activities can be found on page 11.

The reconciliation of the total change in the fund balance for the governmental fund to the change in net position of governmental activities can be found on page 12.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 13 - 22 of this report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

A summary of the government-wide statement of net position follows:

Table 1
Net Position - Governmental Activities

	2013	2012
Assets:		
Current and other assets	\$ 399,892	\$ 397,889
Total assets	\$ 399,892	\$ 397,889
Liabilities:		
Current and other liabilities	\$ 45,777	\$ 45,276
Long-term liabilities	2,252	4,611
Total liabilities	48,029	49,887
Net position:		
Unrestricted	351,863	348,002
Total net position	351,863	348,002
Total liabilities and net position	\$ 399,892	\$ 397,889

As shown in Table 1, the Commission's total assets in the fiscal year ended June 30, 2013, increased \$2,003 or 0.5 percent from 2012. This was primarily due to an increase in the amount of revenue received from charges for the Commission's services (application fees). As shown in Table 2, the amount of revenue from the Commission's application fees in the fiscal year ended June 30, 2013, was slightly higher than last year. This is a result of a decrease in the number of applications received, offset by one particularly complex application requiring a significant amount of staff time, resulting in higher fee revenue. Net position as of June 30, 2013, increased \$3,861, indicating a 1.1 percent improvement in the Commission's overall financial condition, primarily attributed to a decrease in total expenditures for services and supplies.

Table 2
Revenue from Filing Fees, FY 2008-13

Fiscal Year	Amount of Revenue from Filing Fees
2007-08	\$68,755
2008-09	\$61,471
2009-10	\$44,302
2010-11	\$110,941
2011-12	\$40,684
2012-13	\$41,874

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

A summary of the government-wide statement of activities follows:

Table 3
Changes in Net Position - Governmental Activities

	2013	2012
Revenues:		
Program revenues:		
Charges for services:		
Apportionments from other governmental units	\$ 550,515	\$ 570,285
Filing fees	41,874	40,684
General revenues:		
Interest	<u>1,769</u>	<u>3,337</u>
Total revenues	<u>594,158</u>	<u>614,306</u>
 Expenses:		
General government	<u>590,297</u>	<u>604,827</u>
Total expenses	<u>590,297</u>	<u>604,827</u>
 Change in net position	3,861	9,479
Net position - beginning of year	<u>348,002</u>	<u>338,523</u>
Net position - end of year	<u>\$ 351,863</u>	<u>\$ 348,002</u>

As in all other years, the Commission's major source of revenue in fiscal year ended June 30, 2013, was apportionments from other governmental agencies. Since apportionments comprise a significant proportion of the Commission's total revenue and since the annual apportionment amount is based directly on the Commission's projected operating expenditures, total revenue generally varies from any given year for the same reasons as do total expenditures. Filing fees increased \$1,190 or 2.9 percent in fiscal year ended June 30, 2013, primarily a result of a decrease in the number of applications received, offset by one particularly complex application requiring a significant amount of staff time, resulting in higher fee revenue.

As shown in Table 3, total expenses in fiscal year ended June 30, 2013, decreased by \$14,530 or 2.4 percent. This was comprised of a decrease of \$5,231 for contract services (salaries and benefits) and a decrease of \$9,299 for services and supplies. The decrease in contract services was primarily due to the elimination of a half-time office assistant position effective July 1, 2012, offset by an increase in retirement contributions associated with the increase in the amount of regular salaries of eligible employees. The decrease in services and supplies was primarily a result of decreased charges by the County of Ventura for indirect cost recovery, offset by an increase in legal fees regarding one particularly complex application filed in 2013.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

GOVERNMENTAL FUND FINANCIAL ANALYSIS

As noted earlier, the Commission uses fund accounting to provide proper financial management of the Commission's resources and to demonstrate compliance with finance-related legal requirements.

Major Governmental Fund. The General Fund is the chief operating fund of the Commission. At the end of the fiscal year ended June 30, 2013, total fund balance of the General Fund was \$387,840, compared to \$385,861 for fiscal year ended June 30, 2012.

GENERAL FUND BUDGET

There were no significant General Fund budget adjustments for the year. Major deviations between the budget of the General Fund and its actual operating results were as follows:

- *Filing fees revenue (miscellaneous revenue):*
 - Filing fees revenue (miscellaneous revenue) was more than budgeted, a result of one particularly complex application requiring a significant amount of staff time, resulting in higher fee revenue.
- *Contract services (salaries and benefits):*
 - Terminations/Buydown expenditures were less than budgeted due to fewer than anticipated expenditures for buydowns of accrued annual leave by LAFCo staff members.
- *Services and supplies:*
 - County GIS (mapping) and County Counsel expenditures were less than budgeted from receiving fewer applications than anticipated.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Officer at the Ventura County Government Center, Hall of Administration, 800 S. Victoria Avenue, Ventura, California 93009-1850.

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BASIC FINANCIAL STATEMENTS

VENTURA LOCAL AGENCY FORMATION COMMISSION
GOVERNMENTAL FUND BALANCE SHEET/STATEMENT OF NET POSITION
JUNE 30, 2013

	General Fund	Adjustments	Statement of Net Position
<u>ASSETS</u>			
Cash and cash equivalents (Note 2)	\$ 396,762	\$ -	\$ 396,762
Accounts receivable	2,386	-	2,386
Interest receivable	744	-	744
Total assets	399,892	-	399,892
<u>LIABILITIES</u>			
Accounts payable	\$ 172	-	172
Accrued payroll liabilities	10,084	-	10,084
Due to County of Ventura	1,796	-	1,796
Long-term liabilities (Note 5):			
Due within one year	-	33,725	33,725
Due after one year	-	2,252	2,252
Total liabilities	12,052	35,977	48,029
<u>FUND BALANCE/NET POSITION</u>			
Fund balances:			
Committed	100,000	(100,000)	-
Assigned	68,133	(68,133)	-
Unassigned	219,707	(219,707)	-
Total fund balance	387,840	(387,840)	-
Total liabilities and fund balance	\$ 399,892		
Net position:			
Unrestricted		351,863	351,863
Total net position		\$ 351,863	\$ 351,863

Fund balances - total governmental fund \$ 387,840

Amounts reported for governmental activities in the statement of net position are different because:

Long-term liabilities used in governmental activities are not due and payable in the current period and, therefore, are not reported in the governmental fund

(35,977)

Net position of governmental activities \$ 351,863

See the accompanying notes to the basic financial statements

VENTURA LOCAL AGENCY FORMATION COMMISSION
STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	General Fund	Adjustments	Statement of Activities
Expenditures/expenses:			
General government	\$ 592,179	\$ (1,882)	\$ 590,297
Total expenditures/expense	592,179	(1,882)	590,297
Program revenues:			
Charges for services:			
Apportionments	550,515	-	550,515
Filing fees	41,874	-	41,874
Total charges for services	592,389	-	592,389
Net program revenue/(expense)			2,092
General revenues:			
Interest	1,769	-	1,769
Total general revenues	1,769	-	1,769
Excess of revenues over expenditures	1,979	(1,979)	-
Change in net position		3,861	3,861
Fund balance/net position:			
Beginning of the year	385,861	(37,859)	348,002
End of the year	\$ 387,840	\$ (35,977)	\$ 351,863

Net change in fund balances - total governmental fund \$ 1,979

Amounts reported for governmental activities in
the statement of activities are different because:

Some expenses reported in the statement of activities
do not require the use of current financial resources and, therefore,
are not reported as expenditures in the governmental fund
Change in compensated absences

1,882

Change in net position of governmental activities \$ 3,861

See the accompanying notes to the basic financial statements

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Ventura Local Agency Formation Commission (Commission) conform to generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of the significant policies.

A. Description of the Reporting Entity

Following the end of World War II, California entered a new era of demographic growth and diversity and economic development. With this growth came the need for housing, jobs, and public services. To provide for these services, California experienced a wave of newly formed cities and special districts, but with little forethought as to how the new agencies should plan for services. The lack of coordination and adequate planning for future governance led to a multitude of overlapping, inefficient jurisdictional and service boundaries.

In 1963, the State Legislature created Local Agency Formation Commissions to help direct and coordinate California's growth in a logical, efficient, and orderly manner. Each county within California is required to have a Commission. The Commissions are charged with the responsibility of making difficult decisions on proposals for new cities and special districts, spheres of influence, consolidations, and annexations.

The Commission's governing board consists of eleven appointed Commissioners: seven voting members with four alternate members, who vote only in the absence of a voting member. Two members and one alternate member are selected by the Board of Supervisors of the County of Ventura (County) from their own membership; two members and one alternate member are selected by the cities in the County; two members and one alternate member are selected from special districts by the independent special district selection committee; and one member and one alternate member are selected to represent the general public, who are appointed by the other Commissioners.

B. New Accounting Pronouncements

GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements, effective for periods beginning after December 15, 2011, improves financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The new requirements are not applicable to the Commission.

GASB Statement No. 61, The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34, effective for periods beginning after June 15, 2012, improves financial reporting by enhancing guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The new requirements are not applicable to the Commission.

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA pronouncements, effective for periods beginning after December 15, 2011, incorporates into GASB's authoritative literature certain accounting and financial reporting guidance included in Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants (AICPA) Committee on Accounting Procedure, which do not conflict with or contradict GASB pronouncements. The new requirements are not applicable to the Commission.

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position, effective for periods beginning after December 15, 2011, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The Commission implemented the new requirements for the fiscal year 2012-13 financial statements.

GASB Statement No. 65, Items Previously Reported As Assets and Liabilities, effective for periods beginning after December 15, 2012, establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The Commission intends to implement the new requirements for the fiscal year 2013-14 financial statements.

GASB Statement No. 66, Technical Corrections - 2012 – an amendment of GASB Statements No. 10 and No. 62, effective for periods beginning after December 15, 2012, improves accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. The Commission intends to implement the new requirements for the fiscal year 2013-14 financial statements.

GASB Statement No. 67, Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25, effective for periods beginning after June 15, 2013, improves financial reporting by state and local governmental pension plans. The new requirements are not applicable to the Commission.

GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, effective for periods beginning after June 15, 2014, improves accounting and financial reporting by state and local governments for pensions. The Commission intends to implement the new requirements for the fiscal year 2014-15 financial statements.

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

GASB Statement No. 69, Government Combinations and Disposals of Government Operations, effective for periods beginning after December 15, 2013, establishes accounting and financial reporting standards related to government combinations and disposals of government operations and improves financial reporting by requiring that certain disclosures be made about combination arrangements and disposals of government operations. The new requirements are not applicable to the Commission.

GASB Statement No. 70, Accounting and Financial Reporting for Nonexchange Financial Guarantees, effective for periods beginning after June 15, 2013, improves accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees by requiring consistent reporting and enhanced disclosure about a government's obligations and risk exposure from extending nonexchange guarantees. The new requirements are not applicable to the Commission.

C. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Commission.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges for services that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest and other items not properly included among program revenues are reported instead as general revenues.

Because the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, a reconciliation is presented which explains the adjustments necessary to reconcile fund financial statements to the government-wide financial statements.

D. Net Position/Fund Balances

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment In Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position (RNP) – This category reflects that portion of net position that is subject to constraints either by creditors (such as debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents that portion of the net position of the Commission not restricted for any project or other purpose. Outstanding liabilities attributable to these items reduce the balance of this category.

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

Fund Statement - Fund Balances

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the Commission is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Nonspendable fund balance - includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories or prepaid amounts and may also include the long-term receivables.

Restricted fund balance - includes amounts with constraints on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – includes amounts that can only be used for the specific purposes determined by formal action of the highest level of decision-making authority, the Commission. All policy decisions by the Commission are made through the adoption of a resolution; these policies are then incorporated in the Commissioner's Handbook. Commitments may be changed only by the Commission taking the same formal action that originally imposed the constraint. The Commission has committed \$100,000, for a Litigation Account with the intent of limiting the use of the Litigation Account funds for unanticipated expenditures resulting from litigation against the Commission that does not occur routinely and would not be reimbursed by another party.

Assigned fund balance – includes amounts that are constrained by the Commission's intent to be used for specific purposes. The intent is expressed by the highest level of decision-making, the Commission. Assigned fund balance does not require the same formal action required for committed fund balance; instead an assignment of fund balance requires a majority vote of the Commission. However, if a portion of existing fund balance is included as a budgetary resource in the subsequent year's budget, the Commissioner's Handbook specifies that portion of fund balance should be classified as assigned. Fund balance of \$68,133 is assigned for the subsequent year's budget "deficit".

Unassigned fund balance – is the residual classification for the General Fund and includes all amounts not contained in the other classifications.

It is the Commission's policy when restricted and unrestricted (committed, assigned, or unassigned) resources are available, restricted resources are generally considered to be used first, followed by committed, assigned, and unassigned resources as they are needed.

E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and, expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows.

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

Charges for services and interest associated with the current fiscal periods are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal periods. All other revenue items are considered to be measurable and available only when cash is received by the government.

Amounts reported as program revenues include apportionments and filing fees. Internally dedicated resources are reported as general revenues rather than as program revenues.

F. Cash and Cash Equivalents

The Commission considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The Commission's cash from operations is deposited in the County of Ventura Treasury. The County pools its funds with other government agencies in the County and invests them as prescribed by the California Government Code. The only authorized investment for the Commission is the County of Ventura Investment Pool. The Commission's deposits in the County pool may be accessed any time. The Commission is allocated interest income on monies deposited with the County based on its proportional share of the total pool. All pooled investments are carried at fair value. The fair value of a participant's position in the pool is not the same as the value of the pooled shares. The County of Ventura investment policy and related disclosures may be found in the notes to the County's basic financial statements.

G. Due to County of Ventura

Due to County of Ventura is the payment due to the County for services and support provided by the County to the Commission.

H. Compensated Absences (Accrued Vacation, Sick Leave, and Compensatory Time)

Commission policy permits employees to accumulate earned but unused vacation, sick pay, and compensatory time. A liability for all vacation pay and compensated absences and 25 percent of unused accumulated sick leave for those employees with at least ten years of service is accrued when earned in the government-wide financial statements. In accordance with GASB Interpretation No. 6, a liability for these amounts is reported in the governmental fund financial statements only if they have matured as a result of employee resignations and retirements prior to year-end and are paid by the Commission from current available resources.

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

I. Fund Balance Policy

The Commission has adopted a policy to achieve a minimum level of unassigned fund balance in the General Fund of approximately 60 days of working capital. Excess fund balance remaining over and above the committed and assigned fund balances is 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. As of June 30, 2013, available working capital in excess of 60 days was \$155,067.

J. Estimates

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS

The Commission participates in the County Treasurer's cash and investment pool. At June 30, 2013, the Commission's total cash and cash equivalents was \$396,762; the change in fair value from carrying value amounted to a decrease of \$612.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of the fair value to changes in market interest rates.

At June 30, 2013, the weighted average maturity of the County of Ventura Investment Pool was 276 days.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County of Ventura Investment Pool has received ratings of AA Af and S1+ by Standard and Poor's Ratings Services, the highest possible ratings given by the agency.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Commission's investment policy do not contain legal or policy requirements, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit).

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2013, the Commission had all of its cash pooled with the County of Ventura Treasury. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the money invested by the Commission in the County of Ventura Investment Pool).

3. INSURANCE

The Commission is a member of the County of Ventura's Risk Management affiliated agencies. The schedule of insurance coverage is as follows:

<u>Coverage</u>	<u>Limit of Insurance</u>	
Public Employees Blank Bond Fraudulent Mortgage Rider Funds Transfer Fraud	\$ 10,000,000	Per occurrence/aggregate where applicable. \$25,000 deductible per occurrence.
Public Entity Liability	\$ 32,000,000	In aggregate. \$500,000 self insured retention per occurrence plus \$1,000,000 net loss corridor retention in excess of \$500,000.
Business Travel Accident	\$ 5,700,000	Aggregate, no deductible.
Risk Property, Boiler & Machinery, Heavy Equipment, DIC, Library Book Floater	\$ 600,000,000	Varies.

Settlements or judgments have not exceeded commercial coverage for any risk of loss in each of the past three fiscal years.

4. RELATED PARTY TRANSACTIONS

The Commission and the County entered into a Memorandum of Agreement to provide office space, contract employees, accounting, information technology support, legal service, workers' compensation and liability insurance, administrative support, and maintenance support. Benefits provided to the contract employees including compensated absences, health and pension benefits are charged to the Commission on a pay-as-you-go basis. The total expense incurred by the Commission to the County for the year ended June 30, 2013, was \$545,449. The total due to the County as of June 30, 2013, was \$1,796.

VENTURA LOCAL AGENCY FORMATION COMMISSION
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013
 (Continued)

5. LONG-TERM LIABILITIES

Long-term obligations of the Commission consist of compensated absences. Compensated absences are liabilities for vacation, vested sick leave benefits, and compensatory time reported as required by GASB Statement Nos. 16 and 34 in the governmental activities of the government-wide financial statements.

A summary of long-term liabilities incurred, outstanding as of June 30, 2013, is as follows:

<u>Type of Liability</u>	Outstanding July 1, 2012	Additions	Maturities	Outstanding June 30, 2013	Amount Due Within One Year
Compensated Absences	\$ <u>37,859</u>	\$ <u>31,366</u>	\$ <u>33,248</u>	\$ <u>35,977</u>	\$ <u>33,725</u>

A liability for compensated absences is reported in the governmental fund financial statements only if they have matured due to employee resignations and retirements.

6. PENSION PLANS

VCERA Plan

A. Plan Description

The Commission participates in a contributory defined benefit plan (Plan) which is administered by the Ventura County Employees' Retirement Association (VCERA). The plan was established pursuant to Government Code Sections 31450 through 31899. VCERA operates a cost-sharing, multiple-employer system with substantially all member employers included in the County's primary government reporting entity. Covered employees include those from the County, Courts, Air Pollution Control District, the Commission, and other smaller special districts. Due to the relative insignificance of the non-County employers participating in the plan, the County has elected to include financial statement disclosures required for a single-employer plan. Membership in the VCERA is mandatory for all regular employees who are scheduled to work 64 hours or more biweekly.

VCERA is governed by the Board of Retirement. The Plan's benefit provisions and contribution requirements are established and may be amended by state law and resolutions and ordinances adopted by the Board of Retirement and Board of Supervisors. VCERA issues an independently audited Comprehensive Annual Financial Report. A copy of this report can be obtained by contacting the Retirement Association at 1190 South Victoria Avenue, Suite 200, Ventura, California 93003.

Plan members are classified as either General or Safety. General members employed prior to or on June 29, 1979, and certain other employees before June 30, 2002, are designated as Tier I members. General members employed after June 29, 1979, are designated as Tier II members. All Safety members are classified as Tier I regardless of date of hire. The Commission does not have any Safety or Tier I members.

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

B. Retirement Benefits

A General or Safety member with 10 or more years of County service is entitled to an annual retirement allowance beginning at age 50. General members with 30 or more years of service and Safety members with 20 or more years of service may begin receiving a retirement allowance regardless of age. The basic retirement allowance is based upon the member's age, years of retirement service credit, and final average compensation.

Employees terminating before accruing 5 years of retirement service credit (5-year vesting) forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within the prescribed time period. Non-vested employees who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Employees who terminate service after earning 5 years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. In addition, certain death, disability, and supplemental benefits are provided to eligible employees.

C. Actuarially Determined Contribution Requirements

The funding policy provides for periodic employer and employee contributions at actuarially determined rates, expressed as level percentages of annual covered payroll, that are sufficient to accumulate the required assets to pay benefits when due. The smoothing of market value method is used to determine the actuarial value of assets. In accordance with various employee collective bargaining agreements, the Commission subsidizes the employees' regular contributions in various amounts, depending on the classification of the employee. Contribution rates for employees range from 5.78 percent to 12.35 percent of covered payroll. Contribution rates are determined using the "entry age normal cost" method. Under this method, normal cost is the level amount that would fund the projected benefit if it was paid annually from the date of employment until retirement.

D. Contributions and Transfers Made

The Commission's actuarially determined employer contributions of \$50,583 were made in 2010-11, \$62,660 in 2011-12, and \$69,192 in 2012-13. These contributions represent 100 percent of the annual pension cost required for fiscal years 2011, 2012, and 2013.

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

Management Retiree Health Benefits Program

A. Plan Description

The Commission participates in the Management Retiree Health Benefits Program (MRHBP), a cost-sharing, multiple-employer defined benefit plan administered by the County. The MRHBP was established by the County Board of Supervisors on June 8, 1999. On June 21, 2005, the Board of Supervisors approved the elimination of this benefit for employees covered after July 2, 2005.

Employees who retired after July 1, 1999, became eligible to receive one year of payments for five years of service, up to a maximum of five years of coverage. Payments of approximately \$676 per month were equivalent to premiums for the Ventura County Health Care Plan. Total payments in fiscal year 2012-13 were \$-0-. The payments do not constitute any guarantee of medical care benefits.

Additional details, actuarial assumptions, funded status, and required supplementary information for the MRHBP is included in the Comprehensive Annual Financial Report (CAFR) of the County for the fiscal year ended June 30, 2013. The report is available from the County of Ventura's web page, <http://portal.countyofventura.org/portal/page/portal/auditor/Financial%20%20Budget%20Reports>.

B. Funding Policy

The MRHBP is currently funded on a pay-as-you-go basis. Annual required contributions are determined by the County.

C. Contributions and Transfers Made

The Commission's actual and required contributions, as determined by the County, were \$-0- in 2010-11, 2011-12, and 2012-13.

**REQUIRED
SUPPLEMENTARY
INFORMATION
(OTHER THAN MD & A)
(UNAUDITED)**

VENTURA LOCAL AGENCY FORMATION COMMISSION
 BUDGETARY COMPARISON SCHEDULE - ON BUDGETARY BASIS
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Apportionments	\$ 550,515	\$ 550,515	\$ 550,515	\$ -
Filing fees	20,000	20,000	41,874	21,874
Interest	<u>4,000</u>	<u>4,000</u>	<u>3,025</u>	<u>(975)</u>
Amount available for appropriation	<u>574,515</u>	<u>574,515</u>	<u>595,414</u>	<u>20,899</u>
Charges to appropriations (outflows):				
General government:				
Contract services (salaries and benefits)	491,670	491,670	474,798	16,872
Services and supplies	155,100	155,100	117,381	37,719
Contingencies	<u>12,936</u>	<u>12,936</u>	<u>-</u>	<u>12,936</u>
Total charges to appropriation	<u>659,706</u>	<u>659,706</u>	<u>592,179</u>	<u>67,527</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(85,191)</u>	<u>(85,191)</u>	<u>3,235</u>	<u>88,426</u>
Fund balance - beginning	<u>385,861</u>	<u>385,861</u>	<u>385,861</u>	<u>-</u>
Fund balance - ending	<u>\$ 300,670</u>	<u>\$ 300,670</u>	<u>\$ 389,096</u>	<u>\$ 88,426</u>

VENTURA LOCAL AGENCY FORMATION COMMISSION
 NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

1. BUDGET AND BUDGETARY ACCOUNTING

As set forth in California Government Code Section 56381 of the Cortese-Knox-Hertzberg (CKH) Local Government Reorganization Act of 2000, the Commission is legally required to adopt a proposed annual budget for the General Fund by May 1, and a final annual budget by June 15. The Commission adheres to the provisions of California Government Code Sections 29000 through 29144 concerning budgetary matters, commonly known as The County Budget Act.

The adopted budget can be amended by the Commission to change both appropriations and estimated revenues as unforeseen circumstances come to management's attention. Increases and decreases in revenue and appropriations require approval by the Commissioners. Expenditures may not exceed total appropriations at the individual object level. Any transfer of appropriations between object levels is delegated by the Commission to the Executive Officer. It is the practice of the Commission's management to review the budget quarterly and, if necessary, recommend changes to the Commission.

The Budgetary Comparison Schedule for the General Fund, as required by GASB 34, presents the original budget, final budget and actual amount. The "original budget" includes the adopted budget plus appropriations for prior year approved rollover encumbrances. The "final budget" is the budget as Board approved at the end of the fiscal year. The "actual amount" includes the actual revenues and expenditures incurred on a budgetary basis and as adjusted for the basic financial statements. Variances are provided between the Final Budget Amounts and the Actual Amounts on a budgetary basis.

This information is presented as Required Supplementary Information. Analysis of the final budget to actual variances is discussed in the Management's Discussion and Analysis.

The budget is adopted on a basis of accounting which is different from GAAP. The primary difference is:

- For budgetary purposes, changes in the fair value of investments are not recognized as increases or decreases to revenue. Under GAAP, such changes are recognized as increases or decreases to revenue.

The following schedule is a reconciliation of the difference between the fund balances on the actual on a budgetary basis and the GAAP basis on the fund financial statements at June 30, 2013:

	FY 2012-13
	General
Fund balance - Actual on budgetary basis	\$ 389,096
Adjustment:	
Change in fair value of investments	(1,256)
Fund balance - GAAP basis	\$ 387,840

VENTURA LOCAL AGENCY FORMATION COMMISSION
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(Continued)

Level of Budgetary Control

The legal level for budgetary control (the level at which expenditures may not legally exceed appropriations) is at the object level: contract services (salaries and benefits) and services and supplies. Expenditures are classified as general government. Any transfer of appropriations between object levels within the same budget unit is delegated by the Commission to the LAFCo Executive Officer.

Encumbrances

The Commission utilizes an encumbrance system as an extension of normal budgetary accounting to assist in controlling expenditures. Under this system, purchase orders, contracts, and other commitments for expenditures are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as assignment or commitment of fund balance in the governmental fund. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

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COMPLIANCE SECTION



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

The Commissioners of Ventura
Local Agency Formation Commission

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Local Agency Formation Commission for Ventura County (Commission), California, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated February 14, 2014. Our report included an emphasis-of-matter regarding the Commission's adoption of GASB Statement No. 63 – *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rancho Cucamonga, California
February 14, 2014

**VENTURA LOCAL AGENCY FORMATION COMMISSION
SCHEDULE OF FINDINGS AND RESPONSES
FOR YEAR ENDING JUNE 30, 2013**

None reported.

**VENTURA LOCAL AGENCY FORMATION COMMISSION
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES
FOR YEAR ENDING JUNE 30, 2013**

None reported.