



VENTURA LOCAL AGENCY FORMATION COMMISSION

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FINAL BUDGET

**Fiscal Year
2024-2025**

ADOPTED: May 15, 2024

**RESOLUTION OF THE
VENTURA LOCAL AGENCY FORMATION COMMISSION
ADOPTING A FINAL BUDGET FOR FISCAL YEAR 2024-25**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.) requires the Ventura Local Agency Formation Commission (Commission) to adopt annually a Proposed Budget by May 1 and a Final Budget by June 15; 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, on April 17, 2024, the Commission adopted a Proposed Budget for Fiscal Year 2024-25 that is higher than the adopted Fiscal Year 2023-24 Final Budget; and

WHEREAS, the public and other governmental agencies had an opportunity to comment and the Commission considered adoption of a Final Budget for Fiscal Year 2024-25 on May 15, 2024.

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 Final Budget for the 2024-25 fiscal year as set forth in Exhibit A attached hereto; and
- (2) Finds that the Final 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 Final Budget, as adopted, to all the independent special districts, cities and the County.

This resolution was passed and adopted on May 15, 2024.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Avila	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Crosswhite	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Gorell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Rooney	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commissioner Richards	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Zaragoza	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Hasan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner LaVere	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ross	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Santangelo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5/15/2024
Date

Jenny M. Cusick
Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

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



BUDGET MESSAGE

Adopted Final Budget - Fiscal Year 2024-2025

Adopted: May 15, 2024

Introduction

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 *et seq.*) (CKH) directs that each Local Agency Formation Commission (LAFCo) adopt a Proposed Budget by May 1 of each year and a Final Budget by June 15 of each year. The Ventura LAFCo adopted a Proposed Budget for Fiscal Year 2024-25 on April 17, 2024, and this Final Budget on May 15, 2024. 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 Adopted Final Budget for FY 2024-25 was prepared in accordance with these policies. Budget goals continue to be to minimize expenditures while fulfilling basic functions and to provide 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 2024-25 are part of this Adopted Final Budget. Therefore, budget information is formatted using County of Ventura account descriptions and codes.

This Budget Message highlights LAFCo's key responsibilities, reviews the notable work accomplishments and budget information for the first three quarters of FY 2023-24, sets forth a basic work plan for FY 2024-25, and provides background and explanatory information about the anticipated expenditures and revenues in the Adopted Final FY 2024-25 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.
- Determine and 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 determination 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 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 2023-24 in Review

Based on information through the end of February 2024, total projected actual expenditures for FY 2023-24 are expected to be as follows:

Description	FY 23-24 Adopted	FY 23-24 Adjusted	FY 23-24 Projected	Estimated Savings
Total Salaries and Benefits	\$ 751,450	\$ 761,950	\$ 763,450	\$ (1,500)
Total Services and Supplies	176,400	176,400	139,620	36,780
Contingencies	46,392	35,892	0.00	35,892
Total Expenditures	974,242	974,242	903,070	71,172

As shown above, the Commission authorized the transfer of \$10,500 from Contingencies to Salaries and Benefits in February 2024 in order to fund a non-elective two percent contribution to the 401K plan for eligible County employees (including LAFCo staff) approved by the Board of Supervisors in November 2023, leaving an unappropriated balance of \$35,892. As shown above, the anticipated savings in Salaries and Benefits, Services/Supplies and Contingencies are projected to total \$71,172 for FY 2023-24.

Actual revenue for FY 2023-24 is projected to be approximately:

Account Code	Description of Revenue	FY 23-24 Adopted	FY 23-24 Projected	Estimated Surplus/ (Deficit)
8911	Interest Earnings	\$ 5,000	\$ 10,000	\$ 5,000
9790	Other Revenue (from Fees)	6,000	27,000	21,000
9371	Other Govt. Agencies	863,242	863,242	0
	Total Revenue	874,242	900,242	26,000

As shown in the table above, a projected total revenue increase of \$26,000 is anticipated as part of the current budget due to an increase in anticipated revenue from fees combined with higher interest earnings than anticipated.

The projected \$71,172 overall savings in Salaries/Benefits and Services/Supplies and Contingencies along with the projected \$26,000 of revenue surplus results in a total projected unappropriated Fund Balance of \$97,172, which is \$2,828 less than the \$100,000 appropriated Fund Balance adopted as a part of the FY 2023-24 Final Budget.

The following bullet points comprise the work plan that was adopted as a part of the FY 2023-24 Adopted Final Budget. Substantial progress has been made on each of these work plan items, as discussed below:

- *Continue municipal service reviews and sphere of influence reviews/updates in accordance with the approved work plan.*

In April 2018, LAFCo approved a Work Plan for the 2018-2022 sphere of influence review/update and municipal service review cycle. The Work Plan was revised in October 2018 and specifies that the review of the spheres of influence was to include the preparation of a municipal service review for 28 water and wastewater districts. Of these 28 districts, MSRs for 26 and sphere of influence reviews/updates for 25 have been completed and accepted by the Commission and the remaining two MSRs and three sphere of influence reviews/updates are anticipated to be completed during FY 2024-25. Although not formally part of the Work Plan, for the current fiscal year, LAFCo has also completed, or is currently processing, six applications (e.g., changes of organization, reorganizations, sphere of influence amendments, and out of agency service agreements).

- *Continue to review and comment on draft environmental documents and general plan updates as they may be prepared by the cities and the County.*

Over the course of the current fiscal year, LAFCo staff has thus far reviewed and/or commented on several CEQA notices/documents, general plan updates, and development proposals. These include development proposals within cities and the unincorporated County area.

- *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.*

Staff continues to keep the Commission informed of notable events/items through regular update memos, email correspondence, and regularly scheduled meetings. Positive communications and working relationships 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 local and regional associations. In addition, staff continues to enhance the LAFCo website making it more user friendly with enhanced features and the ability to access city and district maps and is pursuing the addition of short videos to better convey to the public the role and mission of LAFCo.

Staff routinely monitors the budget. An external audit of LAFCo's financial statements for the year ended June 30, 2023, was completed March 26.

- *Update and revise the Commissioner's Handbook and consider policy additions consistent with the mission and purpose of LAFCo.*

On an ongoing basis and as needed, staff identifies potential policy updates/revisions for Commission consideration.

- *Increase public awareness about the mission, purpose and function of LAFCo.*

Staff routinely meets with members of the public to discuss LAFCo's role in development. Staff also routinely meets with the staff of the County, cities, and special districts to discuss anticipated proposals, sphere of influence reviews, environmental documents, and other LAFCo-related activities. Staff also welcomes opportunities to discuss the mission of LAFCo with the public or other agencies.

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 2024-25, the adopted work plan maintains the focus on municipal service reviews and sphere of influence reviews/updates and is otherwise similar to the work plan for this fiscal year.

FY 2024-25 Work Plan

- Continue municipal service reviews and sphere of influence reviews/updates in accordance with the approved 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.

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Adopted Final Budget FY 2024-25

Adopted: May 15, 2024

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- 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 that are 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 applications filed do not increase significantly.

ADOPTED FINAL BUDGET

Expenditures

The expense portion of the budget is divided into three main sections, the Salary and Employee Benefits section (1000 series account codes), the Services and Supplies section (2000 series account codes), and Contingencies (account code 6101) (see tables on pages 13-14). Including a 5.0% contingency, the Adopted Final Budget reflects an overall expenditure increase of approximately 6.8% compared to the FY 2023-24 Adopted Final Budget, as indicated in the following table:

Description	FY 23-24 Adopted/ Adjusted	FY 24-25 Adopted	Increase / (Decrease)	Percent Change
Total Expenditures	\$ 974,242	\$ 1,040,675	\$ 66,433	6.8%

Salary and Employee Benefits (1000 series of account codes)

Salaries and Employee Benefits continue to be the greatest expense, comprising approximately 76.0% of the total expenditures (more if contingencies are not included). Expenditures for Salaries and Benefits are proposed to increase by approximately 4.0% as compared to FY 2023-24, as adjusted, as indicated in the following table:

Description	FY 23-24 Adjusted	FY 24-25 Adopted	Increase / (Decrease)	Percent Change
Total Salaries and Benefits	\$ 761,950	\$ 792,700	\$ 30,750	4.0%

The increase comes primarily from an anticipated increase to Regular Salaries (account code 1101), which reflects a 3.5% general salary increase (GSI) for most County employees covered by the Management, Confidential Clerical, and Other Unrepresented Employees Resolution (Management Resolution), which includes LAFCo staff, to become effective in December 2024. The County Board of Supervisors approved the GSI in December 2022:

Description	Acct Code	FY 23-24 Adjusted	FY 24-25 Adopted	Increase / (Decrease)	Percent Change
Regular Salaries	1101	\$ 505,000	\$ 520,000	\$ 15,000	3.0%

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

Title	FY 2023-24	FY 2024-25
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 (2000 series of account codes)

The Adopted Final Budget for Services and Supplies is greater than that in the Adopted Final Budget for the current fiscal year, as indicated in the following table:

Description	FY 23-24 Adopted/ Adjusted	FY 24-25 Adopted	Increase / (Decrease)	Percent Change
Total Services and Supplies	\$ 176,400	\$ 198,420	\$ 22,020	12.5%

The increase comes primarily from anticipated increases to Cost Allocation Plan Charges (account code 2158) and Information Tech ISF (account code 2202):

Description	Acct Code	FY 23-24 Adopted/ Adjusted	FY 24-25 Adopted	Increase / (Decrease)	Percent Change
Cost Allocation Plan charges	2158	\$ 7,000	\$ 13,250	\$ 6,250	89%
Information Tech ISF	2202	7,000	16,000	9,000	129%

- Cost Allocation Plan Charges (account code 2158) are set by the County and pertain to costs for County services provided primarily by the General Services Agency, the Auditor-Controller's Office, County Counsel, and the County Executive Office, including Human Resources. For next fiscal year, the County estimates costs of approximately \$13,250.
- Information Tech ISF (account code 2202) includes costs for technology services provided by County IT Services including software licensing, email, network storage, and IT support. Though County IT Services hosts and helps maintain the LAFCo website, it has never charged LAFCo for these services. However, according to staff at IT services, it can no longer provide this service without charge and has informed LAFCo staff that it will be charging for the service beginning next fiscal year. The anticipated additional cost of \$7,000 is the primary reason for the increase to this account.

Contingencies

In accordance with the Commission's budget policies, the budget should provide for contingencies equaling 10.0% of total expenditures, unless the Commission deems that a different amount is appropriate. To reduce the amount of revenue necessary from other governmental agencies for the current fiscal year, the Commission reduced the amount of contingency appropriation to 5.0%,

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or \$46,392 (\$35,892 as adjusted). The Adopted Final Budget also reflects a 5.0% contingency appropriation, or \$49,555, consistent with the Commission's past practice of applying a 5.0% contingency appropriation. Should there be a need for any unanticipated expenditures which might exceed the contingency amount, an appropriation could be made from the unappropriated/unassigned fund balance (which is projected to be approximately \$353,000 at the end of the current fiscal year).

Financing Sources

Financing sources consist of Fund Balance and Miscellaneous Revenues (including interest earnings and application filing fees (e.g., account codes 8911 and 9790)) and Other Governmental Agencies (consisting of the revenue to be collected from the County, cities and independent special districts (account code 9371)).

Fund Balance

Section 56381(c) of 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 2023-24 in Review" section above, approximately \$97,172 is projected to be available at the end of the current fiscal year to appropriate for the FY 2024-25 Budget.

In 2011, the Commission adopted budget policies to provide for the maintenance of a Litigation Reserve Account to cover unanticipated expenditures resulting from litigation against the Commission that does not occur routinely and would not be reimbursed by another party. In September 2023, the Commission amended its budget policies to: 1) increase the reserve balance to be maintained from \$100,000 to \$135,000 to reflect inflation from 2011 to July 2023, and 2) to increase the amount each year to reflect increases in the consumer price index (CPI). According to the Bureau of Labor Statistics, the average increase in the CPI for the Los Angeles region from July 2023 through December 2023 was 2.98%. This average was used to increase the reserve amount \$4,050, from \$135,000 to \$139,050.

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. The total unassigned fund balance for the current year is estimated to be \$353,239. Pursuant to Commission policies, an unassigned (and unappropriated) fund balance of approximately 60 days' working capital must be maintained. Based on the projected actual expenditures for FY 2023-24 (\$900,242), 60 days' working capital would be approximately \$156,494, leaving another \$196,745 in unassigned fund balance. The Adopted Final Budget includes an appropriated fund balance of \$75,000.

Miscellaneous Revenue

Miscellaneous revenue includes interest earnings and other revenue, primarily application filing fees. The Adopted Final Budget for Miscellaneous Revenue is \$11,000, which is the same as the Adopted Budget amount for the current fiscal year.

The Commission has a policy to annually review the LAFCo fee schedule as a part of the budget process. A LAFCo fee schedule has been in effect since July 2010. It was updated and re-adopted by the Commission in April 2024. LAFCo staff will not be recommending an increase in the hourly composite rate for next fiscal year.

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

Pursuant to 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 Miscellaneous Revenue. CKH describes how the County Auditor-Controller is to make this apportionment and collect revenues once LAFCo adopts a Final Budget.

Though the Adopted Final Budget represents a 6.8% (\$66,433) increase over the current budget, the revenue projected to be collected from the County, the 10 cities, and the 29 independent special districts will increase 10.6% from the current fiscal year (an increase of \$30,478 for each of three funding categories). This is due to the increase in anticipated expenditures and a decrease in the amount of appropriated fund balance, as discussed above. 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 below, the amount of projected total revenue from Other Governmental Agencies for FY 2023-24 is above the 83% average over the previous five years.

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	\$719,130	\$568,502	79%
FY 2003-04	\$641,215	\$390,699	61%
FY 2004-05	\$702,503	\$473,067	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	\$641,949	\$519,249	81%
FY 2015-16	\$678,977	\$576,477	85%
FY 2016-17	\$703,028	\$617,028	88%
FY 2017-18	\$743,490	\$626,991	84%

Year	Adopted Budget –Total Finance Sources	Amount of Revenue from Other Governmental Agencies	Percent of Total Revenue from Other Governmental Agencies
FY 2018-19	\$766,096	\$622,596	81%
FY 2019-20	\$830,225	\$657,225	79%
FY 2020-21	\$857,431	\$718,431	84%
FY 2021-22	\$875,963	\$763,962	87%
FY 2022-23	\$903,892	\$769,392	85%
FY 2023-24	\$974,242	\$863,242	89%
FY 2024-25 ¹	\$1,040,675	\$954,675	92%

Not formally 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 2021-22 State Controller Reports. These are the most current reports available at this time. Should the State issue Cities and Special District Reports for FY 2022-23 before the end of June, the County Auditor-Controller's Office will use those reports as the basis for collecting revenue from the cities and special districts for FY 2024-25. As a further means of comparison, Attachment 3 shows individual agency revenue allocation amounts as a percentage of each agency's total revenue. Attachment 4 contains a comparison of each city's and district's allocation that was adopted for FY 2017-18 through the current proposed allocations for FY 2024-25.

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 highest 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. Systems and policies are 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 Adopted Final Budget for FY 2024-25 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 Based on FY 2024-25 Adopted Final Budget

1. Other Governmental Agencies-Cities Allocation Amounts
2. Other Governmental Agencies-Independent Special District Allocation Amounts
3. Agency Revenue Allocation Percentages
4. Agency Allocations for FYs 2019-20, 2020-21, 2021-22, 2022-23, 2023-24, and 2024-25

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

OPERATING EXPENSES

		FY 2023-2024			FY 2024-2025			
		Adopted	Adjusted	Projected	Approved Proposed	Adopted Final	Difference from FY 2023-24 Adjusted Budget	Percentage Difference from FY 2023-24 Adjusted Budget
Salaries and Benefits								
Account	Description							
1101	Regular Salaries	505,000	505,000	505,000	520,000	520,000	15,000	3.0%
1106	Supplemental Payments	20,000	20,000	20,000	20,500	20,500	500	2.5%
1107	Terminations (Buydowns)	25,000	25,000	26,500	30,500	30,500	5,500	22.0%
1121	Retirement Contribution	88,000	88,000	88,000	92,500	92,500	4,500	5.1%
1122	OASDI Contribution	30,000	30,000	30,000	31,000	31,000	1,000	3.3%
1123	FICA Medicare	9,000	9,000	9,000	9,500	9,500	500	5.6%
1141	Group Insurance	50,000	50,000	50,000	53,500	53,500	3,500	7.0%
1142	Life Insurance for Department Heads and Management	150	150	150	150	150	0	0.0%
1143	State Unemployment Insurance	0	0	0	0	0	0	0.0%
1144	Management Disability Insurance	3,800	3,800	3,800	3,800	3,800	0	0.0%
1165	Workers Compensation Insurance	4,700	4,700	4,700	4,250	4,250	(450)	-9.6%
1171	401k Plan	15,800	26,300	26,300	27,000	27,000	700	2.7%
	Total Salaries and Employee Benefits	751,450	761,950	763,450	792,700	792,700	30,750	4.0%
EXPENDITURES								
Services and Supplies								
Account	Description							
2032	Voice Data ISF	3,700	3,700	3,700	4,250	4,250	550	14.9%
2033	Radio Communications ISF	2,000	2,000	2,000	2,100	2,100	100	5.0%
2071	General Insurance Allocation ISF	4,000	4,000	4,000	3,000	3,000	(1,000)	-25.0%
2114	Facilities and Materials SQ.FT Allocation ISF	0	0	0	0	0	0	0.0%
2115	Facilities Projects ISF	0	0	0	0	0	0	0.0%
2116	Other Maintenance ISF	10,000	10,000	5,000	10,000	10,000	0	0.0%
2131	Memberships and Dues	13,000	13,000	12,900	13,250	13,250	250	1.9%
2158	Cost Allocation Plan Charges	7,000	7,000	7,000	13,250	13,250	6,250	89.3%
2163	Books and Publications	500	500	400	500	500	0	0.0%
2164	Mail Center ISF	2,000	2,000	2,000	2,500	2,500	500	25.0%
2165	Purchasing Charges ISF	150	150	150	150	150	0	0.0%
2166	Graphics Charges ISF	500	500	0	500	500	0	0.0%
2167	Copy Machine Chgs ISF	2,000	2,000	1,000	1,600	1,600	(400)	-20.0%
2168	Stores ISF	50	50	50	50	50	0	0.0%
2179	Miscellaneous Office Expenses	2,500	2,500	2,500	2,500	2,500	0	0.0%
2181	Board and Commission Member Compensation 1099	4,000	4,000	2,250	4,000	4,000	0	0.0%
2185	Attorney Services (County Counsel)	20,000	20,000	7,500	20,000	20,000	0	0.0%
2194	Software Maintenance Agreements	0	0	770	770	770	770	N/A
2199	Other Professional and Specialized Non ISF (Auditors, County Accounting Services, and CAPS Media)	32,500	32,500	20,500	34,000	34,000	1,500	4.6%
2202	Information Tech ISF	7,000	7,000	7,000	16,000	16,000	9,000	128.6%
2203	County Geographical Information Systems Expense ISF	2,500	2,500	2,500	2,000	2,000	(500)	-20.0%
2205	Public Works ISF Charges	1,000	1,000	1,000	1,000	1,000	0	0.0%
2206	Special Services ISF	300	300	300	300	300	0	0.0%
2221	Publications and Legal Notices	3,700	3,700	3,300	2,200	2,200	(1,500)	-40.5%
2241	Building Leases/Rentals Non-County Owned	29,500	29,500	29,500	30,000	30,000	500	1.7%
2244	Storage Charges ISF	700	700	700	700	700	0	0.0%
2261	Computer Equipment < \$5,000	2,000	2,000	1,200	2,000	2,000	0	0.0%
2262	Furniture and Fixtures < \$5,000	0	0	0	0	0	0	0.0%
2272	Conferences/ Seminars ISF (Training ISF)	0	0	0	0	0	0	0.0%
2273	Education Conference and Seminars	0	0	0	0	0	0	0.0%
2291	Private Vehicle Mileage	8,500	8,500	8,000	10,500	10,500	2,000	23.5%
2292	Travel Expense (Conferences / Seminars)	17,000	17,000	14,000	21,000	21,000	4,000	23.5%
2303	Motorpool ISF	300	300	400	300	300	0	0.0%
	Total Services and Supplies	176,400	176,400	139,620	198,420	198,420	22,020	12.5%
6101	Contingencies *	46,392	35,892	0	49,555	49,555	13,663	38.1%
	Total Contingencies	46,392	35,892	0	49,555	49,555	13,663	38.1%
	TOTAL EXPENDITURES	974,242	974,242	903,070	1,040,675	1,040,675	66,433	6.8%

* Pursuant to the VenturaLAFCo Commissioner's Handbook Section 2.3.1.4(a), the annual budget shall include a contingency appropriation of 10% of total operating expenses, unless the Commission deems a different amount appropriate.

REVENUE LEDGER

		FY 2023-2024			FY 2024-2025			
		Adopted	Adjusted	Projected	Approved Proposed	Adopted Final	Difference from FY 2023-24 Adjusted Budget	Percentage Difference from FY 2023-24 Adjusted Budget
Appropriation of Fund Balance		100,000	100,000		75,000	75,000	(25,000)	-25.0%
Account	Description							
8911	Investment Income (Interest Earnings) **	5,000	5,000	10,000	5,000	5,000	0	0.0%
9790	Miscellaneous Revenue (LAFCo application fees)	6,000	6,000	27,000	6,000	6,000	0	0.0%
	Total Miscellaneous Revenue	11,000	11,000	37,000	11,000	11,000	0	0.0%
Other Governmental Agencies								
9371	Other Government Agencies (County of Ventura)	287,747	287,747	287,747	318,225	318,225	30,478	10.6%
9371	Other Government Agencies (Cities)	287,747	287,747	287,747	318,225	318,225	30,478	10.6%
9371	Other Government Agencies (Independent Special Districts)	287,747	287,747	287,747	318,225	318,225	30,478	10.6%
	Total Other Government Agencies Revenue	863,242	863,242	863,242	954,675	954,675	91,433	10.6%
	TOTAL REVENUE	874,242	874,242	900,242	965,675	965,675	91,433	10.5%
	TOTAL FINANCING SOURCES	974,242	974,242	900,242	1,040,675	1,040,675	66,433	6.8%
	NET INCOME/(LOSS) [PROJECTED USE OF APPROPRIATED FUND BALANCE]			(2,829)				

** Interest earnings are generated from LAFCo's cash balance which is part of the Ventura County Treasury Investment Pool.

PRELIMINARY FUND Balance as of June 30, 2022

		Actual Fund Balance 6/30/23	Projected Fund Balance 6/30/24	Estimated Fund Balance 6/30/25
	Assigned:			
	Appropriated	100,000	75,000	0
5700	Committed:			
	Litigation	100,000	135,000	139,050
5995	Unassigned:			
	60 days' Working Capital	130,568	150,512	173,446
	Unassigned	244,391	238,619	211,635
	TOTAL UNASSIGNED	374,959	389,131	385,081
	TOTAL FUND BALANCE	601,959	599,131	524,131

LAFCo Net Operating Expenses Government Code 56381 (b) (1) (A) & (B)¹

Fiscal Year 2024-25 Adopted Final Budget - Allocation for Cities

Source: State of California, Cities Annual Report FY 21/22

CITY	TOTAL REVENUE PER REPORT	PERCENTAGE	ALLOCATION
			\$ 318,225
1 Camarillo	\$ 104,972,160	7.15%	\$ 22,753
2 Fillmore	29,056,884	1.98%	\$ 6,298
3 Moorpark	32,052,241	2.18%	\$ 6,947
4 Ojai	19,451,843	1.33%	\$ 4,216
5 Oxnard	521,491,323	35.52%	\$ 113,025
6 Port Hueneme	54,089,676	3.68%	\$ 11,723
7 San Buenaventura	264,154,533	17.99%	\$ 57,251
8 Santa Paula	53,363,036	3.64%	\$ 11,567
9 Simi Valley	189,718,262	12.92%	\$ 41,121
10 Thousand Oaks	199,884,656	13.61%	\$ 43,323
TOTAL	\$ 1,468,234,614	100.00%	\$ 318,225

¹In 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 State 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' population.

LAFCo Net Operating Expenses Government Code 56381 (b) (1) (A) & (C)¹, (F)²

Fiscal Year 2024-25 Adopted Final Budget - Allocation for Independent Special Districts

Source: State of California, Special Districts Annual Report FY 21/22

INDEPENDENT SPECIAL DISTRICT	TOTAL REVENUE	PERCENTAGE	ALLOCATION
	PER REPORT	(See Note 2)	\$ 318,225
1 Bardsdale Cemetery District	343,628	0.079%	\$ 251
2 Bell Canyon Comm. Services District	656,696	0.151%	481
3 Blanchard / Santa Paula Public Library District	969,776	0.223%	710
4 Calleguas Municipal Water District	158,473,183	36.402%	115,833
5 Camarillo Health Care District	4,209,367	0.967%	3,077
6 Camrosa Water District	41,555,293	9.546%	30,378
7 Casitas Municipal Water District	28,166,039	6.470%	20,589
8 Channel Islands Beach Comm. Serv. Dist.	5,327,412	1.224%	3,895
9 Conejo Recreation & Park District	28,693,997	6.591%	20,974
10 El Rancho Simi Pioneer Cemetery District	301,614	0.069%	220
11 Fillmore-Piru Memorial District	175,156	0.040%	127
12 Fox Canyon Groundwater Mgmt. Agency	4,801,433	1.103%	3,510
13 Hidden Valley Municipal Water District	123,383	0.028%	89
14 Meiners Oaks Water District	1,926,643	0.443%	1,410
15 Ojai Valley Sanitary District	9,335,915	2.145%	6,826
16 Ojai Water Conservation District	12,006	0.003%	10
17 Oxnard Drainage District No. 1	32,660	0.008%	25
18 Oxnard Drainage District No. 2	168,366	0.039%	124
19 Oxnard Harbor District	24,983,530	5.739%	18,262
20 Piru Public Cemetery District	52,989	0.013%	40
21 Pleasant Valley Co. Water District	5,202,181	1.195%	3,803
22 Pleasant Valley Rec & Park District	10,808,843	2.483%	7,902
23 Rancho Simi Rec & Park District	28,198,143	6.477%	20,611
24 Satcoy Sanitary District	921,802	0.212%	675
25 Triunfo Sanitation District	26,677,317	6.128%	19,501
26 United Water Conservation District	38,181,222	8.770%	27,908
27 Ventura Co. Resource Conserv. District	15,535	0.004%	13
28 Ventura Port District	12,398,985	2.848%	9,063
29 Ventura River County Water District	2,624,497	0.603%	1,919
TOTAL	\$ 435,337,611	100.002%	\$ 318,225

¹In 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 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.

²No 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.

Apportionment of Net Operating Expenses Expressed as Percentage of each Agency's Total Revenue

	TOTAL REVENUE PER REPORT*	ALLOCATION	PERCENTAGE OF TOTAL REVENUE
COUNTY OF VENTURA	\$ 2,775,041,107	\$ 318,225	0.01%
CITIES			
Camarillo	\$ 104,972,160	\$ 22,753	0.02%
Fillmore	29,056,884	6,298	0.02%
Moorpark	32,052,241	6,947	0.02%
Ojai	19,451,843	4,216	0.02%
Oxnard	521,491,323	113,025	0.02%
Port Hueneme	54,089,676	11,723	0.02%
San Buenaventura	264,154,533	57,251	0.02%
Santa Paula	53,363,036	11,567	0.02%
Simi Valley	189,718,262	41,121	0.02%
Thousand Oaks	199,884,656	43,323	0.02%
TOTAL	\$ 1,468,234,614	318,225	0.02%
INDEPENDENT SPECIAL DISTRICTS			
Bardsdale Cemetery District	\$ 343,628	\$ 251	0.07%
Bell Canyon Comm. Services District	656,696	481	0.07%
Blanchard / Santa Paula Public Library Dist.	969,776	710	0.07%
Calleguas Municipal Water District	158,473,183	115,833	0.07%
Camarillo Health Care District	4,209,367	3,077	0.07%
Camrosa Water District	41,555,293	30,378	0.07%
Casitas Municipal Water District	28,166,039	20,589	0.07%
Channel Islands Beach Comm. Serv. Dist.	5,327,412	3,895	0.07%
Conejo Recreation & Park District	28,693,997	20,974	0.07%
El Rancho Simi Pioneer Cemetery District	301,614	220	0.07%
Fillmore-Piru Memorial District	175,156	127	0.07%
Fox Canyon Groundwater Mgmt. Agency	4,801,433	3,510	0.07%
Hidden Valley Municipal Water District	123,383	89	0.07%
Meiners Oaks Water District	1,926,643	1,410	0.07%
Ojai Valley Sanitary District	9,335,915	6,826	0.07%
Ojai Water Conservation District	12,006	10	0.08%
Oxnard Drainage District No. 1	32,660	25	0.08%
Oxnard Drainage District No. 2	168,366	124	0.07%
Oxnard Harbor District	24,983,530	18,262	0.07%
Piru Public Cemetery District	52,989	40	0.08%
Pleasant Valley Co. Water District	5,202,181	3,803	0.07%
Pleasant Valley Rec & Park District	10,808,843	7,902	0.07%
Rancho Simi Rec & Park District	28,198,143	20,611	0.07%
Saticoy Sanitary District	921,802	675	0.07%
Triunfo Sanitation District	26,677,317	19,501	0.07%
United Water Conservation District	38,181,222	27,908	0.07%
Ventura Co. Resource Conserv. District	15,535	13	0.08%
Ventura Port District	12,398,985	9,063	0.07%
Ventura River County Water District	2,624,497	1,919	0.07%
TOTAL	\$ 435,337,611	\$ 318,225	0.07%

* Source: State of California Annual Reports FY 21/22

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

Allocation Comparisons

CITIES	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Camarillo	\$ 16,411	\$ 20,839	\$ 21,131	\$ 21,415	\$ 24,159	\$ 22,753
Fillmore	4,103	4,646	4,681	4,950	6,048	6,298
Moorpark	7,146	6,928	6,748	6,668	6,687	6,947
Ojai	2,467	2,464	2,638	2,385	3,358	4,216
Oxnard	75,563	83,199	87,159	84,582	96,926	113,025
Port Hueneme	8,125	7,759	8,185	8,976	10,074	11,723
San Buenaventura	44,300	47,910	48,406	49,215	50,181	57,251
Santa Paula	4,062	5,336	4,306	4,591	9,504	11,567
Simi Valley	22,032	23,327	32,764	34,007	39,159	41,122
Thousand Oaks	34,866	37,069	38,636	39,675	41,650	43,323
TOTAL	\$ 219,075	\$ 239,477	\$ 254,654	\$ 256,464	\$ 287,747	\$ 318,225

INDEPENDENT SPECIAL DISTRICTS	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Bardsdale Cemetery District	\$ 147	\$ 153	\$ 130	\$ 141	\$ 224	\$ 251
Bell Canyon Comm. Services District	368	383	415	423	446	481
Blanchard / Santa Paula Library District	554	620	601	618	636	710
Calleguas Municipal Water District	87,106	99,151	96,869	101,549	115,910	115,833
Camarillo Health Care District	2,191	2,534	2,447	2,413	2,535	3,077
Camrosa Water District	12,991	15,425	15,297	15,839	18,111	30,378
Casitas Municipal Water District	11,804	13,188	14,431	13,947	19,222	20,588
Channel Islands Beach Comm. Serv. Dist.	2,857	3,130	3,680	3,378	3,634	3,895
Conejo Recreation & Park District	17,040	17,568	18,195	20,166	21,224	20,974
El Rancho Simi Pioneer Cemetery District	107	120	115	144	204	220
Fillmore-Piru Memorial District	145	139	158	141	121	127
Fox Canyon Groundwater Mgmt. Agency	2,471	1,691	2,078	2,044	2,995	3,510
Hidden Valley Municipal Water District	44	36	28	41	86	89
Meiners Oaks Water District	995	1,205	1,128	1,126	1,295	1,410
Montalvo Comm. Services District	563	558	n/a	n/a	-	-
Ojai Valley Sanitary District	6,476	6,092	6,794	7,066	6,929	6,826
Ojai Water Conservation District	6	7	8	8	9	10
Oxnard Drainage District No. 1	22	24	25	23	23	25
Oxnard Drainage District No. 2	100	117	107	136	124	124
Oxnard Harbor District	10,299	11,515	12,714	12,055	15,947	18,262
Piru Public Cemetery District	30	44	37	35	40	40
Pleasant Valley Co. Water District	2,916	3,128	2,429	2,593	3,626	3,803
Pleasant Valley Rec & Park District	7,834	6,241	6,496	7,345	6,840	7,902
Rancho Simi Rec & Park District	15,383	16,117	29,851	19,235	17,029	20,611
Saticoy Sanitary District	429	460	486	467	613	675
Triunfo Sanitation District	10,954	12,800	13,262	13,934	16,686	19,501
United Water Conservation District	16,932	18,755	18,431	23,615	23,716	27,908
Ventura Co. Resource Conserv. District	114	280	135	13	9	13
Ventura Port District	6,780	6,380	6,738	6,389	7,536	9,063
Ventura River County Water District	1,417	1,616	1,569	1,580	1,977	1,919
TOTAL	\$ 219,075	\$ 239,477	\$ 254,654	\$ 256,464	\$ 287,747	\$ 318,225