

February 5, 2015

Local Agency Formation Commission

105 East Anapamu Street

Santa Barbara CA 93101

Review of Financial Statements for the Fiscal Year Ending June 30, 2014

Dear Members of the Commission

RECOMMENDATION

It is recommended that the Commission receive and file the Financial Statements for the Fiscal Year ending June 30, 2014 that are included in this report.

DISCUSSION

The firm of Bartlett, Pringle and Wolf, LLP has completed a review of the Commission's financial records and prepared the attached Independent Audit's Report for the Fiscal Year 2013-14.

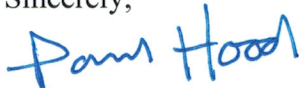
The firm concludes that the financial statements "present fairly, all material respects, the financial position of the Commission as of June 30, 2014, and the results of its operations and its cash flows for the year in conformity with accounting principles generally accepted in the United States of America."

The attached report summarizes certain matters required by professional standards to be communicated to the Commission in your oversight responsibility for Santa Barbara LAFCO's financial reporting process. The full report has been transmitted under separate cover, is posted in the Commission's website (www.sblafco.org), and is available for review at the office of the Clerk to the Board, 105 East Anapamu Street, Rm 407, Santa Barbara, CA 93101.

Mr. John J. Britton, with Bartlett, Pringle and Wolf, LLP, will be present at the meeting to review the document and answer any questions.

Please contact the LAFCO office if you have any questions.

Sincerely,



PAUL HOOD

Executive Officer