

LAFCO

Santa Barbara Local Agency Formation Commission
105 East Anapamu Street ♦ Santa Barbara CA 93101
805/568-3391 ♦ FAX 805/568-2249
www.sblafco.org ♦ lafco@sblafco.org

June 2, 2016 (Agenda)

Local Agency Formation Commission
105 East Anapamu Street, Room 407
Santa Barbara CA 93101

Consider Review of Santa Barbara LAFCO Policy Guidelines and Standards

Honorable Commissioners:

RECOMMENDATION

It is recommended that the Commission provide direction to staff.

DISCUSSION

Chairman Geyer has requested that the Commission consider a review of Santa Barbara LAFCO Commissioner Handbook Section 7 - Policy Guidelines and Standards, and Section 9 – LAFCO Budget and Financial Procedures. Chairman Geyer has suggested that the Commission review the existing policies and consider any changes and/or add new policies that may be necessary.

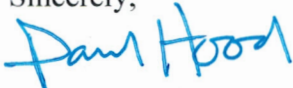
Staff will return at a future meeting with any amended language.

EXHIBITS

Exhibit A Commissioner Handbook Section 7 - Policy Guidelines and Standards
Exhibit B Commissioner Handbook Section 9 - LAFCO Budget and Financial Procedures

Please contact the LAFCO office if you have any questions.

Sincerely,



PAUL HOOD
Executive Officer

POLICY GUIDELINES AND STANDARDS

LAFCO's are charged with establishing policies and exercising their powers ". . . in a manner that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space lands within those patterns" and with ". . . the discouragement of urban sprawl and the encouragement of the orderly formation and development of local agencies based upon local conditions and circumstances." (Government Code Sections 56300 and 56301) In carrying out its responsibilities, each LAFCO must conduct various studies and review and make determinations on changes of organization, reorganizations and spheres of influence. The following policies and standards have been adopted by the Santa Barbara LAFCO to assist in the review of proposals and the preparation of studies as necessary.

I. POLICIES ENCOURAGING ORDERLY FORMATION AND DEVELOPMENT OF AGENCIES

1. Any proposal for a change or organization or reorganization shall contain sufficient information to determine that adequate services, facilities, and improvements can be provided and financed by the agencies responsible for the provision of such services, facilities, and improvements.
2. All lands proposed for annexation to cities shall be rezoned prior to the submission of an application to the Local Agency Formation Commission. The City shall be lead agency for environmental review in such cases, and environmental documentation shall accompany the application.
3. Reorganization of overlapping and competing agencies or the correction of illogical boundaries dividing agency service areas is recommended. The Commission encourages reorganizations, consolidations, mergers, or dissolutions where the result will be better service, reduced cost, and/or more efficient and visible administration or services to the citizens.
4. In order to minimize the number of agencies providing services proposals for formation of new agencies shall be discouraged unless there is evidenced a clear need for the agency's services from the landowners and/or residents; there are no other existing agencies that are able to annex and provide similar services; and there is an ability of the new agency to provide for an finance the needed new services.

II. SPHERE OF INFLUENCE POLICIES

A sphere of influence establishes the probably ultimate physical boundaries and service area of each governmental agency within the county. Once adopted, these spheres of influence are to be used by the Commission as one factor in making decision on proposal over which it has jurisdiction and as a basis for recommendations on governmental reorganization. A proposal shall not be approved solely because the area falls within the sphere of influence of an agency.

Sphere of Influence determinations are to be reviewed periodically and changed or updated as circumstances may require in the opinion of LAFCO. Such periodic review should be made approximately every five years.

The Commission will generally apply the following policy guidelines in spheres of influence determinations while also taking into account local conditions and needs.

1. The plans and objectives contained within the adopted General Plans of the cities and the county will be supported. In cases where these plans are inconsistent, the Commission will adopt findings relative to its decision.
2. Community-centered urban development will be encouraged wherever justified on the basis of reduced cost of desired levels of community services, energy conservation, and preservation of agricultural and open space resources.
3. Duplication of authority to perform similar service functions in the same territory will be avoided.
4. Multiple-service agencies will be preferred to a number of limited services districts. In this regard, city provision of multiple services will be preferred where possible because of the substantially broader authority and responsibility to provide services and controls to their constituencies, including land-use planning controls.
5. Where possible, a single larger agency rather than a number of adjacent smaller ones, established for a given service in the same general area, will be preferred.
6. An economically sound base for financing services without including territories which will not benefit from the services will be promoted.
7. Sphere of influence lines shall seek to preserve community identity and boundaries and will urge the political and functional consolidation of local government agencies that cross-cut those affected communities.

-
8. Sphere of influence lines may be larger or smaller than existing local agency boundaries and may lead to recommendations for changes of organization.
 9. Agencies which do not have major impact upon land, road, or capital facilities planning (such as cemetery districts) shall general have a sphere of influence which is coterminous with their existing jurisdictional boundaries.
 10. Agricultural resources and support facilities should be given special consideration in sphere of influence designations. High value agriculture areas, including areas of established crop production, with soils of high agricultural capability should be maintained in agriculture, and in general should not be included in an urban service sphere of influence.
 11. The Commission will consider area-wide needs for governmental services and evaluate individual districts serving the area as they relate to the total system of the existing local government in the community and alternative arrangements.

Environmental Review

A LAFCO sphere of influence determination is subject to review under the provision of the California Environmental Quality Act (CEQA). In order to enable environmental considerations to be effectively integrated into a sphere of influence determination, and environmental review will be conducted concurrently with the development of the sphere of influence determination.

Inasmuch as a sphere of influence determination represents the potential extension of the services of a local governmental agency, the environmental impacts associated with a sphere of influence are of a long-range nature. Thus the "Degree of Specificity" of the environmental review reflects the regional nature of a sphere decision. It is necessary of a general nature, focusing on the secondary, indirect impacts associates with the future extension of services within a sphere boundary.

The determination of whether or not an Environmental Impact Report (EIR) is necessary for a sphere of influence determination, i.e., the "Level of Significance" associated with a sphere determination, will necessarily vary according to the environmental resources affected by a sphere designation.

1. All environmental documents shall be prepared in accordance with the California Environmental Quality Act and implementing CEQA Guidelines, including applicable implementing guides of LAFCO, and the lead agency preparing the environmental document.

-
2. In cases where it is deemed appropriate, LAFCO may designate the affected agency as the lead agency. The level of environmental review shall be determined through the scoping process as provided by CEQA and shall involve all applicable agencies.
 3. If the environmental document is prepared jointly by two or more agencies, there shall be a Memorandum of Understanding prepared setting forth the project description, scope of work to be accomplished and the responsibilities of each governmental agency involved. Said Memorandum shall be approved by LAFCO prior to commencing work on the environmental document.
 4. Environmental documents prepared for use by LAFCO in the decision making process shall be summarized in a manner directly related to said process. Procedure shall be set forth by LAFCO and distributed to all governmental agencies within LAFCO's jurisdiction.

III. POLICIES ENCOURAGING CONSISTENCY WITH SPHERES OF INFLUENCE

1. All proposals approved by the Commission shall be consistent with adopted spheres of influence and Commission policies. Within the sphere of influence each agency should implement an orderly, phased annexation program.
2. Already developed unincorporated lands located within the established sphere of influence boundary of a city and which benefit from municipal services provided by such city should be annexed to that city. Vacant land in the same position should be annexed prior to development. LAFCO recognizes that costs for serving some developed unincorporated areas, when studied independently, may exceed revenues. In other cases, revenues will exceed service costs. To the fullest extent possible, cities should develop programs that propose annexation of several areas which, if combined together, achieve a net balance in city costs and revenues.
3. Districts within a city's sphere of influence should develop plans for orderly detachment of territory from the district or merger of the district as territory is annexed to the city and should plan capital improvements according, except where the type of district services provided are not provided by the city. The county shall be encouraged to ensure that development within a sphere of influence and area of interest meets city standards for public facilities and improvements by providing for city review of all county proposals within the city's area of interest.

IV. POLICIES ENCOURAGING ORDERLY URBAN DEVELOPMENT AND PRESERVATION OF OPEN SPACE PATTERNS

1. The Commission encourages will planned, orderly, and efficient urban development patterns for all developing areas. Also, the county, cities, and those districts providing urban services, are encouraged to develop and implement plans and policies which will provided for well-planned, orderly and efficient urban development patterns, with consideration of preserving permanent open space lands within those urban patterns.
2. Development of existing vacant non open space, and nonprime agricultural land within an agency's boundaries is encouraged prior to further annexation and development. However, where open land adjacent to the agencies are of low agricultural, scenic, or biological value, annexation of those lands may be considered over development of prime agricultural land already existing within an agency's jurisdiction.
3. Proposals to annex undeveloped or agricultural parcels to cities or districts providing urban services shall demonstrate that urban development is imminent for all or a substantial portion of the proposal area; that urban development will be contiguous with existing or proposed development; and that a planned, orderly, and efficient urban development pattern will result. Proposals resulting in a leapfrog, non-contiguous urban pattern will be discouraged.
4. Consideration shall be given to permitting sufficient vacant land within each city and/or agency in order to encourage economic development, reduce the cost of housing, and allow timing options for physical and orderly development.

V. POLICIES ENCOURAGING CONSERVATION OF PRIME AGRICULTURAL LANDS AND OPEN SPACE AREAS

1. Proposals which would conflict with the goals of maintaining the physical and economic integrity of open space lands, agricultural lands, or agricultural preserve areas in open space uses, as indicated on the city or county general plan, shall be discouraged.
2. Annexation and development of existing vacant non-open space lands, and nonprime agricultural land within an agency's sphere of influence is encouraged to occur prior to development outside of an existing sphere of influence.
3. A sphere of influence revision or update for an agency providing urban services where the revision includes prior agricultural land shall be discouraged. Development shall be guided towards areas containing nonprime agricultural lands, unless such action will promote disorderly, inefficient development of the community or area.

-
4. Loss of agricultural lands should not be a primary issue for annexation where city and county general plans both indicate that urban development is appropriate and where there is consistency with the agency's sphere of influence. However, the loss of any primer agricultural soils should be balanced against other LAFCO policies and a LAFCO goal of conserving such lands.

COMMISSION STANDARDS FOR REVIEW OF PROPOSALS

As authorized by State law, the Commission has adopted the following standards for review of city annexations, district annexation, city incorporation and district formation proposals. Factors are given for both approval and disapproval. The presence of individual positive or negative factors do not dictate approval or denial, but a preponderance of positive or negative factors should be the determinant of approval or denial.

VI. STANDARDS FOR ANNEXATIONS TO CITIES

Factors Favorable to Approval:

1. Proposal would eliminate islands, corridors, or other distortion of existing boundaries.
2. Proposed area is urban in character or urban development is imminent, requiring municipal or urban-type services.
3. Proposed area can be provided all urban services by agency as shown by agency service plan and proposals would enhance the efficient provision of urban services.
4. Proposal is consistent with the adopted spheres of influence and adopted general plans.
5. Request is by an agency for annexation of its publicly-owned property, used for public purposes.

Factors Unfavorable to Approval:

6. Proposal would create islands, corridors or peninsulas of city or district area or would otherwise cause or further the distortion of existing boundaries.
7. The proposal would result in a premature intrusion of urbanization into a predominantly agricultural or rural area.

-
8. For reasons of topography, distance, natural boundaries, or like considerations, the extension of services would be financially infeasible, or another means of supplying services by acceptable alternatives is preferable.
 9. Annexation would encourage a type of development in an area which due to terrain, isolation, or other economic or social reason, such development is not in the public interest.
 10. The proposal appears to be motivated by inter-agency rivalry, land speculation, or other motives not in the public interest.
 11. Boundaries of proposed annexation do not include logical service area or are otherwise improperly drawn.
 12. The proposal is inconsistent with adopted spheres of influence and adopted general plans.

VII. STANDARDS FOR CITY INCORPORATION

Factors Favorable to Approval:

1. Need for organized municipal or urban-type services.
2. A relatively dense population in a well-defined reasonably compact area.
3. Adequate property tax revenue and a sufficiently high base for sales tax, highway users tax, motor vehicle in lieu tax, and similar State-collected and disbursed funds, in relation to anticipated costs of required services as to make incorporation financially feasible.
4. The likelihood of continued substantial growth within the proposed area and adjacent areas during the next ten years.
5. Remoteness from other highly populated areas and particularly from an existing city to which the area proposed for incorporation could be annexed.
6. Alternate means of furnishing required services are infeasible or undesirable.
7. No adverse effect upon long-range provision for adequate local governmental services by other agencies to a larger region of which the area proposed for incorporation is an integral part.
8. Is consistent with adopted spheres of influence and the county adopted general plan.

Factors Unfavorable to Approval:

9. Relatively low population density.
10. No or slight need for municipal urban-type services.
11. Population not in a reasonably compact or defined community.
12. Low property tax revenue, low retail sales of gasoline and other retail sales in relation to anticipated costs of services as to make incorporation financially infeasible.
13. Area proposed for incorporation is in close proximity to an existing city to which it could be annexed.
14. Incorporation is premature in view of lack of anticipated substantial growth within the next ten years.
15. Property boundaries do not include all urbanized areas or are otherwise improperly drawn.
16. Incorporation would have an adverse effect upon the long-range provision of local governmental services to a larger region of which the area proposed for incorporation forms an integral part.
17. The proposal is not consistent with adopted spheres of influence and adopted general plans.

VIII. STANDARDS FOR DISTRICT FORMATION

Factors Favorable to Approval:

1. Development requires one or more urban-type services, and by reason of location or other consideration such service or services may not be provided by any of the following means in descending order of preference:
 - a) Annexation to an existing city.
 - b) Annexation to an existing district of which the Board of Supervisors is the governing body.
 - c) Annexation to an existing district with an independent governing body.
2. The proposal is for a primarily rural or agricultural area and is for a limited non-urban type services which cannot be provided by an existing dependent or independent district.
3. The proposal is consistent with adopted spheres of influence and does not conflict with city or county general plans.

Factors Unfavorable to Approval:

4. Slight need for urban-type services or required services may be provided by alternates in descending order of preference:
 - a) Annexation to an existing city.
 - b) Annexation to an existing district of which the Board of Supervisors is the governing body.
 - c) Annexation to an existing district with an independent governing body.
5. By reason of relatively low revenue base in relationship to the cost of desired services, the proposal is financially infeasible and not in the public interest.
6. Due to topography, isolation from existing developments, premature intrusion or urban-type developments into a predominantly agricultural area or other pertinent economic or social reasons, urban-type development which would be fostered by proposal is not in the public interest.
7. Boundaries of the proposal do not include all of the service areas or potential service area or are otherwise improperly drawn.
8. Proposal would result in a multiplication of public districts making difficult the ultimate provision of adequate full local governmental services to a larger region of which the area proposed is an integral part.
9. District proposed is not the best suited to the purpose and better alternate types are not available.
10. Proposal is inconsistent with adopted spheres of influence and adopted general plans.

IX. STANDARDS FOR OUT-OF-AGENCY SERVICE AGREEMENTS

Considerations for Approving Agreements

Annexations to cities and special districts are generally preferred for providing public services, however, out-of-agency service agreements can be an appropriate alternative.

While each proposal must be decided on its own merits, the Commission may favorably consider such agreements in the following situations:

1. Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate in terms of orderly

boundaries, adopted land use plans, open space/greenbelt agreements or other relevant factors.

2. Lack of contiguity makes annexation infeasible given current boundaries and the requested public service is justified based on adopted land use plans or other entitlements for use.
3. Where public agencies have a formal agreement defining service areas, provided LAFCO has formally recognized the boundaries of the agreement area
4. Emergency or health related conditions mitigate against waiting for annexation.
5. Other circumstances which are consistent with the statutory purposes and the policies and standards of the Santa Barbara LAFCO.

Agreements Consenting to Annex

Whenever the affected property may ultimately be annexed to the agency, a standard condition for approval of an out-of-agency service agreement is recordation of an agreement by the landowner consenting to annex the territory, which agreement shall inure to future owners of the property.

Approval by Chair

The Chair may authorize cities and special districts to provide services outside of their boundaries as specified herein.

1. A request and application is received from the affected local agency, including the requisite processing fee.
2. The situation involves public health, safety or welfare to such a degree that delaying the approval of the service agreement until the next LAFCO meeting is deemed by the Chair to represent an intolerable delay or risk to the public health, safety or welfare.
3. The property to which the out-of-agency services will be extended or provided is within the sphere of influence of the affected agency.
4. If the affected property may ultimately be annexed to the service agency, the landowner shall execute and record an agreement consenting to annex the territory to the affected district and shall deposit with LAFCO or the service agency funds sufficient to process said future annexation.
5. In the absence of the Chair or if the Chair is not available to act, the Vice Chair is authorized to exercise the authorities set forth in this resolution.

-
6. The Executive Officer shall provide a report to the Commission at the next LAFCO meeting of any out-of-agency service agreements that were approved.

It is intended that the authority delegated to the Chair or Vice-Chair to approve out-of-agency service agreements be exercised in a manner consistent with the Commission's adopted standards.

X. RECONSIDERATION OF LAFCO DECISIONS

Content of requests for reconsideration

Requests for reconsideration of LAFCO resolutions making determinations will be evaluated for approval only when the applicant meets the statutory deadline for submitting the request, the request sets forth the specific modification being sought, a processing fee is paid and

- a) Reconsideration is required to correct a procedural defect in its earlier action; or
- b) Newly discovered evidence, material to the request for reconsideration and relevant to the Commission's decision on the boundary change, is available which could not, with reasonable diligence, have been discovered and produced at the time of initial LAFCO consideration.

Payment and Refund of Processing Fee

A request for reconsideration shall not be accepted as being complete until a processing fee is received. The fee to request reconsideration shall be as set forth in the LAFCO fee schedule, as it is amended from time to time.

The fee paid shall be returned to an applicant for reconsideration in the event the Commission determines that reconsideration is required to correct a procedural defect in its earlier action.

XI. STATE REVIEW OF COMPREHENSIVE FISCAL ANALYSIS (CFA)

Request for Review

Requests for State Controller review of a Comprehensive Fiscal Analysis (CFA) filed pursuant to Government Code §56833.3 must be made in writing not later than 30 calendar days from the date notice is published that the CFA is available for public review. Requests shall specify in writing the elements of the CFA the Controller is requested to review and the reasons the Controller is requested to review them.

Persons requesting the review shall be responsible for costs incurred in obtaining the review and shall deposit with the Executive Officer, at the time the request is filed and before it is found to be valid, the amount estimated by the

Executive Officer as necessary to cover the costs of the State Controller's review.

Within 30 days of issuance of the State Controller's report, the Executive Officer shall refund any amount of the deposit remaining after costs have been paid. In the event the amount to be paid exceeds the deposit, the requesting party shall be liable for the balance due.

XII. EXTENDING URBAN UTILITY SERVICES TO AGRICULTURAL PARCELS

It is the policy of the Commission to protect and preserve agriculture by avoiding the extension of potable water or wastewater services (sewers) to agriculturally zoned land because this fosters uses other than agriculture.

Any LAFCO approval of a change of organization or out of agency service agreement that allows the extension of potable water or wastewater services to a parcel zoned for agricultural use will only be approved, if at all, if the approval is limited to that portion of the parcel that includes an approved use that needs potable water or wastewater services, provided the use does not compromise agricultural viability.

This policy shall not be construed as indicating the Commission will approve proposals that lead to non-agricultural uses on agricultural parcels but rather indicates that should such approval be granted it is to be restricted to the specific area in which an approved land use requiring potable water or wastewater services is to occur.

XIII. LAPSED OR ABANDONED PROPOSALS

When the Executive Officer deems an application to be incomplete he/she shall notify the applicant in writing either by personal service or via certified mail. The applicant shall have 180 days from receipt of such notice to submit additional information and/or revised documents. If the applicant does not resubmit the application to the Executive Officer within 180 days, the application shall be considered abandoned. The proposal may be reinitiated through a new application consistent with the requirements of applicable law and LAFCO policies and fee schedule.

XIV. COST ACCOUNTING AND INDEMNIFICATION AGREEMENT

- A. As part of any application, the Executive Officer is authorized and shall require any applicant and/or jurisdiction to execute a Cost Accounting and Indemnification Agreement.
- B. The following policy shall be applied to any applicant and/or jurisdiction that is not in compliance with an existing LAFCO Cost Accounting and Indemnification Agreement as determined by the Executive Officer and Legal Counsel:

-
1. The Executive Officer, in consultation with Legal Counsel, shall determine, on review of an application, whether an applicant and/or jurisdiction has previously failed to comply with the LAFCO Indemnification Policy and/or the LAFCO Cost Accounting and Indemnification Agreement.
 2. Prior to acceptance for processing of an application from an applicant and/or jurisdiction, which the Executive Officer determines to have failed to comply with the Policy and Agreement referenced in paragraph 1 of this policy above, the LAFCO Executive Officer shall advise the Commission at a regularly scheduled meeting regarding the applicant's prior breach of the obligations of the Policy, Agreement, or both. The Executive Officer, in consultation with Legal Counsel, shall make a recommendation to the Commission regarding the amount of a bond or other commercially reasonable undertaking to be required of the applicant before the application will be accepted.
 3. On the basis of the Executive Officer's recommendation, the Commission shall establish a bond or other commercially reasonable undertaking as a condition for acceptance of the application. The purpose of this security requirement is to indemnify LAFCO from future liability in connection with the application. In addition, the applicant shall be required to satisfy any past due obligation owed to LAFCO from previous applications, prior to processing any new application.

Compliance with this policy does not relieve the applicant of responsibility to submit other information as requested by LAFCO to process the application, to otherwise comply with applicable law and these policies, or cure any outstanding non-compliance with the Policy and Agreement referenced in paragraph a. of this policy above.

*Adopted June 16, 1988
Revised December 13, 1996
Revised November 4, 1999
Revised September 3, 2009
Revised July 7, 2011
Revised August 7, 2014*

LAFCO BUDGET AND FINANCIAL PROCEDURES

A. Authority to Develop and Adopt the Budget

The Cortese/Knox/Hertzberg Act creates the funding relationship between the County, cities, special districts and LAFCO. Pertinent sections of the Government Code are appended as Exhibit A to this section of the Commissioner Handbook:

B. LAFCO as a Separate Fund

For administrative purposes the LAFCO budget is a separate fund within the County's financial accounting system. Unspent appropriations are retained in the fund as available financing for the following year.

C. Processing Fee Schedule

The Act permits LAFCO to levy processing fees to cover the cost of verifying petitions, processing boundary change requests, amending spheres of influence and so forth.

The fee schedule is reviewed in conjunction with adoption of the annual budget.

D. Financial Status Reports

The budget adopted by LAFCO is an estimate of expenditures and revenues. The staff keeps the Commission informed of aspects of the financial program that deserve review and adjustment through periodic financial status reports.

E. Per Diem Stipends for Commission members

Members and alternative members are eligible to receive a stipend of \$150 for attendance at the following meetings:

1. Regular and special meetings of the Commission.
2. Meetings of standing committees and ad hoc committees of the Commission when appointed by the Commission or the Chair of the Commission.
3. Meetings of governmental agencies and committees when appointed to such entities by the Commission or the Chair of the Commission.
4. Meetings of the Board of Directors of the California Association of LAFCOs when the Commissioner is a member of the Board of Directors having been nominated to that position by the Commission.

Payment of stipends is limited to no more than five (5) per member in any month.

F. Reimbursement of Commissioner Expenses

Commission members and alternates may claim reimbursement for reasonable and necessary expenses incurred in performing the duties of their office. This includes:

1. Attending the annual CALAFCO Conference and CALAFCO University classes.
2. Attending CALAFCO committee meetings such as the Legislative Committee or Conference Planning Committee if they are a member of the committee.
3. Attending the annual UCLA Extension Land Use Law and Planning Conference.
4. Attending other LAFCO-related conferences, meeting and events with preapproval by the Commission or the Chair of the Commission.
5. Commission members and alternates shall be reimbursed for expenses in the same manner as staff. The Executive Officer is responsible for reviewing and approving each request for Commission reimbursement. Disputed reimbursements may be appealed to the Commission.

The Commission will not generally reimburse Commissioners for workshops or training that is directed or oriented primarily for LAFCO staff and only with prior approval.

G. Reimbursement of Staff and Legal Counsel Expenses

1. The Executive Officer and Legal Counsel shall be reimbursed for all reasonable and necessary expenses in connection with the conduct of LAFCO business including but not limited to office expenses, training, travel, lodging, meals, gratuities and other related costs.
2. The Executive Officer is responsible for reviewing and approving requests for Legal Counsel reimbursement.
3. The Chair, Vice Chair, or other Commissioners authorized to sign claim forms with the County Auditor Controller are responsible for reviewing and approving requests for Executive Officer reimbursement.

H. Reimbursement Policies

1. Expense reimbursement requests should be submitted monthly, although flexibility is permitted if the claimable amount is not deemed to be significant.
2. Claims for reimbursement of costs related to LAFCO meetings, conferences and seminars should be submitted not later than 60 days following completion of the event for which reimbursement is being claimed.

3. Expense claims for costs incurred in one fiscal year should be, whenever practical, submitted for reimbursement during the same fiscal year.
4. Reimbursement for Private Automobiles
 - a. Use of private automobiles to conduct LAFCO business shall be reimbursed at the IRS allowable rate.
 - b. This rate shall be considered full and complete payment for actual expenses for use of private automobiles, including insurance, maintenance and all other automobile-related costs.
 - c. LAFCO does not provide insurance for private automobiles used for LAFCO business. The owner is responsible for personal liability and property damage insurance when vehicles are used on LAFCO business.
5. Receipts or vouchers which verify the claimed expenses are required for reimbursement of all items of expense except private automobile mileage and taxis or streetcars, buses, bridge and road tolls and parking fees
6. Reimbursement of expenses is not allowed for personal items such as, but not limited to, entertainment, clothing, laundering, etc.
7. The general rule for selecting a mode of transportation for reimbursement is that method which represents the lowest reasonable expense to LAFCO and the individual Commissioner or staff member.

I. Recognition by the Commission

Nominal amounts may be expended for the purchase of plaques or certificates of appreciation for those to whom such expressions are deemed to be appropriate by the Commission.

J. LAFCO Credit Card

The Executive Officer is authorized to secure a credit card in the name of the Commission for the purchase of travel and expenses for Commissioners and staff. All unauthorized charges placed on the card must be reimbursed within 15 calendar days of the date the credit card statement is received.

K. Investment Policy

It is the policy of the Santa Barbara Local Agency Formation Commission to keep its funds in the County Treasury as the basis to implement and manage a prudent, conservative investment program.

It is the practice of the County Treasurer to invest public funds in a manner which provides the maximum security of principal invested with secondary emphasis on achieving the highest return, while meeting the daily cash flow needs of the Investment Pool participants and conforming to all applicable State statues and County resolutions governing the investment of public funds.

L. Disclosure of Budget and Compensation

Documentation shall be posted on the Commission website and made available to members of public who submit requests for information showing:

1. Most recently adopted Commission budget
2. Authorized Commissioner stipend per meeting. Members of the Commission do not receive pensions, deferred compensation, vehicle allowance or health/dental/vision programs or insurance.
3. Total compensation paid to staff as shown on the most recent W-2 form or 1099 plus any pensions and/or contributions for deferred compensation, health/dental/vision programs or insurance and vehicle allowance.

*Revised October 10, 2002
Adopted July 7, 1994
Revised May 8, 2003
Revised December 4, 2003
Revised February 2, 2006
Revised April 5, 2007
Revised March 3, 2011
Revised November 1, 2012*