

**AGENDA
 CITIES ADVISORY COMMITTEE MEETING
 ALTERNATIVE LAFCO APPORTIONMENT
 MONDAY, NOVEMBER 17, 2003
 9:30 - 11:30 AM
 COUNTY ADMINISTRATION CENTER
 1600 PACIFIC HIGHWAY, ROOMS 302-03
 SAN DIEGO, CA 92101**

	Recommended <u>Action:</u>
1. Call to Order	Conduct
2. Introductions	Receive
3. Appointment of Chair and Vice Chair	Direction
4. Executive Officer's Agenda Revisions	Approve
5. Summary of LAFCO Funding Requirements*	Information
6. Summary of Alternative Apportionment Procedure approved in San Diego County*	Information
7. Summary of Alternative City Apportionment approved in 2001*	Information
8. Discussion of Alternative City Apportionment submitted by the City of Chula Vista	Information and Discussion
9. Cities Advisory Committee Recommendations regarding the City of Chula Vista's Alternative Apportionment Proposal	Direction
10. Schedule of Future Meeting (if necessary)	Direction
11. Public Comment: Opportunity for members of the public to speak to the Committee on any subject matter within the Committee's jurisdiction but not an item on today's agenda. Each speaker's presentation may not exceed 3 minutes.	Receive

Adjournment – Next meeting to be determined

***Written report attached to agenda**

ACCESSIBILITY OF MEETING AND AGENDA MATERIALS

LAFCO's Cities Advisory Committee meeting agenda and documents included in the agenda packet are available in alternative formats, to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132) and California Government Code 54954.1. Writings that are public records as described in California Government Code Section 54957.5 (a), that are distributed during a LAFCO meeting are available following the meeting in alternative formats upon request by a person with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132). Please notify the LAFCO office, in writing, at 1600 Pacific Highway, Room 452, San Diego, CA 92101, of your request. Any request for mailed copies of agendas or agenda packets are valid for the calendar year in which the request is filed, and must be renewed following January 1 of each year.

Individuals requiring sign language interpreters should contact the Americans with Disabilities Coordinator at (619) 531-5205, in advance of the meeting, to make arrangements. Assistive Listening Devices (ALDs) are available and may be obtained at the Clerk of the Board of Supervisors' Reception Desk located in Room 402 of the County Administration Center, or by calling the LAFCO office at 531-5400, in advance of the meeting, so that arrangements may be made. The ALD must be returned to the Clerk of the Board of Supervisors Reception Desk at the end of the meeting.

**LAFCO's Cities Advisory Committee meeting agenda can be found by visiting our web site at
www.sdlafco.org**

October 30, 2003

TO: San Diego County Cities

FROM: Executive Officer
Chief, Policy Research

SUBJECT: Proposed Alternative City Apportionment of LAFCO Net Operating Cost

The City of Chula Vista has submitted a proposal to change the formula for apportioning LAFCO's net operating cost among the cities in San Diego County. State Law stipulates that the proposal can be enacted if it is approved by a majority of cities representing a majority of the cities' combined population. Accordingly, the LAFCO Cities ad hoc Advisory Committee will convene on **November 17, 2003 from 9:30 to 11:30 a.m. at the County Administration Center, 1600 Pacific Highway, San Diego, Rooms 302-303** to discuss the proposed formula change.

The City of Chula Vista's proposal and an analysis prepared by the City of Chula Vista, which outlines the alternative method's fiscal impact to all cities, is attached. Also attached are copies of the FY 03-04 apportionment, the FY 03-04 Cities and Special Districts Populations, and the *Procedure for Alternative Apportionment of LAFCO's Net Operating Cost*. The Procedure provides a process for reaching a consensus on a proposed alternative.

Background

The various classes of agencies seated on LAFCOs are required to fund the Commissions according to apportionment formulas contained in State Law. In San Diego County, the Cities' class is required to fund 2/7 of the LAFCO net operating budget. The City of San Diego, which is excluded from the Cities class, is responsible for 1/7 of LAFCO costs. The County and independent special districts are responsible for funding the remaining portion of the LAFCO budget.

A codified formula divides the Cities' share among individual cities in proportion to each city's total revenues (Government Code § 56381). State Law also allows alternative apportionment formulas to be adopted if certain voting and population requirements are met. In FY 2001-02 the Cities' class reached the required consensus and an alternative apportionment method,

which eliminated sewer and water fee revenue from total revenues was implemented. The City of Chula Vista proposal—if adopted—would implement a different alternative. The City of Chula Vista's alternative is based solely on general revenues as reported in the State Controller's Cities Annual Report.

The *Procedure for Implementing Alternative Apportionment of LAFCO's Net Operating Cost* was developed in 2001 with the assistance of the Commission's Special Districts and ad hoc Cities Advisory Committees. The Procedure provides structure for initiating, reviewing, and reaching consensus within a timeframe that corresponds with the LAFCO and County Auditor budget cycles. ***Local agencies may pursue approval of alternative apportionment methods without adhering to this procedure, however, deadlines for LAFCO and San Diego County Auditor annual budgets will determine if approved alternative apportionment methods can be implemented in the pending fiscal year.***

The following summary outlines the alternative apportionment procedure; the current cycle is at Step Three.

Step One In June of each year, LAFCO will deliver to each agency: (1) An apportionment spreadsheet for the pending fiscal year, prepared by the San Diego County Auditor; (2) Revenue statistics from sources stipulated in Gov't Code § [56381 (b)(1)]; (3) City and special district populations from sources stipulated in the LAFCO procedure; (4) *Procedure for Alternative Apportionment of LAFCO's Net Operating Cost*; (5) Submittal forms stipulated by the *Procedure*.

- Documents were mailed to cities on June 24, 2003.

Step Two Agencies may propose an alternative apportionment after reviewing the Auditor's spreadsheet. Proposals are to be prepared according to the *Procedure* and submitted to LAFCO by August 31.

- City of Chula Vista proposal for alternative apportionment method was filed with San Diego LAFCO on August 29, 2003.

Step Three LAFCO will schedule meetings of the appropriate LAFCO Advisory Committee to review proposals. The Advisory Committees will consider the status quo apportionment formula in addition to all proposals and endorse one method.

- Cities ad hoc Advisory Committee will meet on November 17, 2003.

Step Four Approximately in January, LAFCO will prepare and mail ballots and background materials to the agencies within a class for which an alternative is proposed. Ballots will include all proposed alternatives, the status quo apportionment formula, and the Advisory Committee endorsement.

- Step Five Each agency within a class may vote for one apportionment formula—including the status quo formula—and return the ballot to LAFCO within 30 days.
- Step Six An alternative formula must be approved by a majority of agencies within a class that also represents a majority of the combined populations of all agencies within that class [58381(b)(4).
- Step Seven If the required majority affirms none of the methods appearing on the ballot—including the status quo apportionment—the standard apportionment method contained in State Law will be implemented.
- Step Eight LAFCO will inform the Auditor of approved alternative apportionment formulas; approved formulas will be reflected in the Auditor's apportionment spreadsheet for the pending fiscal year.

Ballots containing the recommendation of the ad hoc Cities Advisory Committee will be mailed to all cities in January 2004. Please call Shirley Anderson at LAFCO with questions concerning the November 17 meeting. Questions concerning the proposed alternative formula and its anticipated fiscal impact to individual cities should be directed to Ed Van Eenoo at the City of Chula Vista (619) 409-5475.

MICHAEL D. OTT
Executive Officer

SHIRLEY ANDERSON
Chief, Policy Research

MDO:SA:tjm

Enclosures:

- (1) City of Chula Vista proposal for alternative apportionment method
- (2) FY 03-04 Apportionment of San Diego LAFCO Net Operating Cost
- (3) FY 03-04 Cities and Special Districts Populations
- (4) *Procedure for Alternative Apportionment of LAFCO's Net Operating Cost*

FILING FORM

Alternative Apportionment of San Diego LAFCO Net Operating Cost

The following alternative method¹ for apportioning San Diego LAFCO net operating cost according to Government Code 56381(b)(1) is proposed:

Please see attached.

RECEIVED
AUG 29 2003
SAN DIEGO LAFCO

¹ (a) Proposals for alternative apportionment *within* a class must be accompanied by analysis of the alternative method's fiscal impact to each agency in the class.

(b) Proposals for realigning apportionments *among* the four classes must be accompanied by analysis of the fiscal impact to all affected agencies.

City of Chula Vista

Name of city, special district, or interested organization submitting proposal

David D. Rowlands, Jr.

City Manager

Print signer's name

Title


Signature

August 28, 2003

Date

Return to LAFCO by August 31, 2003

San Diego Local Agency Formation Commission

1600 Pacific Highway • Room 452

San Diego CA 92101

(619) 531-5400 • FAX (619) 557-4190

MEMORANDUM

Date: August 28, 2003
To: Michael D. Ott, Executive Officer, San Diego LAFCO
From: David D. Rowlands, Jr., City Manager, City of Chula Vista *OK*
RE: Alternative Apportionment of San Diego LAFCO's Net Operating Cost *10/12*

San Diego LAFCO's net operating cost is currently divided among four agency classes:

- 1/7 to the City of San Diego,
- 2/7 to the remaining 17 cities (referred to herein as the cities' share),
- 2/7 to the 65 independent special districts, and
- 2/7 to the County of San Diego.

The fiscal obligation of individual agencies within each class is determined by codified apportionment formulas. The purpose of this memo is to respectfully request your consideration of an alternative apportionment formula for the cities' share of LAFCO's net operating cost.

Current Apportionment Formula

The current formula for dividing the cities' share of LAFCO's net operating cost among the 17 member cities is based upon total revenues less revenue from sewer and water service fees. Total revenues are reported in the State Controller's *Cities Annual Report* as the sum of functional revenues and general revenues. The problem with this approach is that functional revenues can fluctuate significantly from year to year due to one-time occurrences such as the sale of bonds. The result is large fluctuations in the annual amount owed by some cities (see Table 1, notably Encinitas and San Marcos).

Proposed Alternative Apportionment Formula

Under the proposed formula the cities' share would be divided among the 17 member cities based solely upon general revenues as reported in the State Controller's *Cities Annual Report*. The advantages of this approach are:

- Less fluctuation in annual amounts owed by individual cities making budgeting for this expense easier (see Table 2),
- A more equitable distribution of costs based upon a cities pool of discretionary revenue.

Please contact Ed Van Eenoo at (619) 409-5475 if you have any questions about the proposed alternative formula.

Table 1: FY 2003 and 2004 Apportionments Under Current Formula

Agency	FY 2003 Apportionment	FY 2004 Apportionment	Change
Carlsbad	26,424	25,653	(771)
Chula Vista	26,322	29,361	3,039
Coronado	7,632	8,410	778
Del Mar	2,541	2,014	(527)
El Cajon	10,680	12,270	1,590
Encinitas	20,947	11,546	(9,401)
Escondido	16,588	17,493	905
Imperial Beach	2,666	2,403	(263)
La Mesa	6,377	6,173	(204)
Lemon Grove	2,503	2,727	224
National City	8,431	7,629	(802)
Oceanside	28,158	28,288	130
Poway	9,269	10,260	991
San Marcos	7,818	14,218	6,400
Santee	6,815	5,921	(894)
Solana Beach	2,729	3,110	381
Vista	13,793	12,218	(1,575)

Table 2: FY 2003 and 2004 Apportionments Under Proposed Formula

Agency	FY 2003 Apportionment	FY 2004 Apportionment	Change
Carlsbad	25,662	25,568	(94)
Chula Vista	21,524	22,019	495
Coronado	10,144	9,439	(705)
Del Mar	2,491	2,601	110
El Cajon	14,025	14,059	34
Encinitas	13,525	13,803	278
Escondido	19,782	21,689	1,907
Imperial Beach	2,386	2,277	(109)
La Mesa	8,628	8,462	(167)
Lemon Grove	4,725	3,651	(1,074)
National City	10,274	9,185	(1,089)
Oceanside	27,230	27,112	(118)
Poway	7,087	7,777	690
San Marcos	8,920	9,718	798
Santee	6,910	6,923	13
Solana Beach	3,307	3,227	(80)
Vista	13,073	12,185	(889)

**FY 03-04 APPORTIONMENT of
San Diego LAFCO NET OPERATING COST**

Auditor's Apportionment Spreadsheet

Agency	Total Revenues FY 02-03	Total Revenues FY 03-04	Apprtm't FY 02-03	Apprtm't FY 03-04	Apprtm't Change
Cities class¹					
1. City of Carlsbad	\$107,348,612	\$106,013,524	\$ 26,424	\$ 25,653	\$ -772
2. City of Chula Vista	106,934,031	121,339,765	26,322	29,361	3,039
3. City of Coronado	31,005,149	34,755,680	7,632	8,410	778
4. City of Del Mar	10,324,308	8,322,660	2,541	2,014	-527
5. City of El Cajon	43,386,832	50,708,021	10,680	12,270	1,590
6. City of Encinitas	85,097,978	47,714,760	20,947	11,546	-9,401
7. City of Escondido	67,386,929	72,291,997	16,588	17,493	905
8. City of Imperial Beach	10,828,807	9,929,100	2,666	2,403	-263
9. City of La Mesa	25,907,239	25,509,716	6,377	6,173	-204
10. City of Lemon Grove	10,167,635	11,269,902	2,503	2,727	224
11. City of National City	34,249,364	31,526,518	8,431	7,629	-802
12. City of Oceanside	114,392,194	116,904,265	28,158	28,288	130
13. City of Poway	37,656,153	42,401,038	9,269	10,260	991
14. City of San Marcos	31,761,695	58,759,007	7,818	14,218	6,400
15. City of Santee	27,685,016	24,470,413	6,815	5,921	-894
16. City of Solana Beach	11,086,637	12,852,901	2,729	3,110	381
17. City of Vista	56,034,837	50,491,239	13,793	12,218	-1,575
TOTAL Cities class:	\$811,253,416²	\$825,260,506³	\$199,694	\$199,694	\$ 0

Special districts class⁴

1. Alpine FPD	\$ 1,400,217	\$ 1,508,392	\$ 3,433	\$ 3,574	\$142
2. Bonita-Sunnyside FPD	1,360,347	1,440,874	3,335	3,414	79
3. Borrego Springs FPD	902,732	716,977	2,213	1,699	-514
4. Borrego Springs Park CSD	28,839	22,241	71	53	-18
5. Borrego WD	255,437	285,616	626	677	51
6. Canebrake County WD	9,921	10,132	24	24	0
7. Cuyamaca WD	2,193	2,599	5	6	1
8. Deer Springs FPD	186,567	190,182	457	451	-7
9. Descanso CSD	6,560	1,211	16	3	-13

¹ The cities class is responsible for 2/7 of San Diego LAFCO annual net operating cost.

² Source: State Controller's 98-99 *Cities Annual Report*

³ Source: State Controller's 99-2000 *Cities Annual Report*

⁴ The special districts class is responsible for 2/7 of San Diego LAFCO annual net operating cost.

Agency	Total Revenues FY 02-03	Total Revenues FY 03-04	Apprtm't FY 02-03	Apprtm't FY 03-04	Apprtm't Change
10. East County FPD	407,869	646,983	1,000	1,533	533
11. Fairbanks Ranch CSD	66,524	101,031	163	239	76
12. Fallbrook Hospital	28,749	1,862,074	70	4,412	4,342
13. Fallbrook PUD	1,410,919	1,511,201	3,459	3,581	122
14. Greater San Diego RCD	111,483	132,617	273	314	41
15. Grossmont Healthcare	0	12,923,267	0	30,623	30,623
16. Helix WD	2,223,078	3,367,333	5,450	7,979	2,529
17. Jacumba CSD	698	880	2	2	0
18. Julian CSD	54,520	60,041	134	142	9
19. Julian-Cuyamaca FPD	118,523	128,451	291	304	14
20. Lake Cuyamaca Rec / Park	498,321	555,642	1,222	1,317	95
21. Lakeside FPD	4,018,646	3,736,683	9,852	8,854	-997
22. Lakeside WD	267,682	309,558	656	734	77
23. Leucadia County WD	2,403,704	2,752,481	5,893	6,522	629
24. Lower Sweetwater FPD	146,529	153,185	359	363	4
25. Majestic Pines CSD	20,645	24,979	51	59	9
26. Mission RCD	10,803	13,684	26	32	6
27. Mootamai MWD	8,926	11,801	22	28	6
28. Morro Hills CSD	108,835	109,688	267	260	-7
29. North County Cemetery	437,009	471,879	1,071	1,118	47
30. North County FPD	5,370,498	5,788,400	13,166	13,716	550
31. Olivenhain MWD	4,475,187	5,006,142	10,971	11,862	891
32. Otay WD	6,019,166	6,098,245	14,756	14,450	-306
33. Padre Dam MWD	3,392,939	3,237,518	8,318	7,672	-646
34. Palomar Pomerado Health	12,458,748	1,106,737	30,543	2,623	-27,920
35. Pauma Municipal WD	18,637	19,425	46	46	0
36. Pauma Valley CSD	77,273	85,810	189	203	14
37. Pine Valley FPD	136,750	145,249	335	344	9
38. Pomerado Cemetery	236,239	265,442	579	629	50
39. Questhaven MWD	39	32	0	0	0
40. Rainbow MWD	1,299,884	1,355,033	3,187	3,211	24
41. Ramona Cemetery	91,014	99,074	223	235	12
42. Ramona MWD	3,001,337	3,623,849	7,358	8,587	1,229
43. Rancho Santa Fe CSD	559,973	613,139	1,373	1,453	80
44. Rancho Santa Fe FPD	3,588,548	4,036,356	8,797	9,564	767
45. Rincon Del Diablo MWD	1,666,784	1,802,395	4,086	4,271	185
46. Rincon Ranch CSD	10,331	10,951	25	26	1
47. Riverview WD	23,292	17,117	57	41	-17
48. San Diego Rural FPD	706,640	750,375	1,732	1,778	46
49. San Luis Rey MWD	2,284	4,469	6	11	5
50. San Miguel Con. FPD	7,395,838	7,793,059	18,131	18,466	335
51. Santa Fe Irrigation District	866,308	858,900	2,124	2,035	-89
52. South Bay Irrigation District	49,070	55,256	120	131	11

Agency	Total Revenues FY 02-03	Total Revenues FY 03-04	Apprtm't FY 02-03	Apprtm't FY 03-04	Apprtm't Change
53. Tia Juana Valley CWD	4,036	5,323	10	13	3
54. Tri City Hospital District	5,464,756	0	13,397	0	-13,397
55. Upper San Luis Rey RCD	12,654	13,246	31	31	0
56. Vallecitos Water District	1,463,869	1,869,210	3,589	4,429	841
57. Valley Center Cemetery	18,169	20,933	45	50	5
58. Valley Center CSD	74,628	72,608	183	172	-11
59. Valley Center FPD	204,610	230,042	502	545	43
60. Valley Center MWD	2,081,864	2,266,383	5,104	5,370	267
61. Vista FPD	1,230,195	1,285,303	3,016	3,046	30
62. Vista Irrigation District	2,202,832	2,067,207	5,400	4,898	-502
63. Whispering Palms CSD	200,837	192,728	492	457	-36
64. Wynola WD	24,153	25,102	59	59	0
65. Yuima MWD	531,485	401,373	1,303	951	-352
TOTAL Special districts class:	\$81,457,143⁵	\$84,274,113⁶	\$199,694	\$199,694	\$ 0

City of San Diego class:⁷ \$ 99,847 \$ 99,847 \$ 0

County of San Diego class:⁸ \$199,694 \$199,694 \$ 0

⁵ Source: State Controller's 1998-99 *Special Districts Annual Report*

⁶ Source: State Controller's 1999-2000 *Special Districts Annual Report*

⁷ The City of San Diego class is responsible for 1/7 of San Diego LAFCO annual net operating cost.

⁸ The County of San Diego class is responsible for 2/7 of San Diego LAFCO annual net operating cost.

**FY 03-04 ALTERNATIVE APPORTIONMENT of
San Diego LAFCO NET OPERATING COST**

Cities and Special Districts Population

Population: Cities¹

1. Carlsbad.....	90,300	22. Lakeside FPD.....	57,571
2. City of Chula Vista	199,700	23. Leucadia County WD	49,245
3. City of Coronado	26,350	24. Lower Sweetwater FPD	2,068
4. City of Del Mar	4,500	25. Majestic Pines CSD	899
5. City of El Cajon	96,700	26. Mission RCD	99,556
6. City of Encinitas	61,200	27. Mootamai MWD	306
7. City of Escondido	138,000	28. Morro Hills CSD	906
8. City of Imperial Beach	27,600	29. North County Cemetery	212,241
9. City of La Mesa	55,700	30. North County FPD	44,886
10. City of Lemon Grove	25,350	31. Olivenhain MWD	44,005
11. City of National City	59,800	32. Otay WD	135,108
12. City of Oceanside.....	169,800	33. Padre Dam MWD	126,254
13. City of Poway	49,850	34. Palomar Pomerado HCD	431,502
14. City of San Marcos.....	63,500	35. Pauma MWD.....	180
15. City of Santee	53,600	36. Pauma Valley CSD	334
16. City of Solana Beach	13,360	37. Pine Valley FPD	2,222
17. City of Vista.....	92,800	38. Pomerado Cemetery	148,624
		39. Questhaven MWD.....	18
		40. Rainbow MWD	15,636
		41. Ramona Cemetery.....	32,249
		42. Ramona MWD.....	30,626
		43. Rancho Santa Fe CSD.....	5,627
		44. Rancho Santa Fe FPD	11,911
		45. Rincon Del Diablo MWD	12,232
		46. Rincon Ranch CSD	233
		47. Riverview WD.....	8,552
		48. San Diego Rural FPD.....	25,618
		49. San Luis Rey MWD.....	158
		50. San Miguel Con FPD	104,586
		51. Santa Fe Irrigation District.....	18,985
		52. South Bay Irrigation District.....	119,491
		53. Tia Juana Valley CWD	23,574
		54. Tri City HCD.....	317,221
		55. Upper San Luis Rey RCD	10,315
		56. Vallecitos Water District	57,768
		57. Valley Center Cemetery	19,205
		58. Valley Center CSD	4,737
		59. Valley Center FPD	13,483
		60. Valley Center MWD.....	20,966
		61. Vista FPD	17,099
		62. Vista Irrigation District	115,781
		63. Whispering Palms CSD.....	1,910
		64. Wynola WD	114
		65. Yuima MWD.....	2,875

Population: Special Districts²

1. Alpine FPD.....	13, 518
2. Bonita Sunnyside FPD.....	12, 714
3. Borrego Springs FPD	2,597
4. Borrego Springs Park CSD	452
5. Borrego WD	2,095
6. Canebrake County WD	19
7. Cuyamaca WD	81
8. Deer Spring FPD.....	10,288
9. Descanso CSD	314
10. East County FPD	11,961
11. Fairbanks Ranch CSD	1,258
12. Fallbrook HCD	47,174
13. Fallbrook PUD.....	31,330
14. Greater San Diego RCD	1,126,953
15. Grossmont HCD.....	470,516
16. Helix WD	251,879
17. Jacumba CSD.....	449
18. Julian CSD.....	246
19. Julian-Cuyamaca FPD	3,388
20. Lake Cuyamaca Rec/Park	282
21. Lakeside WD.....	16,291

¹ Source: Calif. Dept. of Finance *E-1 City/County Population Estimates*, May 2003

² Source: SANDAG estimates generated from 2000 Census

ALTERNATIVE APPORTIONMENT of San Diego LAFCO NET OPERATING COST

Procedure

	SECTION
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1. Notification

1.1 Upon annual receipt of the Auditor's spreadsheet for *Apportionment of LAFCO's Net Operating Cost*, LAFCO will mail a copy of the spreadsheet, local agency population and revenue data, alternative apportionment information and filing forms to local agencies.

1.2 A report explaining approved apportionment methods will accompany the preliminary and final LAFCO budgets.

1.3 LAFCO will inform the Auditor of newly approved apportionment methods no later than the first Monday in June.

2. Initiating Alternatives

2.1 Individual agencies and interested organizations may initiate proposals for alternative apportionment methods.

2.1.1 Proposals for alternative methods must be filed with LAFCO by August 31 on approved filing forms.

2.2 Proposals for alternative apportionment within a class must be accompanied by analysis of the alternative method's fiscal impact to each agency within the class.

2.3 Proposals for realigning apportionments among the four classes must be accompanied by analysis of the fiscal impact to all affected agencies.

3. LAFCO Advisory Committee(s)

3.1 LAFCO will prepare a summary report of proposed alternatives and schedule meetings of the appropriate Advisory Committee to review proposed alternatives.

3.2 The Advisory Committee(s) will consider each proposed alternative apportionment method, as well as, the status quo apportionment method.

3.2.1 Advisory Committee endorsement is limited to one apportionment method by majority vote.

4. Ballot Preparation

4.1 LAFCO will prepare and mail a ballot to all local agencies within the city and special district classes.

4.1.1 Ballots will list all proposed alternative apportionment methods plus the status quo method and indicate Advisory Committee endorsements.

5. Voting

5.1 Local agencies may vote for one apportionment method within their class.

5.2 Ballots are to be returned to LAFCO within 30 days.

5.3 Returned ballots must contain the original signature of an officer who is authorized to represent the city or special district in this matter.

5.4 Adoption of an alternative requires approval by a majority of agencies within a class that also represents a majority of the combined populations of all agencies within that class.

5.4.1 Calculating the combined populations of special districts will produce a total that is more than the actual population. This incongruity exists because multiple special districts overlay some parcels and the residents will be counted multiple times.

5.5 If none of the methods appearing on the ballot—including the status quo apportionment—is affirmed by the required majority, the standard apportionment method contained in state law will be implemented.

5.6 Apportionment, whether the standard apportionment contained in state law, or approved alternative methods, will remain in effect unless supplanted by newly approved methods.

6. Data Sources

6.1 The source for city population data will be the State Department of Finance; the source for special district population data will be SANDAG.

6.2 The source for city revenue data will be the most recent edition of the State Controllers *Cities Annual Report*; the source for special district revenue data will be the most recent edition of the State Controllers *Special Districts Annual Report*

Adopted April 8, 2002

Alternative Apportionment of LAFCO's Net Operating Cost PROCEDURE

