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Michael G. Colantuono

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AGENDA REPORT Consent | Information

June 4, 2018

TO: San Diego Commissioners
FROM: Keene Simonds, Executive Officer
Tameron Luckett, Executive Assistant
SUBJECT: 2018-2019 Final Local Agency Apportionments

SUMMARY

The San Diego Local Agency Formation Commission (LAFCO) will receive a report identifying local agency apportionments for 2018-2019. The apportionments are final and have been calculated by the County of San Diego Auditor's Office consistent with the standard funding formula established under LAFCO law and based on the \$1.665 million total contribution amount approved by the Commission at its April 2nd meeting. The report is being presented for information.

BACKGROUND

San Diego LAFCO | Prescribed Funding

State law mandates operating costs for LAFCOs shall be annually funded among their represented membership categories. San Diego LAFCO's operating costs, accordingly, are divided among four distinct membership categories that collectively cover 78 local agencies with the largest apportionment assigned to the County of San Diego at 28.6%. The independent special districts and cities – less the City of San Diego – are also apportioned funding percentages of 28.6% with individual amounts divided thereafter based on total revenue shares in a given fiscal year. The City of San Diego – and based on special legislation providing the City has a dedicated seat on the Commission – is responsible for the remaining 14.3% of San Diego LAFCO's annual operating costs.¹

¹ State law provides the opportunity for cities and special districts to establish alternative funding formulas based on the consent of the majority of the members in their respective funding categories. No alternative funding formulas have been established to date.

FY 2018-19 Adopted Budget | Total Agency Contributions

San Diego LAFCO’s adopted final budget for 2018-2019 totals \$1.907 million. This amount represents a matching amount of approved expenses and revenues for the fiscal year. Agency contributions make up the majority of budgeted revenues and tally \$1.665 million.

DISCUSSION

This item is for San Diego LAFCO to receive a report identifying final local agency apportionments for 2018-2019 based on the contribution total of \$1.665 million previously adopted by the Commission at its April 2, 2018 meeting. This includes summarizing key contributions and notable changes from the prior fiscal year. A full listing of individual apportionments is also attached.² The report is being presented for information only.

Apportionments | Individual Amounts and Changes

The \$1.665 contribution total for 2018-2019 adopted by San Diego LAFCO is being apportioned among 78 local agencies; an amount that represents a decrease of one from the prior fiscal year with the recent dissolution of the Pine Valley Fire Protection District. Overall – and as budgeted – total apportionments have increased from the current fiscal year by \$0.030 million and the result of LAFCO purposefully reducing the amount of reserves used as offsetting revenues in 2018-2019 from \$0.220 to \$0.110 million. Individual apportionments range in size from the County at \$475,684 to South Bay Irrigation District at \$2.³ The top 10 individual agency apportionments account for two-thirds of all budgeted contributions and are listed below. A full listing of all apportionments is attached.

San Diego LAFCO Top 10 Agency Apportionments in FY2019				
Agency	FY2018	FY2019	% of Total	Difference
1. County of San Diego	467,171	475,684	28.6	8,513
2. City of San Diego	233,586	237,842	14.3	4,256
3. City of Carlsbad	73,745	69,896	4.2	(3,853)
4. City of Oceanside	55,974	59,752	3.6	3,778
5. Otay Water District	58,289	57,732	3.5	557
6. City of Chula Vista	53,357	54,003	3.2	646
7. Helix Water District	49,157	48,029	2.9	(1,128)
8. Padre Dam Municipal Water District	48,627	42,504	2.6	(6,123)
9. City of Escondido	37,108	38,278	2.3	1,171
10. Vallecitos Water District	36,373	36,728	2.2	354
SUBTOTAL	\$1,113,387	\$1,120,448	67.4	\$8,171

² As referenced, the standard funding formula under LAFCO law provides the cities (less City of San Diego) and special districts’ annual contributions are apportioned in proportion to each agency’s total revenues as a percentage of the combined category total.

³ As allowed under State law no apportionment charge has been calculated for Tri-City Hospital District given the District’s net operating earnings were negative.

ANALYSIS

Final agency apportionments in 2018-2019 total \$1.665 million and are expected to cover nearly nine-tenths of San Diego LAFCO's budgeted expenses. On average individual agencies apportionments are increasing by 1.8% over the current fiscal year with percentage deviations – which are the result of changes in local revenue collections – between an increase of 134.7% at Wynola Water District and a decrease of (15.2%) at Valley Center Cemetery District. All agency invoices will be mailed by July 1st.

ALTERNATIVES FOR ACTION

This item is being presented for information only.

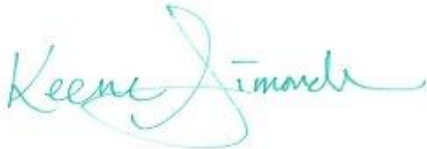
RECOMMENDATION

It is recommended San Diego LAFCO receive the item; no action necessary.

PROCEDURES

This item has been placed on the San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,



Keene Simonds
Executive Officer

Attachment:

- 1) 2018-2019 Final Agency Apportionments

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**LAFCO COST COMPARISON
FY 2018/19 AND 2017/18
COUNTY OF SAN DIEGO**

ATTACHMENT ONE

County, Cities, and Independent Special Districts' Share of LAFCO Cost

		Revenue (1)	Apportionment Percentage	LAFCO Budget 2018/19	LAFCO Budget 2017/18		Change
Independent Special Districts							
3101-00	Alpine FPD	3,786,729	0.00528830	2,515.56	2,206.48	14.01%	309.08
3102-00	Bonita-Sunnyside FPD	2,836,112	0.00396073	1,884.06	1,693.17	11.27%	190.89
3145-00	Borrego Springs FPD	1,881,306	0.00262731	1,249.77	1,454.82	-14.09%	(205.05)
6415-00	Borrego Water District	3,890,116	0.00543268	2,584.24	2,398.48	7.74%	185.76
6508-00	Canebrake County Water District	54,536	0.00007616	36.23	29.81	21.54%	6.42
6425-00	Cuyamaca Water District	93,958	0.00013122	62.42	55.76	11.94%	6.66
3105-00	Deer Springs FPD	5,099,751	0.00712198	3,387.81	2,948.38	14.90%	439.43
6820-00	Descanso CSD	481,159	0.00067196	319.64	267.36	19.55%	52.28
6825-00	Fairbanks Ranch CSD	627,728	0.00087664	417.01	386.45	7.91%	30.56
6136-00	Fallbrook Healthcare District	2,057,701	0.00287365	1,366.95	1,006.41	35.82%	360.54
6240-00	Fallbrook Public Utility District	31,337,185	0.04376346	20,817.58	20,594.59	1.08%	222.99
6150-00	Grossmont Healthcare District	6,986,627	0.00975707	4,641.28	4,069.82	14.04%	571.46
6350-00	Helix Water District	72,299,193	0.10096833	48,029.02	49,157.13	-2.29%	(1,128.11)
6830-00	Jacumba CSD	174,438	0.00024361	115.88	80.43	44.08%	35.45
6840-00	Julian CSD	278,856	0.00038943	185.25	175.23	5.72%	10.02
3115-00	Julian-Cuyamaca FPD	1,376,069	0.00192173	914.14	597.01	53.12%	317.13
3860-00	Lake Cuyamaca Recreation & Park	1,101,085	0.00153770	731.46	813.27	-10.06%	(81.81)
3119-00	Lakeside FPD	13,164,759	0.01838504	8,745.47	7,717.48	13.32%	1,027.99
6360-00	Lakeside Water District	7,413,571	0.01035331	4,924.90	4,760.40	3.46%	164.50
6535-00	Leucadia Wastewater District	11,316,086	0.01580331	7,517.38	6,863.30	9.53%	654.08
3121-00	Lower Sweetwater FPD	265,591	0.00037091	176.43	158.31	11.45%	18.12
6847-00	Majestic Pines CSD	473,399	0.00066112	314.48	362.68	-13.29%	(48.20)
3546-00	Mission RCD	804,659	0.00112373	534.54	412.51	29.58%	122.03
6645-00	Mootamai MWD	17,228	0.00002406	11.44	10.53	8.64%	0.91
6851-00	Morro Hills CSD	77,438	0.00010814	51.44	43.28	18.85%	8.16
3616-00	North County Cemetery District	1,881,853	0.00262807	1,250.13	1,105.00	13.13%	145.13
3107-00	North County FPD	16,105,649	0.02249210	10,699.13	9,176.02	16.60%	1,523.11
6650-00	Olivenhain MWD	52,210,699	0.07291405	34,684.05	34,924.85	-0.69%	(240.80)
6655-00	Otay Water District	87,743,535	0.12253689	58,288.84	57,731.98	0.96%	556.86
6677-00	Padre Dam MWD	63,982,901	0.08935434	42,504.43	48,627.45	-12.59%	(6,123.02)
6160-00	Palomar Pomerado Health Systems	20,721,290	0.02893800	13,765.34	6,675.45	106.21%	7,089.89
6657-00	Pauma MWD	19,711	0.00002753	13.09	10.18	28.59%	2.91
6860-00	Pauma Valley CSD	1,403,523	0.00196007	932.37	863.94	7.92%	68.43
3146-00	Pine Valley FPD (2)	0	0.00000000	0.00	144.08	-100.00%	(144.08)
3650-00	Pomerado Cemetery District	1,081,627	0.00151053	718.53	564.51	27.28%	154.02
6665-00	Questhaven MWD	8,300	0.00001159	5.52	4.85	13.81%	0.67
6670-00	Rainbow MWD	36,444,262	0.05089567	24,210.26	24,111.23	0.41%	99.03
3658-00	Ramona Cemetery District	292,148	0.00040799	194.08	166.72	16.41%	27.36
6673-00	Ramona MWD	32,613,492	0.04554587	21,665.44	19,937.76	8.67%	1,727.68
6870-00	Rancho Santa Fe CSD	3,717,830	0.00519208	2,469.79	2,206.38	11.94%	263.41
3123-00	Rancho Santa Fe FPD	13,801,403	0.01927414	9,168.40	7,657.88	19.73%	1,510.52
3552-00	RCD of Greater San Diego County	388,651	0.00054276	258.18	174.73	47.76%	83.45
6675-00	Rincon Del Diablo MWD	16,452,406	0.02297635	10,929.48	10,733.52	1.83%	195.96
6875-00	Rincon Ranch CSD	43,639	0.00006094	28.99	26.34	10.06%	2.65
6680-00	San Luis Rey MWD	90,422	0.00012628	60.07	41.61	44.36%	18.46
3128-00	San Miguel Consolidated FPD	20,029,499	0.02797189	13,305.78	11,778.89	12.96%	1,526.89
6363-00	Santa Fe Irrigation District	20,250,401	0.02828039	13,452.53	14,930.62	-9.90%	(1,478.09)
6364-00	South Bay Irrigation District	3,435	0.00000480	2.29	1.45	57.93%	0.84
6180-00	Tri City Hospital District	0	0.00000000	0.00	0.00		0.00
3571-00	Upper San Luis Rey RCD	36,795	0.00005139	24.44	19.60	24.69%	4.84
6570-00	Vallecitos Water District	55,287,504	0.07721091	36,728.00	36,373.23	0.98%	354.77
3665-00	Valley Center Cemetery District	104,984	0.00014661	69.74	82.55	-15.52%	(12.81)
3150-00	Valley Center Fire Protection	2,578,714	0.00360126	1,713.06	1,401.59	22.22%	311.47
6690-00	Valley Center MWD	42,239,802	0.05898935	28,060.29	30,125.70	-6.86%	(2,065.41)
6890-00	Valley Center Parks & Recreation	346,318	0.00048365	230.06	223.16	3.09%	6.90
6230-00	Vista FPD	3,037,448	0.00424190	2,017.80	1,821.41	10.78%	196.39
6368-00	Vista Irrigation District	43,695,401	0.06102214	29,027.26	29,274.54	-0.84%	(247.28)
6930-00	Whispering Palms CSD	983,756	0.00137385	653.52	562.60	16.16%	90.92
6490-00	Wynola Water District	138,297	0.00019314	91.87	39.15	134.66%	52.72
6698-00	Yuima MWD	10,427,166	0.01456190	6,926.86	7,389.08	-6.26%	(462.22)
Independent Districts Total		716,058,141	1.00000000	475,684.00	467,171.14	1.82%	8,512.86

**LAFCO COST COMPARISON
FY 2018/19 AND 2017/18
COUNTY OF SAN DIEGO**

County, Cities, and Independent Special Districts' Share of LAFCO Cost

	Revenue (1)	Apportionment Percentage	LAFCO Budget 2018/19	LAFCO Budget 2017/18		Change
Cities						
6010-XX City of Carlsbad	139,988,021	0.14693862	69,896.35	73,749.69	-5.22%	(3,853.34)
6014-XX City of Chula Vista	108,156,674	0.11352680	54,002.88	53,356.89	1.21%	645.99
6017-XX City of Coronado	46,853,382	0.04917972	23,394.00	23,048.79	1.50%	345.21
6022-XX City of Del Mar	13,205,821	0.01386151	6,593.70	6,324.03	4.26%	269.67
6035-XX City of El Cajon	62,163,872	0.06525039	31,038.57	32,876.65	-5.59%	(1,838.08)
6036-XX City of Encinitas	61,941,075	0.06501653	30,927.33	29,922.02	3.36%	1,005.31
6038-XX City of Escondido	76,663,937	0.08047041	38,278.48	37,107.72	3.16%	1,170.76
6045-XX City of Imperial Beach	11,453,265	0.01202194	5,718.64	6,056.20	-5.57%	(337.56)
6050-XX City of La Mesa	39,020,345	0.04095776	19,482.95	19,018.22	2.44%	464.73
6060-XX City of Lemon Grove	11,468,339	0.01203776	5,726.17	5,666.52	1.05%	59.65
6065-XX City of National City	58,095,701	0.06098023	29,007.32	24,288.00	19.43%	4,719.32
6070-XX City of Oceanside	119,670,964	0.12561279	59,752.00	55,974.41	6.75%	3,777.59
6075-XX City of Poway	38,568,508	0.04048349	19,257.35	19,160.62	0.50%	96.73
6090-XX City of San Marcos	54,911,820	0.05763827	27,417.60	26,627.98	2.97%	789.62
6091-XX City of Santee	33,497,880	0.03516110	16,725.57	15,684.93	6.63%	1,040.64
6093-XX City of Solana Beach	15,016,849	0.01576246	7,497.95	7,157.77	4.75%	340.18
6095-XX City of Vista	62,020,821	0.06510024	30,967.14	31,150.71	-0.59%	(183.57)
Cities Total	952,697,274	1.00000000	475,684.00	467,171.15	1.82%	8,512.85
City of San Diego			237,842.00	233,585.57	1.82%	4,256.43
County of San Diego			475,684.00	467,171.14	1.82%	8,512.86
Total			<u>1,664,894.00</u>	<u>1,635,099.00</u>	1.82%	<u>29,795.00</u>

NOTES:

- (1) Source: Latest published report as of April 10, 2018:
 * 2015/16 Special District's Annual Report - Data for LAFCO Calculations (State Controllers' website)
 * 2015/16 Cities Annual Report (State Controller's website)
 * 2016 OSHPD Hospital Annual Financial Data Profile
- (2) Pine Valley Fire Protection District was dissolved in FY 2018-19.

CSD - Community Services District
 FPD - Fire Protection District
 LAFCO - Local Agency Formation Commission
 MWD - Municipal Water District
 OSHPD - Office of Statewide Health Planning and Development
 RCD - Resource Conservation District

Prepared by Auditor & Controller - Property Tax Services on April 10, 2018.