CAPISTRANO BAY DISTRICT AGENDA REPORT April 27, 2010

Manager's Reports

ITEM J.2

Change to ISDOC voting rules

In the past few days staff was made aware of a change in the ISDOC voting rules. District Managers or staff are no longer allowed to represent their Board of Directors in elections for LAFCO representatives.

This change will require that one of our Directors attend the ISDOC quarterly meeting on Thursday, April 29th to cast the District's vote and on this note Director Bancroft has offered to attend and represent the District.

As our California economy worsens, the State Legislature works harder to find revenue. One potential gold mine for them is Special District revenue and reserves. The Independent Special Districts of Orange County and the California Special Districts Association have developed and nurtured strong supporting lobbies in Sacramento to defend Special Districts revenues.

The incumbent LAFCO representatives that are up for re-election are both strong advocates for defense of Special Districts and it is important to our longevity and financial health to maintain this strength in Sacramento.

LAFCO has the power to dissolve our own District and because of good Special District representation on the LAFCO Board, small districts like ours continue to operate in good standing now and in the future.