July 19, 2000

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Honorable Charles W. Campbell Presiding Judge of the Superior Court Ventura County Hall of Justice 800 S. Victoria Avenue Ventura, CA 93009

RE: Response to 1999-2000 Ventura County Grand Jury report entitled

Camarillo Health Care District

Dear Judge Campbell:

The Ventura Local Agency Formation Commission (LAFCO) has reviewed the 1999-2000 Ventura County Grand Jury report entitled *Camarillo Health Care District*. The report was discussed at the July 19, 2000 meeting when the Commission formally authorized me to file this response.

The Grand Jury requested that LAFCO respond to recommendations R-1, 2, 3 and 7 from their report. Each recommendation and LAFCO's response follows:

R-1 LAFCO should conduct a study and make a recommendation regarding the viability of CHCD as a health care district without a hospital or medical clinics. If dissolution is called for, this should be clearly and publicly stated, and the process initiated.

In May 2000, prior to receiving the Grand Jury's report, LAFCO initiated a study of the 29 independent special districts in Ventura County, including the Camarillo Health Care District, and the two districts governed by a "composite board." This study is an update of similar studies conducted in 1972, 1985 and 1993. The basic purpose is to inventory the special districts and determine their maximum service areas and capacities. While the focus is much broader than a review of the Camarillo Health Care District, LAFCO will consider the 1999-2000 Grand Jury's report, Camarillo Health Care District's response, the 1997-1998 Grand Jury report and other relevant information in conducting this study. LAFCO believes that this study can accomplish the

objectives recommended by the Grand Jury regarding the viability of CHCD as a health care district without a hospital or medical clinics. LAFCO anticipates that this special district study update will be completed this fall. A copy will be forwarded to the Grand Jury.

R-2 A study should be conducted to determine Camarillo residents' health care needs and what County entity can provide these services most efficiently and cost effectively. Camarillo should be provided with "safety net" medical and behavioral health care. Subsequently, the mission of the CHCD should be modified to be more specific, reflecting the results of this study.

A study of the type recommended is beyond the scope of authorities of LAFCO. While LAFCO is certainly concerned with the efficient provision of services, and the update of the special districts study referenced above is part of LAFCO's mandate, LAFCO is not the proper agency to "...determine Camarillo residents' health care needs ..." To the extent that services are not being provided efficiently or that there is a duplication of services, LAFCO will identify such concerns and comment as a part of its update to the special districts study.

R-3 A study should be conducted to assess the benefits of merging districts with similar services, e.g., CHCD and Pleasant Valley Recreation and Parks District. This may result in savings from elimination of elected board stipends, benefits, overhead expenses, etc.

The LAFCO special district study update now underway will essentially accomplish this recommendation. LAFCO has not made any judgment about whether or not any special district should be dissolved or merged, and would obviously seek broad based input from the affected agencies and the public as a part of any such considerations.

R-7 Inasmuch as the CHCD is showing a surplus each year, consideration should be given to reducing or eliminating the tax rate and reducing or eliminating the fees charged for services. The cost benefits to taxpayers of the CHCD acquiring real estate should also be reassessed.

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LAFCO is a boundary agency. Reducing or eliminating the tax rate and/or fees of the CHCD is beyond the scope of LAFCO's authorities, as is assessing the wisdom of the District's real estate ownership. LAFCO will as a part of its special district study update obtain and furnish information about each of the independent special districts, but does not have the authority to reduce tax rates or alter fees charged for services.

As requested, this response is being provided in duplicate so that it can be forwarded to the Grand Jury.

Respectfully.

Robin Sullivan, Chair

Ventura Local Agency Formation Commission.