

**Local Agency Formation Commission
For Los Angeles County**

**Procedures for Requesting that LAFCO Request the
State Controller to Review a Comprehensive Fiscal Analysis**

1. General Provisions

- Any interested party may request that the LAFCO Executive Officer request a State Controller’s review of a comprehensive fiscal analysis within the thirty (30) day period after the Executive Officer presents a “final” comprehensive fiscal analysis (CFA) for a particular incorporation proposal to the Commission. The Commission will not process requests for review of CFAs that are designated “preliminary” or “draft” by the executive officer.
- The Commission reserves the right to reject any request for State Controller’s review, and/or any element of a request, that is frivolous, immaterial, redundant, overly general, vague, ambiguous, or not in compliance with these procedures.
- The Commission reserves the right to reject any request for State Controller’s review, and/or any element of a request based upon the requesting party’s inability to fund all costs associated with the State Controller’s review, including Commission staff costs, and the costs of any consultants required to assist the State Controller with the review.
- A requesting party may provide additional data for the State Controller’s consideration at the time of their request for State Controller’s review of a CFA; however, the Commission reserves the right to reject any request for State Controller’s review, and/or any element of a request, that would require significant data discovery efforts or that would otherwise delay or inhibit or prevent the State Controller from completing its review within the forty-five (45) day period set forth in Government Code section 56801.
- Separate requests for State Controller’s review must be submitted for each CFA, if the party is requesting review of more than one CFA.
- If any time deadline falls on a weekend or holiday, the deadline is extended to the next business day.

2. Timing of Requests for State Controller's Review

- Requests for a State Controller's review of a CFA must be received by the LAFCO Executive Officer no later than 5:00 p.m. on the thirtieth (30th) day following published notice of the presentation of the CFA to the Commission, or as otherwise specified in the published notice.
- Failure to comply with this deadline shall be cause for rejection of the request.

3. Format for Requests for State Controller's Review

All requests to LAFCO for a State Controller's review shall be in writing and shall contain the following information:

Contact Information for Party Requesting Review

- Name, address and phone number of requesting party and/or organization.
- Name of lead contact person (and alternate) authorized to discuss the request with LAFCO staff.

Identification of Comprehensive Fiscal Analysis

- Indicate the specific CFA that is requested to be reviewed by the State Controller by title and date of CFA.

Summary of Major Concerns

- The request should include a summary which sets forth the nature of the requesting party's primary concerns relating to the CFA, including:
 - whether the requesting party's concerns relate to the finding of the fiscal viability of the proposed new city or negative fiscal effects of the proposed incorporation on affected agencies;
 - major areas of concern with respect to suspected errors, with an explanation as to how the errors materially affect the CFA findings; and
 - major areas of concern with respect to suspected omissions, with an explanation as to how the omissions materially affect the CFA findings.

Identification of Specific Elements for Review

- Government Code section 56801 provides that any request for State Controller’s review of a CFA “shall specify in writing any element of the comprehensive fiscal analysis that the Controller is requested to review and the reasons the Controller is requested to review each element.” Accordingly, each request for a State Controller’s review must separately list each element of the CFA for which the party requests review. Each element should include:
 - the relevant section and page numbers of the CFA;
 - a description of the suspected error or omission;
 - identification of any supplemental data for the State Controller’s consideration (all referenced data must be submitted with the request unless it is contained elsewhere in the CFA and then reference should be made to the relevant section and page numbers of the CFA);
 - the requesting party’s proposed remedy to the suspected error or omission; and
 - if the requesting party seeks review of multiple elements, those elements should be listed in order of the requesting party’s priority (with the first being the highest priority) for the Controller’s consideration).

4. Financing of State Controller’s Review

- The cost of the State Controller’s review, including Commission staff costs, and the costs of any consultants required to assist the State Controller with the review, shall be borne by the party requesting the review.
- The party requesting a State Controller’s review shall be required to submit to the Executive Officer with their request a deposit of \$25,000 to cover the costs associated with the review.
- The requesting party shall also submit to the Executive Officer an indemnification for any additional costs that may be incurred as a result of the request for State Controller’s review. The indemnification shall be in writing in a form satisfactory to the Executive Officer and County Counsel.
- All deposits will be in the form of a cashier’s check payable to the Local Agency Formation Commission for Los Angeles County.
- No request for a State Controller’s review will be accepted unless accompanied by the required deposit(s) and indemnification.

- Requests for a State Controller's review will not be forwarded to the State Controller without the Executive Officer's receipt of any required deposit(s).
- Within five (5) days of a request from the Executive Officer, the requesting party shall deposit with the Executive Officer any additional funds which the State Controller estimates will be required to complete the review. Failure of the requesting party to provide any additional funds requested by the executive officer shall result in termination of the review.
- If the actual costs associated with the review are less than the monies deposited with the Executive Officer, the unexpended monies will be returned to the requesting party.