

April 24, 2012

Board of Supervisors  
County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

**J. Matthew Carroll**  
Assistant County Executive Officer

**Paul Derse**  
Assistant County Executive Officer/  
Chief Financial Officer

**Catherine Rodriguez**  
Assistant County Executive Officer/  
Labor Relations & Strategic Development

**Subject:**     **Approval of the Use of General Fund Fund Balance - "Restricted for Health Care" In an Amount Not To Exceed \$6.5 Million for the Design, Preconstruction, and Construction Costs Associated with the Tenant Improvements of the Lease Agreement with Janss IV Recreation, Inc. for Medical and Office Space Located at 125 W. Thousand Oaks Blvd., In the City of Thousand Oaks; and Authorize the Auditor-Controller's Office to Process the Budgetary Transactions Necessary to Revise Appropriations and Revenue (REQUIRES 4/5<sup>th</sup> VOTE)**

**Recommendations:**

1. Approve the use of General Fund Fund Balance - "Restricted for Health Care", in an amount not to exceed \$6.5 million to finance the design, preconstruction and construction costs associated with the tenant improvements of the lease agreement with Janss IV Recreation, Inc. for Medical and Office space located at 125 W. Thousand Oaks Blvd., in the City of Thousand Oaks. (REQUIRES 4/5<sup>th</sup> VOTE)
2. Authorize the Auditor-Controller's Office to process the budgetary transactions necessary to revise the following appropriations and revenue: (REQUIRES 4/5<sup>th</sup> VOTE)

INCREASE Org 1050 Capital Projects - 4715 Conejo Clinic Tenant Improvements	\$6,500,000
DECREASE Fund Balance - Restricted for Health Care	\$6,500,000

**Fiscal Impact:**

Mandatory:	No
Source of funding:	General Fund, Fund Balance – Restricted for Health Care VCMC Enterprise Fund Cost Allocation Plan Charges
Impact on other departments:	Minimal

Current FY 2011-12 Budget Projection for Capital Projects (Org 1050)				
	Adopted Budget	Adjusted Budget	Projected Actual	Estimated Savings/(Deficit)
Appropriations	\$0	\$220,311	\$232,000	\$(11,689)
Revenue	\$0	\$(20,000)	\$0	\$(20,000)
Net Cost	\$0	\$200,311	\$232,000	\$(31,689)

**Discussion:**

On January 11, 2011, your Board approved the use of Tax Exempt Commercial Paper (TECP), in an amount not to exceed \$6.5 million, for the design, preconstruction, and construction costs associated with the tenant improvements for the co-location of Health care Agency Departments: Ventura County Medical Center-Ambulatory Care Services, Behavioral Health and Public Health, through a lease agreement with Janss IV Recreation, Inc. for medical and office space located at 125 W. Thousand Oaks Blvd., in the City of Thousand Oaks.

Subsequent to that approval, based upon further review by our Bond Counsel Tax Section, it was determined that due to the nature of our lease with Janss IV Recreation, Inc.; a private facility lease, TECP is not allowed as a funding source. Therefore, our office is requesting the use of General Fund, Fund Balance – Restricted for Health Care. The amount request is consistent with the original proposal presented and approved by the Financial Planning Committee July 20, 2010 and your Board on January 11, 2011. The General Fund, Fund Balance – Restricted for Health Care will be replenished through the annual budget process, including cost allocation plan charges to the VCMC Enterprise Fund.

This letter has been reviewed by the Auditor-Controller's Office, County Counsel, and the Health Care Agency. If you have any questions, please contact me at 477-1994.

Sincerely,



Jeff Burgh  
Deputy Executive Officer



Michael Powers  
County Executive Officer