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CAROLYN EMERY
Executive Officer

October 14, 2015

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TO: Local Agency Formation Commission

FROM: Executive Officer

SUBJECT: Mid-Year Budget Adjustment

BACKGROUND

Each year the Commission approves a final budget that supports operational expenditures and resources required to complete the annual work plan. The Commission's current FY 2015-2016 budget includes expenditures totaling \$953,730, which included the transfer of approximately \$24,130 from the agency's unreserved equity. Since the adoption of the annual work plan and final budget, respectively in April and May 2015, additional projects have been added to the work plan. These projects have been added based on recent legislation, preliminary discussions with affected agencies regarding anticipated projects, and the Commission's recent response to the findings of the Grand Jury's Report on OC LAFCO.

On September 22, the Executive Officer met with Executive Committee members, Chair McGregor and Vice Chair Withers to discuss the agency's current budget and staffing resources. This staff report provides background on the increased workload and staff's recommendation for a mid-year budget adjustment to address the increase in the agency's workload.

Work Plan Adjustments

The previously adopted 2015-2016 Work Plan includes seven mandated projects and key proactive efforts (Unincorporated Areas, South Orange County Governance, Shared Services program, and preparing for the third cycle of MSRs). Other projects involve administrative efforts currently underway, such as legislative affairs and an overhaul of agency policies and procedures. During the adoption of the work plan, the Commission was informed that the work plan may be adjusted should additional projects be filed and/or be required. Since that time, the following key projects have been added to the work plan with

anticipation that they will begin during the current fiscal year. Each of these projects would require significant staffing resources.

➤ **Rossmoor Community Services District Activation of Latent Powers**

For many years, the Rossmoor community has discussed and explored governance alternatives. More recently, the community services district has indicated a desire to study the activation of its latent power to potentially provide police protection and law enforcement services and animal control. This effort would require a review of the agency's sphere and a concurrent municipal service review.

➤ **City of San Juan Capistrano transfer of water and sewer infrastructures**

The City has begun a review of a potential transfer of its water and sewer responsibilities to a successor agency. Potential alternatives may include annexation to an existing agency, contractual agreements, or agency formation. Staff has participated in preliminary discussions regarding LAFCO's participation in this process and the requirements of the LAFCO process for changes of organization.

➤ **Unincorporated Areas**

While the unincorporated areas effort is already identified in the work plan, the recent Grand Jury's report indicated that OC LAFCO should be more proactive in this effort. In its response to the Grand Jury, the Commission indicated that it would address the staffing impacts and resources needed in order to continue key leadership on this project. Additionally, staff has received interest from some cities in moving annexation discussions forward. Lack of current staffing is impacting this project, and additional staffing and resources are key to being responsive to cities' interests and rebuilding an ongoing effort to address unincorporated area governance issues.

➤ **Forced Consolidations of Water Systems**

On June 24, 2015, the Governor approved a budget trailer bill that authorizes the State Water Quality Control Board to order consolidations of water systems within disadvantaged communities where the, water supply is not adequate and/or safe. Clean-up legislation has already been introduced, and while there is no certainty on the extent of LAFCO's role in this process, the bill does require that the State Board consult with, and fully consider input from, the relevant LAFCO regarding the provision of water service in the affected area, the recommendations for improving service in a municipal service review, and any other relevant information. Some LAFCOs are already being requested to assist the State Board. In order for OC LAFCO to be responsive to future requests from the State Board and include this information in future MSR, an inventory and review of Orange County's

disadvantaged communities and their water service systems will need to be completed and, therefore, has been added to the work plan.

OC LAFCO Staff

Over the past several years, OC LAFCO has provided a high quality of service and built strong relationships with Orange County cities, special districts, the County, and other stakeholders. These relationships remain key and important to yielding successful outcomes on these complex, multi-year projects and discussions. In addition to the effective leadership of the Commission, one of OC LAFCO's ongoing strengths has been its highly experienced and knowledgeable staff that is able to adapt to the evolving role of OC LAFCO. However, as we see an increase in project applications and other roles requiring OC LAFCO's leadership and input, the ability to maintain quality service has become challenging with a small staff of four. To continue providing leadership on these key projects and important efforts proactively, the Commission requires additional staffing.

The current budget supports four full-time positions (Executive Officer, Project Manager, Policy Analyst, and Office Manager/Commission Clerk). The Policy Analyst position very recently became vacant with the departure of Ms. Carolyn Jones. While not included in the current budget, the Assistant Executive Officer position has been vacant since December 2014. The Assistant Executive Officer position is a critical member of the OC LAFCO team by providing:

- An important link to OC LAFCO for the Commission, member agencies, and the public when the Executive Officer is unavailable.
- Internal management of the day-to-day office operations which would allow the Executive Officer to focus on building external relations required for moving complex, multi-agency projects forward (e.g., South County governance, MSRs, etc.).
- A high level of expertise in policy and project analysis to support OC LAFCO's current and future workload.

Finally, strengthening the OC LAFCO staffing resources demonstrates the Commission's ongoing commitment to the leadership it has established over the past several years. Approving funding for the Assistant Executive Officer position supports OC LAFCO's commitment to its mission and partnership with the Orange County communities and other stakeholders. If the mid-year adjustment is approved, the LAFCO staff would be increased by one full-time position.

Budget Impact

The current budget includes funding for the Policy Analyst position and recruitment to fill the position will begin mid-October. Staff is requesting approval of a mid-year budget adjustment to support funding for the Assistant Executive Officer position. If approved, the budget impact for this fiscal year would be approximately \$64,500.

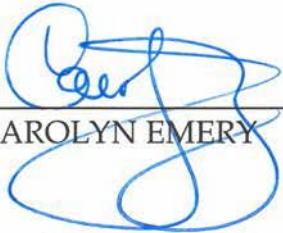
The proposed revised budget is included for your reference as **Attachment A**. It proposes funding the adjustment through the Commission's unreserved equity which is currently balanced at \$344,951 at the beginning of this fiscal year. This would increase the previously approved transfer of unreserved equity of \$24,130 to \$88,630, reducing the unreserved balance to \$280,451. The Commission's current policy regarding the unreserved equity requires at least three months of funds to cover staff payroll and operation expenses (approximately \$244,000). Funding of the Assistant Executive Officer position will have no impact on this policy. Furthermore, the transfer from the unreserved equity would not impact other budget line items or agency apportionments for the current budget year. If the budget adjustment is approved, future funding of five full-time positions would be included in the next budget cycle.

RECOMMENDATION

Staff recommends that the Commission:

1. Approve a mid-year budget adjustment in the amount of \$64,500 which would be used to fund the Assistant Executive Officer position for the remainder of FY 2015-2016.

Respectfully submitted,



CAROLYN EMERY

Attachments:

- A: FY 2015-2016 Revised Budget
- B: FY 2015-2016 Revised Work Plan

Local Agency Formation Commission
FY 2015-16 Revised Budget

		CPI Rates:		2.0%	2.2%	2.2%	2.4%	2.5%
	FY 13/14 Actual	FY 14/15 Approved	FY 15/16 Approved Budget	FY 15/16 Revised Budget	\$ Change	% Change	FY 16/17 Projected	FY 17/18 Projected
Revenues:								
Transfer from Unreserved equity	-	56,175	24,130	88,630			42,480	50,030
4000 LAFCO Apportionment	926,682	926,683	926,700	926,700	-	0%	973,000	1,007,100
4050 Filing Fees	29,146	-	-	-	-	0%	-	-
4200 Interest	1,207	2,850	2,900	2,900	-	0%	2,900	2,900
4150 Miscellaneous Revenue	2,959	-	-	-	-	0%	-	-
Total Revenues	959,994	985,708	953,730	1,018,230	(64,500)	-7%	1,018,380	1,060,030
Expenditures:								
5000 Salaries	294,024	358,400	319,200	363,700	(44,500)	-14%	381,900	401,000
5010 Hourly Employees	-	8,200	8,200	8,200	-	0%	8,200	8,200
5106 Retirement	100,887	124,000	102,500	116,100	(13,600)	-13%	103,000	105,100
5104 Executive Deferred Compensation	3,843	6,700	5,700	5,700	-	0%	5,800	5,900
5108 Health Insurance	47,835	60,740	47,600	47,600	-	0%	53,300	64,400
5109 Retiree Health Benefits	11,742	13,000	11,800	13,500	(1,700)	-14%	14,100	14,800
5110 Dental Insurance	4,056	4,500	4,500	4,900	(400)	-9%	5,000	5,100
5112 Life Insurance	845	1,000	500	500	-	0%	500	500
5114 Worker's Compensation	2,118	1,486	2,400	2,400	-	0%	2,400	2,400
5116 Medicare	4,356	5,200	4,600	5,300	(700)	-15%	5,500	5,800
5118 Unemployment Insurance	(31)	-	-	-	-	0%	1,000	1,000
5120 Salary Continuance	1,011	1,300	1,100	1,200	(100)	-9%	1,200	1,200
5122 Accidental Death Insurance	81	100	100	100	-	0%	100	100
5102 Optional Benefit Plan	14,625	15,000	15,000	18,500	(3,500)	-23%	18,500	18,500
5125 Executive Car Allowance	7,200	7,200	7,200	7,200	-	0%	7,200	7,200
Total Salaries and Benefits	492,591	606,826	530,400	594,900	(64,500)	-12%	607,700	641,200
5150 Information Technology	6,287	10,000	27,300	27,300	-	0%	14,500	14,900
5151 Telephone	6,103	10,000	11,000	11,000	-	0%	11,300	11,600
5200 County Charges	3,429	5,500	5,600	5,600	-	0%	5,700	5,800
5250 Insurance	13,711	15,332	15,400	15,400	-	0%	15,800	16,200
5301 Repairs and Maintenance	443	520	500	500	-	0%	510	520
5350 Membership/Subscriptions	28,554	29,000	29,000	29,000	-	0%	29,700	30,400
5450 Office Equipment/Supplies	7,701	11,500	25,300	25,300	-	0%	12,400	12,700
Professional Services:								
5510 Legal	46,978	50,000	51,100	51,100	-	0%	52,300	53,600
5520 Audit/Accounting	36,351	37,900	42,000	42,000	-	0%	43,000	44,100
5530 Human Resources	782	1,000	5,000	5,000	-	0%	1,000	1,000
5540 Other Professional	62,937	75,000	65,000	65,000	-	0%	75,000	75,000
5535 Mapping	3,536	8,000	8,200	8,200	-	0%	8,400	8,600
5550 Investment Admin Fees	582	620	630	630	-	0%	650	670
5560 Banking Fees	-	-	900	900	-	0%	920	940
5600 Public Noticing	4,768	10,000	10,200	10,200	-	0%	10,400	10,700
5625 Postage	3,285	3,300	2,800	2,800	-	0%	2,900	3,000
5650 Rents/Maintenance	40,144	57,720	65,500	65,500	-	0%	73,500	75,600
5675 Equipment Leases & Maintenance	4,486	7,240	5,500	5,500	-	0%	5,600	5,700
5700 Commissioner/Staff Expenses	5,567	8,000	8,200	8,200	-	0%	8,400	8,600
5710 Commission Stipends & Taxes/Fees	14,343	16,300	15,800	15,800	-	0%	16,200	16,600
5750 Staff Training	1,697	3,550	3,600	3,600	-	0%	3,700	3,800
5800 Transportation/Travel	14,721	17,000	23,400	23,400	-	0%	17,400	17,400
5850 Commission Meeting Expenses	2,552	1,400	1,400	1,400	-	0%	1,400	1,400
Subtotal Services & Supplies	308,956	378,882	423,330	423,330	-	0%	410,680	418,830
Total Expenditures	801,548	985,708	953,730	1,018,230	(64,500)	-7%	1,018,380	1,060,030
Revenues Over Expenditures	158,446	-	-	-	-	-	-	-

** - In order to maintain compliance with the required 25% reserve (3-month of operation expenses) in equity, a declinet rate increase is projected to be needed for the next four fiscal years.

Local Agency Formation Commission
FY 2015-16 Revised Budget

CPI Rates: 2.0% 2.2% 2.2% 2.4% 2.5%

	<u>FY 13/14 Approved</u>	<u>FY 14/15 Budget</u>	<u>FY 15/16 Approved Budget</u>	<u>FY 15/16 Revised Budget</u>	<u>FY 16/17 Projected</u>	<u>FY 17/18 Projected</u>
	<u>6/30/14</u>	<u>6/30/15</u>	<u>6/30/16</u>	<u>6/30/16</u>	<u>6/30/17</u>	<u>6/30/18</u>
<u>Reserves:</u>						
Contingency reserve	100,000	100,000	100,000	100,000	100,000	100,000
Reserve for litigation	75,000	75,000	75,000	75,000	75,000	75,000
Unfunded liability reserve	30,000	30,000	30,000	30,000	30,000	30,000
Reserved for projects deposits	21,198	23,483	21,198	21,198	21,198	21,198
<u>Unreserved equity:</u>						
Balance at the Beginning of FY	425,256	425,256	369,081	369,081	280,451	237,971
Projected change in Year End Deficit						
Amount used to balance Current Budget	-	(56,175)	(24,130)	(88,630)	(42,480)	(50,030)
Proposed Refund to funding agencies	-	-	-	-	-	-
Unreserved equity at the End of FY	425,256	369,081	344,951	280,451	237,971	187,941
<u>Total Projected Reserves at End of FY</u>	<u>651,454</u>	<u>597,564</u>	<u>571,149</u>	<u>506,649</u>	<u>464,169</u>	<u>414,139</u>

2015-2016 OC LAFCO WORK PLAN

Approved on April 8, 2015

(Revised: October 14, 2015)

ATTACHMENT B

MANDATED PROJECTS

OC LAFCO is required by statute to fulfill legal mandates by processing proposed changes of organization (“mandated projects”) filed by affected agencies or property owners. Additional mandated projects filed during FY 2015-2016 will be added to the work plan.

Project	Description	Status	Comments
Costa Mesa Sanitary District Annexation	Potential annexation of five properties located in the City of Newport Beach for sanitary sewer service.	On-hold	Re-engage discussion with City of Newport Beach to explore potential resolutions for aligning service boundary.
EOCWD Reorganization for Local Sewer Service	Proposed application to provide local sewer service in the area commonly referred to as “Service Area 7.”	Underway	Application filed on March 23, 2014 by EOCWD for the activation of latent powers to provide local sewer service to OCSD Service Area 7. The District participated as a stakeholder in the Focused MSR which was approved by the Commission on September 9, 2015. The conflicting EOCWD and IRWD proposals are expected to be heard by the Commission at the November 18, 2015 regular meeting.
Esperanza Hills Annexation to the City of Yorba Linda	Proposed annexation of the Esperanza Hills development to the City of Yorba Linda.	Underway	Discussions regarding a pre-annexation agreement are underway involving the City, County and the developer. LAFCO has offered to facilitate stakeholder discussions involving the development of the agreement.

MANDATED PROJECTS - CONTINUED

Project	Description	Status	Comments
Focused Municipal Service Review for Orange County Sanitation District (OCSD) Service Area 7	Municipal Service Review (MSR) to review local sewer service alternatives for specific areas currently served by OCSD. Stakeholder process included the Cities of Tustin and Orange, EOCWD, IRWD, and OCSD.	Complete	Staff completed a focused MSR to review the projected costs, levels of service, and alternative service providers for OCSD Service Area 7. The Commission received and filed the MSR report and adopted the statement of determinations on September 9, 2015. Application for latent power activation will be considered by the Commission at a subsequent meeting.
La Habra Islands Potential Transfer of Water Service	Potential transfer of retail water service from private water company and annexation of remaining unincorporated islands to the City of La Habra.	Underway	City has filed an application for an Out-of-Agency Service Agreement to assume the retail water system and services from California Domestic Water Company in the islands. City, County, and LAFCO staffs are actively discussing annexation of the City's six remaining islands.
Meyer Reorganization to the City of Anaheim	Proposed reorganization involving the detachment of approximately 395 sq. ft. from the City of Orange and concurrent annexation of the same territory to the City of Anaheim. The purpose of the proposal is to facilitate future development of territory located adjacent to the Ponderosa Travel Trailer Park, west of N. Manchester Avenue and north of W. Compton Avenue.	Underway	Landowner petition and application submitted in March 2015. LAFCO staff is working with the applicant and staff from the Cities of Anaheim and Orange to review and process the proposal. The proposal is expected to be scheduled for Commission consideration at the November 18, 2015 regular meeting.

MANDATED PROJECTS - CONTINUED

Project	Description	Status	Comments
Sphere of Influence Update and Annexation of OCSD Service Area 7 to Irvine Ranch Water District	IRWD has submitted a conflicting application with the EOCWD proposal to provide local sewer service in the area commonly referred to as "Service Area 7."	Underway	IRWD filed an application for sphere of influence amendment and annexation for OCSD Service Area 7 on March 23, 2015. The District participated as a stakeholder in the EOCWD focused MSR which was approved by the Commission on September 9, 2015. The conflicting IRWD and EOCWD proposals are expected to be heard by the Commission at the November 18, 2015 regular meeting.
Cielo Vista Project located within the City of Yorba Linda Sphere of Influence	Potential annexation of the Cielo Vista development to the City of Yorba Linda.	New	County EIR process moving forward for Cielo Vista project. LAFCO staff requested to participate in meetings and has offered to facilitate stakeholder discussions involving the development of a pre-annexation agreement.
City of Orange Detachment of Open Space	Proposed detachment of territory that has been dedicated as permanent open space.	New	The City is expected to submit an application for detachment of territory known as East Orange Planning Area that was recently dedicated as permanent open space and gifted to the County for preservation.
City of San Juan Capistrano Transfer of Water, Sewer & Storm water Services	Potential transfer of water, sewer, and storm water protection services to a successor agency.	New	Staff has participated in preliminary meetings with Council members, staff, and legal counsel to discuss LAFCO's role, process and application requirements.

MANDATED PROJECTS - CONTINUED

Project	Description	Status	Comments
Rossmoor CSD Activation of Latent Powers	Potential activation of latent power to provide police and animal control services.	New	Staff has participated in preliminary meetings and discussion with District board members and staff to discuss application requirements and process.
Sphere of Influence (SOI) Update for City of Laguna Woods	SOI application filed by the City of Laguna Woods to remove approximately six acres of uninhabited territory designated as open space from the City's SOI.	New Complete	Approved by the Commission on August 12, 2015.

COMMISSION-INITIATED PROJECTS

OC LAFCO has provided a key leadership role in Orange County through proactive and innovative initiatives to address municipal service needs, opportunities, and potential reorganizing of local governance structures. The Commission can continue to facilitate cooperation and collaboration with Orange County local agencies and communities over the next year through the following key projects.

Project	Description	Proposed Milestones	Staff Assigned	Project Timelines
<p>County Unincorporated Areas</p>	<p>Re-engage effort to identify and proactively facilitate discussions of the streamlined process for annexation opportunities and municipal service delivery opportunities for remaining county unincorporated areas.</p>	<p>The Commission will complete a proactive and concentrated effort that includes facilitation, cooperation and coordination involving the County and cities with adjacent islands. The Unincorporated Areas Work Plan outlines specific tasks and timelines for each milestone and is referenced as "Attachment B."</p>	<p>Executive Officer Project Manager Policy Analyst</p>	<p>July 2015 – June 2016 On-hold</p>

COMMISSION-INITIATED PROJECTS - CONTINUED

Project	Description	Proposed Milestones	Staff Assigned	Project Timelines
South Orange County Future Governance	Continue proactive facilitation and coordination of stakeholder effort to establish short, mid and long-term options for future governance for the developed and developing unincorporated South Orange County communities.	<ul style="list-style-type: none"> • Establish one South Orange County Study Area that includes all developed and developing unincorporated communities for purposes of ongoing discussions on overlapping issues related to short, mid, and long-term governance options. • Engage South Orange County Study Area stakeholders to collaboratively develop timeline and milestones for implementation of short-term governance options. • Engage and inform other affected local and regional agencies and business community on the ongoing South Orange County Study Area governance efforts • Work with South Orange County Study Area stakeholders to implement short-term governance options. 	<p style="text-align: center;">Executive Officer</p> <p style="text-align: center;">Assistant Executive Officer</p> <p style="text-align: center;">Project Manager</p>	<p style="text-align: center;">August 2015 Underway</p> <p style="text-align: center;">September 2015 – December 2015 Underway</p> <p style="text-align: center;">August 2015 – June 2016 Not Started</p> <p style="text-align: center;">January 2016 – March 2016</p>

COMMISSION-INITIATED PROJECTS - CONTINUED

Project	Description	Proposed Milestones	Staff Assigned	Project Timelines
<p style="text-align: center;">Collaborative Service Delivery – “Shared Opportunities”</p>	<p>Increase awareness of the Shared Services Program and facilitate forums and working groups that encourage local and regional collaborations and discussions on shared services opportunities, challenges and benefits.</p>	<ul style="list-style-type: none"> • Complete comprehensive outreach program that includes gathering of data for use in “Orange Pages” and Shared Services Web Program • Development of the “Orange Pages,” the user-friendly inventory and directory, which provides examples of shared services arrangements in Orange County • Update the Shared Services Web Program to ensure user-friendly platform and compatibility with newly added components • Create “metrics of success” for shared service collaborations that empirically displays the cost-savings of collaboration in Orange County • Convene Orange County local and regional executives to build partnerships and create opportunities for agency collaboration 	<p>Executive Officer</p> <p>Assistant Executive Officer</p> <p>Policy Analyst</p>	<p>July 2015-October 2015 On-hold</p> <p>September 2015-December 2015 On-hold</p> <p>July 2015-December 2015 Underway</p> <p>September 2015-February 2016 On-hold</p> <p>August 2015 On-hold</p>

COMMISSION-INITIATED PROJECTS - CONTINUED

Project	Description	Proposed Milestones	Staff Assigned	Project Timelines
<p style="text-align: center;">Fiscal Trends Program</p>	<p style="text-align: center;">Proactive effort to increase the use of the fiscal trends program for Municipal Service Reviews and improve the value of the program for use by local agencies to assess fiscal health and internal restructuring opportunities.</p>	<ul style="list-style-type: none"> • Update fiscal trends program with agency audited financial data for FY 2013-2014. • Develop outreach program to increase awareness of the fiscal trends program. The program will include the following: <ol style="list-style-type: none"> 1) Introductory letter that provides an overview of the program and how it is used by LAFCO. 2) An invitation to meet with the County, cities, special districts and other local governments one-on-one to discuss opportunities for use of the fiscal trends program relative to the agency-specific needs. • Develop agency profiles for cities and independent special districts in Orange County that contain financial data derived from the Fiscal Trends Program and narrative summaries of agency-specific characteristics of fiscal health. 	<p style="text-align: center;">Executive Officer</p> <p style="text-align: center;">Project Manager</p>	<p style="text-align: center;">July 2015-September 2015 Not started</p> <p style="text-align: center;">July 2015-August 2015 Not started</p> <p style="text-align: center;">September 2015-December 2015 Not started</p> <p style="text-align: center;">July 2015-December 2015 Not started</p>

COMMISSION-INITIATED PROJECTS - CONTINUED

Project	Description	Proposed Milestones	Staff Assigned	Project Timelines
<p style="text-align: center;">Municipal Service Reviews – Preparing for “4th” Cycle</p>	<p style="text-align: center;">Development of roadmap for the successful completion of municipal service reviews for 4th cycle (2018-2022).</p>	<p>Stage I:</p> <ol style="list-style-type: none"> 1) Develop a strategic approach to conducting municipal service reviews (e.g., geographically, service focus, agency-by-agency, countywide). 2) Develop the MSR work plan that will outline the following: <ol style="list-style-type: none"> a. Outreach program involving County, cities, special districts, and communities to inform them of the MSR 4th cycle effort and process. b. Prioritization of agencies and services to undergo MSR reviews. c. Approach to integrating the Commission’s existing programs (e.g., Fiscal Trends, Shared Services, Demographic Trends, Public Engagement, etc.) into the overall MSR effort 3) Development of report templates and charts to streamline the data collection and analysis portions of the MSR report process. <p>Stage II is expected to occur in FY 2016-2017 and will involve specific timelines for conducting MSRs.</p>	<p style="text-align: center;">ALL STAFF</p>	<p style="text-align: center;">September 2015 – November 2015 Not started</p> <p style="text-align: center;">January 2016 – April 2016</p> <p style="text-align: center;">March 2016 – June 2016</p>

COMMISSION-INITIATED PROJECTS – CONTINUED

Project	Description	Proposed Milestones	Staff Assigned	Project Timelines
SB 88 – Inventory & Assessment of Water Provision to Disadvantaged Communities	Budget Trailer Bill -- Consolidations of water systems within disadvantaged communities where the, water supply is not adequate and/or safe.	New Complete initial assessment and inventory of disadvantaged communities and agencies affected by the trailer bill. Other milestones will be identified as needed.	Assistant Executive Officer Policy Analyst	Begin December 2015
Legislative Affairs	Monitor legislation and activities related to LAFCO's mission, the County of Orange and southern region.	Ongoing participation in the following: <ul style="list-style-type: none"> ➤ CALAFCO Legislative Committee Member ➤ CSDA Feedback Team ➤ Orange County Legislative Coordinators Group Explore participation in the following: <ul style="list-style-type: none"> ➤ ACCOC's Legislative Committee ➤ League of Cities - Orange County Division, Legislative Advocacy 	Legislative Ad Hoc Committee Executive Officer Policy Analyst	Ongoing
Coalition of California LAFCOs (CCL)	Continue membership in CCL, attend meetings and workshops, and continue participation in the two CCL subgroups: Clerks Working Group and GIS/IT Working Group.	The Commission will continue to participate in the regional collaborative efforts of 6 southern LAFCOs. Provide officer leadership as CCL Treasurer and administrative support as needed.	Commissioner Brothers Executive Officer Assistant Executive Officer	Ongoing
CALAFCO	Continue membership with CALAFCO, attend staff workshops and conferences, and participate in CALAFCO's Legislative Committee.	Ongoing participation in the following: <ul style="list-style-type: none"> ➤ CALAFCO Executive Board ➤ CALAFCO Legislative Committee Member ➤ CALAFCO staff workshop and annual conference 	Commissioner Brothers ALL STAFF	Ongoing

ADMINISTRATIVE PROJECTS

The following internal efficiencies support administrative and organizational effectiveness and proactive outreach to our funding agencies and the public. These projects involve statutory requirements.

Project	Description	Status	Comments
Annual Budget	Preparation of LAFCO's annual budget (2016-2017) and determination of funding apportionments for member agencies.	Complete	The draft and final budgets will be considered by the Commission at the April 13, 2016 and May 11, 2016 hearings respectively.
Annual Audit	Preparation of annual audited financial statements and presentation of Auditor's report.	Underway	Audit will be conducted in August 2015. Presentation to the Commission of audit for current fiscal year is scheduled for the November 18, 2015 hearing.
Comprehensive Quarterly Reports	Preparation of quarterly reports that provide the Commission an overview of LAFCO projects, which are underway or completed, and an update on the financial performance of the agency's current budget and investment portfolio.	Ongoing	Quarterly reports for FY 2015-16 to be completed: Nov. '15, Feb. '16, May '16 and Aug. '16.
Legislative Quarterly Reports	Preparation of quarterly reports for the Commission.	Ongoing	Legislative reports for FY 2015-16 to be completed: Nov. '15, Feb. '16, May '16 and Aug. '16.
LAFCO Records Systems and Projects Database	Continuous improvements to LAFCO's electronic and hardcopy records retention and retrieval systems. Creation and implementation of MS Access database of LAFCO projects for customized queries and reports.	Underway	Phase I will include updating and integrating current project records with archive database (MS Access) by August 2015. Phase II will include improved functionality for search and retrieval of project specific archive records for all prior LAFCO projects dating back to 1964 by March 2016.

ADMINISTRATIVE PROJECTS – CONTINUED

Project	Description	Status	Comments
Opinion/Editorial Articles	Publication of editorials from presiding LAFCO Chair that highlight key Commission projects and activities.	Ongoing	May 2015, August 2015 and December 2015
OCLAFCO Newsletter	Preparation of OC LAFCO newsletter for distribution to member agencies.	Ongoing	OC LAFCO newsletters for FY 2015-16 to be distributed: Nov. '15, Feb. '16, May '16 and Aug. '16.
Policies and Procedures Internal Audit	Complete internal audit of OC LAFCO Handbook, comprised of Commission bylaws, annual policies and procedures.	Underway	Internal review and audit of OC LAFCO Handbook. Phase I to be presented to Commission at the October 14, 2015 hearing. Phase II to be presented to Commission at the November 18, 2015 hearing.
Legislative Policy & Guidelines	Complete comprehensive update of the Commission's Legislative Guidelines to be consistent with state law and local legislative efforts.	Complete	Comprehensive update to the Legislative Policy & Guidelines to be presented to Commission at the October 14, 2015 hearing.
LAFCO 101 – Agency/Elected Bi-Annual Visits	Provide an introductory overview of LAFCO activities to Orange County state legislators and staffs, city councils, special district boards, and County.	Not started	Visits will be completed throughout the FY 2015-2016.
Technology and Communication	Complete RFP process for overhaul of agency website and web based programs. Overhaul of the agency website and major enhancements to the Shared Services and other web based programs to improve user friendly platform and other program enhancements.	Underway	Overhaul of the LAFCO website and web based programs expected to be completed early spring 2016.