



Orange County Local Agency Formation Commission
Fiscal Year 2023-24 Budget
 (Approved May 10, 2023)

		FY 23/24 Approved Budget
<i>Apportionment Increase Factor (%)</i>		<i>15.0%</i>
1	Revenue & Cash Reserves Use / (Addition)	
2	Cash Reserves Use / (Addition)	\$ 318,390
3	4000 LAFCO Apportionment	1,411,890
4	4200 Interest	14,200
5	Total Revenue & Cash Reserves Use / (Addition)	1,744,480
6	Expense	
7	Salaries & Benefits	
8	5000 Salaries	621,200
9	5010 Hourly Employees	20,800
10	5106 Retirement	247,700
11	5109 Retiree Health Benefits	22,000
12	5108 Health Insurance	68,500
13	5110 Dental Insurance	6,900
14	5112 Life Insurance	420
15	5118 Unemployment Insurance	620
16	5102 Optional Benefit Plan	18,500
17	5104 Deferred Compensation	17,900
18	5116 Medicare	9,400
19	5114 Worker's Compensation	2,550
20	5120 Salary Continuance	1,560
21	5122 Accidental Death Insurance	120
22	5125 Executive Car Allowance	7,200
23	Salaries & Benefits Total	1,045,370
24	Operations, Prof. Services & Other	
25	Office Operations	
26	5150 Information Technology	32,850
27	5151 Internet & Telephone	16,480
28	5200 County Charges	10,300
29	5250 Insurance	14,030
30	5350 Membership/Subscriptions	39,900
31	5450 Office Equipment/Supplies	24,100
32	Professional Services	
33	5510 Legal	60,000
34	5520 Audit/Accounting	53,000
35	5530 Human Resources	20,000
36	5540 Other Professional	180,000
37	Other Expense	
38	5535 Mapping	13,900
39	5550 Investment Admin Fees	850
40	5600 Public Noticing / Communications	14,800
41	5610 Unincorporated Areas Program	18,000
42	5650 Rents/Maintenance	111,600
43	5675 Equipment Leases & Maintenance	7,700
44	5700 Commissioner/Staff Expenses	7,000
45	5710 Commission Stipends & Taxes/Fees	16,000
46	5750 Professional Development	25,000
47	5800 Registration/Travel	21,300
48	5850 Commission Meeting Expenses	12,300
49	Operations, Prof. Services & Other Total	699,110
50	Total Expense	1,744,480
51	Net Budget	\$ -



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Projected Cash Reserves	
Reserved Cash	
Contingency Reserve	\$ 100,000
Litigation Reserve	75,000
Unfunded Liability Reserve	30,000
Operating Reserve (25% Budgeted Expenses)	436,120
Total Reserved Cash	641,120
Unreserved Cash	
Balance at the Beginning of FY	540,871
Addition / (Drawdown) to Unreserved Cash	(318,390)
Total Unreserved Cash	222,481
Total Projected Cash Reserves	\$ 863,601

REVENUES

The following summarizes the revenue categories of the OC LAFCO Budget:

4000 OC LAFCO Apportionment

These funds are provided by the County, independent special districts and cities. The County pays 1/3 of the total apportionment cost. The cost allocation formulas for the cities and special districts are in accordance with the alternative formulas adopted by the City Selection Committee and the Independent Special Districts Selection Committee respectively.

4050 Filing Fees

These funds are provided by incoming project applications, including but not limited to annexations, reorganizations, incorporations, dissolutions, and consolidations. Filing fees vary with each project received and are not budgeted as revenue due to the uncertainty of when applications will be filed. Filing fees are collected to offset OC LAFCO salaries, benefits and other expenditures associated with applications.

4150 Miscellaneous Revenue

These funds are incurred by nonoperational income including but not limited to reimbursements.

4200 Interest

These funds are the interest earned from the agency's bank and County payroll accounts and investment portfolio, including the Local Agency Investment Fund (LAIF) and Orange County Fund (OC Fund).

EXPENDITURES

The following summarizes the expenditure categories of the OC LAFCO Budget:

5000-5125 Salaries and Benefits

These categories include costs incurred for OC LAFCO employee salaries and benefits, including retirement, life, accidental and disability insurance, health and dental insurance, workers' compensation, and Medicare. OC LAFCO contracts with the County of Orange for payroll and benefit services.

5150 Information Technology

This category includes costs incurred for the technical support for regular maintenance and upgrades to the OC LAFCO computer systems and website. OC LAFCO contracts with independent consultants for IT and website services.

5151 Internet and Telephone

This category includes costs for the usage, technical support, equipment purchasing, leasing and maintenance for office and mobile telephones and internet service.

5200 County Charges

This category includes costs incurred for payroll processing, records archiving and storage, and billing, collection and intranet services provided by the County of Orange.

5250 Insurance

This category includes costs incurred for insurance coverage. OC LAFCO contracts with the County and a joint powers authority for the following coverages for instances that occur during the general operation of the agency.

- General Liability– Includes coverage for personal injury (including bodily injury and property damage), non-owned auto liability, public officials’ errors and omissions and employment practices liability.
- Crime – Includes coverage for employee or non-employee theft, burglary, forgery or alteration, computer fraud, funds transfer fraud.
- Property - Includes per occurrence, all perils coverage for damage to property including personal property and business interruption coverage.
- Workers’ Compensation – Includes coverage for employees involving work-related injuries.

5350 Membership/Subscriptions

This category includes memberships and subscriptions fees to CALAFCO, CSDA, OCBC, CDR and other applicable memberships.

5450 Office Equipment and Supplies

This category includes costs incurred for the purchase of office supplies and equipment, computers, and software that support the efficient operations of the agency.

5500 Professional Services

This category includes costs incurred for professional services provided to OC LAFCO. The following are subcategories for professional services:

- ✓ **5510 Legal** – OC LAFCO general counsel services.
- ✓ **5520 Auditing/Accounting** – Bookkeeping, accounting and auditing services. OC LAFCO audited financial statements are prepared by an independent auditor.
- ✓ **5530 Human Resources** – Personnel services that may be provided by an independent consultant for assistance with recruitment, professional development and other human resource areas.
- ✓ **5535 Mapping** – OC LAFCO’s Geographic Information System (GIS) and other mapping programs.

- ✓ **5540 Other Professional Services** – Consulting and professional services for meeting facilitation, peer reviews, and preparation of Municipal Service Reviews, fiscal studies and other reports and projects.

5550 Investment Admin Fees

This category includes costs incurred for administrative fees charged by the County of Orange for financial services related to the investment and payroll accounts.

5600 Public Noticing/Communications

This category includes costs incurred for required legal notices and other communications for Commission-initiated and other projects (e.g., spheres of influence reviews and updates, municipal service reviews, and annual budget adoption) that are not reimbursable through application fees.

5610 Unincorporated Areas Program

This category includes costs incurred for the processing of applications under the Commission’s Unincorporated Areas Program.

5650 Rents/Maintenance

This category includes costs for leasing and maintenance of OC LAFCO office space.

5675 Equipment Leases/Maintenance

This category includes costs for leasing and maintenance of the OC LAFCO copier and printers.

5700 Commissioner/Staff Expenses

This category includes costs incurred by Commissioners and staff to attend OC LAFCO and other related business meetings and activities.

5710 Commissioner Stipends & Taxes/Fees

This category includes Commissioner meeting stipends and related employment taxes and fees.

5750 Professional Development

This category includes costs related to employee professional development (e.g., college/university degree programs and courses, certificate programs, leadership seminars).

5800 Transportation/Travel/Registration

This category includes costs incurred for registration and travel expenses for commissioners and staff to attend the CALAFCO annual conference, staff workshop, board meetings and other educational activities.

5850 Commission Meeting Expenses

This category includes costs incurred for communications, room rental, parking and miscellaneous expenses for Commission meetings.

RESERVES

Contingency Reserve

Restricted funds used to cover any unforeseen future agency loss and/or urgency (i.e., property or equipment damage, loss or theft).

Reserve for Litigation

Restricted funds used for costs related to agency litigation not covered by application fees and deposits.

Unfunded Liability Reserve

Restricted funds used to offset anticipated agency liabilities (i.e., employee compensated absences).