

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, 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 Electronic Services

This category includes costs for the usage, technical support, equipment, leasing and maintenance of business electronic devices and internet services.

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 agency operations.

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, employment labor, 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 studies, 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/Improvements/Maintenance

This category includes costs for leasing, improvements, 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 miscellaneous business expenses incurred by Commissioners and staff.

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, transportation, and travel expenses for commissioners and staff to attend CALAFCO conference, workshop, and board meetings and other business-related meetings and 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).



Orange County Local Agency Formation Commission
Fiscal Year 2024-25 Budget
 (Approved May 8, 2024)

| | | FY 24/25 Approved Budget |
|--|---|---|
| <i>Apportionment Increase Factor (%)</i> | | <i>12.0%</i> |
| 1 | Revenue & Cash Reserves Use / (Addition) | |
| 2 | Cash Reserves Use / (Addition) | \$ 240,340 |
| 3 | 4000 LAFCO Apportionment | 1,581,320 |
| 4 | 4200 Interest | 38,390 |
| 5 | Total Revenue & Cash Reserves Use / (Addition) | 1,860,050 |
| 6 | Expense | |
| 7 | Salaries & Benefits | |
| 8 | 5000 Salaries | 657,300 |
| 9 | 5010 Hourly Employees | 20,800 |
| 10 | 5106 Retirement | 265,900 |
| 11 | 5109 Retiree Health Benefits | 22,000 |
| 12 | 5108 Health Insurance | 88,900 |
| 13 | 5110 Dental Insurance | 11,600 |
| 14 | 5112 Life Insurance | 420 |
| 15 | 5118 Unemployment Insurance | 200 |
| 16 | 5119 Health Reimbursement Arrangement | 7,800 |
| 17 | 5102 Optional Benefit Plan | 18,500 |
| 18 | 5104 Deferred Compensation | 19,000 |
| 19 | 5116 Medicare | 10,200 |
| 20 | 5114 Worker's Compensation | - |
| 21 | 5120 Salary Continuance | 1,650 |
| 22 | 5122 Accidental Death Insurance | 120 |
| 23 | 5125 Executive Car Allowance | 7,200 |
| 24 | Salaries & Benefits Total | 1,131,590 |
| 25 | Operations, Prof. Services & Other | |
| 26 | Office Operations | |
| 27 | 5150 Information Technology | 21,600 |
| 28 | 5151 Internet & Electronic Services | 20,500 |
| 29 | 5200 County Charges | 12,000 |
| 30 | 5250 Insurance | 15,760 |
| 31 | 5350 Membership/Subscriptions | 40,400 |
| 32 | 5450 Office Equipment/Supplies | 26,100 |
| 33 | Professional Services | |
| 34 | 5510 Legal | 60,000 |
| 35 | 5520 Audit/Accounting | 57,000 |
| 36 | 5530 Human Resources | 35,000 |
| 37 | 5540 Other Professional | 200,000 |
| 38 | Other Expense | |
| 39 | 5535 Mapping | 4,000 |
| 40 | 5550 Investment Admin Fees | 850 |
| 41 | 5600 Public Noticing / Communications | 12,000 |
| 42 | 5610 Unincorporated Areas Program | 11,000 |
| 43 | 5650 Rents/Improvements/Maintenance | 115,000 |
| 44 | 5675 Equipment Leases & Maintenance | 8,100 |
| 45 | 5700 Commissioner/Staff Expenses | 5,000 |
| 46 | 5710 Commission Stipends & Taxes/Fees | 16,450 |
| 47 | 5750 Professional Development | 20,000 |
| 48 | 5800 Registration/Travel | 35,300 |
| 49 | 5850 Commission Meeting Expenses | 12,400 |
| 50 | Operations, Prof. Services & Other Total | 728,460 |
| 51 | Total Expense | 1,860,050 |
| 52 | Net Budget | \$ - |



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Fiscal Year 2024-25 Budget
 (Approved May 8, 2024)

| | FY 24/25 Approved Budget |
|---|--------------------------------|
| Projected Cash Reserves | |
| Reserved Cash | |
| Contingency Reserve | \$ 100,000 |
| Litigation Reserve | 75,000 |
| Unfunded Liability Reserve | 30,000 |
| Operating Reserve (25% Budgeted Expenses) | 465,013 |
| Total Reserved Cash | 670,013 |
| Unreserved Cash | |
| Balance at the Beginning of FY | 514,377 |
| Addition / (Drawdown) to Unreserved Cash | (240,340) |
| Total Unreserved Cash | 274,037 |
| Total Projected Cash Reserves | \$ 944,049 |