

## 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 Memberships/Subscriptions**

This category includes membership and subscription fees to 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 and sphere 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.

**5740 Educational and Legislative Partnerships**

This category includes costs incurred for educational partnerships, legislative engagement efforts and registration expenses to attend workshops and business-related meetings and activities.

**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 and Travel**

This category includes costs incurred for transportation and travel expenses for commissioners and staff to attend workshops and 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

## Final Budget

Fiscal Year 2025/26

APPROVED May 14, 2025

	FY 24/25 Adopted Budget	FY 25/26 Final Budget	\$ Budget Variance	% Budget Variance
<b>1 Revenue &amp; Cash Reserves Use / (Addition)</b>				
2 Cash Reserves Use / (Addition)	\$ 240,340	\$ 110,340	\$ (130,000)	-54.1%
3 4000 LAFCO Apportionment	1,581,320	1,692,010	110,690	7.0%
4 4200 Interest	38,390	35,640	(2,750)	-7.2%
<b>5 Total Revenue &amp; Cash Reserves Use / (Addition)</b>	<b>1,860,050</b>	<b>1,837,990</b>	<b>(22,060)</b>	<b>-1.2%</b>
<b>6 Expense</b>				
<b>7 Salaries &amp; Benefits</b>				
8 5000 Salaries	657,300	671,000	13,700	2.1%
9 5010 Hourly Employees	20,800	20,800	-	0.0%
10 5106 Retirement	265,900	274,700	8,800	3.3%
11 5109 Retiree Health Benefits	22,000	6,200	(15,800)	-71.8%
12 5108 Health Insurance	88,900	78,500	(10,400)	-11.7%
13 5110 Dental Insurance	11,600	5,600	(6,000)	-51.7%
14 5112 Life Insurance	420	420	-	0.0%
15 5118 Unemployment Insurance	200	540	340	170.0%
16 5119 Health Reimbursement Arrangement	7,800	8,200	400	5.1%
17 5102 Optional Benefit Plan	18,500	18,500	-	0.0%
18 5104 Deferred Compensation	19,000	19,400	400	2.1%
19 5116 Medicare	10,200	10,300	100	1.0%
20 5120 Salary Continuance	1,650	1,750	100	6.1%
21 5122 Accidental Death Insurance	120	120	-	0.0%
22 5125 Executive Car Allowance	7,200	7,200	-	0.0%
<b>23 Salaries &amp; Benefits Total</b>	<b>1,131,590</b>	<b>1,123,230</b>	<b>(8,360)</b>	<b>-0.7%</b>
<b>24 Operations, Prof. Services &amp; Other</b>				
<b>25 Office Operations</b>				
26 5150 Information Technology	21,600	21,600	-	0.0%
27 5151 Internet & Electronic Services	20,500	21,500	1,000	4.9%
28 5200 County Charges	12,000	13,100	1,100	9.2%
29 5250 Insurance	15,760	21,860	6,100	38.7%
30 5350 Membership/Subscriptions	40,400	28,600	(11,800)	-29.2%
31 5450 Office Equipment/Supplies	26,100	28,400	2,300	8.8%
<b>32 Professional Services</b>				
33 5510 Legal	60,000	60,000	-	0.0%
34 5520 Audit/Accounting	57,000	60,900	3,900	6.8%
35 5530 Human Resources	35,000	30,000	(5,000)	-14.3%
36 5540 Other Professional	200,000	200,000	-	0.0%
<b>37 Other Expense</b>				
38 5535 Mapping	4,000	4,000	-	0.0%
39 5550 Investment Admin Fees	850	850	-	0.0%
40 5600 Public Noticing / Communications	12,000	14,400	2,400	20.0%
41 5610 Unincorporated Areas Program	11,000	11,000	-	0.0%
42 5650 Rents/Improvements/Maintenance	115,000	118,700	3,700	3.2%
43 5675 Equipment Leases & Maintenance	8,100	8,100	-	0.0%
44 5700 Commissioner/Staff Expenses	5,000	5,000	-	0.0%
45 5710 Commission Stipends & Taxes/Fees	16,450	15,750	(700)	-4.3%
46 5740 Educational & Legislative Partnerships	-	16,000	16,000	0.0%
47 5750 Professional Development	20,000	20,000	-	0.0%
48 5800 Transportation & Travel	35,300	5,000	(30,300)	-85.8%
49 5850 Commission Meeting Expenses	12,400	10,000	(2,400)	-19.4%
<b>50 Operations, Prof. Services &amp; Other Total</b>	<b>728,460</b>	<b>714,760</b>	<b>(13,700)</b>	<b>-1.9%</b>
<b>51 Total Expense</b>	<b>1,860,050</b>	<b>1,837,990</b>	<b>(22,060)</b>	<b>-1.2%</b>
<b>52 Net Budget</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>



## Orange County Local Agency Formation Commission

### Final Budget

Fiscal Year 2025/26

APPROVED May 14, 2025

	FY 24/25 Adopted Budget	FY 25/26 Final Budget	\$ Budget Variance	% Budget Variance
Projected Cash Reserves				
<b>Reserved Cash</b>				
Contingency Reserve	100,000	\$ 100,000		
Litigation Reserve	75,000	75,000		
Unfunded Liability Reserve	30,000	30,000		
Operating Reserve (25% Budgeted Expenses)	465,013	459,498		
<b>Total Reserved Cash</b>	<b>670,013</b>	<b>664,498</b>		
<b>Unreserved Cash</b>				
Balance at the Beginning of FY	718,367	601,822		
Addition / (Drawdown) to Unreserved Cash	(240,340)	(110,340)		
<b>Total Unreserved Cash</b>	<b>478,027</b>	<b>491,482</b>		
<b>Total Projected Cash Reserves</b>	<b>\$ 1,148,039</b>	<b>\$ 1,155,979</b>		