



**City of Laguna Woods**  
**Central Service Cost Allocation Plan and Indirect Cost Rate Calculation**  
**"Full Cost Plan"**

**For Use in Fiscal Year 2025/26**  
**Based on Fiscal Year 2023/24 Actual Expenditures**

## Table of Contents

Contents	Page(s)
Use of Cost Allocation Plan and Indirect Cost Rate Outcomes (2 CFR 200 Plan/Full Cost Plan)	3
<b>Summary Calculation of the Indirect Cost Rate</b>	<b>4 - 5</b>
Purpose of the Central Service Cost Allocation Plan	6
Distribution of the Cost of Service to Benefitted Units	6
Identification of Support Service Programs, Summary of Allocable Costs and Allocation Bases	7 - 9
<b>Summary Schedule Showing the Allocation of Each Service to the Specific Benefitted Units</b>	<b>10 - 11</b>
Detail of Actual Costs and Adjustments for Support Service Programs	12 - 15
Derivation of Indirect Cost Allocation Pools for Each Support Service Cost Unit	16 - 19
Detail of Cost Allocation to Operating Units	20 - 23
Detail of Statistics Used for Allocation of Indirect Costs	24 - 26
Attachment	27
Attachment A - Reconciliation of Actual Expenditures to Amounts Used for Cost Allocation	28-29

## **Use of Cost Allocation Plan and Indirect Cost Rate Outcomes** **(2 CFR 200 Plan / Full Cost Plan)**

### **2 CFR 200 Plan**

This version of the cost allocation plan and the accompanying indirect cost rate is intended to comply with Federal Office of Management and Budget (OMB) 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. 2 CFR Part 200 establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments and federally-recognized Indian tribal governments (governmental units; non-federal entities).

***- This version of the plan and indirect cost rate should be used for recovery of costs from external funds such as Federal and/or State grants or agreements with other agencies for new awards and for additional funding to existing awards.***

### **Full Cost Plan**

This version of the cost allocation plan provides an accurate reflection of the total operational costs of the City, but is not intended to comply with 2 CFR Part 200.

***- This version of the plan and indirect cost rate may be used for:***

- Determining citywide overhead to be used in the fully-loaded cost basis for user and regulatory fees***
- Determining interfund charges (e.g. transfers from Enterprise/Utility funds to the City's General Fund for central service support provided).***

## Summary Calculation of the Indirect Cost Rate

City of Laguna Woods  
Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
Summary Calculation of the Indirect Cost Rate

**Calculation of Indirect Cost Rate**

Description	Total
Allocable Indirect Costs	\$1,619,774
Total Direct Costs (Modified)	\$6,304,557
<b>Indirect Cost Rate</b>	<b>26%</b>

*Note: The cost allocation outcomes and this rate may be used for determining citywide overhead to be used in the fully-loaded cost basis for user and regulatory fees and/or for determining interfund charges (e.g. transfers from Enterprise/Utility funds to the City's General Fund for central service support provided). This rate is not intended to comply with 2 CFR Part 200.*

## Purpose of the Central Service Cost Allocation Plan

Most governmental units provide certain services, such as motor pools, computer centers, purchasing, accounting, etc., to operating agencies on a centralized basis. These services are often called central services. In contrast, operating/direct service units typically provide services directly to members of the public, such as building plan check and inspection, police, and recreation services. Since many fee-related services are performed within the individual operating/direct service units there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process. All costs and other data used to distribute the costs included in the plan should be supported by formal accounting and other records that will support the propriety of the costs assigned to operating units.

Laguna Woods provides certain support services to operating units on a centralized basis. This plan allocates the costs of those support services to benefitted activities on a reasonable and consistent basis. This plan is supported by formal records that support the propriety of the assigned central service costs.

## Distribution of the Cost of Service to Benefitted Units

Laguna Woods operates as a "contract city" meaning that its small in-house staff leverages the resources of a variety of contract and joint powers organizations to provide efficient and cost effective services. While many central services are typically allocated based on factors such as "square footage occupied" or "employee count", these types of common allocation methods may actually over-allocate costs to certain of the City's operating units. In light of this, the cost plan allocates central services based on the modified total direct expenditures of the operating units receiving service. The modified total expenditures exclude pass-through amounts, transfers, non-operating expenditures, and capital expenditures. Additionally, the modified total expenditures have been adjusted to exclude distorting expenditures.

With the over-arching goal of creating a plan that equitably distributes the reasonable, allowable, and allocable costs of central services to benefitted units, several categories have been created to adjust for expenditures that could distort the allocation of central service costs. The adjustment categories are as follows:

- **Primary Public Safety Contract** - adjustments for contracts/expenses providing Police services delivery.
- **Major** - adjustments for contracts/expenses requiring significant support (e.g. Building Services Contract).
- **Moderate** - adjustments for contracts/expenditures requiring moderate support (e.g. Taxicab Voucher Program).
- **Minor** - adjustments for contracts/expenditures requiring minor support (e.g. Street Lighting).

Based on the categories above, the following adjustments are made:

- **Primary Public Safety Contract** - adjust out each contract/vendor expenditure after the first \$150,000.
- **Major** - adjust out each contract/vendor expenditure after the first \$50,000.
- **Moderate** - adjust out each contract/vendor expenditure after the first \$25,000.
- **Minor** - adjust out each contract/vendor expenditure after the first \$5,000.

This method produces an equitable distribution of costs while considering the additional effort required to achieve a greater degree of accuracy. Operating expenditures are readily identifiable, maintained by the City as part of its day-to-day operations and can be updated annually. Details regarding adjustments made to operating expenditures are found on pages 25 and 26 of this plan. If the operating structure of the City changes, or the City incorporates technology or financial enhancements that allow tracking and maintaining statistical data that can more accurately allocate costs without a disproportionate level of effort required to achieve greater accuracy, the City will update its allocation method.

**Identification of Support Service Programs,  
Summary of Allocable Costs and Allocation Bases**

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Identification of Support Service Programs, Summary of Allocable Costs and Allocation Bases

Program	Actual Expenditures	Unallowable Costs / Adjustments	Allocable Cost
City Council	\$ 18,192	\$ -	\$ 18,192
General Government	1,399,074	(306,925)	1,092,149
Administrative Services	509,432	-	509,432
<b>Total</b>	<b>\$ 1,926,699</b>	<b>\$ (306,925)</b>	<b>\$ 1,619,774</b>



City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Identification of Support Service Programs, Summary of Allocable Costs and Allocation Bases

Program	Cost Pool	Allocation Base	Allocable Cost
City Council	City Council General Gov't Svcs	Modified Total Direct Costs Adjusted for Distorting Expenditures	\$ 18,192
General Government	City Mgr, City Atty, City Svcs	Modified Total Direct Costs Adjusted for Distorting Expenditures	\$ 1,092,149
Administrative Services	Admin. Services, Finance, IT	Modified Total Direct Costs Adjusted for Distorting Expenditures	\$ 509,432
<b>Total Allocation of Estimated Central Service Costs to Benefitted Units</b>			<b>\$ 1,619,774</b>

**Summary Schedule Showing the Allocation of Each Service  
to the Specific Benefitted Units**

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Summary Schedule of Cost Allocation to All Programs

Fund	Program Description	Summary Allocation to Benefitted Units			
		City Council General Gov't Svcs	City Mgr, City Atty, City Svcs	Admin. Services, Finance, IT	Allocation of Central Service Costs to Benefitted Units
General Fd	City Council	\$ -	\$ -	\$ -	\$ -
General Fd	General Government	\$ -	\$ -	\$ -	\$ -
General Fd	Administrative Services	\$ -	\$ -	\$ -	\$ -
General Fd	Engineering & Infrastructure Services	\$ 3,199	\$ 192,030	\$ 89,572	\$ 284,801
General Fd	Planning & Environmental Services	\$ 7,147	\$ 429,076	\$ 200,142	\$ 636,365
General Fd	Public Safety Services	\$ 3,587	\$ 215,350	\$ 100,450	\$ 319,387
General Fd	Special Accounts	\$ -	\$ -	\$ -	\$ -
General Fd	Interfund Transfers	\$ -	\$ -	\$ -	\$ -
Transp'rtn	Fuel Tax	\$ 2,182	\$ 131,023	\$ 61,116	\$ 194,321
Transp'rtn	Road Repair and Accountability Act 2017	\$ -	\$ -	\$ -	\$ -
Transp'rtn	Measure M2	\$ 1,407	\$ 84,495	\$ 39,413	\$ 125,316
Public S'fty	Supplemental Law Enforcement Services Acct (SL)	\$ -	\$ -	\$ -	\$ -
Eng'rg & Infr Svcs	Mobile Source Reduction Fund	\$ -	\$ -	\$ -	\$ -
Comm Svcs	PEG/Cable Television	\$ -	\$ -	\$ -	\$ -
Comm Svcs	Senior Mobility	\$ 669	\$ 40,175	\$ 18,740	\$ 59,584
Comm Svcs	Community Development Block Grant	\$ -	\$ -	\$ -	\$ -
Comm Svcs	Civic Support Fund	\$ -	\$ -	\$ -	\$ -
Public S'fty	Federal Grants Programs Fund	\$ -	\$ -	\$ -	\$ -
Plann'g & Env Svcs	State of California Grants	\$ -	\$ -	\$ -	\$ -
Cap Projects	Capital Project Funds	\$ -	\$ -	\$ -	\$ -
<b>Total</b>		<b>\$ 18,192</b>	<b>\$ 1,092,149</b>	<b>\$ 509,432</b>	<b>\$ 1,619,774</b>

## **Detail of Actual Costs and Adjustments for Support Service Programs**

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Allocable Budget Unit Expenditure Details

Department
City Council

GL Category	Actual Expenditures	Adjustment for Unallowables	Allocable Indirect Costs	Notes
Monthly Compensation	\$ 14,400	\$ -	\$ 14,400	
Payroll Taxes	1,102	-	1,102	
Mileage and Parking	4	-	4	
Travel, Conferences & Meetings	2,687	-	2,687	
<b>Total</b>	<b>\$ 18,192</b>	<b>\$ -</b>	<b>\$ 18,192</b>	

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Allocable Budget Unit Expenditure Details

Department
General Government

GL Category	Actual Expenditures	Adjustment for Unallowables	Allocable Indirect Costs	Notes
Salaries, Full-Time	\$ 326,742	-	326,742	
Salaries & OH - Contra Acct.	(4,769)	-	(4,769)	
Salaries, Part-Time	51,236	-	51,236	
Supplemental Allowances	14,772	-	14,772	
Benefit Administration	2,652	-	2,652	
Fringe Benefits	30,295	-	30,295	
Retiree Medical	5,544	-	5,544	
Retirement	39,685	-	39,685	
Non-Op, Lump Sum Payments	306,925	(306,925)	-	[a]
Payroll Taxes	26,756	-	26,756	
Office Equipment & Maintenance	10,075	-	10,075	
Janitorial Services, City Hall	26,368	-	26,368	
Janitorial Services, Library	-	-	-	
Maintenance, City Hall	126,258	-	126,258	
Telephones, City Hall	26,508	-	26,508	
Utilities, Electric, City Hall	35,375	-	35,375	
Utilities, Gas, City Hall	685	-	685	
Utilities, Internet, City Hall	10,923	-	10,923	
Utilities, Water, City Hall	2,752	-	2,752	
SB2557 Property Tax Admin Fee	1,979	-	1,979	
Insurance	71,912	-	71,912	
Legal Services	179,258	-	179,258	[b]
Community Outreach	2,919	-	2,919	[c]
Meeting Accessibility and Broadcast Services	15,529	-	15,529	
Membership and Dues	12,135	-	12,135	[d]
Mileage and Parking	1,940	-	1,940	
Office Supplies & Activities	9,737	-	9,737	
Postage	2,672	-	2,672	
Printing	520	-	520	
Public Notices	23,858	-	23,858	
Records Management Services	5,637	-	5,637	
Travel, Conferences & Meetings	1,618	-	1,618	
Other Projects and Services	30,578	-	30,578	
<b>Total</b>	<b>\$ 1,399,074</b>	<b>\$ (306,925)</b>	<b>\$ 1,092,149</b>	

[a] Exclude non-operating costs.

[b] Legal services include counsel for general matters, and matters that affect the City's ability to enforce or modify its Municipal operations. Amounts and services will vary from year to year. Claims against government will be excluded.

[c] Community Outreach materials include ACFR summary information, maps, and awareness information.

[d] E.g. GFOA, CSMFO, City Clerk's Association membership dues.

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Allocable Budget Unit Expenditure Details

Department
Administrative Services

GL Category	Actual Expenditures	Adjustment for Unallowables	Allocable Indirect Costs	Notes
Salaries, Full-Time	\$ 231,829	\$ -	\$ 231,829	
Salaries & OH - Contra Acct.	(3,638)	-	(3,638)	
Supplemental Allowances	2,304	-	2,304	
Fringe Benefits	36,590	-	36,590	
Retirement	18,488	-	18,488	
Payroll Taxes	17,046	-	17,046	
Audit Services	27,218	-	27,218	
Finance and Payroll Services	55,506	-	55,506	
Card Processing Fees	26,125	-	26,125	
Information Technology Services	74,456	-	74,456	
Website Services	23,509	-	23,509	
<b>Total</b>	<b>\$ 509,432</b>	<b>\$ -</b>	<b>\$ 509,432</b>	

**Derivation of Indirect Cost Allocation Pools for Each Support Service Unit**



City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Derivation of Indirect Cost Allocation Pools

Department
City Council

GL Category	Allocable Cost	City Council General Gov't Svcs
Monthly Compensation	\$ 14,400	100%
Payroll Taxes	1,102	100%
Mileage and Parking	4	100%
Travel, Conferences & Meetings	2,687	100%
<b>Total</b>	<b>\$ 18,192</b>	<b>100%</b>

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Derivation of Indirect Cost Allocation Pools

Department
General Government

GL Category	Allocable Cost	City Mgr, City Atty, City Svcs
Salaries, Full-Time	\$ 326,742	100%
Salaries & OH - Contra Acct.	\$ (4,769)	100%
Salaries, Part-Time	\$ 51,236	100%
Supplemental Allowances	\$ 14,772	100%
Benefit Administration	\$ 2,652	100%
Fringe Benefits	\$ 30,295	100%
Retiree Medical	\$ 5,544	100%
Retirement	\$ 39,685	100%
Non-Op, Lump Sum Payments	\$ -	100%
Payroll Taxes	\$ 26,756	100%
Office Equipment & Maintenance	\$ 10,075	100%
Janitorial Services, City Hall	\$ 26,368	100%
Janitorial Services, Library	\$ -	100%
Maintenance, City Hall	\$ 126,258	100%
Telephones, City Hall	\$ 26,508	100%
Utilities, Electric, City Hall	\$ 35,375	100%
Utilities, Gas, City Hall	\$ 685	100%
Utilities, Internet, City Hall	\$ 10,923	100%
Utilities, Water, City Hall	\$ 2,752	100%
SB2557 Property Tax Admin Fee	\$ 1,979	100%
Insurance	\$ 71,912	100%
Legal Services	\$ 179,258	100%
Community Outreach	\$ 2,919	100%
Meeting Accessibility and Broadcast Services	\$ 15,529	100%
Membership and Dues	\$ 12,135	100%
Mileage and Parking	\$ 1,940	100%
Office Supplies & Activities	\$ 9,737	100%
Postage	\$ 2,672	100%
Printing	\$ 520	100%
Public Notices	\$ 23,858	100%
Records Management Services	\$ 5,637	100%
Travel, Conferences & Meetings	\$ 1,618	100%
Other Projects and Services	\$ 30,578	100%
<b>Total</b>	<b>\$ 1,092,149</b>	<b>100%</b>

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Derivation of Indirect Cost Allocation Pools

Department
Administrative Services

GL Category	Allocable Cost	Admin. Services, Finance, IT
Salaries, Full-Time	\$ 231,829	100%
Salaries & OH - Contra Acct.	\$ (3,638)	100%
Supplemental Allowances	\$ 2,304	100%
Fringe Benefits	\$ 36,590	100%
Retirement	\$ 18,488	100%
Payroll Taxes	\$ 17,046	100%
Audit Services	\$ 27,218	100%
Finance and Payroll Services	\$ 55,506	100%
Card Processing Fees	\$ 26,125	100%
Information Technology Services	\$ 74,456	100%
Website Services	\$ 23,509	100%
<b>Total</b>	<b>\$ 509,432</b>	<b>100%</b>

## **Detail of Cost Allocation to Operating Units**

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Detail of Cost Allocation to Programs

**Department: City Council**

**Cost Pool: City Council General Gov't Svcs**

**Allocation Base: Modified Total Direct Costs Adjusted for Distorting Expenditures**

Fund Description	Department / Program	Modified Total Direct Costs Adjusted for Distorting Expenditures	Share of Initial Allocation	Initial Allocation
General Fd	City Council	\$ -	0.0%	\$ -
General Fd	General Government	\$ -	0.0%	\$ -
General Fd	Administrative Services	\$ -	0.0%	\$ -
General Fd	Engineering & Infrastructure Services	\$ 181,814	17.6%	\$ 3,199
General Fd	Planning & Environmental Services	\$ 406,248	39.3%	\$ 7,147
General Fd	Public Safety Services	\$ 203,893	19.7%	\$ 3,587
General Fd	Special Accounts	\$ -	0.0%	\$ -
General Fd	Interfund Transfers	\$ -	0.0%	\$ -
Transp'rtn	Fuel Tax	\$ 124,053	12.0%	\$ 2,182
Transp'rtn	Road Repair and Accountability Act 2017	\$ -	0.0%	\$ -
Transp'rtn	Measure M2	\$ 80,000	7.7%	\$ 1,407
Public S'fty	Supplemental Law Enforcement Services Acct (\$	\$ -	0.0%	\$ -
Eng'rg & Infr Svcs	Mobile Source Reduction Fund	\$ -	0.0%	\$ -
Comm Svcs	PEG/Cable Television	\$ -	0.0%	\$ -
Comm Svcs	Senior Mobility	\$ 38,038	3.7%	\$ 669
Comm Svcs	Community Development Block Grant	\$ -	0.0%	\$ -
Comm Svcs	Civic Support Fund	\$ -	0.0%	\$ -
Public S'fty	Federal Grants Programs Fund	\$ -	0.0%	\$ -
Plann'g & Env Svcs	State of California Grants	\$ -	0.0%	\$ -
Cap Projects	Capital Project Funds	\$ -	0.0%	\$ -
<b>Total</b>		<b>\$ 1,034,044</b>	<b>100.0%</b>	<b>\$ 18,192</b>

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Detail of Cost Allocation to Programs

**Department: General Government**

**Cost Pool: City Mgr, City Atty, City Svcs**

**Allocation Base: Modified Total Direct Costs Adjusted for Distorting Expenditures**

Fund Description	Department / Program	Modified Total Direct Costs Adjusted for Distorting Expenditures	Share of Initial Allocation	Initial Allocation
General Fd	City Council	\$ -	0.0%	\$ -
General Fd	General Government	\$ -	0.0%	\$ -
General Fd	Administrative Services	\$ -	0.0%	\$ -
General Fd	Engineering & Infrastructure Services	\$ 181,814	17.6%	\$ 192,030
General Fd	Planning & Environmental Services	\$ 406,248	39.3%	\$ 429,076
General Fd	Public Safety Services	\$ 203,893	19.7%	\$ 215,350
General Fd	Special Accounts	\$ -	0.0%	\$ -
General Fd	Interfund Transfers	\$ -	0.0%	\$ -
Transp'rtn	Fuel Tax	\$ 124,053	12.0%	\$ 131,023
Transp'rtn	Road Repair and Accountability Act 2017	\$ -	0.0%	\$ -
Transp'rtn	Measure M2	\$ 80,000	7.7%	\$ 84,495
Public S'fty	Supplemental Law Enforcement Services Acct (\$	\$ -	0.0%	\$ -
Eng'rg & Infr Svcs	Mobile Source Reduction Fund	\$ -	0.0%	\$ -
Comm Svcs	PEG/Cable Television	\$ -	0.0%	\$ -
Comm Svcs	Senior Mobility	\$ 38,038	3.7%	\$ 40,175
Comm Svcs	Community Development Block Grant	\$ -	0.0%	\$ -
Comm Svcs	Civic Support Fund	\$ -	0.0%	\$ -
Public S'fty	Federal Grants Programs Fund	\$ -	0.0%	\$ -
Plann'g & Env Svcs	State of California Grants	\$ -	0.0%	\$ -
Cap Projects	Capital Project Funds	\$ -	0.0%	\$ -
<b>Total</b>		<b>\$ 1,034,044</b>	<b>100.0%</b>	<b>\$ 1,092,149</b>

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Detail of Cost Allocation to Programs

**Department: Administrative Services**

**Cost Pool: Admin. Services, Finance, IT**

**Allocation Base: Modified Total Direct Costs Adjusted for Distorting Expenditures**

Fund Description	Department / Program	Modified Total Direct Costs Adjusted for Distorting Expenditures	Share of Initial Allocation	Initial Allocation
General Fd	City Council	\$ -	0.0%	\$ -
General Fd	General Government	\$ -	0.0%	\$ -
General Fd	Administrative Services	\$ -	0.0%	\$ -
General Fd	Engineering & Infrastructure Services	\$ 181,814	17.6%	\$ 89,572
General Fd	Planning & Environmental Services	\$ 406,248	39.3%	\$ 200,142
General Fd	Public Safety Services	\$ 203,893	19.7%	\$ 100,450
General Fd	Special Accounts	\$ -	0.0%	\$ -
General Fd	Interfund Transfers	\$ -	0.0%	\$ -
Transp'rtn	Fuel Tax	\$ 124,053	12.0%	\$ 61,116
Transp'rtn	Road Repair and Accountability Act 2017	\$ -	0.0%	\$ -
Transp'rtn	Measure M2	\$ 80,000	7.7%	\$ 39,413
Public S'fty	Supplemental Law Enforcement Services Acct (\$	\$ -	0.0%	\$ -
Eng'rg & Infr Svcs	Mobile Source Reduction Fund	\$ -	0.0%	\$ -
Comm Svcs	PEG/Cable Television	\$ -	0.0%	\$ -
Comm Svcs	Senior Mobility	\$ 38,038	3.7%	\$ 18,740
Comm Svcs	Community Development Block Grant	\$ -	0.0%	\$ -
Comm Svcs	Civic Support Fund	\$ -	0.0%	\$ -
Public S'fty	Federal Grants Programs Fund	\$ -	0.0%	\$ -
Plann'g & Env Svcs	State of California Grants	\$ -	0.0%	\$ -
Cap Projects	Capital Project Funds	\$ -	0.0%	\$ -
<b>Total</b>		<b>\$ 1,034,044</b>	<b>100.0%</b>	<b>\$ 509,432</b>

## **Detail of Statistics Used for Allocation of Indirect Costs**



City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Detail of Statistics Used for Allocation of Indirect Costs

Fund Desc	Fd	Dept	Department / Program	Central Service Cost Center	Notes	Actual Expenditures	Adjustments	FY 23/24 Modified Expenditures	Modified Total Direct Costs	Share of Direct Costs	Adjustment for Distorting Expenditures (i.e. Contract Svcs) [e]	Modified Total Direct Costs Adjusted for Distorting Expenditures
General Fd	001	1000	City Council	Yes		\$ 18,192	\$ -	\$ 18,192	\$ -	0.00%	\$ -	\$ -
General Fd	001	1200	General Government	Yes		1,399,074	(306,925)	1,092,149	-	0.00%	-	-
General Fd	001	1500	Administrative Services	Yes		509,432	-	509,432	-	0.00%	-	-
General Fd	001	2100	Engineering & Infrastructure	No		369,912	-	369,912	369,912	5.87%	(188,098)	181,814
General Fd	001	2400	Planning & Environmental	No	[a]	1,726,087	(22,637)	1,703,450	1,703,450	27.02%	(1,297,202)	406,248
General Fd	001	2700	Public Safety Services	No	[a]	3,067,711	(33,060)	3,034,651	3,034,651	48.13%	(2,830,758)	203,893
General Fd	001	3000	Special Accounts	No	[a]	899	(899)	-	-	0.00%	-	-
General Fd	001	3300	Interfund Transfers	No	[b]	608,250	(608,250)	-	-	0.00%	-	-
Transp'rtm	100		Fuel Tax	No		378,271	-	378,271	378,271	6.00%	(254,218)	124,053
Transp'rtm	105		Road Repair and Account	No	[c]	244,732	(244,732)	-	-	0.00%	-	-
Transp'rtm	111		Measure M2	No	[d]	265,223	(650)	264,573	264,573	4.20%	(184,573)	80,000
Public S'fty	215		Supplemental Law Enforc	No		176,100	-	176,100	176,100	2.79%	(176,100)	-
Eng'rg & Inf	300		Mobile Source Reduction	No	[c]	10,711	(10,711)	-	-	0.00%	-	-
Comm Svcs	400		PEG/Cable Television	No	[a][e]	5,539	(5,539)	-	-	0.00%	-	-
Comm Svcs	410		Senior Mobility	No		377,600	-	377,600	377,600	5.99%	(339,562)	38,038
Comm Svcs	420		Community Development	No	[c]	416,793	(416,793)	-	-	0.00%	-	-
Comm Svcs	430		Civic Support Fund	No	[e]	48,651	(48,651)	-	-	0.00%	-	-
Public S'fty	433		Federal Grants Programs	No	[a][c]	824,756	(824,756)	-	-	0.00%	-	-
Plann'g & E	435		State of California Grants	No	[a]	22,205	(22,205)	-	-	0.00%	-	-
Cap Project	500		Capital Project Funds	No	[c]	189,969	(189,969)	-	-	0.00%	-	-
<b>Total</b>						<b>\$ 10,660,108</b>	<b>\$ (2,735,778)</b>	<b>\$ 7,924,330</b>	<b>\$ 6,304,557</b>	<b>100.00%</b>	<b>\$ (5,270,512)</b>	<b>\$ 1,034,044</b>

- [a] Adjustment to exclude periodic and non-operating expenses.
- [b] Adjustment to exclude Inter-Fund transfers.
- [c] Adjustment to exclude capital expenditures.
- [d] Adjustment to exclude allocated overhead expense.
- [e] Adjustment to exclude immaterial distorting expenses.
- [f] See worksheet labeled "Detail of Statistics Used for Allocation of Indirect Costs - Notes Regarding Distorting Expenditures" for details regarding these adjustments.

Fund Description	Department / Program	Adjustment for Distorting Expenditures (i.e. Contract Svcs)	Notes
General Fund	Engineering & Infrastructure Services	\$ (188,098)	Adjustment to: Landscape Svcs (\$64,524...retained \$25K for allocation - moderate). Landscape Svcs, M2 MOE (\$161,543...retained \$25K for allocation - moderate). Utilities, Street Lights, Resi (\$37,030...retained \$25K for allocation - moderate).
General Fund	Planning & Environmental Services	(1,297,202)	Adjustment to: Bldg Svcs (\$1,050,039...retained \$50K for allocation - major). Code Enforcement Services (\$105,373...retained \$25K for allocation - moderate). Comm. Waste Events & Collections (\$56,357...retained \$25K for allocation - moderate). Water Quality Services (\$136,000...retained \$50K for allocation - major). Planning Services (\$149,433...retained \$50K for allocation - major).
General Fund	Public Safety Services	(2,830,758)	Adjustment to: Animal Svcs (\$115,094...retained \$50K for allocation - major). Law Enforcement Services (\$2,915,664...retained \$150K for allocation)
Transp Fds	Fuel Tax	(254,218)	Adjustment to: Contract - Landscaping (\$276,604...retained \$50K for allocation - major). Contract - Street Maintenance (\$77,614...retained \$50K for allocation - major).
Transp Fds	Measure M2	(184,573)	Adjustment to: Contract - Traffic Engineering (\$158,859...retained \$50K for allocation - major). Contract - Traffic Signal Main (\$74,389...retained \$25K for allocation - moderate). Contract - Street Lighting - Public ROW (\$31,325 ... retained \$5,000 for allocation - minor).
Public Sfty Fds	Measure M2	(176,100)	Adjustment to: Supp. Law Enforcement Svcs - Capture allocation as part of GF Public Safety Svcs
Comm Svcs	Senior Mobility	\$ (339,562)	Adjustment to: Contract - Transportation (\$364,562...retained \$25K for allocation - moderate).
<b>Total</b>		<b>\$ (5,270,512)</b>	

## **Attachment**

## **Attachment A**

### **Reconciliation of Actual Expenditures to Amounts Used for Cost Allocation**

The cost allocation plan and indirect cost rate proposal allocate the actual costs of central service units and executive level support to operating units. The actual costs allocated in this cost allocation plan and indirect cost rate proposal are derived from the City's actual audited expenses for the period ended June 30, 2024.

A summary of the reconciliation is shown on the following pages.

City of Laguna Woods  
 Central Service Cost Allocation Plan For Use During Fiscal Year 2025/26  
 Attachment A

**Fiscal Year 2023/24 Actual Expenses**

Fund Description	Department / Program	Actual Expenditures	Allocated Indirect Costs	Exclusions and Adjustments	Modified Total Direct Costs	Total	Difference *	Notes
General Fd	City Council	\$ 18,192	\$ 18,192	\$ -	\$ (0)	\$ 18,192	\$ -	
General Fd	General Government	\$ 1,399,074	\$ 1,092,149	\$ 306,925	\$ -	\$ 1,399,074	\$ -	
General Fd	Administrative Services	\$ 509,432	\$ 509,432	\$ -	\$ -	\$ 509,432	\$ -	
General Fd	Engineering & Infrastructure Services	\$ 369,912	\$ -	\$ -	\$ 369,912	\$ 369,912	\$ -	
General Fd	Planning & Environmental Services	\$ 1,726,087	\$ -	\$ 22,637	\$ 1,703,450	\$ 1,726,087	\$ -	[a]
General Fd	Public Safety Services	\$ 3,067,711	\$ -	\$ 33,060	\$ 3,034,651	\$ 3,067,711	\$ -	[a]
General Fd	Special Accounts	\$ 899	\$ -	\$ 899	\$ -	\$ 899	\$ -	[a]
General Fd	Interfund Transfers	\$ 608,250	\$ -	\$ 608,250	\$ -	\$ 608,250	\$ -	[b]
Transp'rtn	Fuel Tax	\$ 378,271	\$ -	\$ -	\$ 378,271	\$ 378,271	\$ -	
Transp'rtn	Road Repair and Accountability Act 2017	\$ 244,732	\$ -	\$ 244,732	\$ -	\$ 244,732	\$ -	[c]
Transp'rtn	Measure M2	\$ 265,223	\$ -	\$ 650	\$ 264,573	\$ 265,223	\$ -	[d]
Public S'fty	Supplemental Law Enforcement Services Acct (S)	\$ 176,100	\$ -	\$ -	\$ 176,100	\$ 176,100	\$ -	
Eng'rg & Infr Svcs	Mobile Source Reduction Fund	\$ 10,711	\$ -	\$ 10,711	\$ -	\$ 10,711	\$ -	[c]
Comm Svcs	PEG/Cable Television	\$ 5,539	\$ -	\$ 5,539	\$ -	\$ 5,539	\$ -	
Comm Svcs	Senior Mobility	\$ 377,600	\$ -	\$ -	\$ 377,600	\$ 377,600	\$ -	
Comm Svcs	Community Development Block Grant	\$ 416,793	\$ -	\$ 416,793	\$ -	\$ 416,793	\$ -	[c]
Comm Svcs	Civic Support Fund	\$ 48,651	\$ -	\$ 48,651	\$ -	\$ 48,651	\$ -	[e]
Public S'fty	Federal Grants Programs Fund	\$ 824,756	\$ -	\$ 824,756	\$ -	\$ 824,756	\$ -	[a][c]
Plann'g & Env Svc	State of California Grants	\$ 22,205	\$ -	\$ 22,205	\$ -	\$ 22,205	\$ -	[a]
Cap Projects	Capital Project Funds	\$ 189,969	\$ -	\$ 189,969	\$ -	\$ 189,969	\$ -	[c]
<b>Total</b>		<b>\$ 10,660,108</b>	<b>\$ 1,619,774</b>	<b>\$ 2,735,778</b>	<b>\$ 6,304,557</b>	<b>\$ 10,660,108</b>	<b>\$ -</b>	

[a] Adjustment to exclude periodic and non-operating expenses.

[b] Adjustment to exclude Inter-Fund transfers.

[c] Adjustment to exclude capital expenditures.

[d] Adjustment to exclude allocated overhead expense.

[e] Adjustment to exclude immaterial distorting expenses.

[f] See worksheet labeled "Detail of Statistics Used for Allocation of Indirect Costs - Notes Regarding Distorting Expenditures" for details regarding these adjustments.