

LAFAYETTE CONSOLIDATED GOVERNMENT



City-Parish Funding Source Allocations
April 11, 2023



Agenda

Lafayette Consolidated Government
City-Parish Funding Source Allocations

Introduction

Project Overview

Project Methodology & Approach

Questions



MGT Introduction



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Vice President

Areas of Expertise:

Management Consulting

Client Training

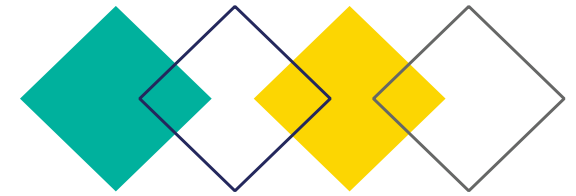
Performance Audits

Audit/Negotiations

Full & Federal Cost Allocation Plans

Indirect Cost Rates

User Fee Studies



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Financial Solutions

Human Capital Mgmt

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Strategic Planning

Diversity Equity &

Inclusion

13 years experience

with Lafayette

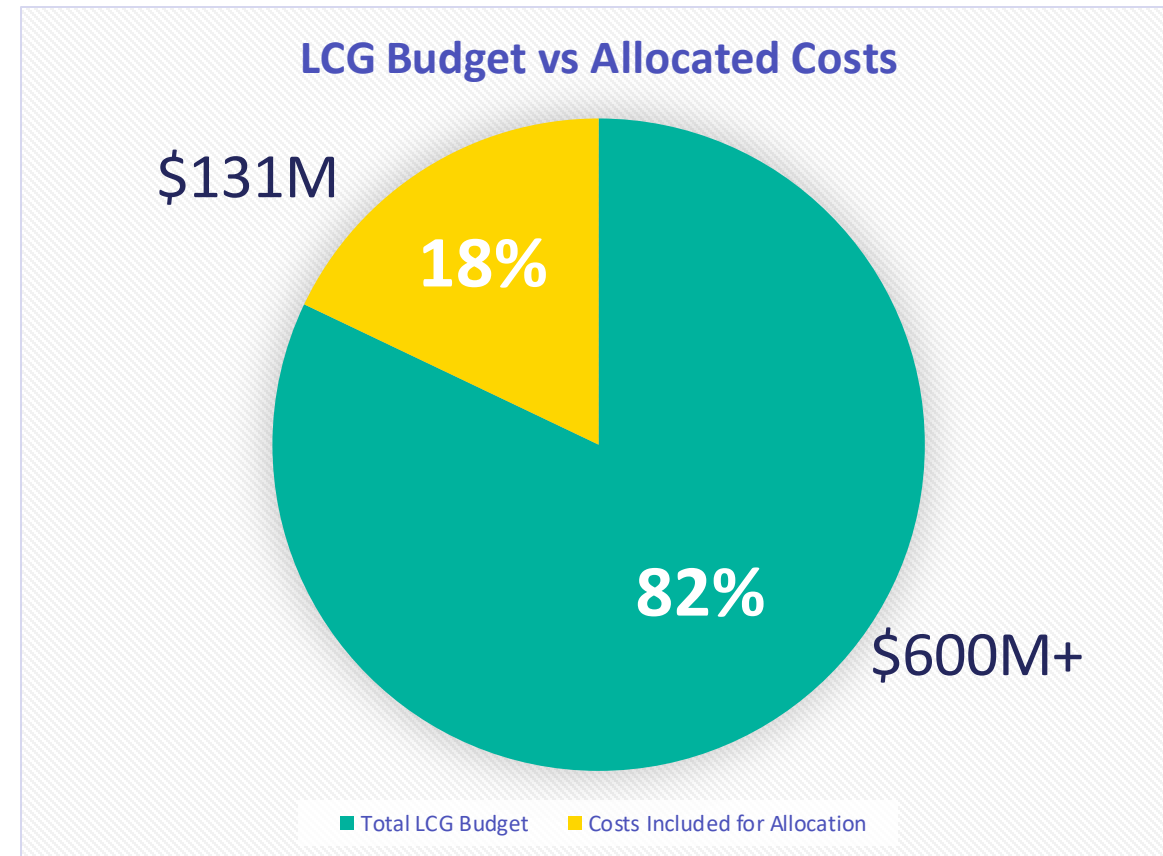
Consolidated

Government

2,000 cost allocation
plans in last 5 years for
local governments

Project Overview

- Goal of the project is to identify an equitable distribution of the operating costs of LCG between the various City and Parish funds.
- Not all funds are included
 - Only 18%
- Result is \$5.7M costs funded by City to be paid by Parish
 - Approx 1% of total budget





Project Overview

- Why do we do this calculation?
 - Many functions/services have a shared benefit to both the City and the Parish
- Distribution is accomplished through the preparation of a cost allocation plan



Project Overview

- What is a Cost Allocation Plan:
 - After-the-fact accounting document
 - Identifies the shared operating costs of LCG and who funds them
 - Identifies the most appropriate statistic to distribute the costs between City and Parish Funds
 - Statistics are applied to the shared operating costs
 - City share vs Parish share



Project Methodology & Approach

- General Criteria for allocation – share costs based on relative benefits received
 - Does the service benefit more than just the entity (fund) that funded the service?
 - Would the non-funding entity expend money for the activities if LCG was not consolidated?
 - Is the benefit received by the non-funding entity substantial enough to merit an allocation of costs?
- Evaluate departments using the above criteria
- Identify best available statistical measure for each department

Project Methodology & Approach

- Costs are allocated from departments that allow us to choose different statistical measures for each department.
- 25 unique allocation statistics are utilized in the calculation

Allocation Methods	
# of Employees	Est % of Staff Time (5100)
# of Employees (Civil Svc)	Est % of Staff Time (5131)
# of Employees ex Utilities	Est % of Staff Time (5132)
(SC-SP) Non-Dedicated Ad Valorem and Sales Tax Revenue	Est % of Staff Time (5133)
(SP) Non-Dedicated Ad Valorem and Sales Tax Revenue	Est % of Staff Time (5134)
Alcohol Permits	Fire Ops Respread
Budgeted Expenditures	Hazmat Responses
Direct - City CIP/Special Fund	Non-Dedicated Ad Valorem and Sales Tax Revenue
Direct - City Fund 101	Population (Parish Special)
Direct - Parish Fund 105	Sales Tax Revenue
Direct - Parish Spc Rev Fund	Traffic Signals
Direct Assignment for Repeat Offender Program	Traffic Signs
Direct Charge	



Project Methodology & Approach

- Example Allocations
 - Chief Financial Officer – allocated based on City/Parish budgeted expenditures
 - CAO Human Resources – allocated based on the # of employees
 - Fire HAZMAT – allocated based on # of hazmat responses
 - Traffic Engineering – allocated based on the # of traffic signs
 - Traffic Signal Maintenance – allocated based on the number of traffic signals
 - Planning – allocated based on the relative population of City vs Parish
- Aggregation of each individual allocation provides the overall results



Questions?



Thank You