



Local Agency Formation Commission of Napa County
Subdivision of the State of California

1030 Seminary Street, Suite B
Napa, California 94559
Phone: (707) 259-8645
Fax: (707) 251-1053
www.napa.lafco.ca.gov

We Manage Local Government Boundaries, Evaluate Municipal Services, and Protect Agriculture

Agenda Item 5e (Consent/Action)

TO: Local Agency Formation Commission

PREPARED BY: Brendon Freeman, Executive Officer

MEETING DATE: August 5, 2019

SUBJECT: Budget Adjustment for 2019-2020

RECOMMENDATION

It is recommended the Commission approve an adjustment to the 2019-2020 budget to increase the consulting services account by \$102,624 as reflected in Attachment One.

BACKGROUND AND SUMMARY

The Commission's 2018-2019 budget included \$694,173 in total expenses. Of this amount, \$188,050 was budgeted under Consulting Services (Account No. 52310) for consultant contracts for professional services.

At the end of the 2018-2019 fiscal year, the Commission's budget included unspent encumbrances for two consultant contracts with ECS and Policy Consulting Associates (PCA). Specifically, \$3,049.34 for ECS and \$99,574.27 for PCA were not spent by June 30, 2019. These balances were automatically added to the Commission's unrestricted fund balance ("reserves") at the end of the 2018-2019 fiscal year.

The \$3,049.34 balance for ECS and \$99,574.27 balance for PCA must be re-encumbered in the current fiscal year by way a budget adjustment. This budget adjustment was rounded up to the nearest whole dollar amount. The proposed budget adjustment is included as Attachment One and involves an increase to Consulting Services (Account No. 52310) in the amount of \$102,624 to be drawn from reserves. The adjusted budget for 2019-2020 that includes the budget adjustment is included as Attachment Two. Since this amount is a carry-over from the prior fiscal year, the budget adjustment will not impact the Commission's bottom line or contributions from the local funding agencies.

ATTACHMENTS

- 1) Proposed Budget Adjustment for 2019-2020
- 2) Proposed Adjusted Budget for 2019-2020

Kenneth Leary, Vice Chair
Councilmember, City of American Canyon

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Gregory Rodeno, Chair
Representative of the General Public

Margie Mohler, Commissioner
Councilmember, Town of Yountville

Diane Dillon, Commissioner
County of Napa Supervisor, 3rd District

Vacant, Alternate Commissioner
Representative of the General Public

Scott Sedgley, Alternate Commissioner
Councilmember, City of Napa

Ryan Gregory, Alternate Commissioner
County of Napa Supervisor, 2nd District

Brendon Freeman
Executive Officer

BUDGET ADJUSTMENT REQUEST
Increase In Expenses

Attachment One

Fiscal Year: 2019-2020

Date: 08/05/19
 Division: LAFCO
 Prepared By: Brendon Freeman
 Phone: (707)259-8645

Board # (If Appl): _____
 Budget Journal ID: _____
 Journal Entry ID: _____
 Date Posted: _____

Fund	Sub-Division	Program	Account	Descriptions	Increase	Decrease
8400	8400000		52310	Consulting Services	102,624.00	
Adjustment Totals					102,624.00	0.00

Justification: This amount was encumbered in 2018-2019 for existing consultant contracts where services were not fully rendered during the fiscal year.
These services will be rendered in the current fiscal year and therefore they need to be re-encumbered.

Department Authorization	Auditor-Controller	CEO's Recommendation	Board of Supervisor's Action
Budget Adjustment and Related Journal Entry, if applicable, reviewed and approved. _____ Date	Budget Adjustment and Related Journal Entry, if applicable, approved as to Accounting Form. _____ Date	<input type="checkbox"/> Approve <input type="checkbox"/> Disapprove _____ Date Budget Adjustment is in Accordance with Board Resolution 03-112 (>\$10,000)	<input type="checkbox"/> Approve <input type="checkbox"/> Disapprove _____ Date _____ Agenda Item
Department Head	Auditor-Controller	County Executive Officer	Clerk of the Board of Supervisors



Local Agency Formation Commission of Napa County
 Subdivision of the State of California

FY2019-2020 ADJUSTED OPERATING BUDGET

Presented on August 5, 2019

Expenses		FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	Difference	
		Adjusted *	Actual	Adjusted *	Actual	Adjusted *	Actual	Adjusted Budget		
Salaries and Benefits										
<u>Account</u>	<u>Description</u>									
51100	Salaries and Wages	192,301	157,926	230,519	163,069	242,150	216,627	269,085	26,935	11.1%
51200	401A Employer Contribution	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-	0.0%
51205	Cell Phone Allowance	420	404	420	420	420	420	420	-	0.0%
51210	Commissioner Per Diems	12,875	12,750	11,000	9,875	15,000	12,150	15,000	-	0.0%
51300	Medicare	3,424	2,334	3,500	2,358	3,709	3,132	4,090	381	10.3%
51305	FICA	550	490	500	398	500	550	500	-	0.0%
51400	Employee Insurance: Premiums	51,754	34,190	51,818	33,663	55,069	40,824	54,408	(661)	-1.2%
51405	Workers Compensation	2,221	2,221	719	719	880	880	675	(205)	-23.3%
51600	Retirement	43,690	30,437	46,010	29,067	52,259	42,414	53,691	1,432	2.7%
51605	Other Post Employment Benefits	14,987	14,987	14,214	14,216	14,357	14,357	16,134	1,777	12.4%
	Total Salaries & Benefits	323,222	256,739	359,700	256,085	386,569	332,170	415,003	28,434	7.4%
Services and Supplies										
<u>Account</u>	<u>Description</u>									
52105	Election Services	300	-	100	-	500	-	200	(300)	0.0%
52125	Accounting/Auditing Services	9,500	7,655	9,500	6,902	8,000	8,009	8,000	-	0.0%
52130	Information Technology Services	24,052	24,052	16,859	16,859	17,301	16,653	24,590	7,289	42.1%
52140	Legal Services	32,000	25,867	35,000	35,000	35,000	30,186	30,000	(5,000)	-14.3%
52310	Consulting Services *	78,840	35,415	52,311	30,221	188,050	84,209	112,624	(75,426)	-40.1%
52345	Janitorial Services	500	150	200	75	150	165	300	150	100.0%
52515	Maintenance-Software	2,000	1,779	2,000	1,779	2,000	1,779	2,000	-	0.0%
52600	Rents and Leases: Equipment	7,000	5,240	6,000	4,710	5,500	4,979	5,500	-	0.0%
52605	Rents and Leases: Building/Land	25,560	25,560	27,828	27,828	27,828	28,663	29,523	1,695	6.1%
52700	Insurance: Liability	1,206	1,206	249	249	70	70	4,554	4,484	6405.7%
52800	Communications/Telephone	3,000	3,021	3,000	3,041	3,000	3,837	3,000	-	0.0%
52830	Publications and Notices	2,000	1,588	2,000	1,562	2,000	967	1,500	(500)	-25.0%
52835	Filing Fees	500	400	500	150	500	200	250	(250)	-50.0%
52900	Training/Conference	10,000	8,050	9,000	7,091	9,000	13,770	12,295	3,295	36.6%
52905	Business Travel/Mileage	2,000	830	1,500	1,152	1,000	2,265	3,000	2,000	200.0%
53100	Office Supplies	4,000	1,949	3,000	1,768	2,000	2,275	2,000	-	0.0%
53110	Freight/Postage	500	250	300	253	300	100	300	-	0.0%
53120	Memberships/Certifications	2,548	2,548	2,726	2,726	2,805	2,805	3,261	456	16.3%
53205	Utilities: Electric	1,600	1,121	1,300	1,057	1,300	1,121	1,300	-	0.0%
53410	Computer Equipment/Accessories	-	418	500	539	500	645	300	(200)	-40.0%
56350	Business Related Meal/Supplies	-	652	350	916	750	479	500	(250)	-33.3%
	Total Services & Supplies	211,606	148,529	174,323	150,174	307,604	203,447	244,997	(62,607)	-20.4%
	EXPENSE TOTALS	534,828	405,268	534,023	406,259	694,173	535,617	660,000	(34,173)	-4.9%

* Operating expenses in fiscal years 16-17, 17-18, 18-19, and 19-20 were adjusted to re-encumber existing consultant contracts that were not fully utilized in the preceding fiscal years.

Revenues

		FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	Difference		
		Adopted Final	Actual	Adopted Final	Actual	Adopted Final	Actual	Adjusted Budget			
Intergovernmental											
<u>Account</u>	<u>Description</u>										
43910	County of Napa	224,972	224,972	213,724	213,724	224,410	224,410	235,631	11,221	5.0%	
43950	Other Governmental Agencies	224,972	224,972	213,724	213,724	224,410	224,410	235,631	11,221	5.0%	
----	<i>City of Napa</i>	149,066	149,066	143,028	143,028	148,793	148,793	154,514	5,721	3.8%	
----	<i>City of American Canyon</i>	35,330	35,330	34,380	34,380	35,803	35,803	38,707	2,904	8.1%	
----	<i>City of St. Helena</i>	15,908	15,908	13,856	13,856	14,897	14,897	15,357	460	3.1%	
----	<i>City of Calistoga</i>	13,208	13,208	12,349	12,349	13,673	13,673	15,575	1,902	13.9%	
----	<i>Town of Yountville</i>	11,458	11,458	10,111	10,111	11,243	11,243	11,478	235	2.1%	
	Total Intergovernmental	449,944	449,944	427,448	427,448	448,820	448,820	471,261	22,441	5.0%	
Service Charges											
<u>Account</u>	<u>Description</u>										
42690	Application/Permit Fees	30,000	5,043	20,000	9,471	20,000	41,451	25,000	5,000	25.0%	
46800	Charges for Services	500	250	500	250	500	500	500	-	0.0%	
	Total Service Charges	30,500	5,293	20,500	9,721	20,500	41,951	25,500	5,000	24.4%	
Investments											
<u>Account</u>	<u>Description</u>										
45100	Interest	2,000	4,592	5,000	6,701	7,000	12,486	7,000	-	0.0%	
	Total Investments	2,000	4,592	5,000	6,701	7,000	12,486	7,000	-	0.0%	
	REVENUE TOTALS	482,444	459,829	452,948	443,870	476,320	503,257	503,761	27,441	5.8%	
OPERATING DIFFERENCE		(52,384)	54,561	(81,075)	37,611	(217,853)	(32,360)	(156,239)			

Negative Balance Indicates Use of Unrestricted Fund Balance Reserves

	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Adjusted Budget
RESTRICTED FUND BALANCE (EQUIPMENT REPLACEMENT RESERVE)				
Beginning:	19,657	19,657	19,657	19,657
Ending:	19,657	19,657	19,657	19,657
UNRESERVED/UNRESTRICTED FUND BALANCE				
Beginning:	350,874	405,435	443,046	410,686
Ending:	405,435	443,046	410,686	254,447
TOTAL FUND BALANCE				
Beginning:	370,531	425,092	462,703	430,343
Ending:	425,092	462,703	430,343	274,104
MINIMUM FOUR MONTH RESERVE GOAL	178,276	178,008	231,391	220,000