



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

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

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**Agenda Item 8b (Information)**

**TO:** Local Agency Formation Commission

**PREPARED BY:** Brendon Freeman, Executive Officer

**MEETING DATE:** February 1, 2021

**SUBJECT:** Second Quarter Budget Report for 2020-2021

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**BACKGROUND AND SUMMARY**

This item is for information purposes only. Accordingly, if interested, the Commission is invited to pull this item for additional discussion with the concurrence of the Chair.

The Commission will receive a second quarter budget report for fiscal year 2020-2021 that compares budgeted versus actual transactions through December 31, 2020.

On June 1, 2020, the Commission adopted a final budget for fiscal year 2020-2021. Three budget adjustments were subsequently approved to transfer budgeted expenses between various accounts resulting in a net zero effect on the Commission's bottom line.

The Commission's adjusted budget for 2020-2021 totals \$566,394. This amount represents the total approved operating expenditures divided between salaries and benefits, services and supplies, and contingencies. Budgeted revenues total \$519,084 divided between intergovernmental fees, service charges, and investments. An operating shortfall of \$47,310 has been intentionally budgeted to reduce the burden on the local funding agencies (i.e., Napa County and the five cities/town). The shortfall will be covered by drawing down on the Commission's undesignated/unreserved fund balance ("reserves").

A second quarter budget sheet with year-end projections is included as Attachment One. The Commission is projected to finish the fiscal year with a budget shortfall of \$35,541 as summarized on the following page.

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Margie Mohler, Chair  
Councilmember, Town of Yountville

Mariam Aboudamous, Commissioner  
Councilmember, City of American Canyon

Beth Painter, Alternate Commissioner  
Councilmember, City of Napa

Diane Dillon, Vice Chair  
County of Napa Supervisor, 3rd District

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

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

Vacant  
Representative of the General Public

Eve Kahn, Alternate Commissioner  
Representative of the General Public

Brendon Freeman  
Executive Officer

### ***Operating Revenues***

The Commission's operating revenues for 2020-2021 are budgeted at \$519,084. Actual revenues collected through the second quarter totaled \$483,616. This amount represents 93.2% of the budgeted amount with 50% of the fiscal year complete. Actuals through the second quarter and related analysis suggest the Commission will finish the fiscal year with \$519,825 in total revenues, representing \$741 or 0.1% more than the amount in the adjusted budget. See Attachment One for additional information on actual revenues through the second quarter and projected year-end revenues.

### ***Operating Expenses***

The Commission's operating expenses for 2020-2021 are budgeted at \$566,394. Actual expenses through the second quarter totaled \$264,421. This amount represents 46.7% of the budgeted total with 50% of the fiscal year complete. Actuals through the second quarter and related analysis suggest the Commission will finish the fiscal year with \$555,366 in total expenses, representing \$11,028 or 1.9% less than the amount in the adjusted budget. See Attachment One for additional information on actual expenses through the second quarter and projected year-end expenses.

### ***Reserves***

Local policy directs the Commission to maintain reserves equal to a minimum of four months, or 33.3%, of budgeted operating expenses. The Commission's audit report for fiscal year 2019-2020 indicates reserves totaled \$300,105 as of July 1, 2020, representing 53.0% of expenditures in the adjusted budget. The Commission is projected to finish the fiscal year with a budget shortfall of \$35,541, which would reduce reserves to \$264,564, or 46.7%, of expenses in the budget. This projected year-end amount is consistent with the minimum established under local policy.

## **ATTACHMENT**

- 1) 2020-2021 Second Quarter Budget Sheet with Year-End Projections

# LAFCO FY 2020-2021 Second Quarter Budget Report

## Revenues and Expenses through 12/31/20 with Year-End Projections

Account	Category	Adopted Budget	Budget Adjustments	Adjusted Budget	Actual YTD	YTD Percent of Budget	Year-End Projection	Year-End Projection Percent of Budget
<b>Revenues</b>								
42690	Permits/Application Fees	21,060	-	21,060	7,800	37.0%	23,400	111.1%
43910	County of Napa	242,700	-	242,700	242,700	100.0%	242,700	100.0%
43950	Other-Governmental Agencies	242,700	-	242,700	227,541	93.8%	242,700	100.0%
45100	Interest	12,000	-	12,000	5,138	42.8%	10,276	85.6%
46800	Charges for Services	624	-	624	437	70.0%	749	120.0%
<b>Total Revenues</b>		<b>519,084</b>	<b>-</b>	<b>519,084</b>	<b>483,616</b>	<b>93.2%</b>	<b>519,825</b>	<b>100.1%</b>
<b>Expenses</b>								
51210	Director/Commissioner Pay	12,500	-	12,500	7,320	58.6%	12,500	100.0%
51300	Medicare	250	-	250	104	41.6%	210	84.0%
51305	FICA	500	-	500	297	59.4%	595	119.0%
52100	Administration Services	415,869	-	415,869	174,912	42.1%	410,000	98.6%
52125	Accounting/Auditing Services	7,500	-	7,500	5,770	76.9%	7,500	100.0%
52130	Information Technology Service	24,323	-	24,323	12,162	50.0%	24,323	100.0%
52140	Legal Services	17,500	10,000	27,500	14,987	54.5%	27,500	100.0%
52310	Consulting Services	-	25,551	25,551	25,500	99.8%	25,551	100.0%
52345	Janitorial Services	300	-	300	75	25.0%	300	100.0%
52515	Maintenance-Software	1,930	-	1,930	350	18.1%	1,930	100.0%
52600	Rents and Leases - Equipment	5,500	-	5,500	1,565	28.5%	4,600	83.6%
52605	Rents and Leases - Bldg/Land	29,523	886	30,409	15,204	50.0%	30,409	100.0%
52700	Insurance - Liability	813	-	813	406	49.9%	813	100.0%
52800	Communications/Telephone	3,500	-	3,500	914	26.1%	1,850	52.9%
52830	Publications & Legal Notices	1,500	-	1,500	208	13.9%	750	50.0%
52835	Filing Fees	50	-	50	50	100.0%	100	200.0%
52900	Training/Conference Expenses	6,000	(5,011)	989	200	20.2%	400	40.4%
52905	Business Travel/Mileage	1,000	-	1,000	-	0.0%	250	25.0%
53100	Office Supplies	1,250	-	1,250	504	40.3%	1,000	80.0%
53110	Freight/Postage	350	-	350	50	14.3%	150	42.9%
53120	Memberships/Certifications	2,985	75	3,060	3,060	100.0%	3,060	100.0%
53205	Utilities - Electric	1,500	-	1,500	750	50.0%	1,500	100.0%
53410	Computer Equipment/Accessories	6,000	(6,000)	-	-	0.0%	-	0.0%
53650	Business Related Meal/Supplies	250	-	250	33	13.1%	75	30.0%
<b>Total Expenditures</b>		<b>540,893</b>	<b>25,501</b>	<b>566,394</b>	<b>264,421</b>	<b>46.7%</b>	<b>555,366</b>	<b>98.1%</b>
<b>Net Surplus (Deficit)</b>		<b>(21,809)</b>	<b>(25,501)</b>	<b>(47,310)</b>	<b>219,195</b>	<b>38.7%</b>	<b>(35,541)</b>	<b>(8.9%)</b>