



**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 6d (Consent/Action)**

**TO:** Local Agency Formation Commission

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

**MEETING DATE:** August 6, 2018

**SUBJECT:** Budget Adjustment for 2018-2019

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**RECOMMENDATION**

It is recommended the Commission approve an adjustment to the 2018-2019 budget to increase the consulting services account by \$3,050 as reflected in Attachment One.

**BACKGROUND AND SUMMARY**

The Commission's 2017-2018 budget included \$534,023 in total expenses. Of this amount, \$52,311 was budgeted under Consulting Services (Account No. 52310) for consultant contracts for professional services.

At the end of the 2017-2018 fiscal year, the Commission's budget included unspent encumbrances for a consultant contract with ECS for historical file back-scanning for the electronic document management system. Specifically, \$3,049.34 for ECS was not spent by June 30, 2018. This balance was automatically added to the Commission's unrestricted fund balance ("reserves") at the end of the 2017-2018 fiscal year.

The \$3,049.34 balance for ECS 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 \$3,050 to be drawn from reserves. The adjusted budget for 2018-2019 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 2018-2019
- 2) Proposed Adjusted Budget for 2018-2019

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Margie Mohler, Chair  
Councilmember, Town of Yountville

Scott Sedgley, Commissioner  
Councilmember, City of Napa

Kenneth Leary, Alternate Commissioner  
Councilmember, City of American Canyon

Brad Wagenknecht, Vice Chair  
County of Napa Supervisor, 1st District

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

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

Gregory Rodeno, Commissioner  
Representative of the General Public

Erik Lawrence, Alternate Commissioner  
Representative of the General Public

Brendon Freeman  
Executive Officer

**BUDGET ADJUSTMENT REQUEST**

Increase/Decrease Between Expenses  
 Increase/Decrease Between Revenues

Fiscal Year: 2018-2019

Date: 08/06/18  
 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	3,050.00	
<b>Adjustment Totals</b>					<b>3,050.00</b>	<b>0.00</b>

Justification: This amount was encumbered in 2017-2018 for the existing consultant contract with ECS. Professional 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 by way of a budget adjustment.

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 _____	[ ] Approve [ ] Disapprove Date _____  Budget Adjustment is in Accordance with Board Resolution 03-112 ( >\$10,000 )	[ ] Approve [ ] 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

**FY2018-2019 ADJUSTED OPERATING BUDGET**  
 Proposed on August 6, 2018

**Expenses**

		FY2015-16		FY2016-17		FY2017-18		FY2018-19	Difference	
		Adjusted FY15-16	Actual FY15-16	Adjusted FY16-17	Actual FY16-17	Adjusted FY17-18	Actual FY17-18	Adjusted Budget FY18-19		
<b>Salaries and Benefits</b>										
<u>Account</u>	<u>Description</u>									
51100 *	Salaries and Wages	152,582	138,142	192,301	157,926	230,519	163,069	242,150	11,631	5.0%
51200 *	401A Employer Contribution	-	2,000	1,000	1,000	1,000	1,000	1,000	-	0.0%
51205 *	Cell Phone Allowance	840	401	420	404	420	420	420	-	0.0%
51210	Commissioner Per Diems	11,000	9,375	12,875	12,750	11,000	9,875	15,000	4,000	36.4%
51300 *	Medicare	3,251	1,951	3,424	2,334	3,500	2,358	3,709	209	6.0%
51305	FICA	500	395	550	490	500	398	500	-	0.0%
51400 *	Employee Insurance: Premiums	42,936	25,002	51,754	34,190	51,818	33,663	55,069	3,251	6.3%
51405 *	Workers Compensation	500	461	2,221	2,221	719	719	880	161	22.4%
51600 *	Retirement	43,791	24,721	43,690	30,437	46,010	29,067	52,259	6,249	13.6%
51601 *	Retirement Cost Sharing	-	-	-	-	-	(27)	-	-	-
51602 *	Retirement EPMC	-	-	-	-	-	1,327	1,225	1,225	NEW
51605 *	Other Post Employment Benefits	14,751	14,750	14,987	14,987	14,214	14,216	14,357	143	1.0%
	<b>Total</b>	<b>270,151</b>	<b>217,197</b>	<b>323,222</b>	<b>256,739</b>	<b>359,700</b>	<b>256,085</b>	<b>386,569</b>	<b>26,869</b>	<b>7.5%</b>

\* These accounts have been combined and reclassified under Services and Supplies as Administration Services (Account No. 52100). For transparency purposes, this budget sheet displays the old individual accounts.

Expenses

		FY2015-16		FY2016-17		FY2017-18		FY2018-19		
		Adjusted FY15-16	Actual FY15-16	Adjusted FY16-17	Actual FY16-17	Adjusted FY17-18	Actual FY17-18	Adjusted Budget FY18-19	<i>Difference</i>	
<b>Services and Supplies</b>										
<u>Account</u>	<u>Description</u>									
52100 *	Administration Services	258,651	207,428	309,797	243,499	348,200	245,812	371,069	22,869	6.6%
52105	Election Services	150	-	300	-	100	-	500	400	0.0%
52125	Accounting/Auditing Services	10,000	7,496	9,500	7,655	9,500	6,902	8,000	(1,500)	-15.8%
52130	Information Technology Services	24,052	24,052	24,052	24,052	16,859	16,859	17,301	442	2.6%
52132	ITS - Records Mgmt. Services	-	-	-	-	-	6,296	-	-	NEW
52140	Legal Services	28,600	26,093	32,000	25,867	35,000	35,000	35,000	-	0.0%
52310	Consulting Services	126,600	59,177	78,840	35,415	52,311	30,221	188,050	135,739	259.5%
52345	Janitorial Services	-	420	500	150	200	75	150	(50)	-25.0%
52515	Maintenance-Software	1,500	1,869	2,000	1,779	2,000	1,779	2,000	-	0.0%
52600	Rents and Leases: Equipment	6,500	5,962	7,000	5,240	6,000	4,710	5,500	(500)	-8.3%
52605	Rents and Leases: Building/Land	25,560	25,560	25,560	25,560	27,828	27,828	27,828	-	0.0%
52700	Insurance: Liability	150	304	1,206	1,206	249	249	70	(179)	-71.9%
52800	Communications/Telephone	2,000	3,424	3,000	3,021	3,000	3,041	3,000	-	0.0%
52830	Publications and Notices	1,500	1,406	2,000	1,588	2,000	1,562	2,000	-	0.0%
52835	Filing Fees	500	200	500	400	500	150	500	-	0.0%
52900	Training/Conference	10,000	7,041	10,000	8,050	9,000	7,091	9,000	-	0.0%
52905	Business Travel/Mileage	2,000	1,110	2,000	830	1,500	1,152	1,000	(500)	-33.3%
52906	Fleet Charges	-	-	-	38	100	-	50	(50)	-50.0%
53100	Office Supplies	4,000	2,435	4,000	1,949	3,000	1,768	2,000	(1,000)	-33.3%
53110	Freight/Postage	500	200	500	250	300	253	300	-	0.0%
53120	Memberships/Certifications	2,381	2,381	2,548	2,548	2,726	2,726	2,805	79	2.9%
53205	Utilities: Electric	1,100	1,261	1,600	1,121	1,300	1,057	1,300	-	0.0%
53410	Computer Equipment/Accessories	-	-	-	418	500	539	500	-	0.0%
53415	Computer Software/License	500	-	1,000	145	-	-	-	-	-
53600	Special Departmental Expense	4,000	113	3,500	595	-	-	-	-	-
56350	Business Related Meal/Supplies	-	-	-	652	350	916	750	400	114.3%
54600	Capital Replacement/Depreciation	3,940	-	-	-	-	-	-	-	-
	<b>Total</b>	255,533	170,504	211,606	148,529	174,323	150,174	307,604	133,281	76.5%
<b>Contingencies and Reserves</b>										
<u>Account</u>	<u>Description</u>									
58100	Appropriation for Contingencies	-	-	-	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-	-	-	-
	<b>EXPENSE TOTALS</b>	525,684	387,701	534,828	405,268	534,023	406,259	694,173	160,150	30.0%

\* This account reflects the Salaries and Benefits (S&B) accounts that have been combined and reclassified under Services and Supplies as Administration Services and were already added to total expenses under S&B.  
 Operating expenses for 2015-2016 reflect a one-time \$25,000 cost associated with EDMS back-filing project. Agency reserves were utilized to cover this cost.  
 Operating expenses for 2016-2017 reflect a one-time \$28,640 increase associated with re-encumbering existing consultant contracts that were not fully utilized in 2015-2016.  
 Operating expenses for 2017-2018 reflect a one-time \$26,811 increase associated with re-encumbering existing consultant contracts that were not fully utilized in 2016-2017.  
 Operating expenses for 2018-2019 reflect a one-time \$3,050 increase associated with re-encumbering an existing consultant contract that was not fully utilized in 2017-2018.

Revenues

		FY2015-16		FY2016-17		FY2017-18		FY2018-19		
		Adjusted FY15-16	Actual FY15-16	Adjusted FY16-17	Actual FY16-17	Adjusted FY17-18	Actual FY17-18	Adjusted Budget FY18-19		
<b>Intergovernmental</b>										
<u>Account</u>	<u>Description</u>								<u>Difference</u>	
43910	County of Napa	224,972	224,972	224,972	224,972	213,724	213,724	224,410	10,686	5.0%
43950	Other Governmental Agencies	224,972	224,972	224,972	224,972	213,724	213,724	224,410	10,686	5.0%
----	<i>City of Napa</i>	149,571	149,571	149,066	149,066	143,028	143,028	148,793	5,765	4.0%
----	<i>City of American Canyon</i>	35,997	35,997	35,330	35,330	34,380	34,380	35,803	1,423	4.1%
----	<i>City of St. Helena</i>	14,582	14,582	15,908	15,908	13,856	13,856	14,897	1,041	7.5%
----	<i>City of Calistoga</i>	13,467	13,467	13,208	13,208	12,349	12,349	13,673	1,324	10.7%
----	<i>Town of Yountville</i>	11,355	11,355	11,458	11,458	10,111	10,111	11,243	1,132	11.2%
	<b>Total</b>	449,944	449,944	449,944	449,944	427,448	427,448	448,819	21,371	5.0%
<b>Service Charges</b>										
42690	Application/Permit Fees	30,000	26,322	30,000	5,043	20,000	9,471	20,000	-	0.0%
46800	Charges for Services	500	625	500	250	500	250	500	-	0.0%
47900	Miscellaneous	-	-	-	-	-	-	-	-	0.0%
	<b>Total</b>	30,500	26,947	30,500	5,293	20,500	9,721	20,500	-	0.0%
<b>Investments</b>										
45100	Interest	2,000	2,246	2,000	4,592	5,000	6,701	7,000	2,000	40.0%
	<b>Total</b>	2,000	2,246	2,000	4,592	5,000	6,701	7,000	2,000	40.0%
	<b>REVENUE TOTALS</b>	482,444	479,137	482,444	459,829	452,948	443,870	476,319	23,371	5.2%
<b>OPERATING DIFFERENCE</b>		(43,240)	91,436	(52,384)	54,561	(81,075)	37,611	(217,854)		

Negative Balance Indicates Use of Unrestricted Fund Balance Reserves

	2015-2016 Actual	2016-2017 Actual	2017-2018 Actual	2018-2019 Adjusted Budget
<b>RESTRICTED FUND BALANCE (EQUIPMENT REPLACEMENT RESERVE)</b>				
Beginning:	19,657	19,657	19,657	19,657
Ending:	19,657	19,657	19,657	19,657
<b>UNRESERVED/UNRESTRICTED FUND BALANCE</b>				
Beginning:	259,438	350,874	405,435	443,046
Ending:	350,874	405,435	443,046	225,192
<b>TOTAL FUND BALANCE</b>				
Beginning:	279,095	370,531	425,092	462,703
Ending:	370,531	425,092	462,703	244,849
<b>MINIMUM FOUR MONTH RESERVE GOAL</b>	173,915	178,276	178,008	231,391