



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

1754 Second Street, Suite C
Napa, California 94559
Phone: (707) 259-8645
www.napa.lafco.ca.gov

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

Agenda Item 7a (Public Hearing)

TO: Local Agency Formation Commission

PREPARED BY: Brendon Freeman, Executive Officer *BF*

MEETING DATE: June 5, 2023

SUBJECT: Final Budget for Fiscal Year 2023-24, Amendment to the Schedule of Fees and Deposits, and Work Program for Fiscal Year 2023-24

RECOMMENDATION

It is recommended the Commission take the following actions:

- 1) Open the public hearing and take testimony;
- 2) Close the public hearing;
- 3) Adopt the Resolution of the Local Agency Formation Commission of Napa County Adopting a Final Budget for Fiscal Year 2023-24 (Attachment One);
- 4) Adopt the Resolution of the Local Agency Formation Commission of Napa County Amendment to Adopted Schedule of Fees and Deposits (Attachment Two);
- 5) Adopt the Resolution of the Local Agency Formation Commission of Napa County Adopting a Work Program for Fiscal Year 2023-24 (Attachment Three); and
- 6) Consider establishing an ad hoc subcommittee and appointing two members of the Commission to advise staff in the preparation of a request for proposals (RFP) and the selection of a consultant to prepare a Countywide Fire Protection and Emergency Medical Services Municipal Service Review.

BACKGROUND AND SUMMARY

LAFCOs are responsible for annually adopting a proposed budget by May 1st and a final budget by June 15th pursuant to California Government Code Section 56381. This statute specifies the proposed and final budgets shall – at a minimum – be equal to the budget adopted for the previous fiscal year unless LAFCO finds the reduced costs will nevertheless allow the agency to fulfill its prescribed regulatory and planning duties.

Margie Mohler, Chair
Councilmember, Town of Yountville

Beth Painter, Commissioner
Councilmember, City of Napa

Mariam Aboudamous, Alternate Commissioner
Councilmember, City of American Canyon

Anne Cottrell, Vice Chair
County of Napa Supervisor, 3rd District

Belia Ramos, Commissioner
County of Napa Supervisor, 5th District

Joelle Gallagher, Alternate Commissioner
County of Napa Supervisor, 1st District

Kenneth Leary, Commissioner
Representative of the General Public

Eve Kahn, Alternate Commissioner
Representative of the General Public

Brendon Freeman
Executive Officer

Budgeting Policies

Consistent with the Commission's *Budget Policy* ("the Policy"), included as Attachment Four, the Commission appointed Commissioners Mohler and Leary to serve on an ad hoc Budget Committee ("the Committee") to inform the Commission's decision-making process in adopting an annual operating budget. The Policy directs the Committee to also consider the Commission's work program.

The Commission is directed to control operating expenses by utilizing its available undesignated/unreserved fund balance ("reserves") whenever possible and appropriate. The Commission is also directed to retain sufficient reserves to equal no less than one third (i.e., four months) of the budgeted operating expenses in the affected fiscal year.

Prescriptive Funding Sources

The Commission's annual operating expenses are primarily funded by the County of Napa and the Cities of American Canyon, Calistoga, Napa, St. Helena, and Town of Yountville. State law specifies the County is responsible for one-half of the Commission's operating expenses while the remaining amount is to be apportioned among the cities and town. The current formula for allocating the cities' and town's shares of the Commission's budget was adopted by the municipalities in 2003 and is based on a weighted calculation of population (60%) and general tax revenues (40%). Additional funding – typically less than 10% of total revenues – is budgeted from anticipated application fees and interest earnings.

Actions to Date

The Committee met on February 22, 2023 to prepare a draft budget. The Committee also agreed the Commission's adopted *Schedule of Fees and Deposits* ("Fee Schedule") should be amended to clarify various application fee procedures. Lastly, the Committee discussed a draft work program with staff, including the concept of a potential countywide fire study.

On April 3, 2023, staff presented a proposed budget and a draft work program to the Commission. The Commission adopted the proposed budget with one key change to increase budgeted expenses for consulting services by \$100,000 for purposes of initiating a countywide fire study. The Commission also directed staff to return with a final work program that includes a countywide fire study.

The adopted proposed budget – with the aforementioned change – was circulated to each of the county, city, and town managers, as well as the general public, for review and comment through May 5, 2023. No comments were received.

Final Budget Summary

The Commission will consider approving a final budget for fiscal year 2023-24 with operating expenses totaling \$812,946 and operating revenues totaling \$709,436. The final budget positions the Commission to finish the 2023-24 fiscal year with available reserves totaling \$279,670 or 34.4% of proposed operating expenses. Therefore, the final budget would result in sufficient reserves to meet the Policy directive to retain reserves equal to no less than one-third of operating expenses.

Operating Expenses

Operating expenses in the final budget total \$812,946. This includes an increase of \$3,510 from the adopted proposed budget. A summary follows.

Salaries and Benefits Unit

This budget unit is proposed to total \$15,850 and is primarily associated with Commissioner per diems for attendance at meetings, conferences, trainings, and other activities related to LAFCO business. Staff salaries and benefits are categorized under Administration Services (Account No. 52100) within the Services and Supplies budget unit as summarized below.

Services and Supplies Unit

This budget unit is proposed to total \$797,096. The following is a summary of expense accounts that differ by at least \$1,000 compared to the current fiscal year:

- 1) Increase Administration Services (Account No. 52100) from \$509,844 to \$548,598 to reflect the recent hiring of a full-time Clerk/Jr. Analyst. The \$3,510 increase in budgeted expenses as compared to the adopted proposed budget can be wholly attributed to the final salary for the Clerk/Jr. Analyst. Notably, the final budget includes \$2,000 for the County of Napa's 401(a) Employer Contribution, which is included under Administration Services. The Executive Officer and Assistant Executive Officer are authorized to participate in the 401(a) retirement savings plan.
- 2) Increase Information Technology Services (Account No. 52130) from \$23,974 to \$34,309 to reflect price increases in hardware, software, contract renewals, and cybersecurity.
- 3) Increase Consulting Services (Account No. 52310) from \$10,000 to \$105,000 to: (a) hire an outside facilitator for the Commission's scheduled strategic planning session on July 10, 2023; and (b) hire a consultant to assist the Commission in preparing a countywide fire and emergency medical services municipal service review.
- 4) Increase Maintenance/Software (Account No. 52515) from \$1,930 to \$3,062 to reflect a planned update of the Commission's website, including a change in the website host from Planetaria to Streamline.
- 5) Increase Business Travel/Mileage (Account No. 52905) from \$1,000 to \$3,000 to reflect an increase in anticipated travel for Chair Mohler to attend CALAFCO Board of Directors meetings in person.
- 6) Increase Office Supplies (Account No. 53100) from \$1,000 to \$2,000 in anticipation of an increase in purchases related to the new Clerk/Jr. Analyst.

Operating Revenues

Operating revenues in the final budget total \$709,436. The Commission's revenues are primarily derived from the County of Napa and the Cities of American Canyon, Calistoga, Napa, St. Helena, and Town of Yountville. These agency contributions in the final budget total \$679,476. Service charges (i.e., proposal application fees) in the final budget total \$23,460 based on anticipated proposal activity. Interest earnings on the Commission's fund balance are expected to total \$6,500 based on recent trends.

Fee Schedule Amendment

The Committee recommends the Commission adopt a resolution to amend the Fee Schedule effective July 1, 2023. The amendment is generally limited to making clarifications to the application process and these changes are considered non-substantive. The Fee Schedule amendment showing tracked changes is included as Attachment Five.

Work Program

Local policy directs the Commission to annually adopt a work program for purposes of scheduling key activities over the course of the fiscal year.

At its meeting on April 3, 2023, the Commission discussed a draft work program and directed staff to return with a revised work program for adoption at today's meeting that includes a Countywide Fire Protection and Emergency Medical Services Municipal Service Review. As noted earlier, the Commission also requested the final budget include \$100,000 in consulting services for this purpose. A revised work program is included as an exhibit to the resolution adopting the work program (Attachment Three). Staff recommends the project be initiated in January 2024 with a draft report to be presented in June 2024.

Staff recommends the Commission consider establishing an ad hoc subcommittee with two appointed members to advise staff in the preparation of an RFP seeking qualified professional consulting firms to prepare a Countywide Fire and Emergency Medical Services Municipal Service Review. A draft RFP would be presented to the full Commission at a future meeting for discussion and possible revisions prior to its release. If the Commission is agreeable, staff recommends the subcommittee also be authorized to assist staff with consultant interviews and the final selection process.

ATTACHMENTS

- 1) Draft Resolution Adopting a Proposed Budget for Fiscal Year 2023-24
- 2) Draft Resolution Amending the Fee Schedule
- 3) Draft Resolution Adopting the Work Program for Fiscal Year 2023-24
- 4) Budget Policy
- 5) Fee Schedule Amendment (tracked changes)

RESOLUTION NO. ____

**RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
ADOPTING A FINAL BUDGET FOR FISCAL YEAR 2023-24**

WHEREAS, the Local Agency Formation Commission of Napa County (hereinafter referred to as “Commission”) is required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) to annually adopt a budget for the next fiscal year; and

WHEREAS, Government Code Section 56381 requires the Commission to adopt a proposed budget by May 1 and a final budget by June 15; and

WHEREAS, the Commission appoints and utilizes an ad hoc subcommittee (“Budget Committee”) to help inform and make decisions regarding the agency’s funding requirements; and

WHEREAS, the Commission adopted a proposed budget prepared by the Budget Committee at a noticed public hearing on April 3, 2023; and

WHEREAS, at the direction of the Commission, the Budget Committee circulated the adopted proposed budget for review and comment to the administrative and financial officers of each of the six local agencies that contribute to the Commission budget as well as to all local special districts; and

WHEREAS, no comments were received concerning the adopted proposed budget; and

WHEREAS, the Executive Officer prepared a report concerning the Budget Committee’s recommended final budget; and

WHEREAS, the Executive Officer’s report on a final budget has been presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at its public hearing on the final budget held on June 5, 2023; and

WHEREAS, the Commission determined the final budget projects the staffing and program costs of the Commission as accurately and appropriately as is possible.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The final budget as outlined in Exhibit "A" is adopted.
2. The final budget provides the Commission sufficient resources to fulfill its regulatory and planning responsibilities in accordance with Government Code Section 56381(a).

The foregoing resolution was duly and regularly adopted by the Commission at a public meeting held on June 5, 2023, after a motion by Commissioner _____, seconded by Commissioner _____, by the following vote:

AYES: Commissioners _____

NOES: Commissioners _____

ABSENT: Commissioners _____

ABSTAIN: Commissioners _____

 Margie Mohler
 Commission Chair

ATTEST: _____
 Brendon Freeman
 Executive Officer

Recorded by: Stephanie Pratt
 Clerk/Jr. Analyst



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

FY 2023-24 FINAL BUDGET

Adopted on June 5, 2023

Expenses

Salaries and Benefits

Account Description

	FY 2020-21		FY 2021-22		FY 2022-23		FY 2023-24
	Final Budget	Actual	Final Budget	Actual	Final Budget	Estimate	Final Budget
51210	14,500	12,720	12,500	12,300	15,200	13,200	15,000
51300	250	181	250	205	250	250	250
51305	500	512	500	525	500	600	600
Total Salaries & Benefits	15,250	13,413	13,250	13,030	15,950	14,050	15,850

Services and Supplies

Account Description

52100	415,869	421,287	439,901	408,954	509,844	475,000	548,598
52125	7,500	6,593	7,500	6,847	7,500	7,300	7,500
52130	24,323	24,323	24,489	24,489	23,974	23,974	34,309
52131	-	-	1,837	1,837	1,685	1,692	2,000
52140	25,500	24,286	25,000	22,000	35,000	37,500	35,000
52310	25,551	25,550	-	-	10,000	-	105,000
52345	300	225	300	150	300	150	300
52515	1,930	1,929	1,930	1,930	1,930	1,930	3,062
52600	5,500	3,220	4,000	2,784	4,000	3,500	3,500
52605	30,409	30,408	31,322	28,234	25,995	25,995	26,775
52700	813	-	578	578	638	638	716
52800	3,500	1,428	2,000	1,485	3,000	2,200	3,000
52830	1,500	814	1,000	1,100	1,000	800	750
52835	50	100	200	150	200	100	150
52900	989	200	10,000	-	15,000	9,000	15,000
52905	1,000	-	500	-	1,000	1,000	3,000
53100	1,250	1,179	1,000	400	1,000	1,000	2,000
53110	350	100	500	100	150	50	100
53115	-	-	-	119	119	119	119
53120	3,060	3,060	2,934	2,934	3,078	3,078	3,332
53205	1,500	1,389	1,500	1,950	2,000	1,400	2,400
53415	-	150	225	225	225	225	225
56350	500	122	250	33	-	195	260
Total Services & Supplies	551,394	546,363	556,966	506,337	647,638	596,846	797,096

EXPENSE TOTALS

	566,644	559,776	570,216	519,367	663,588	610,896	812,946
--	---------	---------	---------	---------	---------	---------	---------

RESOLUTION NO. ____

**RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
AMENDMENT TO ADOPTED SCHEDULE OF FEES AND DEPOSITS**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) authorizes the Local Agency Formation Commission of Napa County (hereinafter referred to as “Commission”) to adopt a fee schedule; and

WHEREAS, the Commission established and adopted by resolution a “Schedule of Fees and Deposits” on December 1, 2001 in a manner provided by law; and

WHEREAS, the Commission has amended the adopted Schedule of Fees and Deposits as appropriate since its establishment on several occasions; and

WHEREAS, the Commission appoints and utilizes an ad hoc subcommittee (“Budget Committee”) to help inform and make decisions regarding the agency’s funding requirements including the adopted Schedule of Fees and Deposits; and

WHEREAS, the Commission considered a proposed amendment to the adopted Schedule of Fees and Deposits prepared by the Budget Committee at a noticed public hearing on June 5, 2023.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER the Schedule of Fees and Deposits shall be amended in the manner set forth in Exhibit “A” and become effective July 1, 2023.

The foregoing resolution was duly and regularly adopted by the Commission at a public meeting held on June 5, 2023, after a motion by Commissioner _____, seconded by Commissioner _____, by the following vote:

AYES:	Commissioners	_____
NOES:	Commissioners	_____
ABSENT:	Commissioners	_____
ABSTAIN:	Commissioners	_____

Margie Mohler
Commission Chair

ATTEST: _____
Brendon Freeman
Executive Officer

Recorded by: Stephanie Pratt
Clerk/Jr. Analyst



Local Agency Formation Commission of Napa County

Subdivision of the State of California

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

Schedule of Fees and Deposits

Effective Date: July 1, 2023

These are the policies of the Local Agency Formation Commission (LAFCO) of Napa County with respect to setting fees and deposits in fulfilling LAFCO's regulatory and planning duties prescribed under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

1. This schedule shall be administered in accordance with the provisions of [Government Code \(G.C.\) §56383](#).
2. This schedule includes both "fixed" and "at-cost" fees. Fixed fees represent reasonable cost estimates for processing routine applications and based on a number of predetermined staff hours. At-cost fees apply to less routine applications and based on the number of actual staff hours. Staff time is charged at a fully burdened hourly rate of \$170.
3. Applications submitted to LAFCO shall be accompanied by the appropriate fees as detailed in this schedule. Staff shall identify which fees are due at the time the application is submitted and the timing when other fees are required. Any required fees that have not been received at the time LAFCO action on an application shall be made a condition of approval.
4. Staff may stop work on any application until the applicant submits a requested deposit or fee.
5. All deposit amounts for at-cost applications shall be determined by the Executive Officer. The Executive Officer shall provide a written accounting of all staff time and related expenses billed against the deposit. If the cost in processing an application begins to approach or exceed the deposited amount, the Executive Officer shall request additional monies from the applicant.
6. Upon completion of an at-cost application, staff shall issue to the applicant a statement detailing all billable expenditures from a deposit. Staff shall refund the applicant for any monies remaining from the deposit less one-half hour of staff time to process the return as provided in this schedule.
7. In the course of processing applications, staff is required to collect fees on behalf of other government agencies such as the State Board of Equalization. LAFCO recognizes these are "pass through" fees that are not within LAFCO's discretion and therefore no formal action is required to update those fees in this schedule.

8. All fees payable to LAFCO shall be submitted by check and made payable to “LAFCO”. All fees payable to other government agencies as identified in this schedule shall be submitted by check and made payable to the applicable agency.
9. Applicants are responsible for any fees or charges incurred by LAFCO and/or required by other governmental agencies in the course of the processing of an application.
10. Applicants are responsible for any extraordinary administrative costs as determined by the Executive Officer and detailed for the applicant in a written statement.
11. Initial application fees shall not be charged by LAFCO for city annexations involving unincorporated islands subject to [G.C. §56375.3](#) and LAFCO’s [Policy on Unincorporated Islands](#), unless otherwise determined by the Executive Officer based on extraordinary circumstances.
12. If the processing of an application requires LAFCO to contract with another agency, firm, or individual for services beyond the normal scope of staff work, such as preparing an Environmental Impact Report or Comprehensive Fiscal Analysis, the applicant shall be responsible for all costs associated with that contract. The applicant will provide LAFCO with a deposit sufficient to cover the cost of the contract.
13. With respect to instances where LAFCO approves an outside service agreement under [G.C. §56133\(b\)](#), the fee for a subsequent annexation involving the affected territory and affected agency will be reduced by 50% if the annexation application is filed within one calendar year of LAFCO approval.
14. Requests for research on any particular subject will be provided at no cost for the first two hours. This includes, but is not limited to, archival retrieval, identifying properties relative to agency boundaries, and discussing potential applications. Any additional research time will be billed at the fully burdened hourly rate provided in this schedule.
15. Annexation and/or detachment applications involving concurrent boundary changes for two or more agencies qualify as reorganizations and will incur an additional fee of \$850. Annexation applications involving cities that require concurrent detachment from County Service Area No. 4, and no other boundary changes are proposed, will only incur an additional fee of \$170.
16. LAFCO’s ad hoc Budget Committee shall annually review this schedule and recommend updates to help LAFCO maintain an appropriate level of cost-recovery.

INITIAL APPLICATION FEES

The following fees must be submitted to LAFCO as part of the application filing. The Executive Officer will identify the specific deposits, fees, and amounts that apply to the application.

Change of Organization or Reorganization: Annexations and Detachments

<ul style="list-style-type: none"> Exempt from California Environmental Quality Act 	
100% Consent from Landowners and Agencies where LAFCO is Responsible or Lead Agency	\$5,100
Without 100% Consent from Landowners and Agencies where LAFCO is Responsible or Lead Agency	\$6,800
<ul style="list-style-type: none"> Not Exempt from California Environmental Quality Act / Negative Declaration 	
100% Consent from Landowners and Agencies where LAFCO is Responsible Agency	\$5,950
100% Consent from Landowners and Agencies where LAFCO is Lead Agency	\$8,500 plus consultant contract
Without 100% Consent from Landowners and Agencies where LAFCO is Responsible Agency	\$7,650
Without 100% Consent from Landowners and Agencies where LAFCO is Lead Agency	\$10,200 plus consultant contract
<ul style="list-style-type: none"> Not Exempt from California Environmental Quality / Environmental Impact Report 	
100% Consent from Landowners and Agencies where LAFCO is Responsible Agency	\$6,800
100% Consent from Landowners and Agencies where LAFCO is Lead Agency	\$8,500 plus consultant contract
Without 100% Consent from Landowners and Agencies where LAFCO is Responsible Agency	\$8,500
Without 100% Consent from Landowners and Agencies where LAFCO is Lead Agency	\$10,200 plus consultant contract

Change of Organization or Reorganization: Other

• City Incorporations and Disincorporations	at-cost
• Special District Formations, Consolidations, Mergers, and Dissolutions	at-cost
• Special District Requests to Activate or Deactivate Powers	at-cost

Other Applications

• Request for Outside Service Agreement	\$3,400
• Request for Reconsideration	\$3,400
• Request for Time Extension to Complete Proceedings	\$850
• Request for Municipal Service Review	at-cost
• Request for Sphere of Influence Amendment	at-cost

Miscellaneous	
• Special Meeting	\$1,200
• Alternate Legal Counsel	at-cost

OTHER APPLICATION FEES

The following fees may apply to applications and records requests. The Executive Officer will identify all applicable fee amounts and the timing for payment submittal.

Fees Made Payable to the County of Napa	
• Assessor’s Annexation Mapping Fee	\$162
• County Surveyor’s Review Fee	\$253.09
• Clerk-Recorder’s Environmental Filing Fee	\$50
• Elections’ Registered Voter List Fee	\$75 hourly
• Elections’ Signature Verification Fee	\$75 hourly
• Clerk-Recorder’s Environmental Document Fee	
.....Environmental Impact Report	\$3,839.25
.....Mitigated Negative Declaration	\$2,764.00
.....Negative Declaration	\$2,764.00

Fees Made Payable to LAFCO	
• Geographic Information System Update	\$170
• Public Hearing Notice Newspaper Publishing	at-cost
• Photocopying	\$0.10 (black) / \$0.40 (color)
• Mailing	at-cost
• Audio Recording of Meeting	at-cost
• Research/Archive Retrieval	\$170 hourly

Fees Made Payable to the State Board of Equalization to Record Boundary Changes			
Acre	Fee	Acre	Fee
0.00-0.99	\$300	51.00-100.99	\$1,500
1.00-5.99	\$350	101.00-500.99	\$2,000
6.00-10.99	\$500	501.00-1,000.99	\$2,500
11.00-20.99	\$800	1,001.00-2,000.99	\$3,000
21.00-50.99	\$1,200	2,001.00+	\$3,500

RESOLUTION NO. _____

**RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
ADOPTING A WORK PROGRAM FOR FISCAL YEAR 2023-24**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) directs the Local Agency Formation Commission of Napa County (hereinafter “the Commission”) to prepare Municipal Service Reviews in order to prepare and to update spheres of influence; and

WHEREAS, local policy directs the Commission to annually adopt a Work Program; and

WHEREAS, the Commission’s annual Work Program establishes a schedule for the preparation of Municipal Service Reviews, Sphere of Influence Updates, and other agency activities; and

WHEREAS, at its June 5, 2023 meeting, the Commission considered adopting a Work Program for fiscal year 2023-24 prepared by staff.

NOW, THEREFORE, BE IT RESOLVED that the Local Agency Formation Commission of Napa County hereby adopts the Work Program for fiscal year 2023-24, included as Exhibit “A” to this resolution.

This Resolution shall take effect immediately.

The foregoing resolution was duly and regularly adopted by the Commission at a public meeting held on June 5, 2023, after a motion by Commissioner _____, seconded by Commissioner _____, by the following vote:

AYES:	Commissioners	_____
NOES:	Commissioners	_____
ABSENT:	Commissioners	_____
ABSTAIN:	Commissioners	_____

Margie Mohler
Commission Chair

ATTEST: _____
Brendon Freeman
Executive Officer

Recorded by: Stephanie Pratt
Clerk/Jr. Analyst

Napa LAFCO Work Program for Fiscal Year 2023-24			
		Timeline	Comments
STUDIES	Napa County Resource Conservation District MSR & SOI	Draft report in Aug 2023	Previous MSR & SOI completed in 2016
	County Service Area No. 4 MSR & SOI	Draft report in Oct 2023	Previous MSR & SOI completed in 2017
	Napa Sanitation District SOI	Draft report in Feb 2024	Previous MSR completed in 2014 (Central County Region MSR), previous SOI completed in 2015
	City of St. Helena MSR & SOI	Draft report in April 2024	Previous MSR & SOI completed in 2008
	Countywide Fire & EMS MSR	Draft report in June 2024	Previous Countywide Fire MSR completed in 2006, Commission agreed to allocate \$100,000 for a consultant in FY 23-24
ADMINISTRATION	Audit	Annual	Presented by the County Auditor-Controller annually in December
	Budget	Annual	Proposed budget must be adopted by May 1; final budget must be adopted by June 15; Budget Committee appointed annually in December; staff prepares quarterly budget reports
	Legislation	Annual	Legislative Committee appointed every 2 years to review state legislation and recommend formal positions
	Policies	Ongoing	Policy amendments will be proposed as needed and Policy Manual updated accordingly
	Proposals	Ongoing	See "Current and Future Proposals" staff report on each meeting agenda for a status update
	Staff Training	Ongoing	New Clerk/Jr. Analyst requires comprehensive training on LAFCO's administrative functions and application processing
	Website/Document Management	Ongoing	Staff continuously updates information on website including agendas, minutes, meeting recordings, audits, budgets, etc.; website host will change to Streamline beginning July 1, 2023; staff is also working on migrating all electronic documents from Laserfiche system to County-hosted network
OTHER	Strategic Planning (Yountville Town Hall)	July 10, 2023	Strategic planning is recommended every 2 years; Commission will conduct a strategic planning workshop on July 10, 2023 in Yountville with Pamela Miller as facilitator
	Special Projects and Studies	TBD	To be determined in budget cycle and strategic planning; typically involves a contract with a consultant to be funded with reserves; see Countywide Fire & EMS MSR in "Studies"
	Support Services Agreement with County of Napa	TBD	Staff working with County to amend agreement for purposes of modernization and possible further LAFCO independence; amendments will require formal approval from both the Commission and County Board of Supervisors
	2023 CALAFCO Annual Conference	October 18 - 20, 2023	Monterey; all Commissioners and staff encouraged to attend
	2024 CALAFCO Staff Workshop	April 2024	TBD (Coastal Region will host); all staff encouraged to attend
Final Work Program presented on June 5, 2023			



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Budget Policy

(Adopted: August 9, 2001; Last Amended: November 18, 2019)

I. Background

The Cortese-Knox-Hertzberg Local Government Reorganization (CKH) Act of 2000 includes provisions for establishing a budget and for the receipt of funds. [Government Code \(G.C.\) §56381](#) establishes that the Commission shall annually adopt a budget for the purpose of fulfilling its duties under CKH.

II. Purpose

It is the intent of the Commission to adopt a policy for budget purposes which establishes procedures for compiling, adopting and administering the budget. The Commission is committed to providing transparency of its operations including its fiscal activities. The Commission follows recognized accounting principles and best practices in recognition of its responsibility to the public.

III. Preparation of Annual Budget

- A) An annual budget shall be prepared, adopted and administered in accordance with [\(G.C.\) §56381](#).
- B) The Commission should annually consider the Fee Schedule, including any anticipated changes, and Work Program in conjunction with the budget process.
- C) The Commission is committed to ensuring the agency is appropriately funded each fiscal year to effectively meet its prescribed regulatory and planning responsibilities. The Commission is also committed to controlling operating expenses to reduce the financial obligations on the County of Napa, the cities and town, hereafter referred to as the “funding agencies,” whenever possible and appropriate.
- D) The budget shall include an undesignated/unreserved fund balance equal to a minimum of one-third (i.e., four months) of annually budgeted operating expenses.
- E) The Commission shall establish an ad-hoc budget committee at the last meeting of each calendar year comprising of two Commissioners which will terminate with the adoption of the final budget. Commissioners appointed to a budget committee shall receive a regular per diem payment for each meeting attended.
- F) The adopted final budget should be posted on the Commission’s website for public viewing for a minimum of five years.
- G) The Executive Officer shall provide quarterly budget reports to the Commission for informational purposes.

IV. Budget Contributions and Collection of Funds

[G.C. §56381](#) establishes that the Commission shall adopt annually a budget for the purpose of fulfilling its duties under CKH. It further establishes that the County Auditor shall apportion the operating expenses from this budget in the manner prescribed by [G.C. §56381\(b\)](#), or in a manner mutually agreed upon by the agencies responsible for the funding of the Commission's budget [G.C. §56381\(c\)](#) states that:

After apportioning the costs as required in subdivision (b), the auditor shall request payment from the Board of Supervisors and from each city no later than July 1 of each year for the amount that entity owes and the actual administrative costs incurred by the auditor in apportioning costs and requesting payment from each entity. If the County or a city does not remit its required payment within 60 days, the Commission may determine an appropriate method of collecting the required payment, including a request to the auditor to collect an equivalent amount from the property tax, or any fee or eligible revenue owed to the County or city. The auditor shall provide written notice to the County or city prior to appropriating a share of the property tax or other revenue to the Commission for the payment due the Commission pursuant to this section.

It is the intent of the Commission that all agencies provide the costs apportioned to them from the LAFCO budget. Pursuant to [G.C. §56381\(c\)](#), the policy of the Commission is:

- A) If the County or a city or a town does not remit its required payment within 45 days of the July 1 deadline, the County Auditor shall send written notice to the agency in question that pursuant to [G.C. §56381\(c\)](#) and this policy, the Auditor has the authority to collect the amount of the Commission's operating expenses apportioned to that agency after 60 days from the July 1 deadline.
- B) If the County or a city or a town does not remit its required payment within 60 days of the July 1 deadline, the County Auditor shall collect an amount equivalent to the cost apportioned to that agency from the property tax owed to that agency, or some other eligible revenue deemed appropriate or necessary by the County Auditor. The County Auditor shall send written notice of the action taken to the agency and to the Commission.

V. Executive Officer Purchasing and Budget Adjustment Authority

Pursuant to [G.C. §56380](#), the Commission shall make its own provision for necessary quarters, equipment, supplies, and services. The associated operating costs are provided for through the Commission's adoption of its annual budget in the manner prescribed in [G.C. §56381](#).

It is the intent of the Commission to charge the LAFCO Executive Officer with the responsibility and authority for coordinating and managing the procurement of necessary quarters, equipment, supplies, and services, and to adjust the annual budget as necessary under certain circumstances. The policy of the Commission is:

- A) The Executive Officer is charged with the responsibility and authority for coordinating and managing the procurement of necessary quarters, equipment, supplies, and services in accordance with applicable laws, regulations and policies.
- B) The Executive Officer is authorized to act as the agent for LAFCO in procuring necessary quarters, equipment, supplies, and services.
- C) Only the Commission itself or the Executive Officer may commit LAFCO funds for the purchase of any necessary quarters, equipment, supplies, or services for LAFCO use.
- D) The Executive Officer is delegated purchasing authority on behalf of LAFCO for necessary quarters, equipment, supplies, and services not to exceed \$5,000 per transaction. The Commission must approve any purchase of necessary quarters, equipment, supplies, and services that exceed the monetary limits set forth in this policy.
- E) Following review and approval by the Chair, the Executive Office is authorized to make adjustments and administrative corrections to the budget without Commission action provided the adjustments and corrections are within the total budget allocations adopted by the Commission.
- F) Following review and approval by the Chair, the Executive Officer is authorized to adjust the budget for purposes of carrying over to the new fiscal year any encumbered funds that have been approved by the Commission in a prior fiscal year and involve unspent balances. Said funds include committed contracts for services that were not completed in the prior fiscal year and must be re-encumbered by way of a budget adjustment in the new fiscal year.



Local Agency Formation Commission of Napa County

Subdivision of the State of California

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

Schedule of Fees and Deposits

Effective Date: ~~January~~ July 1, 2023

These are the policies of the Local Agency Formation Commission (LAFCO) of Napa County with respect to setting fees and deposits in fulfilling LAFCO's regulatory and planning duties prescribed under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

1. This schedule shall be administered in accordance with the provisions of [Government Code \(G.C.\) §Section-56383](#).
2. This schedule includes both "fixed" and "at-cost" fees. Fixed fees represent reasonable cost estimates for processing routine ~~proposals-applications~~ and based on a number of predetermined staff hours. At-cost fees apply to less routine ~~proposals-applications~~ and based on the number of actual staff hours. Staff time is charged at a fully burdened hourly rate of \$170.
3. ~~Proposals-Applications~~ submitted to ~~the Commission~~ LAFCO shall be accompanied by the appropriate ~~proposal~~ fees as detailed in this schedule. Staff shall identify which fees are due at the time the ~~proposal-application~~ is submitted and the timing when other fees are required. Any required ~~proposal~~ fees that have not been received at the time of ~~Commission~~ LAFCO action on an application ~~proposal~~ shall be made a condition of ~~proposal~~ approval.
4. Staff may stop work on any ~~proposal-application~~ until the applicant submits a requested deposit or fee.
5. All deposit amounts for at-cost ~~proposals-applications~~ shall be determined by the Executive Officer. The Executive Officer shall provide a written accounting of all staff time and related expenses billed against the deposit. If the cost in processing an application ~~proposal~~ begins to approach or exceed the deposited amount, the Executive Officer shall request additional monies from the applicant.
6. Upon completion of an at-cost ~~proposal-application~~, staff shall issue to the applicant a statement detailing all billable expenditures from a deposit. Staff shall refund the applicant for any monies remaining from the deposit less one-half hour of staff time to process the return as provided in this schedule.
7. In the course of processing ~~proposals~~ applications, staff is required to collect fees on behalf of other government agencies such as the State Board of Equalization. ~~The Commission~~ LAFCO recognizes these are "pass through" fees that are not within ~~LAFCOthe Commission's~~ discretion and therefore no ~~Commission-formal~~ action is required to ~~make changes to update~~ those fees in this schedule.

8. All fees payable to ~~the Commission~~ LAFCO shall be submitted by check and made payable to “~~LAFCO of Napa County.~~”. All fees payable to other government agencies as identified in this schedule shall be submitted by check and made payable to the applicable agency.
9. Applicants are responsible for any fees or charges incurred by ~~the Commission~~ LAFCO and/or required by other governmental agencies in the course of the processing of an application proposal.
10. Applicants are responsible for any extraordinary administrative costs as determined by the Executive Officer and detailed for the applicant in a written statement.
11. Proposal-Initial application fees shall not be charged by LAFCO~~the Commission~~ for city annexations proposals involving ~~one or more entire~~ unincorporated islands subject to G.C. §Section 56375.3 and ~~the Commission~~ LAFCO’s Policy on Unincorporated Islands, unless otherwise determined by the Executive Officer based on extraordinary circumstances.
12. If the processing of an application proposal requires LAFCO~~the Commission~~ to contract with another agency, firm, or individual for services beyond the normal scope of staff work, such as ~~the drafting of preparing~~ an Environmental Impact Report or Comprehensive Fiscal Analysis, the applicant shall be responsible for all costs associated with that contract. The applicant will provide LAFCO~~the Commission~~ with a deposit sufficient to cover the cost of the contract.
13. With respect to instances where ~~the Commission~~ LAFCO approves an outside service agreement under G.C. §Section 56133(b), the fee for a subsequent annexation involving the affected territory and affected agency will be reduced by ~~one-half~~ 50% if the annexation application is filed within one calendar year of LAFCO approval.
14. Requests for research on any particular subject will be provided at no cost for the first two hours. This includes, but is not limited to, archival retrieval, identifying properties relative to agency boundaries, and discussing potential ~~proposals~~ applications. Any additional research time will be billed at the fully burdened hourly rate provided in this schedule.
15. Annexation and/or detachment proposals-applications involving concurrent boundary changes for two or more agencies qualify as reorganizations and will ~~be charged~~ incur an additional fee of \$850 ~~(five hours)~~. Annexation proposals-applications involving cities that require concurrent detachment from County Service Area No. 4, and no other boundary changes are proposed, will only incur an additional fee of \$170 ~~(one hour)~~.
16. ~~The Commission~~ LAFCO’s ad hoc Budget Committee shall annually review this schedule and update the fully burdened hourly rate recommend updates to help LAFCO maintain an appropriate level of cost-recovery.

INITIAL ~~PROPOSAL~~ APPLICATION FEES

The following fees must be submitted to ~~LAFCO~~ the Commission as part of the ~~proposal~~ application filing. The Executive Officer will identify the specific deposits, fees, and amounts that apply to the ~~proposal~~ application.

Change of Organization or Reorganization: Annexations and Detachments

- ~~Proposals~~ Exempt from California Environmental Quality Act**

100% Consent from Landowners and Agencies where LAFCO <u>the Commission</u> is Responsible or Lead Agency	\$5,100 (30 hours)
Without 100% Consent from Landowners and Agencies where LAFCO <u>the Commission</u> is Responsible or Lead Agency	\$6,800 (40 hours)

- ~~Proposals~~ Not Exempt from California Environmental Quality Act / Negative Declaration**

100% Consent from Landowners and Agencies where LAFCO <u>the Commission</u> is Responsible Agency	\$5,950 (35 hours)
100% Consent from Landowners and Agencies where LAFCO <u>the Commission</u> is Lead Agency	\$8,500 (50 hours) plus consultant contract
Without 100% Consent from Landowners and Agencies where LAFCO <u>the Commission</u> is Responsible Agency	\$7,650 (45 hours)
Without 100% Consent from Landowners and Agencies where LAFCO <u>the Commission</u> is Lead Agency	\$10,200 (60 hours) plus consultant contract

- ~~Proposals~~ Not Exempt from California Environmental Quality / Environmental Impact Report**

100% Consent from Landowners and Agencies where LAFCO <u>the Commission</u> is Responsible Agency	\$6,800 (40 hours)
100% Consent from Landowners and Agencies where LAFCO <u>the Commission</u> is Lead Agency	\$8,500 (50 hours) plus consultant contract
Without 100% Consent from Landowners and Agencies where the Commission <u>LAFCO</u> is Responsible Agency	\$8,500 (50 hours)
Without 100% Consent from Landowners and Agencies where the Commission <u>LAFCO</u> is Lead Agency	\$10,200 (60 hours) plus consultant contract

Change of Organization or Reorganization: Other

• City Incorporations and Disincorporations	at-cost
• Special District Formations, Consolidations, Mergers, and Dissolutions	at-cost
• Special District Requests to Activate or Deactivate Powers	at-cost

Other ~~Service Requests~~ Applications

• New or Extended Request for Outside Service Request Agreement	\$3,400 (20 hours)
• Request for Reconsideration	\$3,400 (20 hours)
• Request for Time Extension to Complete Proceedings	\$850 (5 hours)
• Request for Municipal Service Reviews	at-cost
• Request for Sphere of Influence Establishment/Amendment	at-cost
Miscellaneous	
• Special Meeting	\$1,200
• Alternate Legal Counsel	at-cost

OTHER ~~PROPOSAL APPLICATION~~ FEES

~~These The following~~ fees ~~generally may~~ apply to ~~proposals applications and records requests that have been approved by the Commission and are not required at the time of filing. An exception involves the fee for registered voter lists, which may be required before the Commission takes action on an application if the underlying activity is subject to protest proceedings. Other fees in this section apply to service requests that are not tied to a specific proposal, such as research and photocopying. The Executive Officer will identify all applicable fee amounts and the timing for payment submittal.~~

Fees Made Payable to the County of Napa	
• Assessor's Annexation Mapping Fee	\$162
• Ownership Verification Fee (Landowner Proposals)	\$13
• County Surveyor's Review Fee	\$253.09
• Clerk-Recorder's Environmental Filing Fee	\$50
• Elections' Registered Voter List Fee	\$75 hourly
• Elections' Signature Verification Fee (Registered Voter Proposals)	\$1375 hourly
• Clerk-Recorder's Environmental Document Fee	
.....Environmental Impact Report	\$3,839.25
.....Mitigated Negative Declaration	\$2,764.00
.....Negative Declaration	\$2,764.00
Fees Made Payable to LAFCO	
• Geographic Information System Update	\$170
• Public Hearing Notice Newspaper Publishing	at-cost
• Photocopying	\$0.10 (black) / \$0.40 (color)
• Mailing	at-cost
• Audio Recording of Meeting	at-cost
• Research/Archive Retrieval	\$170 hourly

Fees Made Payable to the State Board of Equalization to Record Boundary Changes			
Acre	Fee	Acre	Fee
0.00-0.99	\$300	51.00-100.99	\$1,500
1.00-5.99	\$350	101.00-500.99	\$2,000
6.00-10.99	\$500	501.00-1,000.99	\$2,500
11.00-20.99	\$800	1,001.00-2,000.99	\$3,000
21.00-50.99	\$1,200	2,001.00+	\$3,500