



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

Agenda Item 6a (Public Hearing)

TO: Local Agency Formation Commission

PREPARED BY: Brendon Freeman, Executive Officer *BF*
Dawn Mittleman Longoria, Assistant Executive Officer *DML*

MEETING DATE: April 25, 2024

SUBJECT: Proposed Budget for Fiscal Year 2024-25 and Draft Work Program

RECOMMENDATION

It is recommended the Commission take the following actions:

- 1) Open the continued 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 Proposed Budget for the 2024-25 Fiscal Year (Attachment One);
- 4) Direct staff to circulate the adopted proposed budget to each of the funding agencies as well as the general public for review and comment; and
- 5) Direct the Budget Committee to return with recommendations for a final budget for adoption at a noticed public hearing on June 3, 2024.

It is also recommended the Commission discuss the draft Work Program as described on page four of this report and consider providing any appropriate direction to staff.

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.

Margie Mohler, Commissioner
Councilmember, Town of Yountville

Beth Painter, Commissioner
Councilmember, City of Napa

Mariam Aboudamous, Alternate Commissioner
Councilmember, City of American Canyon

Anne Cottrell, 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, Vice Chair
Representative of the General Public

Eve Kahn, Alternate Commissioner
Representative of the General Public

Brendon Freeman
Executive Officer

Budgeting Policies and Update

Consistent with the Commission's *Budget Policy* ("the Policy"), included as Attachment Two, the Commission appointed Commissioners Leary and Mohler 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 Policy directs the Commission to retain sufficient reserves to equal no less than one third (i.e., four months) of budgeted operating expenses. Reserves are intended to be used for emergencies (e.g., litigation) or for future special projects requiring private consultants.

The Committee directed staff to develop a proposed budget based on the adopted two-year Strategic Plan, included as Attachment Three, which prioritizes the goal of bringing greater independence to LAFCO. Toward this end, staff conducted research and interviews of prospective firms. The firms were recommended by other LAFCOs and public agencies.

A draft proposed budget was presented at the Commission's April 8, 2024 special meeting as part of a noticed public hearing. The Commission continued the public hearing to today's special meeting. The Commission requested several revisions to the proposed budget along with additional information related to various proposed expenses.

Prescriptive Funding Sources

The Commission's annual operating expenses are primarily funded by Napa County 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.

Proposed Budget Overview

The Commission will consider approving a proposed budget for fiscal year 2024-25 with operating expenses and revenues each totaling \$853,574, positioning the Commission to finish the fiscal year with reserves totaling \$363,158 or 42.5% of operating expenses.

Summary of Proposed Operating Expenses

The Committee proposes an increase in budgeted operating expenses from \$709,436 to \$853,574; a difference of \$144,138 compared to the current fiscal year. The increase is primarily based on staff salaries and wages coupled with the Commission's strategic plan goal of bringing greater independence to LAFCO. A transition to a fully independent LAFCO would involve various one-time initial costs. A summary follows:

Salaries and Benefits Unit

This budget unit is proposed to total \$19,000 and is primarily associated with Commissioner per diems for attendance at meetings, conferences, trainings, and other activities related to LAFCO business.¹ Staff salaries and benefits are categorized under Administration Services (Account No. 52100) within the Services and Supplies budget unit as summarized below.²

Services and Supplies Unit

This budget unit is proposed to total \$834,574 with the following highlights:

- Administration Services (Account No. 52100) are proposed to increase from \$559,015 to \$622,859.³ The current fiscal year budget amounts and proposed fiscal year 2024-25 amounts within each of the eight sub-accounts are shown in Attachment Four. A summary is provided on the following page.

¹ Commissioners Leary and Mohler serve on the California Association of LAFCOs (CALAFCO) Board of Directors. Commissioner Mohler currently serves as CALAFCO Board Chair. All CALAFCO meetings result in per diem payments.

² Within Administration Services, there are eight individual sub-accounts related to staff salaries and benefits. These eight sub-accounts were previously re-categorized in Napa County's financial accounting system and were moved from the Salaries and Benefits unit to the Services and Supplies unit. The reasoning was that LAFCO staff are County employees provided to LAFCO by contract, and thus LAFCO staff salaries and benefits are considered a service charge that is billed by the County to LAFCO. While not intuitive for LAFCO to categorize its staff salaries and wages under Services and Supplies, this categorization is more efficient for the County Auditor-Controller's Office. A fully independent LAFCO would be required to implement its own financial accounting system, which could result in more intuitive budgeting related to staff salaries and benefits.

³ Under the Commission's Support Services Agreement with Napa County, LAFCO staff are County employees and therefore subject to the County's personnel and compensation rules and agreements. Notably, staff salaries are constrained by the County's 5-step salary schedule, which is controlled by County Human Resources with any changes requiring approval by the County Board of Supervisors. Any future changes to the established salary ranges would require the Commission to request County Human Resources conduct an equity study, which may or may not result in the implementation of any desired salary changes. The Commission, as a fully independent agency, would have the authority to determine desired staff salaries. The Commission approved greater independence as a Strategic Plan goal. Staff was directed to develop a budget reflecting greater independence.

- Administration Services (Account No. 52100) – continued:
 - Staff salaries and wages are shown in the worksheet, included as Attachment Five, and summarized as follows:⁴
 - 3.0% cost of living adjustment (COLA) for all staff, which is automatic and does not require separate Commission approval.
 - The Executive Officer was recently subject to a County position reclassification that resulted in a new base hourly rate of \$86.88. No future salary increases other than COLAs are possible.
 - The Assistant Executive Officer’s hourly rate is budgeted at \$66.00, which equals the same amount that the Commission approved for the position as part of the fiscal year 2022-23 adopted budget. However, the true hourly rate under the County’s salary schedule is currently set at \$63.05. No future salary increases other than COLAs are possible unless the Commission requests a review of the position classification.
 - Executive Officer management leave cash out (80 hours) and vacation leave cash out (40 hours).
 - Decrease in employee insurance premiums to reflect updated costs.
 - Increase in expenses tied to staff benefits, which had been significantly underbudgeted for several years.
 - Increase in other post-employment benefits to reflect updated costs.
 - \$3,600 for the Executive Officer and Assistant Executive Officer to participate in the County of Napa’s 401(a) retirement savings plan.
- Legal Services (Account No. 52140) are proposed to increase from \$35,000 to \$50,000 to reflect anticipated workload increases for the Commission’s legal counsel as part of accomplishing the goal of LAFCO’s independence adopted as part of the Commission’s Strategic Plan.
- Consulting Services (Account No. 52310) are proposed to decrease from \$105,000 to \$45,000 to reflect the remaining portion of the consultant contract for the Countywide Fire and Emergency Medical Services Municipal Service Review and Sphere of Influence Reviews.⁵
- Miscellaneous other expenses related to the Strategic Plan goal of greater independence. This would involve one-time initial costs tied to activities such as purchasing computers, software programs, and licenses that are currently provided by contract with the County. This would also potentially involve hiring a financial management firm and purchasing a bookkeeping system.

⁴ For historical context, the Commission’s adopted budgets through fiscal year 2021-22 included 2.75 full-time equivalent (FTE) staff, which included a 1.0 FTE Executive Officer, a 1.0 FTE Analyst, and a 0.75 FTE Secretary. The fiscal year 2022-23 budget included 2.75 FTE staff with the Analyst position changing to an Assistant Executive Officer. The fiscal year 2023-24 budget included 3.0 FTE staff with the Secretary position changing to Clerk/Jr. Analyst.

⁵ The Commission allocated \$100,000 to this project in the fiscal year 2023-24 budget.

Summary of Proposed Operating Revenues

The Committee proposes an increase in operating revenues from \$709,436 to \$853,574; a difference of \$144,138 compared to the current fiscal year. Agency contributions are proposed to total \$816,574 as reflected in the worksheet included as Attachment Six.

Service charges (i.e., proposal application fees) are proposed to total \$30,000 based on anticipated proposal activity.

Interest earnings on the Commission's fund balance are proposed to total \$7,000 based on recent trends in interest rates.

Fully Burdened Hourly Rate

The proposed budget would result in a fully burdened hourly rate of \$200.51 for purposes of updating the Commission's fee schedule in fiscal year 2024-25. This amount is based on a calculation, included as Attachment Seven, that incorporates all operational expenses and the proportional amount of time that each staff is expected to dedicate to processing applications for boundary changes and service extensions.

Work Program for Fiscal Year 2024-25

The Commission annually adopts a work program based on the adopted Strategic Plan and the Budget Committee is directed to consider it as part of the budget preparation process. The Committee reviewed a draft Work Program for Fiscal Year 2024-25 prepared by staff, included as Attachment Eight. This includes approximate schedules for the preparation of municipal service reviews and other projects. The draft Work Program also lists key administrative and other significant LAFCO activities. The Commission is invited to discuss the draft Work Program and consider any appropriate changes before adoption of a final Work Program at a future meeting.

ATTACHMENTS

- 1) Draft Resolution Adopting a Proposed Budget for Fiscal Year 2024-25 (Proposed Budget as Exhibit A)
- 2) Budget Policy
- 3) Strategic Plan July 1, 2023 – June 30, 2025
- 4) Administration Services Expense Account Worksheet
- 5) Staff Salaries and Wages Worksheet
- 6) Agency Contributions Worksheet
- 7) Calculation of Fully Burdened Hourly Rate
- 8) Draft Work Program for Fiscal Year 2024-25

RESOLUTION NO. _____

**RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
ADOPTING A PROPOSED BUDGET FOR THE 2024-25 FISCAL YEAR**

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 adopt a proposed 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 Executive Officer prepared a report concerning the Budget Committee’s recommended proposed budget; and

WHEREAS, the Executive Officer’s report was 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 proposed budget held on April 8, 2024 and continued to April 25, 2024; and

WHEREAS, the Commission determined the proposed 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 proposed budget as outlined in Exhibit “A” is adopted.
2. The proposed 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 April 25, 2024, after a motion by Commissioner _____, seconded by Commissioner _____, by the following vote:

AYES: Commissioners _____

NOES: Commissioners _____

ABSENT: Commissioners _____

ABSTAIN: Commissioners _____

Anne Cottrell
Commission Chair

ATTEST: _____
Brendon Freeman
Executive Officer

Recorded by: Stephanie Pratt
Clerk/Jr. Analyst

DRAFT



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

Fiscal Year 2024-25 Proposed Budget

Adopted on April 25, 2024

Expenses

Salaries and Benefits

Account Description

		FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25
		Final Budget	Actual	Final Budget	Actual	Adjusted Budget	Estimate	Proposed Budget
51210	Commissioner Per Diems	12,500	12,300	15,200	12,690	15,000	15,000	18,000
51300	Medicare - Commissioners	250	205	250	181	250	250	300
51305	FICA - Commissioners	500	525	500	583	600	600	700
Total Salaries & Benefits		13,250	13,030	15,950	13,454	15,850	15,850	19,000

Services and Supplies

Account Description

52100	Administration Services	439,901	408,954	509,844	429,510	559,015	550,000	622,859
52125	Accounting/Auditing Services	7,500	6,847	7,500	7,742	7,500	7,500	10,000
52130	Information Technology Services	24,489	24,489	23,974	23,974	34,309	34,309	27,746
52131	ITS Communication Charges	1,837	1,837	1,685	1,692	2,000	2,000	2,757
52140	Legal Services	25,000	22,000	35,000	32,402	35,000	34,000	50,000
52310	Consulting Services	-	-	10,000	-	105,000	105,000	45,000
52345	Janitorial Services	300	150	300	150	300	150	300
52515	Maintenance-Software	1,930	1,930	1,930	629	3,062	1,762	1,512
52600	Rents and Leases: Equipment	4,000	2,784	4,000	2,740	3,500	3,300	3,000
52605	Rents and Leases: Building/Land	31,322	28,234	25,995	25,995	26,775	26,775	27,570
52700	Insurance: Liability	578	578	638	-	716	716	1,000
52800	Communications/Telephone	2,000	1,485	3,000	1,667	3,000	3,000	3,000
52830	Publications and Notices	1,000	1,100	1,000	1,282	750	1,200	1,000
52835	Filing Fees	200	150	200	-	150	150	200
52900	Training/Conference	10,000	-	15,000	8,937	15,000	9,000	20,000
52905	Business Travel/Mileage	500	-	1,000	-	3,000	800	1,000
53100	Office Supplies	1,000	400	1,000	1,282	2,000	2,400	2,500
53110	Freight/Postage	500	100	150	-	100	-	100
53115	Books/Media/Subscriptions	-	119	119	119	119	119	119
53120	Memberships/Certifications	2,934	2,934	3,078	3,078	3,332	3,332	3,411
53205	Utilities: Electric	1,500	1,950	2,000	1,540	2,400	2,425	2,500
53410	Computer Equipment/Accessories	-	38	-	-	571	571	5,000
53415	Computer Software/License	225	225	225	-	225	225	3,000
53650	Business Related Meal/Supplies	250	33	-	316	760	850	1,000
Total Services & Supplies		556,966	506,337	647,638	543,055	808,584	789,584	834,574
EXPENSE TOTALS		570,216	519,367	663,588	556,509	824,434	805,434	853,574

Exhibit A

Revenues

		FY 2021-22		FY 2022-23		FY 2023-24		FY 2024-25
		Final Budget	Actual	Final Budget	Actual	Adjusted Budget	Estimate	Proposed Budget
Intergovernmental								
<u>Account</u>	<u>Description</u>							
43910	County of Napa	254,835	254,835	313,794	313,794	339,738	339,738	408,287
43950	Other Governmental Agencies	254,835	254,835	313,794	313,794	339,738	339,738	408,287
----	<i>City of Napa</i>	166,432	166,432	207,969	207,969	222,680	222,680	267,066
----	<i>City of American Canyon</i>	45,843	45,843	56,307	56,307	61,235	61,235	70,501
----	<i>City of St. Helena</i>	18,608	18,608	20,381	20,381	22,609	22,609	28,021
----	<i>City of Calistoga</i>	13,976	13,976	16,885	16,885	20,342	20,342	25,453
----	<i>Town of Yountville</i>	9,976	9,976	12,252	12,252	12,872	12,872	17,246
	Total Intergovernmental	509,670	509,670	627,588	627,588	679,476	679,476	816,574
Service Charges								
<u>Account</u>	<u>Description</u>							
42690	Application/Permit Fees	20,000	25,450	25,000	30,110	22,950	39,830	25,000
46800	Charges for Services	600	1,074	1,000	2,667	510	4,320	1,000
47900	Miscellaneous	-	2,845	4,000	-	-	-	4,000
	Total Service Charges	20,600	29,369	30,000	32,777	23,460	44,150	30,000
Investments								
<u>Account</u>	<u>Description</u>							
45100	Interest	10,000	5,700	6,000	7,243	6,500	18,146	7,000
	Total Investments	10,000	5,700	6,000	7,243	6,500	18,146	7,000
	REVENUE TOTALS	540,270	544,739	663,588	667,608	709,436	741,772	853,574
	OPERATING DIFFERENCE	(29,946)	25,372	0	111,099	(114,998)	(63,662)	0

Reserves

	2021-22	2022-23	2023-24	2024-25 *
Undesignated/Unreserved Fund Balance ("Reserves")				
Beginning:	270,692	296,064	407,163	363,158
Ending:	296,064	407,163	343,501	363,158
Minimum Reserves Goal Under Local Policy (33.3% Expenses)	190,072	221,196	274,811	284,525

* Reserves will increase by \$19,567 on July 1, 2024 due to the Commission discontinuing the use of its fully depreciated Laserfiche electronic document management system.



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**

**TWO YEAR STRATEGIC PLAN
JULY 1, 2023 – JUNE 30, 2025**

ADOPTED ON OCTOBER 2, 2023



MISSION STATEMENT OF THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

The **Local Agency Formation Commission of Napa County** is committed to serving the citizens and government agencies of its jurisdiction by encouraging the preservation of agricultural lands and open-space and coordinating the efficient delivery of municipal services.





VALUES OF THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

The *Local Agency Formation Commission of Napa County* is deeply invested in the communities we serve. We are committed to the mission of LAFCO and place high value in that which allows us to successfully partner with all stakeholders in service to the communities of Napa County.





FY 2023-24 / 2024-25 Napa LAFCO Goals

Goal: Understand how the 2020 Water-Wastewater Municipal Service Review may benefit the region



Assess & prioritize
recommendations



Engage stakeholder
partners

Goal: Initiate & complete the countywide Fire-EMS Municipal Service Review



Initiate & complete the
Municipal Service Review



Goal: Continue gaining greater LAFCO independence

(Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000)



Amend the agreement between
LAFCO & County to create greater
independence



The Commission

Margie Mohler, Chair
City Member (Town of Yountville)

Anne Cottrell, Vice Chair
County Member (Third Supervisorial District)

Kenneth Leary, Commissioner
Public Member

Beth Painter, Commissioner
City Member (City of Napa)

Belia Ramos
County Member (Fifth Supervisorial District)

Mariam Aboudamous, Alternate Commissioner
City Member (City of American Canyon)

Joelle Gallagher, Alternate Commissioner
County Member (First Supervisorial District)

Eve Kahn, Alternate Commissioner
Public Member

The Commission Staff

Brendon Freeman, Executive Officer
Dawn Mittleman Longoria, Assistant Executive Officer
Stephanie Pratt, Clerk/Jr. Analyst
Gary Bell, Legal Counsel (Colantuono, Highsmith & Whatley)



Services and Supplies Expenses - Administration Services (Account 52100)

Account	Category	FY23-24 Amount	FY24-25 Amount	Difference
51100	Salaries and Wages	\$ 395,246	\$ 427,338	\$ 32,092
51200	401A Employer Contribution	\$ 3,200	\$ 3,600	\$ 400
51205	Cell Phone Allowance	\$ 455	\$ 455	\$ -
51300	Medicare - Staff	\$ 5,731	\$ 5,969	\$ 238
51400	Employee Insurance-Premiums	\$ 67,054	\$ 63,720	\$ (3,334)
51405	Worker's Compensation	\$ 692	\$ 876	\$ 184
51600	PERS Retirement	\$ 79,226	\$ 109,051	\$ 29,825
51605	OPEB	\$ 7,411	\$ 11,851	\$ 4,440
TOTAL		\$ 559,015	\$ 622,859	\$ 63,844

Staff Salaries and Wages

Projected Salary Earnings	Hourly Rate	Hours	Amount
Brendon Freeman, Executive Officer (1.0 FTE): Current Hourly Rate = \$79.48 (Step 5)			
Step 5: July 2024 through June 2025	\$ 86.88	2080	\$ 180,710.40
Management Leave Cashout	\$ 86.88	80	\$ 6,950.40
Vacation Cashout	\$ 86.88	40	\$ 3,475.20
COLA @ 3.0%			\$ 5,734.08
Car Allowance (flat annual amount)			\$ 5,280.00
Total pay all inclusive	\$ 97.19		<u>\$ 202,150.08</u>
Dawn Mittleman Longoria, Assistant Executive Officer (1.0 FTE): Current Hourly Rate = \$63.05 (Step 5)			
Step 5: July 2024 through June 2025	\$ 66.00	2080	\$ 137,280.00
Management Leave Cashout	\$ 66.00	0	\$ -
Vacation Cashout	\$ 66.00	0	\$ -
COLA @ 3.0%			\$ 4,118.40
Total pay all inclusive	\$ 67.98		<u>\$ 141,398.40</u>
Stephanie Pratt, Clerk/Jr. Analyst (1.0 FTE): Current Hourly Rate = \$37.44 (Step 2)			
Step 3: July 2024 through June 2025	\$ 39.11	2080	\$ 81,348.80
COLA @ 3.0%			\$ 2,440.46
Total pay all inclusive	\$ 40.28		<u>\$ 83,789.26</u>
		TOTAL	\$ 427,337.74

Intergovernmental Revenues - Agency Contributions

2024-25 Agency Contributions Calculation

Step 1	Total Agency Contributions	FY23-24 <u>Adopted</u>	FY24-25 <u>PROPOSED</u>	Difference <u>Dollars</u>	Difference <u>Percentage</u>			
	Total	679,476.00	816,574.00	\$ 137,098.00	20.2%			
Step 2	Allocation Between County and Cities	FY23-24 <u>Adopted</u>	FY24-25 <u>PROPOSED</u>	Difference <u>Dollars</u>	Difference <u>Percentage</u>			
	50% to the County of Napa	\$ 339,738.00	\$ 408,287.00	\$ 68,549.00	20.2%			
	50% to the 5 Cities	\$ 339,738.00	\$ 408,287.00	\$ 68,549.00	20.2%			
Step 3a	Cities' Share Based on Total General Tax Revenues	<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>	
	Governmental Funds Revenues in FY21-22	\$ 36,812,431	\$ 22,131,637	\$ 153,208,869	\$ 25,357,874	\$ 17,383,735	\$ 254,894,546	
	Percentage of Total General Tax Revenues	14.4%	8.7%	60.1%	9.9%	6.8%	100%	
Step 3b	Cities' Share Based on Total Population	<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>	
	Population on 1/1/23 *	21,338	5,127	76,821	5,355	2,778	111,419	
	Percentage of Total Population	19.2%	4.6%	68.9%	4.8%	2.5%	100%	
Step 4	Cities Allocation Formula	<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>	
	Share Based on Total General Taxes	14.4%	8.7%	60.1%	9.9%	6.8%	100%	
	Portion of Allocation to LAFCO Budget	23,586.28	14,180.08	98,163.25	16,247.17	11,138.02	40%	
	Share Based on Total Population *	19.2%	4.6%	68.9%	4.8%	2.5%	100%	
	Portion of Allocation to LAFCO Budget	46,914.95	11,272.52	168,903.05	11,773.81	6,107.87	60%	
	Total Agency Allocation	\$ 70,501.23	\$ 25,452.59	\$ 267,066.30	\$ 28,020.98	\$ 17,245.89	\$ 408,287.00	
	Allocation Share	17.3%	6.2%	65.4%	6.9%	4.2%	100%	
Step 5	FY24-25 Invoices	<u>County of Napa</u>	<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Agencies</u>
	\$	408,287.00	\$ 70,501.23	\$ 25,452.59	\$ 267,066.30	\$ 28,020.98	\$ 17,245.89	\$ 816,574.00
	<i>Difference From FY23-24:</i>	\$ 68,549.00	\$ 9,266.09	\$ 5,110.34	\$ 44,386.66	\$ 5,411.91	\$ 4,374.00	\$ 137,098.00
		20.2%	15.1%	25.1%	19.9%	23.9%	34.0%	20.2%

* Population data will be updated when the CA Department of Finance's estimates for January 1, 2024 are made available, which will result in minor changes to agency shares for the five cities & town.

Fully Burdened Hourly Rate Calculation for FY 24-25

Step One: Calculate Hourly Input Rates

Input One: Hourly Staff Salaries

Year	Executive Officer	Assistant EO	Clerk/Jr. Analyst
2024-25	\$ 97.19	\$ 67.98	\$ 40.28

Input Two: Hourly Staff Benefits

Category	Executive Officer	Assistant EO	Clerk/Jr. Analyst
401A Employer Contribution	\$ 0.87	\$ 0.87	\$ -
Cell Phone Allowance	\$ 0.22	\$ -	\$ -
Medicare	\$ 1.30	\$ 0.99	\$ 0.58
Employee Insurance: Premiums	\$ 11.97	\$ 11.86	\$ 6.80
Workers Compensation	\$ 0.14	\$ 0.14	\$ 0.14
Retirement	\$ 22.59	\$ 18.73	\$ 11.11
Other Post Employment Benefits	\$ 1.90	\$ 1.90	\$ 1.90
Total	\$ 38.99	\$ 34.48	\$ 20.53

Input Three: Hourly Overhead Costs

Category	Budgeted Amount	Hourly Costs
Commissioner Per Diems	\$ 18,000.00	\$ 8.65
Medicare - Commissioners	\$ 300.00	\$ 0.14
FICA - Commissioners	\$ 700.00	\$ 0.34
Accounting/Auditing Services	\$ 10,000.00	\$ 4.81
Information Technology Services	\$ 27,746.00	\$ 13.34
ITS Communications Charges	\$ 2,757.00	\$ 1.33
Legal Services	\$ 50,000.00	\$ 24.04
Consulting Services	\$ 45,000.00	\$ 21.63
Janitorial Services	\$ 300.00	\$ 0.14
Maintenance-Software	\$ 1,512.00	\$ 0.73
Rents and Leases: Equipment	\$ 3,000.00	\$ 1.44
Rents and Leases: Building/Land	\$ 27,570.00	\$ 13.25
Insurance: Liability	\$ 1,000.00	\$ 0.48
Communications/Telephone	\$ 3,000.00	\$ 1.44
Publications and Notices	\$ 1,000.00	\$ 0.48
Filing Fees	\$ 200.00	\$ 0.10
Training/Conference	\$ 19,999.60	\$ 9.62
Business Travel/Mileage	\$ 1,000.00	\$ 0.48
Office Supplies	\$ 2,500.00	\$ 1.20
Freight/Postage	\$ 100.00	\$ 0.05
Books/Media/Subscriptions	\$ 119.00	\$ 0.06
Memberships/Certifications	\$ 3,411.00	\$ 1.64
Utilities: Electric	\$ 2,500.00	\$ 1.20
Computer Equipment/Accessories	\$ 5,000.00	\$ 2.40
Computer Software/License	\$ 3,000.00	\$ 1.44
Business Related Meal/Supplies	\$ 1,000.00	\$ 0.48
Total	\$ 229,714.60	\$ 110.44

Step Two: Calculate Hourly Staff Rates Per Budgeted Position

Input	Executive Officer	Assistant EO	Clerk/Jr. Analyst
Hourly Staff Salaries	\$ 97.19	\$ 67.98	\$ 40.28
Hourly Staff Benefits	\$ 38.99	\$ 34.48	\$ 20.53
Hourly Overhead Costs	\$ 110.44	\$ 110.44	\$ 110.44
Total	\$ 246.62	\$ 212.90	\$ 171.26

Step Three: Calculate a Weighted Hourly Staff Rate

Factor	Executive Officer	Assistant EO	Clerk/Jr. Analyst
Calculated Hourly Rate	\$ 246.62	\$ 212.90	\$ 171.26
% Time Processing Applications	25%	25%	50%
Fully Burdened Hourly Rate:	\$ 200.51		

Napa LAFCO Work Program for Fiscal Year 2024-25			
		Timeline	Comments
STUDIES	Countywide Fire & EMS MSR (Consultant)	Draft report in Oct 2024	Previous Countywide Fire MSR completed in 2006. Contracting with AP Triton to prepare the report.
	County Service Area No. 4 MSR & SOI (In-House)	Draft report in Dec 2024	Previous MSR & SOI completed in 2017. Will initiate following completion of County report on farmworker housing needs.
	Napa Sanitation District SOI (In-House)	Draft report in Feb 2025	Previous MSR completed in 2014 (Central County Region MSR). Previous SOI completed in 2015. Staff has engaged District staff, County staff, and interested community members to identify potential SOI study areas.
	City of St. Helena MSR & SOI (In-House)	Draft report in June 2025	Previous MSR & SOI completed in 2008.
ADMINISTRATION	Audit	Annual	Presented by the County Auditor-Controller annually in December.
	Budget	Annual	Ad hoc Budget Committee appointed annually in December to assist staff in preparing budget and work program. Staff presents quarterly budget reports.
	Legislation	Annual	Ad hoc Legislative Committee appointed annually in December to review state legislation and recommend formal positions.
	New Commissioner Orientation	Ongoing	Mandatory in-person orientation process for new commissioners. Develop commissioner handbook.
	Policies	Ongoing	Policy amendments will be proposed as needed. Policy Manual updated accordingly.
	Proposals	Ongoing	See "Current and Future Proposals" staff report on each meeting agenda for a status update.
	Staff Training	Ongoing	Clerk/Jr. Analyst requires ongoing 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.
OTHER	LAFCO Independence	ASAP	Strategic plan goal to enhance independence. Ad hoc subcommittee assisting staff in review of Support Services Agreement with Napa County.
	Special Projects & 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".
	Education & Outreach to Stakeholders & Public	Ongoing	Proactive engagement with local agencies. Conduct regular presentations. Leverage website whenever possible.
	Climate Resiliency in LAFCO's Work	Ongoing	Research policies & best practices of other LAFCOs. Consider adopting additional local policies.
	Coordination & Provision of Broadband Services	TBD	Participate in the North Bay Broadband Consortium. Coordinate with other LAFCOs.
	2024 CALAFCO Annual Conference	October 16 - 18, 2024	Location is Tenaya Lodge near Yosemite. All staff and commissioners encouraged to attend
	2025 CALAFCO Staff Workshop	TBD	Location to be determined. All staff encouraged to attend.
Draft Work Program Presented on April 25, 2024			