



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

December 2, 2013
Agenda Item No. 7c (Action)

November 25, 2013

TO: Local Agency Formation Commission

FROM: Peter Banning, Acting Executive Officer

SUBJECT: Appointments to the 2014-2015 Budget Committee

The Commission will consider appointing two members to serve with the Executive Officer on the 2014-2015 Budget Committee.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to annually prepare and adopt proposed and final budgets by May 1st and June 15th, respectively.

A. Discussion

It is the policy of LAFCO of Napa County (“Commission”) to establish a budget committee at its last meeting of the calendar year. The budget committee consists of two appointed Commissioners and the Executive Officer. The budget committee is responsible for preparing a draft proposed budget for review by the Commission and those entities statutorily responsible for funding the agency no less than 30 days prior to its adoption. It has been the practice of the Commission to receive a draft proposed budget from the budget committee at its February meeting. Proposed and final budgets are generally presented to the Commission for adoption at its April and June meetings. Previous appointments to the budget committee are summarized below.

Term	Appointee	Appointee
2013-2014	Brian J. Kelly	Lewis Chilton
2012-2013	Brian J. Kelly	Lewis Chilton
2011-2012	Brian J. Kelly	Lewis Chilton
2010-2011	Brian J. Kelly	Lewis Chilton
2009-2010	Brian J. Kelly	Jack Gingles
2008-2009	Brian J. Kelly	Jack Gingles

Joan Bennett, Commissioner
Councilmember, City of American Canyon

Greg Pitts, Commissioner
Councilmember, City of St. Helena

Juliana Inman, Alternate Commissioner
Councilmember, City of Napa

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

Bill Dodd, Commissioner
County of Napa Supervisor, 4th District

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Brian J. Kelly, Vice Chair
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Peter Banning
Acting Executive Officer

B. Analysis

The 2014-2015 Budget Committee will review and make recommendations on baseline expenditures to maintain or adjust current agency service levels as deemed appropriate.

With respect to time commitments, it is anticipated the Committee will conduct a noticed public meeting during the second full week of January during the early afternoon. If needed, an additional noticed public meeting will be conducted during the second or third week of March. Meetings generally last one hour. Committee members, per practice, will receive a standard per diem for their attendance.

C. Recommendation

It is recommended the Commission take the following action:

- 1) Appoint two members to serve on the 2014-2015 Budget Committee.

D. Procedures for Consideration

This item has been agendized as part of the action calendar. The following procedures are recommended with respect to the Commission's consideration of this item:

- 1) Receive verbal report from staff; and
- 2) Discuss item and consider action on recommendation.

Respectfully submitted,

Peter Banning
Acting Executive Officer

Attachment:

- 1) *Policy on Preparation of the LAFCO Budget*



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Budget Policy

Adopted: August 9, 2001

Last Amended: December 3, 2012

I. Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 specifies the Commission shall annually adopt proposed and final budgets no later than May 1st and June 15th, respectively. State law specifies the proposed and final budgets shall – at a minimum – be equal to the budget adopted for the previous fiscal year unless the Commission adopts a finding the reduced costs will nevertheless allow the agency to fulfill its prescribed duties. The Commission must adopt proposed and final budgets at noticed public hearings.

II. Objective

The objective of this policy is to guide the Commission in preparing and adopting an annual operating budget in a consistent and transparent manner.

III. Declaration

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 and cities, hereafter referred to as the “funding agencies,” whenever possible and appropriate.

III. Guidelines

A. Minimum Fund Balance

- 1) It is the policy of the Commission to maintain an undesignated/unreserved fund balance equal to no less than one-fourth of adopted operating expenses.

B. Budget Committee

- 1) The Commission shall establish a budget committee at the last meeting of each calendar year.
- 2) The budget committee shall be comprised of two members of the Commission and the Executive Officer.
- 3) The term of each budget committee shall commence upon the establishment and appointment of members and terminate at the time a final budget has been adopted by the Commission.

- 4) The budget committee will conduct noticed public meetings as needed in fulfilling its responsibilities as provided under this policy.
- 5) Commissioners appointed to a budget committee shall receive a regular per diem payment for each meeting attended.

C. Preparation of the Annual Budget

- 1) The annual budget shall be prepared in three distinct phases: draft proposed; proposed; and final.
- 2) The following procedures shall guide the preparation of a draft proposed budget:
 - (a) The budget committee shall prepare a draft proposed budget for Commission review and approval no later than February 15th.
 - (b) The approved draft proposed budget shall be circulated to all funding agencies for review and comment for no less than 21 days.
- 3) The following procedures shall guide the preparation of a proposed budget:
 - (a) The budget committee shall prepare a proposed budget for Commission review and adoption at a noticed public hearing no later than May 1st.
 - (b) The adopted proposed budget shall be circulated to all funding agencies for review and comment for no less than 21 days.
 - (c) The adopted proposed budget shall also be posted on the Commission's website for review and comment for no less than 21 days.
- 4) The following procedures shall guide the preparation of a final budget:
 - (a) The budget committee shall prepare a final budget for Commission review and adoption at a noticed public hearing no later than June 15th.
 - (b) The Executive Officer shall provide immediate notice of the adopted final budget to all funding agencies.
 - (c) The Executive Officer shall request the County of Napa Auditor's Office prepare invoices for all funding agencies' annual contributions consistent with the adopted final budget no less than 20 business days from the Commission's adoption.
 - (d) The adopted final budget shall be posted on the Commission's website for public viewing for the entirety of the affected fiscal year.