



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

1030 Seminary Street, Suite B
Napa, California 94559
Phone: (707) 259-8645
Fax: (707) 251-1053
www.napa.lafco.ca.gov

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

Agenda Item 5d (Consent/Action)

TO: Local Agency Formation Commission

PREPARED BY: Brendon Freeman, Executive Officer

MEETING DATE: November 18, 2019

SUBJECT: Budget Adjustment No. 2 for Fiscal Year 2019-2020

RECOMMENDATION

It is recommended the Commission approve an adjustment to the 2019-2020 budget to move eight expense accounts related to staff salaries and benefits to the Administration Services account (Account No. 52100) as reflected in Attachment One.

BACKGROUND AND SUMMARY

On June 3, 2019, the Commission adopted a final budget for fiscal year 2019-2020.

On August 5, 2019, the Commission approved a budget adjustment for fiscal year 2019-2020 for purposes of re-encumbering existing consultant contracts with unspent amounts from the previous fiscal year.

Staff was recently informed by County of Napa staff that eight expense accounts related to LAFCO staff salaries and benefits (Accounts No. 51100, 51200, 51205, 51300, 51400, 51405, 51600, and 51605) were entered into incorrect budget accounts at the beginning of the fiscal year. These accounts need to be moved to Administration Services (Account No. 52100) by way of a budget adjustment. Staff recommends the Commission approve a budget adjustment as reflected in Attachment One.

The adjusted budget for 2019-2020 that includes the proposed budget adjustment is included as Attachment Two. Given the adjustment is limited to moving existing budgeted accounts to a separate account, it will not impact the Commission's bottom line or contributions from the local funding agencies.

ATTACHMENTS

- 1) Proposed Budget Adjustment No. 2 for 2019-2020
 - 2) Proposed Adjusted Budget for 2019-2020
-

Kenneth Leary, Vice Chair
Councilmember, City of American Canyon

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

Gregory Rodeno, Chair
Representative of the General Public

Margie Mohler, Commissioner
Councilmember, Town of Yountville

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

Eve Kahn, Alternate Commissioner
Representative of the General Public

Scott Sedgley, Alternate Commissioner
Councilmember, City of Napa

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

Brendon Freeman
Executive Officer

BUDGET ADJUSTMENT REQUEST
Increase/Decrease Between Expenses

Fiscal Year: 2019-2020

Date: 11/18/19
 Department: LAFCO
 Prepared By: Brendon Freeman, Executive Officer
 Phone: (707) 259-8645

Board # (If Appl): _____
 Budget Journal ID: _____
 Journal Entry ID: _____
 Date Posted: _____

Fund	Sub-division	Program	Account Code	Account Description	Increase	Decrease
8400	8400000		51100	Salaries and Wages		269,085.00
8400	8400000		51200	401A Employer Contribution		1,000.00
8400	8400000		51205	Cell Phone Allowance		420.00
8400	8400000		51300	Medicare		3,865.00
8400	8400000		51400	Employee Insurance-Premiums		54,408.00
8400	8400000		51405	Worker's Compensation		675.00
8400	8400000		51600	Retirement		53,691.00
8400	8400000		51605	Other Post Employment Benefits		16,134.00
8400	8400000		52100	Administration Services	399,278.00	
Adjustment Totals					399,278.00	399,278.00

Justification: Moving LAFCO staff salaries and benefits expense accounts to the correct budget account: Administration Services (Account No. 52100).

Department Authorization	CEO's Recommendation	Auditor-Controller	Board of Supervisor's Action
Budget Adjustment and Related Journal Entry, if applicable, reviewed and approved. <div style="text-align: right;">_____</div> Date	<div style="text-align: center;"> <input type="checkbox"/> Approve _____ <input type="checkbox"/> Disapprove _____ Date Budget Adjustment is in Accordance with Board Resolution 03-112 (>\$10,000) </div> <div style="text-align: center;">_____</div> County Executive Officer	Budget Adjustment and Related Journal Entry, if applicable, approved as to Accounting Form. <div style="text-align: right;">_____</div> Date	<div style="text-align: center;"> <input type="checkbox"/> Approve _____ <input type="checkbox"/> Disapprove _____ Date Agenda Item </div> <div style="text-align: center;">_____</div> Clerk of the Board of Supervisors
Department Head		Auditor-Controller	



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

FY2019-2020 ADJUSTED OPERATING BUDGET
 Presented on November 18, 2019

Expenses		FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	Difference	
		Adjusted ¹	Actual	Adjusted ¹	Actual	Adjusted ¹	Actual	Adjusted Budget ^{1 2}		
Salaries and Benefits										
<u>Account</u>	<u>Description</u>									
51210	Commissioner Per Diems	12,875	12,750	11,000	9,875	15,000	12,150	15,000	-	0.0%
51300	Medicare - Commissioners	210	180	-	140	-	173	225	225	0.0%
51305	FICA - Commissioners	682	490	500	398	500	500	500	-	0.0%
	Total Salaries & Benefits	13,767	13,421	11,500	10,413	15,500	12,823	15,725	225	1.5%
Services and Supplies										
<u>Account</u>	<u>Description</u>									
52100	Administration Services ²	309,455	241,819	348,201	245,673	371,069	319,297	399,278	28,209	7.6%
52105	Election Services	300	-	100	-	500	-	200	(300)	0.0%
52125	Accounting/Auditing Services	9,500	7,655	9,500	6,902	8,000	8,009	8,000	-	0.0%
52130	Information Technology Services	24,052	24,052	16,859	16,859	17,301	16,653	24,590	7,289	42.1%
52140	Legal Services	32,000	25,867	35,000	35,000	35,000	30,186	30,000	(5,000)	-14.3%
52310	Consulting Services ¹	78,840	35,415	52,311	30,221	188,050	84,209	112,624	(75,426)	-40.1%
52345	Janitorial Services	500	150	200	75	150	165	300	150	100.0%
52515	Maintenance-Software	2,000	1,779	2,000	1,779	2,000	1,779	2,000	-	0.0%
52600	Rents and Leases: Equipment	7,000	5,240	6,000	4,710	5,500	4,979	5,500	-	0.0%
52605	Rents and Leases: Building/Land	25,560	25,560	27,828	27,828	27,828	28,663	29,523	1,695	6.1%
52700	Insurance: Liability	1,206	1,206	249	249	70	70	4,554	4,484	6405.7%
52800	Communications/Telephone	3,000	3,021	3,000	3,041	3,000	3,837	3,000	-	0.0%
52830	Publications and Notices	2,000	1,588	2,000	1,562	2,000	967	1,500	(500)	-25.0%
52835	Filing Fees	500	400	500	150	500	200	250	(250)	-50.0%
52900	Training/Conference	10,000	8,050	9,000	7,091	9,000	13,770	12,295	3,295	36.6%
52905	Business Travel/Mileage	2,000	830	1,500	1,152	1,000	2,265	3,000	2,000	200.0%
53100	Office Supplies	4,000	1,949	3,000	1,768	2,000	2,275	2,000	-	0.0%
53110	Freight/Postage	500	250	300	253	300	100	300	-	0.0%
53120	Memberships/Certifications	2,548	2,548	2,726	2,726	2,805	2,805	3,261	456	16.3%
53205	Utilities: Electric	1,600	1,121	1,300	1,057	1,300	1,121	1,300	-	0.0%
53410	Computer Equipment/Accessories	-	418	500	539	500	645	300	(200)	-40.0%
56350	Business Related Meal/Supplies	-	652	350	916	750	479	500	(250)	-33.3%
	Total Services & Supplies	521,061	390,348	522,524	395,847	678,673	522,744	644,275	(34,398)	-5.1%
	EXPENSE TOTALS	534,828	403,768	534,024	406,260	694,173	535,567	660,000	(34,173)	-4.9%

¹ Operating expenses in fiscal years 16-17, 17-18, 18-19, and 19-20 were adjusted to re-encumber existing consultant contracts that were not fully utilized in the preceding fiscal years.
² Administration Services (52100) includes the following eight expense accounts related to staff salaries and benefits: Salaries and Wages (51100); 401A Employer Contribution (51200); Cell Phone Allowance (51205); Medicare - Staff (51300); Employee Insurance-Premiums (51400); Worker's Compensation (51405); Retirement (51600); and OPEB (51605).

Revenues

		FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20			
		Adopted Final	Actual	Adopted Final	Actual	Adopted Final	Actual	Adjusted Budget	<u>Difference</u>		
Intergovernmental											
<u>Account</u>	<u>Description</u>										
43910	County of Napa	224,972	224,972	213,724	213,724	224,410	224,410	235,631	11,221	5.0%	
43950	Other Governmental Agencies	224,972	224,972	213,724	213,724	224,410	224,410	235,631	11,221	5.0%	
----	<i>City of Napa</i>	149,066	149,066	143,028	143,028	148,793	148,793	154,514	5,721	3.8%	
----	<i>City of American Canyon</i>	35,330	35,330	34,380	34,380	35,803	35,803	38,707	2,904	8.1%	
----	<i>City of St. Helena</i>	15,908	15,908	13,856	13,856	14,897	14,897	15,357	460	3.1%	
----	<i>City of Calistoga</i>	13,208	13,208	12,349	12,349	13,673	13,673	15,575	1,902	13.9%	
----	<i>Town of Yountville</i>	11,458	11,458	10,111	10,111	11,243	11,243	11,478	235	2.1%	
	Total Intergovernmental	449,944	449,944	427,448	427,448	448,820	448,820	471,261	22,441	5.0%	
Service Charges											
<u>Account</u>	<u>Description</u>										
42690	Application/Permit Fees	30,000	5,043	20,000	9,471	20,000	41,451	25,000	5,000	25.0%	
46800	Charges for Services	500	250	500	250	500	500	500	-	0.0%	
	Total Service Charges	30,500	5,293	20,500	9,721	20,500	41,951	25,500	5,000	24.4%	
Investments											
<u>Account</u>	<u>Description</u>										
45100	Interest	2,000	4,592	5,000	6,701	7,000	12,486	7,000	-	0.0%	
	Total Investments	2,000	4,592	5,000	6,701	7,000	12,486	7,000	-	0.0%	
	REVENUE TOTALS	482,444	459,829	452,948	443,870	476,320	503,257	503,761	27,441	5.8%	
OPERATING DIFFERENCE		(52,384)	56,061	(81,076)	37,610	(217,853)	(32,310)	(156,239)			

Negative Balance Indicates Use of Unrestricted Fund Balance Reserves

	2016-2017	2017-2018	2018-2019	2019-2020
	Actual	Actual	Actual	Adjusted Budget
RESTRICTED FUND BALANCE (EQUIPMENT REPLACEMENT RESERVE)				
Beginning:	19,657	19,657	19,657	19,657
Ending:	19,657	19,657	19,657	19,657
UNRESERVED/UNRESTRICTED FUND BALANCE				
Beginning:	350,874	405,435	443,045	410,734
Ending:	405,435	443,045	410,734	254,495
TOTAL FUND BALANCE				
Beginning:	370,531	425,092	462,702	430,391
Ending:	425,092	462,702	430,391	274,152
MINIMUM FOUR MONTH RESERVE GOAL	178,276	178,008	231,391	220,000