



**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 8b (Public Hearing)**

**TO:** Local Agency Formation Commission

**PREPARED BY:** Budget Committee (Rodeno, Wagenknecht, Freeman)

**MEETING DATE:** June 5, 2017

**SUBJECT:** Final Budget for Fiscal Year 2017-2018

---

**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 draft resolution approving the final budget for 2017-2018 with any desired changes (Attachment One);

**BACKGROUND**

LAFCOs are responsible for annually adopting a proposed budget by May 1<sup>st</sup> and a final budget by June 15<sup>th</sup> 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.

***Prescriptive Funding Sources***

The Commission’s annual operating expenses are principally 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 five cities. The current formula for allocating the cities’ shares of the Commission’s budget was adopted by the municipalities in 2003 as an alternative to the standard method outlined in State law and is based on a weighted calculation of population (60%) and general tax revenues (40%). Additional funding – typically representing less than one-tenth of total revenues – is budgeted from anticipated application fees and interest earnings.

---

Juliana Inman, Commissioner  
Councilmember, City of Napa

Margie Mohler, Commissioner  
Councilmember, Town of Yountville

Kenneth Leary, Alternate Commissioner  
Councilmember, City of American Canyon

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

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

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

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

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Brendon Freeman  
*Executive Officer*

### ***Budgeting Policies***

It is the policy of the Commission to ensure the agency is appropriately funded to effectively and proactively meet its prescribed duties while controlling operating expenses whenever possible to limit the financial impact on the funding agencies. This means utilizing the Commission's unrestricted fund balance ("reserves") when appropriate to offset increases in agency contributions. It is the policy of the Commission to retain sufficient reserves to equal no less than four months of budgeted operating expenses in the affected fiscal year.

Further, it is the policy of the Commission to utilize a Budget Committee ("Committee") to inform the agency's decision-making process in adopting an annual operating budget. The Commission establishes a Committee for each fiscal year that includes two Commissioners and the Executive Officer. Alternate Commissioner Gregory Rodeno and Commissioner Brad Wagenknecht were appointed to serve on the Budget Committee at the Commission's December 5, 2016 regular meeting. The Committee's responsibilities are summarized in the Budget Policy, which is included as Attachment Two.

### ***Committee Actions to Date***

At its April 3, 2017 meeting, the Commission adopted a proposed budget for 2017-2018. The proposed budget was circulated to the funding agencies and posted to the agency website for review and comment through May 5, 2017 in anticipation of the Commission adopting a final budget as part of today's public hearing. No comments were received on the proposed budget. The Committee agreed the proposed budget that was adopted at the April 3<sup>rd</sup> meeting remains appropriate. Therefore, the Committee proposes adoption of a nearly identical final budget as part of today's meeting.<sup>1</sup>

### **SUMMARY**

The Commission will consider adopting a resolution to approve a final budget for 2017-2018. Operating expenses total \$498,713 and represent a 6.8% decrease over the current fiscal year. Operating revenues total \$452,947 with the remaining shortfall (\$45,766) to be covered by drawing down on agency reserves. The final budget for 2017-2018 accomplishes the Committee's objectives to provide sufficient resources to maintain current service levels while minimizing impacts on the funding agencies by reducing overall contributions compared to previous fiscal years. Additionally, and despite allocating \$45,766 as offsetting revenues, the final budget positions the Commission to finish 2017-2018 with reserves totaling \$339,016; an amount more than sufficient to meet the Commission's policy to retain reserves equal to no less than four months of operating expenses.<sup>2</sup>

A detailed summary of operating expenses and revenues follows with the corresponding general ledger showing all affected accounts included as an exhibit to the draft resolution of approval (Attachment One).

---

<sup>1</sup> The recommended final budget includes one minor change that involves a reallocation of \$500 from Rents and Leases: Equipment (Account No. 52600) to Consulting Services (Account No. 52310) for purposes of website upgrade projects.

<sup>2</sup> The Commission's reserves are divided between restricted and unrestricted funds. Restricted funds currently total \$19,657 and can only be used for equipment replacement relating to the Commission's electronic document management system.

**Operating Expenses**

The Committee proposes a decrease in operating expenses from \$534,828 in the current fiscal year to \$498,713 in 2017-2018; a difference of (\$36,115) or (6.8%). The Committee proposes increasing the Salaries and Benefits unit from \$323,222 to \$359,701. The proposed change represents a \$36,479 or 11.3% increase and accounts for (1) full funding of the vacant Analyst position at the bottom of the salary scale;<sup>3</sup> (2) increasing the Executive Officer’s salary from step two to step three of the salary scale; (3) incorporating cost-of-living adjustments for all employees consistent with the Commission’s agreement with the County of Napa for staff support services; and (4) a budget transfer of \$24,700 from Salaries and Benefits to Services and Supplies during the current fiscal year.<sup>4</sup>

The Committee proposes decreasing the Services and Supplies unit from \$211,606 to \$139,012. The proposed change represents a (\$72,594) or (34.3%) decrease. The largest decreases within the Services and Supplies unit are associated with consulting services, information technology services, legal services, and special departmental expenses. It is important to note the Committee proposes a decrease in the consulting services account from \$78,840 to \$25,500. The decrease in consulting services represents a total of (\$53,340) or (67.7%) that is budgeted during 2016-2017 for contracts with private consultants. Budgeted expenses associated with consultant contracts in 2016-2017 include (1) \$10,700 for Ascent for environmental consulting services; (2) \$13,079 for SWALE for municipal service reviews and sphere of influence updates; (3) \$15,561 for ECS for historical file back-scanning related to the Commission’s electronic document management system; (4) \$500 for Planeteria for website upgrade projects; and (5) \$24,700 for E Mulberg & Associates for municipal service reviews and sphere of influence updates.<sup>5</sup> The proposed \$25,500 for consulting services in the 2017-2018 budget would allocate (1) \$25,000 for the Ascent contract and (2) \$500 for the Planeteria contract. The Commission does not budget for contingencies and instead relies on reserves to address unexpected expenses and emergencies.

The following table summarizes operating expenses in the final budget.

Expense Unit	Adjusted FY16-17	Final FY17-18	Change \$	Change %
1) Salaries/Benefits	\$323,222	\$359,701	\$36,479	11.3%
2) Services/Supplies	\$211,606	\$139,012	(\$72,594)	(34.3%)
3) Contingencies	\$0	\$0	\$0	0.0%
	\$534,828	\$498,713	(\$36,115)	(6.8%)

<sup>3</sup> In the absence of filling the vacant Analyst position, it would be reasonable to assume the Commission will consider a budget transfer from Administrative Services to Consulting Services in the amount of the Analyst’s salary and benefits total for purposes of hiring private consultants to assist in the preparation of municipal service reviews and sphere of influence updates. This potential budget transfer would be consistent with recent practice.

<sup>4</sup> The \$24,700 budget transfer is associated with a contract with a private consultant, E Mulberg & Associates, which resulted in lower total expenses within the Salaries and Benefits unit along with a corresponding increase in the Services and Supplies unit during the 2016-2017 fiscal year.

<sup>5</sup> If any existing contract amounts for one-time work are not entirely spent during 2016-2017, and if additional work remains needed in 2017-2018 under these contracts, the unspent amount will be re-encumbered in 2017-2018 as a formal action item at a future Commission meeting.

### Operating Revenues

It has been the Commission's practice in recent years to intentionally budget for operating deficits for the purpose of reducing the impact to funding agencies when reserves exceed the amount required in the Budget Policy.<sup>6</sup> The final budget includes a decrease in operating revenues from the current fiscal year amount of \$482,444 to \$452,947, which represents a decrease of (\$29,497) or (6.1%). Approval of the proposed revenues in the 2017-2018 final budget would result in an intentional operating deficit of (\$45,766), which would be covered by utilizing reserves consistent with prior fiscal years.

The majority of operating revenues to be collected – \$427,447 – would be drawn from agency contributions and would represent a 5% decrease from the current fiscal year.<sup>7</sup> A local agency contributions worksheet is included as Attachment Three. Service charges and interest earnings on the fund balance invested by the County Treasurer represent the remaining portion of operating revenues in the proposed budget. Projected application fee revenues in the final budget are reduced from \$30,000 in 2016-2017 to \$20,000 in 2017-2018 in recognition of recent trends in proposal activity.

The following table summarizes operating revenues in the final budget.

Revenue Unit	Adjusted FY16-17	Final FY17-18	Change \$	Change %
1) Agency Contributions	\$449,944	\$427,447	(\$22,497)	(5.0%)
(a) County of Napa	\$224,972	\$213,724	(\$11,249)	(5.0%)
(b) City of Napa	\$149,066	\$143,028	(\$6,038)	(4.1%)
(c) City of American Canyon	\$35,330	\$34,380	(\$950)	(2.7%)
(d) City of St. Helena	\$15,908	\$13,856	(\$2,052)	(12.9%)
(e) City of Calistoga	\$13,208	\$12,349	(\$859)	(6.5%)
(f) Town of Yountville	\$11,458	\$10,111	(\$1,347)	(11.8%)
2) Service Charges	\$30,500	\$20,500	(\$10,000)	(32.8%)
3) Interest Earnings	\$2,000	\$5,000	\$3,000	150.0%
Total	\$482,444	\$452,947	(\$29,497)	(6.1%)

### ATTACHMENTS

- 1) Draft Resolution of Approval (Proposed Budget Provided as Exhibit "A")
- 2) Budget Policy
- 3) Local Agency Contributions Worksheet

<sup>6</sup> Unrestricted reserves are estimated to total \$365,720 at the end of 2016-2017. The Budget Policy directs the Commission to retain sufficient reserves to equal no less than four months of budgeted operating expenses. Pursuant to the Budget Policy and based on proposed operating expenses in 2017-2018, the Commission is directed to retain a minimum of \$166,238 in reserves.

<sup>7</sup> Proposed agency contributions reflect general tax revenues for 2014-2015 as provided by the State Controller's Office's Cities Annual Report as well as population estimates for January 1, 2017 as provided by the State Department of Finance's Population Estimates.

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF  
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY  
ADOPTING A FINAL BUDGET FOR THE 2017-2018 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 no later than May 1<sup>st</sup> and a final budget by June 15<sup>th</sup>; and

**WHEREAS**, the Commission appoints and utilizes a 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, 2017; 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; and

**WHEREAS**, the Commission reviewed all substantive written and verbal comments concerning the adopted proposed budget; and

**WHEREAS**, the Budget Committee prepared a report with recommendations for a final budget; and

**WHEREAS**, the Budget Committee’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, 2017; 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 approved.
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 regular meeting held on June 5, 2017 by the following vote:

AYES: Commissioners \_\_\_\_\_  
NOES: Commissioners \_\_\_\_\_  
ABSENT: Commissioners \_\_\_\_\_  
ABSTAIN: Commissioners \_\_\_\_\_

\_\_\_\_\_  
Brad Wagenknecht  
Commission Chair

ATTEST: \_\_\_\_\_  
Brendon Freeman  
Executive Officer

Recorded by: Kathy Mabry  
Commission Secretary



# Local Agency Formation Commission of Napa County

## Subdivision of the State of California

Attachment One  
Exhibit A

### FY2017-2018 FINAL OPERATING BUDGET

Prepared on May 11, 2017

#### Expenses

		FY2014-15		FY2015-16		FY2016-17		FY2017-18		
		Adjusted FY14-15	Actual FY14-15	Adjusted FY15-16	Actual FY15-16	Adjusted FY16-17	Estimated FY16-17	Final FY17-18	<i>Difference</i>	
<b>Salaries and Benefits</b>										
<u>Account</u>	<u>Description</u>									
51100 *	Salaries and Wages	147,625	150,093	152,582	138,142	194,226	146,036	<b>230,519</b>	<i>36,293</i>	<i>18.7%</i>
51200 *	401A Employer Contribution	1,000	300	-	2,000	1,000	1,000	<b>1,000</b>	-	<i>0.0%</i>
51205 *	Cell Phone Allowance	840	682	840	401	420	420	<b>420</b>	-	<i>0.0%</i>
51210	Commissioner/Director Pay	10,000	11,125	11,000	9,375	11,000	11,875	<b>11,000</b>	-	<i>0.0%</i>
51300 *	Medicare	3,012	2,410	3,251	1,951	3,374	2,149	<b>3,500</b>	<i>126</i>	<i>3.7%</i>
51305	FICA	-	496	500	395	550	413	<b>500</b>	<i>(50)</i>	<i>-9.1%</i>
51400 *	Employee Insurance: Premiums	44,796	27,679	42,936	25,499	51,754	35,664	<b>51,818</b>	<i>64</i>	<i>0.1%</i>
51405 *	Workers Compensation	428	428	500	461	2,221	2,221	<b>719</b>	<i>(1,502)</i>	<i>-67.6%</i>
51600 *	Retirement	39,853	27,040	43,791	25,502	43,690	29,271	<b>46,010</b>	<i>2,320</i>	<i>5.3%</i>
51605 *	Other Post Employment Benefits	12,321	12,321	14,751	14,750	14,987	14,987	<b>14,214</b>	<i>(773)</i>	<i>-5.2%</i>
		<b>259,875</b>	<b>232,574</b>	<b>270,151</b>	<b>218,476</b>	<b>323,222</b>	<b>244,036</b>	<b>359,701</b>	<i>36,479</i>	<i>11.3%</i>

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

\* These accounts include funding for a full-time Analyst I at step 1 of the salary schedule for 2017-2018.

**Expenses**

		FY2014-15		FY2015-16		FY2016-17		FY2017-18		
		Adjusted FY14-15	Actual FY14-15	Adjusted FY15-16	Actual FY15-16	Adjusted FY16-17	Estimated FY16-17	Final FY17-18	<u>Difference</u>	
<b>Services and Supplies</b>										
<u>Account</u>	<u>Description</u>									
52100 *	Administration Services	249,875	220,953	258,651	208,706	311,672	231,748	348,201	36,529	11.7%
52105	Election Services	-	75	150	-	300	-	100	(200)	0.0%
52125	Accounting/Auditing Services	10,000	8,128	10,000	7,496	9,500	8,094	9,500	-	0.0%
52130	Information Technology Services	24,000	23,663	24,052	24,052	24,052	24,052	16,859	(7,193)	-29.9%
52140	Legal Services	32,000	27,670	28,600	26,093	32,000	26,500	26,500	(5,500)	-17.2%
52310	Consulting Services	107,350	78,097	126,600	59,177	78,840	69,902	25,500	(53,340)	-67.7%
52345	Janitorial Services	-	-	-	420	500	225	200	(300)	-60.0%
52515	Maintenance-Software	-	1,127	1,500	1,869	2,000	1,780	2,000	-	0.0%
52600	Rents and Leases: Equipment	6,000	5,594	6,500	5,962	7,000	5,483	6,000	(1,000)	-14.3%
52605	Rents and Leases: Building/Land	25,560	25,560	25,560	25,560	25,560	25,560	27,828	2,268	8.9%
52700	Insurance: Liability	100	98	150	304	1,206	1,206	249	(957)	-79.4%
52800	Communications/Telephone	2,950	1,232	2,000	3,424	3,000	3,195	3,000	-	0.0%
52830	Publications and Notices	2,000	728	1,500	1,406	2,000	1,604	2,000	-	0.0%
52835	Filing Fees	-	-	500	200	500	400	500	-	0.0%
52900	Training/Conference	8,995	5,426	10,000	7,041	10,000	7,950	9,000	(1,000)	-10.0%
52905	Business Travel/Mileage	2,000	1,866	2,000	1,110	2,000	554	1,500	(500)	-25.0%
52906	Fleet Charges	-	-	-	-	-	38	100	100	NEW
53100	Office Supplies	4,000	3,410	4,000	2,435	4,000	1,917	3,000	(1,000)	-25.0%
53110	Freight/Postage	800	250	500	200	500	300	300	(200)	-40.0%
53120	Memberships/Certifications	2,335	2,335	2,381	2,381	2,548	2,548	2,726	178	7.0%
53205	Utilities: Electric	1,500	1,107	1,100	1,261	1,600	1,137	1,300	(300)	-18.8%
53410	Computer Equipment/Accessories	-	4,993	-	-	-	418	500	500	-
53415	Computer Software/License	2,500	6,150	500	-	1,000	145	-	(1,000)	-100.0%
53600	Special Departmental Expense	15,150	129	4,000	113	3,500	595	-	(3,500)	-100.0%
56350	Business Related Meal/Supplies	-	-	-	-	-	486	350	350	NEW
54600	Capital Replacement/Depreciation	3,940	-	3,940	-	-	-	-	-	-
		251,180	197,637	255,533	170,504	211,606	184,089	139,012	(72,594)	-34.3%
<b>Contingencies and Reserves</b>										
<u>Account</u>	<u>Description</u>									
58100	Appropriation for Contingencies	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
	<b>EXPENSE TOTALS</b>	511,055	430,212	525,684	388,980	534,828	428,125	498,713	(36,115)	-6.8%

\* This account reflects the Salaries and Benefits (S&B) accounts that have been combined and reclassified under Services and Supplies as Administration Services and were already added to total expenses under S&B.

Operating expenses for 2014-2015 reflect a one-time \$11,000 cost associated with an EDMS software upgrade project. Agency reserves were utilized to cover this cost.

Operating expenses for 2015-2016 reflect a one-time \$25,000 cost associated with EDMS back-filing project. Agency reserves were utilized to cover this cost.

Operating expenses for 2016-2017 reflect a one-time \$28,640 increase associated with re-encumbering existing consultant contracts that were not fully utilized in 2015-2016.



**Revenues**

		FY2014-15		FY2015-16		FY2016-17		FY2017-18		
		Adjusted FY14-15	Actual FY14-15	Adjusted FY15-16	Actual FY15-16	Adjusted FY16-17	Estimated FY16-17	Final FY17-18	<i>Difference</i>	
<b>Intergovernmental</b>										
<b>Account</b>	<b>Description</b>									
43910	County of Napa	215,853	215,853	224,972	224,972	224,972	224,972	213,724	(11,249)	-5.0%
43950	Other Governmental Agencies	215,853	215,853	224,972	224,972	224,972	224,972	213,724	(11,249)	-5.0%
----	City of Napa	144,529	144,529	149,571	149,571	149,066	149,066	143,028	(6,038)	-4.1%
----	City of American Canyon	34,422	34,422	35,997	35,997	35,330	35,330	34,380	(950)	-2.7%
----	City of St. Helena	14,145	14,145	14,582	14,582	15,908	15,908	13,856	(2,052)	-12.9%
----	City of Calistoga	12,907	12,907	13,467	13,467	13,208	13,208	12,349	(859)	-6.5%
----	Town of Yountville	9,850	9,850	11,355	11,355	11,458	11,458	10,111	(1,347)	-11.8%
		431,705	431,705	449,944	449,944	449,944	449,944	427,447	(22,497)	-5.0%
<b>Service Charges</b>										
42690	Application/Permit Fees	10,000	48,462	30,000	26,322	30,000	5,043	20,000	(10,000)	-33.3%
46800	Charges for Services	500	1,375	500	625	500	250	500	-	0.0%
47900	Miscellaneous	-	-	-	-	-	-	-	-	0.0%
		10,500	49,837	30,500	26,947	30,500	5,293	20,500	(10,000)	-32.8%
<b>Investments</b>										
45100	Interest	2,000	2,202	2,000	2,246	2,000	4,583	5,000	3,000	150.0%
		2,000	2,202	2,000	2,246	2,000	4,583	5,000	3,000	150.0%
	REVENUE TOTALS	444,205	483,744	482,444	479,137	482,444	459,820	452,947	(29,497)	-6.1%
<b>OPERATING DIFFERENCE</b>		(66,850)	53,532	(43,240)	90,157	(52,384)	31,695	(45,766)		

Negative Balance Indicates Use of Unrestricted Fund Balance Reserves

	2014-2015 Actual	2015-2016 Actual	2016-2017 Estimated	2017-2018 Final
<b>RESTRICTED FUND BALANCE (EQUIPMENT REPLACEMENT RESERVE)</b>				
Beginning:	19,657	19,657	19,657	19,657
Ending:	19,657	19,657	19,657	19,657
<b>UNRESERVED/UNRESTRICTED FUND BALANCE</b>				
Beginning:	189,741	243,273	333,430	365,125
Ending:	243,273	333,430	365,125	319,359
<b>TOTAL FUND BALANCE</b>				
Beginning:	209,398	262,930	353,087	384,782
Ending:	262,930	353,087	384,782	339,016
<b>MINIMUM FOUR MONTH RESERVE GOAL</b>	169,038	173,915	178,276	166,238



## LOCAL AGENCY FORMATION COMMISSION OF NAPA

### *Budget Policy*

(Adopted: August 9, 2001; Last Amended: June 6, 2016)

- 1) An annual budget shall be prepared, adopted and administered in accordance with Government Code Section 56381.
- 2) The Commission should annually consider the Fee Schedule and Work Program in conjunction with the budget process.
- 3) 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.
- 4) The budget shall include an undesignated/unreserved fund balance equal to a minimum of one-third of annually budgeted operating expenses.
- 5) The Commission shall establish an ad-hoc budget committee at the last meeting of each calendar year comprising of two Commissioners and the Executive Officer which will terminate each year with the adoption of the final budget. Commissioners appointed to a budget committee shall receive a regular per diem payment for each meeting attended.
- 6) The adopted final budget should be posted on the Commission’s website for public viewing for the entirety of the affected fiscal year.



# Local Agency Formation Commission of Napa County

Subdivision of the State of California

Attachment Three

## 2017-2018 Agency Contributions Calculation

<b>Step 1 Total Agency Contributions</b>									
	<u>FY16-17</u>	<u>FY17-18</u>	<u>FY17-18</u>	<u>Difference</u>	<u>Difference</u>				
Total	449,944.00	449,944.00	427,447.00	\$ (22,497.00)		<u>Percentage</u>			
						-5.0%			
<b>Step 2 Allocation Between County and Cities</b>									
	<u>FY16-17</u>	<u>FY17-18</u>	<u>Difference</u>	<u>Difference</u>					
50% to the County of Napa	\$ 224,972.00	\$ 213,723.50	\$ (11,248.50)		<u>Percentage</u>				
50% to the 5 Cities	\$ 224,972.00	\$ 213,723.50	\$ (11,248.50)		-5.0%				
<b>Step 3a Cities' Share Based on Total General Tax Revenues (FY2014-2015)</b>									
<u>General Tax Revenues</u>	<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>			
Property Tax	8,040,517	1,760,916	27,901,512	4,028,474	1,139,162	42,870,581			
Sales and Use Taxes	1,794,698	686,742	15,155,692	1,625,889	947,832	20,210,853			
Transient Occupancy Tax	1,667,403	5,037,136	15,869,315	1,664,664	6,374,809	30,613,327			
Other Taxes	3,721,634	1,140,376	11,671,007	2,130,010	587,478	19,250,505			
<b>Total</b>	<b>\$ 15,224,252</b>	<b>\$ 8,625,170</b>	<b>\$ 70,597,526</b>	<b>\$ 9,449,037</b>	<b>\$ 9,049,281</b>	<b>\$ 112,945,266</b>			
Percentage of Total Taxes to all Cities	13.5%	7.6%	62.5%	8.4%	8.0%	100%			
<b>Step 3b Cities' Share Based on Total Population (1/1/17)</b>									
	<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>			
Population	20,570	5,238	80,628	6,033	2,935	115,404			
Population Percentage	17.8%	4.5%	69.9%	5.2%	2.5%	100%			
<b>Step 4 Cities Allocation Formula</b>									
	<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>			
Cities' Share Based on Total General Taxes	13.5%	7.6%	62.5%	8.4%	8.0%	100%			
Portion of LAFCO Budget	11,523.39	6,528.48	53,435.97	7,152.07	6,849.49	<b>40%</b>			
Cities' Share Based on Total Population	17.8%	4.5%	69.9%	5.2%	2.5%	100%			
Portion of LAFCO Budget	22,856.88	5,820.34	89,591.86	6,703.72	3,261.30	<b>60%</b>			
<b>Total Agency Allocation</b>	<b>\$ 34,380.27</b>	<b>\$ 12,348.81</b>	<b>\$ 143,027.83</b>	<b>\$ 13,855.79</b>	<b>\$ 10,110.79</b>	<b>\$ 213,723.50</b>			
Allocation Share	16.1%	5.8%	66.9%	6.5%	4.7%	100%			
<b>Step 5 FY17-18 Invoices</b>									
	<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>		
	\$ 213,723.50	\$ 34,380.27	\$ 12,348.81	\$ 143,027.83	\$ 13,855.79	\$ 10,110.79	\$ 427,447.00		
<i>Difference From FY16-17:</i>	\$ (11,248.50)	\$ (949.73)	\$ (859.19)	\$ (6,038.17)	\$ (2,052.21)	\$ (1,347.21)	\$ (22,497.00)		
	-5.0%	-2.7%	-6.5%	-4.1%	-12.9%	-11.8%	-5.0%		