



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 5b (Consent/Action)

TO: Local Agency Formation Commission

PREPARED BY: Brendon Freeman, Executive Officer *B F*

MEETING DATE: October 2, 2023

SUBJECT: Budget Adjustments for Fiscal Year 2023-24 and Release of Restricted Fund Balance into Reserves

RECOMMENDATION

It is recommended the Commission take the following actions:

- 1) Approve the budget adjustments for fiscal year 2023-24 as reflected in Attachment One; and
- 2) Approve the release of the equipment replacement restricted fund balance into the undesignated/unreserved fund balance (“general reserves”).

BACKGROUND AND SUMMARY

On June 5, 2023, the Commission adopted a final budget for fiscal year 2023-24, included as Attachment Two.

Budget Adjustments

Staff recommends the Commission approve the following budget adjustments as reflected in Attachment One:

- 1) Increase the Administration Services expense account (52100) by \$10,417:
 - a) \$9,217 for the Executive Officer’s anticipated salary adjustment as part of item 7e on today’s agenda
 - b) \$1,200 for the 401(a) Retirement Savings Plan established by Napa County
- 2) Increase the Computer Equipment/Accessories expense account (53410) by \$571 for a one-time charge from County ITS associated with a laptop upgrade request
- 3) Increase the Business Related Meal/Supplies expense account by \$500 for more frequent business meal purposes

The recommended budget adjustments would result in a total of \$11,488 in expenditure increases. This amount will be offset by drawing down the Commission’s reserves.

Margie Mohler, Chair
Councilmember, Town of Yountville

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

Kenneth Leary, Commissioner
Representative of the General Public

Beth Painter, Commissioner
Councilmember, City of Napa

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

Eve Kahn, Alternate Commissioner
Representative of the General Public

Mariam Aboudamous, Alternate Commissioner
Councilmember, City of American Canyon

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

Brendon Freeman
Executive Officer

Release of Restricted Fund Balance into General Reserves

Staff recently terminated the Commission's contract with ECS Imaging, which involved maintenance and support for the Commission's Laserfiche electronic document management system. The Laserfiche system is no longer needed, primarily due to recent increases in network storage capacity.

The Commission previously set aside \$19,657 to fully depreciate the Laserfiche system in an equipment replacement restricted fund. Staff recommends the Commission approve the release of the \$19,657 restricted fund balance into general reserves. This would more than offset the recommended budget adjustments described in the previous section of this report.

Adjusted Budget

If the two staff recommendations are approved, the Commission's adjusted budget will be as reflected in Attachment Three.

ATTACHMENTS

- 1) Budget Adjustments for FY 2023-24
- 2) Final Budget for FY 2023-24 (Adopted on June 5, 2023)
- 3) Adjusted Budget for FY 2023-24

BUDGET ADJUSTMENT REQUEST

Increase/Decrease Between Expenses

Increase/Decrease Between Revenues

Fiscal Year: **2023-2024**

Date: 09/21/23
 Department: LAFCO
 Prepared By: Brendon Freeman
 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		52100	Administration Services	10,417.00	
8400	8400000		53410	Computer Equipment/Accessories	571.00	
8400	8400000		53650	Business Related Meal/Supplies	500.00	
Adjustment Totals					11,488.00	0.00

Justification: Need to increase 52100 by \$10,417 for the Executive Officer's anticipated salary increase as well as a recent increase in the max 401(a) retirement match contribution.
Increase 53410 by \$571 for a laptop upgrade. Increase 53650 by \$500 for business meals. All adjustments will be covered by drawing down on LAFCO's reserves.

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: center;"> <u>10/2/2023</u> Date </div>	<input type="checkbox"/> Approve <input type="checkbox"/> Disapprove _____ Date Budget Adjustment is in Accordance with Board Resolution 03-112 (>\$10,000) _____ County Executive Officer	Budget Adjustment and Related Journal Entry, if applicable, approved as to Accounting Form. <div style="text-align: center;"> _____ Date </div>	<input type="checkbox"/> Approve <input type="checkbox"/> Disapprove _____ Date <div style="text-align: center;"> _____ Agenda Item </div>
Department Head	County Executive Officer	Auditor-Controller	Clerk of the Board of Supervisors



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

FY 2023-24 FINAL BUDGET
 Adopted on June 5, 2023

Expenses	FY 2020-21		FY 2021-22		FY 2022-23		FY 2023-24	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Estimate	Final Budget	
Salaries and Benefits								
<u>Account</u>	<u>Description</u>							
51210	Commissioner Per Diems	14,500	12,720	12,500	12,300	15,200	13,200	15,000
51300	Medicare - Commissioners	250	181	250	205	250	250	250
51305	FICA - Commissioners	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								
<u>Account</u>	<u>Description</u>							
52100	Administration Services	415,869	421,287	439,901	408,954	509,844	475,000	548,598
52125	Accounting/Auditing Services	7,500	6,593	7,500	6,847	7,500	7,300	7,500
52130	Information Technology Services	24,323	24,323	24,489	24,489	23,974	23,974	34,309
52131	ITS Communication Charges	-	-	1,837	1,837	1,685	1,692	2,000
52140	Legal Services	25,500	24,286	25,000	22,000	35,000	37,500	35,000
52310	Consulting Services	25,551	25,550	-	-	10,000	-	105,000
52345	Janitorial Services	300	225	300	150	300	150	300
52515	Maintenance-Software	1,930	1,929	1,930	1,930	1,930	1,930	3,062
52600	Rents and Leases: Equipment	5,500	3,220	4,000	2,784	4,000	3,500	3,500
52605	Rents and Leases: Building/Land	30,409	30,408	31,322	28,234	25,995	25,995	26,775
52700	Insurance: Liability	813	-	578	578	638	638	716
52800	Communications/Telephone	3,500	1,428	2,000	1,485	3,000	2,200	3,000
52830	Publications and Notices	1,500	814	1,000	1,100	1,000	800	750
52835	Filing Fees	50	100	200	150	200	100	150
52900	Training/Conference	989	200	10,000	-	15,000	9,000	15,000
52905	Business Travel/Mileage	1,000	-	500	-	1,000	1,000	3,000
53100	Office Supplies	1,250	1,179	1,000	400	1,000	1,000	2,000
53110	Freight/Postage	350	100	500	100	150	50	100
53115	Books/Media/Subscriptions	-	-	-	119	119	119	119
53120	Memberships/Certifications	3,060	3,060	2,934	2,934	3,078	3,078	3,332
53205	Utilities: Electric	1,500	1,389	1,500	1,950	2,000	1,400	2,400
53415	Computer Software/License	-	150	225	225	225	225	225
53650	Business Related Meal/Supplies	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

Revenues

		FY 2020-21		FY 2021-22		FY 2022-23		FY 2023-24
		Final Budget	Actual	Final Budget	Actual	Final Budget	Estimate	Final Budget
Intergovernmental								
<u>Account</u>	<u>Description</u>							
43910	County of Napa	242,700	242,700	254,835	254,835	313,794	313,794	339,738
43950	Other Governmental Agencies	242,700	242,700	254,835	254,835	313,794	313,794	339,738
----	<i>City of Napa</i>	162,800	162,800	166,432	166,432	207,969	207,969	222,680
----	<i>City of American Canyon</i>	41,166	41,166	45,843	45,843	56,307	56,307	61,235
----	<i>City of St. Helena</i>	15,159	15,159	18,608	18,608	20,381	20,381	22,609
----	<i>City of Calistoga</i>	14,515	14,515	13,976	13,976	16,885	16,885	20,342
----	<i>Town of Yountville</i>	9,060	9,060	9,976	9,976	12,252	12,252	12,872
	Total Intergovernmental	485,400	485,400	509,670	509,670	627,588	627,588	679,476
Service Charges								
<u>Account</u>	<u>Description</u>							
42690	Application/Permit Fees	21,060	37,356	20,000	25,450	25,000	30,110	22,950
46800	Charges for Services	624	593	600	1,074	1,000	-	510
47900	Miscellaneous	-	-	-	2,845	4,000	4,000	-
	Total Service Charges	21,684	37,949	20,600	29,369	30,000	34,110	23,460
Investments								
<u>Account</u>	<u>Description</u>							
45100	Interest	12,000	6,817	10,000	5,700	6,000	7,000	6,500
	Total Investments	12,000	6,817	10,000	5,700	6,000	7,000	6,500
	REVENUE TOTALS	519,084	530,166	540,270	544,739	663,588	668,698	709,436
OPERATING DIFFERENCE		(47,560)	(29,610)	(29,946)	25,372	0	57,802	(103,510)

Reserves

	2020-21	2021-22	2022-23	2023-24
Undesignated/Unreserved Fund Balance ("Reserves")				
Beginning:	329,616	300,006	325,378	383,180
Ending:	300,006	325,378	383,180	279,670
MINIMUM FOUR MONTH RESERVE GOAL	188,881	190,072	221,196	270,982



Local Agency Formation Commission of Napa County
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FY 2023-24 ADJUSTED BUDGET
 Presented on October 2, 2023

Expenses		FY 2020-21		FY 2021-22		FY 2022-23		FY 2023-24
		Final Budget	Actual	Final Budget	Actual	Final Budget	Estimate	Adjusted Budget
Salaries and Benefits								
<u>Account</u>	<u>Description</u>							
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53205	Utilities: Electric	1,500	1,389	1,500	1,950	2,000	1,400	2,400
53410	Computer Equipment/Accessories	-	-	-	38	-	-	571
53415	Computer Software/License	-	150	225	225	225	225	225
53650	Business Related Meal/Supplies	500	122	250	33	-	195	760
	Total Services & Supplies	551,394	546,363	556,966	506,337	647,638	596,846	808,584
EXPENSE TOTALS		566,644	559,776	570,216	519,367	663,588	610,896	824,434

Revenues

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	REVENUE TOTALS	519,084	530,166	540,270	544,739	663,588	668,698	709,436

OPERATING DIFFERENCE (47,560) (29,610) (29,946) 25,372 0 57,802 (114,998)

Reserves	2020-21	2021-22	2022-23	2023-24
Undesignated/Unreserved Fund Balance ("Reserves")				
Beginning:	329,616	300,006	325,378	402,837
Ending:	300,006	325,378	383,180	287,839
MINIMUM FOUR MONTH RESERVE GOAL	188,881	190,072	221,196	274,811