



Local Agency Formation Commission
LAFCO of Napa County

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October 1, 2007
Agenda Item No. 5a

September 25, 2007

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: LAFCO Budget Contributions by Funding Agencies
(Consent: Information)

The Commission will receive a report from staff identifying the funding percentages and amounts required of the six funding agencies for the 2007-2008 fiscal year

Pursuant to California Government Code §56381, LAFCO's budget is funded by six agencies, the County of Napa and the Cities of American Canyon, Calistoga, Napa, St. Helena, and the Town of Yountville. Each fiscal year, the County is responsible for 50% of the budget and the cities are collectively responsible for the remaining 50%. As allowed under law, the cities have agreed to an alternative formula to apportion their respective budget contributions. Funding percentages required of each agency for the 2007-2008 fiscal year and comparisons from the 2006-2007 fiscal year are listed below.

LAFCO Budget: Agency Funding Percentages

Agency	2007-2008	2006-2007	Difference
County of Napa	50.00%	50.00%	0.0%
City of Napa	32.94%	34.26%	(1.32%)
City of American Canyon	7.80%	6.50%	1.30%
City of St. Helena	3.85%	3.92%	(0.07%)
City of Calistoga	3.03%	3.06%	(0.03%)
Town of Yountville	2.37%	2.27%	0.10%

As part of the annual budget process, it is the practice of LAFCO to return its unexpended funds to the six funding agencies in the form of credits towards their subsequent fiscal year contribution. LAFCO finished the 2006-2007 fiscal year with unexpended funds totaling \$183,338, which include end-of-year operating (\$165,562) and revenue (\$17,776) balances. LAFCO also carried over from the 2005-2006 fiscal year an unexpended fund amount of \$11,301. LAFCO will proportionally credit the agencies the carryover amount from the 2005-2006 fiscal year as part of the 2007-2008 budget. Funding amounts required of each agency for the 2007-2008 fiscal year and comparisons from the 2006-2007 fiscal year are listed below.

Jack Gingles, Chair
Mayor, City of Calistoga

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

Brian J. Kelly, Commissioner
Representative of the General Public

Juliana Inman, Commissioner
Councilmember, City of Napa

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

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

Keene Simonds
Executive Officer

LAFCO Budget: Agency Funding Amounts
(Net Agency Invoices:)

Agency	2007-2008	2006-2007	Difference
County of Napa	\$136,016.01	\$155,720.41	(\$19,704.40)
City of Napa	\$87,061.35	\$106,679.39	(\$19,618.04)
City of American Canyon	\$23,792.74	\$20,542.43	\$3,250.31
City of St. Helena	\$10,349.12	\$12,095.26	(\$1,746.14)
City of Calistoga	\$8,140.48	\$9,243.23	(\$1,102.75)
Town of Yountville	\$6,672.32	\$7,160.10	(\$487.78)

The calculation formula used by staff in determining agency funding percentages and amounts for the 2007-2008 fiscal year is provided in the attached spreadsheet.

Attachment: as stated

FY2007-2008 Final Allocation for Annual LAFCO Costs to County and Cities (9/15/07)
(Alternative Allocation Formula Approved by Cities)

Step 1	LAFCO Budget		Final <u>FY06-07</u>	Final <u>FY07-08</u>	Difference <u>Dollar</u>	Difference <u>Percentage</u>								
	Total	\$	456,757.55	\$ 466,671.72	\$ 9,914.17	2.2%								
Step 2	Annual Allocation													
	50% to County	\$	228,378.78	\$ 233,335.86	\$ 4,957.08	2.2%								
	50% to Cities	\$	228,378.78	\$ 233,335.86	\$ 4,957.08	2.2%								
Step 3a	Cities' Share Based on Total General Taxes*						<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Cities</u>		
	General Tax Revenues													
	Secured & Unsecured Property Tax	\$	4,545,186	\$ 701,215	\$ 6,145,405	\$ 1,832,604	\$ 356,712	\$ 13,581,122						
	Voter Approved Indentedness Property Tax	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -						
	Other Property Tax	\$	812,106	\$ 280,020	\$ 4,175,654	\$ 322,645	\$ 217,200	\$ 5,807,625						
	Sales and Use Taxes	\$	1,141,614	\$ 387,446	\$ 7,296,549	\$ 1,764,833	\$ 333,917	\$ 10,924,359						
	Transportation Tax	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -						
	Transient Lodging Tax	\$	119,303	\$ 2,257,440	\$ 5,697,141	\$ 1,163,367	\$ 2,842,489	\$ 12,079,740						
	Franchises	\$	305,033	\$ 130,702	\$ 2,243,052	\$ 128,643	\$ 50,602	\$ 2,858,032						
	Business License Taxes	\$	141,421	\$ 131,693	\$ 2,351,101	\$ 133,008	\$ 3,767	\$ 2,760,990						
	Real Property Transfer Taxes	\$	248,217	\$ 36,734	\$ 637,586	\$ 57,077	\$ 16,143	\$ 995,757						
	Utility Users Tax	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -						
	Other Non-Property Taxes	\$	1,666,103	\$ 244,010	\$ 2,375,561	\$ 481,299	\$ 101,189	\$ 4,868,162						
	Total	\$	8,978,983	\$ 4,169,260	\$ 30,922,049	\$ 5,883,476	\$ 3,922,019	\$ 53,875,787						
	Percentage of Total Taxes to all Cities		16.7%	7.7%	57.4%	10.9%	7.3%	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		16,031	5,302	76,997	5,993	3,290	107,613						
	Population Percentage		14.90%	4.93%	71.55%	5.57%	3.06%	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>		
	Cities' Share Based on Total General Taxes		16.7%	7.7%	57.4%	10.9%	7.3%	100%						
	Portion of LAFCO Budget	\$	15,555.18	\$ 7,222.82	\$ 53,569.32	\$ 10,192.53	\$ 6,794.50	40%						
	Cities' Share Based on Total Population		14.90%	4.93%	71.55%	5.57%	3.06%	100%						
	Portion of LAFCO Budget	\$	20,855.88	\$ 6,897.75	\$ 100,170.95	\$ 7,796.73	\$ 4,280.20	60%						
	Total Agency Allocation	\$	36,411.06	\$ 14,120.57	\$ 153,740.27	\$ 17,989.25	\$ 11,074.70	\$ 233,335.86						
	Allocation Share		15.6046%	6.0516%	65.8880%	7.7096%	4.7462%	100%						
Step 5	FY07-08 Invoice		<u>County</u>	<u>American Canyon</u>	<u>Calistoga</u>	<u>Napa</u>	<u>St. Helena</u>	<u>Yountville</u>	<u>All Agencies</u>					
	FY07-08 Agency Share	\$	233,335.86	\$ 36,411.06	\$ 14,120.57	\$ 153,740.27	\$ 17,989.25	\$ 11,074.70	\$ 466,671.72					
	Less Agency Credits***	\$	91,669.18	\$ 11,908.59	\$ 5,611.67	\$ 62,806.51	\$ 7,188.08	\$ 4,154.32	\$ 183,338.35					
	Less Agency Credits****	\$	5,650.68	\$ 709.72	\$ 368.42	\$ 3,872.41	\$ 452.05	\$ 248.06	\$ 11,301.35					
	Net Invoice	\$	136,016.01	\$ 23,792.74	\$ 8,140.48	\$ 87,061.35	\$ 10,349.12	\$ 6,672.32	\$ 272,032.02					

Notes:

* Amounts are drawn from the FY04-05 State Controller's Cities Annual Report and does not include functional revenues.

** Amounts are drawn from the California Department of Finance, January 2007.

*** Total credit amount from FY06-07 is \$183,355. This amount includes all unexpended operating funds, contingency reserves, and application fees and interest earnings. It is the practice of LAFCO to return all unexpended funds and revenues to the agencies in the form of credits based on their percentage share of the budget in FY06-07.

**** Reflects additional credit remaining from the FY05-06 that was not calculated as part of the FY06-07 allocations.