



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

1700 Second Street, Suite 268  
Napa, California 94559  
(707) 259-8645 Telephone  
<http://napa.lafco.ca.gov>

Bill Dodd, Chair  
Lewis Chilton, Vice Chair  
Joan Bennett, Commissioner  
Brian J. Kelly, Commissioner  
Brad Wagenknecht, Commissioner  
Juliana Inman, Alternate Commissioner  
Mark Luce, Alternate Commissioner  
Gregory Rodeno, Alternate Commissioner

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**REGULAR MEETING AGENDA**

Monday, December 5, 2011  
County of Napa Administration Building  
1195 Third Street, Board Chambers, 3<sup>rd</sup> Floor  
Napa, California 94559

**1. CALL TO ORDER BY CHAIR; ROLL CALL: 4:00 P.M.**

**2. PLEDGE OF ALLEGIANCE**

**3. AGENDA REVIEW**

The Chair will consider any requests by Commissioners or staff to remove or re-arrange agenda items at this time.

**4. PUBLIC COMMENTS**

In this time period, anyone may comment to the Commission regarding any subject over which the agency has jurisdiction. No comments will be allowed involving any subject matter that is scheduled for hearing, action, or discussion as part of the current agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Commission as a result of any item presented at this time.

**5. CONSENT ITEMS**

All items calendared as consent are considered ministerial or non-substantive. With the concurrence of the Chair, a Commissioner may request discussion of an item on the consent calendar.

**a) First Quarter Budget Report for 2011-2012 (Action)**

The Commission will review a first quarter budget report for 2011-2012. The report compares budgeted versus actual revenues and expenses through the first three months of the fiscal year. The report projects the Commission is on pace to slightly improve its budgeted operating funding gap from (\$27,081) to (\$22,000). The report is being presented to the Commission to receive and file.

**b) Amendments to Adopted Fee Schedule (Action)**

The Commission will consider minor amendments to its adopted fee schedule. The amendments would incorporate the County of Napa's Public Works Department's new hourly charge to review the maps and descriptions accompanying change of organization or reorganization proposals. The proposed amendments are being presented for approval.

**c) Approval of Meeting Calendar for First Half of 2012 (Action)**

The Commission will consider approving a meeting calendar for the first six months of 2012. It is recommended the Commission approve regular meeting dates for February 6<sup>th</sup>, April 2<sup>nd</sup>, and June 4<sup>th</sup>. No special meetings are proposed at this time.

**d) Approval of Meeting Minutes (Action)**

The Commission will consider approving minutes prepared by staff for the October 3, 2011 regular meeting.

**e) Designation of Chair and Vice Chair for 2012 (Information)**

The Commission will receive a report regarding the designation of the Chair and Vice Chair for the 2012 calendar year. The report is being presented for information.

**f) Expiring Commissioner Terms in 2012 (Information)**

The Commission will receive a report identifying the member terms scheduled to expire in 2012. A total of three terms are set to expire. The report is being presented for information.

**g) Current and Future Proposals (Information)**

The Commission will receive a report summarizing current and future proposals. The report is being presented for information. One new proposal has been submitted since the October 3, 2011 meeting.

**6. PUBLIC HEARING ITEMS**

Any member of the public may address the Commission with respect to a scheduled public hearing item. Comments should be limited to no more than five minutes unless additional time is permitted by the Chair.

**a) Ratification of an Outside Service Agreement Approval for the Napa Sanitation District Involving 1430 Rosewood Lane (County of Napa Assessor Number 038-160-030)**

The Commission will consider ratifying an outside service agreement approved by the Chair authorizing the Napa Sanitation District to provide temporary public sewer service to an unincorporated property at 1430 Rosewood Lane to address a public health threat. Staff recommends ratification approval along with waiving the application fee due to special circumstances as allowed under Commission policy.

**7. ACTION ITEMS**

Items calendared for action do not require a public hearing before consideration by the Commission. Applicants may address the Commission. Any member of the public may receive permission to provide comments on an item at the discretion of the Chair.

**a) Amendments to Adopted Study Schedule**

The Commission will consider amendments to its adopted study schedule calendaring municipal service reviews and sphere of influence updates for the 2008/09 to 2013/14 period. The proposed amendments include extending the study schedule by one additional year to 2014/15 along with making related scheduling changes to pending studies.

**b) Financial Audit for Fiscal Year Ending June 30, 2011**

The Commission will review a written report from an outside consultant auditing the agency's financial statements for the 2010-2011 fiscal year. The report is being presented to the Commission to receive and file.

**c) Appointments to the 2012-2013 Budget Committee**

The Commission will consider appointing two members to serve with the Executive Officer on the 2012-2013 Budget Committee.

**d) Notice of Expiring Term: Alternate Public Member**

The city and county members will provide direction to staff with respect to addressing the expiring term of the alternate public member position currently held by Gregory Rodeno.

**8. DISCUSSION ITEMS**

A member of the public may receive permission to provide comments on any item calendared for discussion at the discretion of the Chair. General direction to staff for future action may be provided by Commissioners.

**a) Municipal Service Review: Countywide Law Enforcement Services**

The Commission will receive a preliminary draft report on its scheduled municipal service review on countywide law enforcement services. The preliminary draft is being presented for discussion and feedback in anticipation of staff preparing a complete draft report for presentation at the next regular meeting.

**9. EXECUTIVE OFFICER REPORT**

The Commission will receive a verbal report from the Executive Officer regarding current staff activities, communications, studies, and special projects. This includes, but not limited to, the following topics:

- Report on the November 15, 2011 San Francisco Bay Area LAFCO Executive Officer/Analyst Meeting
- Report on the November 18, 2011 CALAFCO Legislative Committee Meeting
- Counsel Review on Tax Treatment/Withholding for Commissioners

**10. CLOSED SESSION**

**a) Public Employee Annual Performance Evaluation: LAFCO Executive Officer**

**11. COMMISSIONER COMMENTS; REQUEST FOR FUTURE AGENDA ITEMS**

**12. ADJOURNMENT TO NEXT REGULAR SCHEDULED MEETING:**

See Agenda Item No. 5c



**Local Agency Formation Commission**  
**Subdivision of the State of California**

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**December 5, 2011**  
**Agenda Item No. 5a (Consent/Action)**

November 28, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: First Quarter Budget Report for 2011-2012**

The Commission will review a first quarter budget report for 2011-2012. The report compares budgeted versus actual revenues and expenses through the first three months of the fiscal year. The report projects the Commission is on pace to slightly improve its budgeted operating funding gap from (\$27,081) to (\$22,000). The report is being presented to the Commission to receive and file.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 mandates operating costs for Local Agency Formation Commissions (LAFCOs) shall be annually funded by the affected counties, cities, and, if applicable, special districts. In most instances, the county is responsible for one-half of the LAFCO's annual budget with the remaining amount proportionally shared by the cities based on a weighted calculation of population and tax revenues. LAFCOs are also authorized to establish and collect fees for purposes of offsetting agency contributions.

**A. Discussion**

LAFCO of Napa County's ("Commission") adopted final budget for 2011-2012 through the end of the first quarter totaled \$422,522. This amount represents the total approved operating expenditures for the fiscal year within the Commission's three expense units: salaries/benefits; services/supplies; and contingencies/reserves. Budgeted revenues, comparatively, through the end of the first quarter totaled \$371,020 within three revenue units: agency contributions; service charges; and investments. Markedly, an operating shortfall of (\$27,081) was intentionally budgeted to reduce the funding requirements of the local agencies given the recession and to be covered by drawing down on unreserved funds. The audited unreserved fund balance totaled \$131,692 as of July 1, 2011.

**Note:** The first quarter report evaluates actual revenues and expenses to budgeted amounts as of September 30, 2011; subsequent amendments to the final budget made after the referenced date are not included.

Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville

Joan Bennett, Commissioner  
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

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

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

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

Brian J. Kelly, Commissioner  
Representative of the General Public  
Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

**Overall Revenues**

Actual revenues collected through the first quarter totaled \$388,915. This amount represents 98% of the adopted budget total with 25% of the fiscal year complete. The following table compares budgeted and actual revenues through the first quarter.

Budget Units	Adopted Revenues As of 9/31/11	Actual Revenues Through 1 <sup>st</sup> Quarter	Difference	% Collected
Agency Contributions	383,101	383,101	0	100
Service Charges	10,000	4,494	(5,506)	45
Investments	2,340	1,320	(1,020)	56
Total	\$395,441	\$388,915	(\$6,526)	98

An expanded discussion on budgeted and actual revenues through the first quarter within the Commission’s three revenue units follows.

**Agency Contributions**

The Commission budgeted \$383,101 in agency contributions. Half of the total was invoiced to the County of Napa in the amount of \$191,551. The remaining amount was proportionally invoiced based on a weighted calculation of population and general tax revenues to the Cities of American Canyon, Calistoga, Napa, St. Helena, and Yountville in the amounts of \$32,912, \$11,393, \$126,330, \$12,997, and \$7,917, respectively. All agency invoices were paid in full at the end of the first quarter.

**Service Charges**

The Commission budgeted \$10,000 in service charges. At the end of the first quarter, actual revenues collected within this unit totaled \$4,494 or 55% of the budgeted amount. The collected service charges are entirely attributed to the *Garfield Lane No. 2 Annexation to the Napa Sanitation District* proposal. Staff anticipates at least two additional annexation proposals of similar scope will be filed by the end of the fiscal year and will produce a year-end balance of \$13,482. This would result in the Commission finishing with a unit surplus of \$3,482.

**Investments**

The Commission budgeted \$2,340 in investment income based on actual revenues received during the prior fiscal year. This fiscal year’s budgeted amount is entirely tied to interest earned on the Commission’s fund balance, which is under investment by the County of Napa Treasurer. The balance within this account at the end of the first quarter totaled \$1,320 or 44% of the budgeted amount. The Commission is on pace to finish the fiscal year, accordingly, with \$5,280 in investment income, and would result in an account surplus of \$2,940.

### **Overall Expenses**

Actual expenses booked through the first quarter, including encumbrances, totaled \$115,482. This amount represents 73% of the adopted budget total with 25% of the fiscal year complete. The following table compares budgeted and actual expenses through the first quarter.

Budget Units	Adopted Expenses As of 9/31/11	Actual Expenses Through 1 <sup>st</sup> Quarter	Difference	% Remaining
Salaries/Benefits	304,503	64,017	240,485	79
Services/Supplies	118,019	51,466	66,553	56
Contingencies/Reserves	-	-	-	-
Total	422,522	115,482	307,038	73

An expanded discussion on budgeted and actual expenses through the third quarter within the Commission's three expense units follows.

#### ***Salaries/Benefits***

The Commission budgeted \$293,973 in salaries and benefits. At the end of the first quarter, the Commission's actual expenses within the 10 affected accounts totaled \$64,017, representing 21% of the budgeted amount. None of the affected accounts finished the first quarter with balances below 75%. Staff does not anticipate a year-end balance at this time.

#### ***Services/Supplies***

The Commission budgeted \$115,575 in services and supplies. At the end of the first quarter, the Commission's actual expenses within the 16 affected accounts totaled \$51,466, which represents 68% of the budgeted amount. Six accounts – information technology services, memberships, general office expenses, property lease, special office expenses, and training - finished the first quarter with balances below 75%. A summary of expenditures in these six accounts follows.

#### ***Information Management Services***

This account covers the Commission's annual costs for contract services relating to computers, networks, and related technology. The Commission budgeted \$24,31 in this account with four-fifths dedicated to funding computer and network services provided by the County of Napa. At the end of the first quarter, expenses in this account totaled \$7,571, which represents approximately 30% of the total amount budgeted. The full prepayment of the Commission's annual support service cost for electronic document management services with Incrementum is the principle factor in pushing the account balance below 75%. An end-of-year account deficit is not expected.

### **Membership**

This account covers the Commission's annual membership fee for the California Association of Local Agency Formation Commissions (CALAFCO). The Commission's budgeted membership fee is \$2,275 and reflects the amount approved by CALAFCO as part of an updated annual fee schedule in September 2008. CALAFCO recently suspended all fee increases due to the economy, which lowers the Commission's annual membership due to \$2,200. This reduced membership fee was collected in full by CALAFCO at the beginning of the fiscal year, leaving a remaining balance of \$75, or 3%.

### **General Office Expenses**

This account covers the Commission's general overhead costs ranging from a copy machine lease with Xerox to biweekly purchases with Office Depot. The Commission's budgeted general office expense is \$12,000. At the end of the first quarter, the Commission spent \$7,452 in this account, which represents approximately 62% of the total amount budgeted. The majority of the actual expenses are attributed to encumbering the Commission's full cost to lease its copy machine with Xerox at the beginning of the fiscal year. Staff will continue to monitor this account to help ensure a year-end deficit does not occur.

### **Property Lease**

This account covers the Commission's annual office space lease at 1700 Second Street in Napa. The Commission's budgeted property lease total is \$29,280 based on the current monthly rental charge of \$2,440.<sup>1</sup> The County Auditor's Office has encumbered the full annual rental amount at the beginning of the fiscal year to expedite monthly payments to the property manager.

### **Special Departmental Expenses**

This account covers the Commission's special overhead and one-time purchases. The Commission's budgeted special department expense total is \$1,000. At the end of the first quarter, the Commission spent \$1,534 in this account, which represents approximately 153% of the total amount budgeted. Nearly two-thirds of the actual expenses are directly tied to the recent CALAFCO Annual Conference held at the Silverado Resort and Spa, including paying for the box lunches provided during the mobile workshops. CALAFCO will be reimbursing the Commission for all Conference related expenses shortly and an end-of-year account deficit is not expected.

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<sup>1</sup> The monthly rental fee at 1700 Second Street is fixed at \$2,440 through June 2012.

### **Training**

This account is used for a variety of instructional activities for commissioners and staff. The Commission's budgeted training expense is \$4,000. At the end of the first quarter, expenses in this account totaled \$2,238, which represents approximately 56% of the total amount budgeted. Nearly all actual expenses in this account are attributed to registration costs for the CALAFCO Annual Conference at the Silverado Resort and Spa. Staff will continue to monitor this account to help ensure a year-end deficit does not occur.

### **Contingencies/Reserves**

The Commission did not budget funds for contingencies or reserves, and instead will rely on its unreserved fund balance to address any unexpected costs.

## **B. Analysis**

Activity within the first quarter indicates the Commission is on pace to finish 2011-2012 with a deficit operating balance of (\$22,000); an amount that represents a slight improvement compared to the deficit operating balance of (\$27,081) budgeted at the beginning of the fiscal year. The slight improvement is attributed to anticipated surpluses in budgeted service charges and investments as detailed on page two of this report. If these projections prove accurate, the Commission will finish the fiscal year with an unreserved fund balance of approximately \$110,000; an amount that is likely to meet the Commission's policy objective of maintaining a minimum of three months of operating expenses at the beginning of each new fiscal year.

## **C. Alternatives for Action**

The following two alternatives are available to the Commission:

**Alternative One:** Receive and file the staff report as presented.

**Alternative Two:** Continue consideration of the staff report to a future meeting and provide direction for more information as needed.

## **D. Recommendation**

It is recommended the Commission proceed with Alternative One as outlined in the preceding section.

Respectfully submitted,

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Keene Simonds  
Executive Officer

Attachment:

1) Adopted 2011-2012 Operating Budget: General Ledger through September 30, 2011



# Local Agency Formation Commission of Napa County

Subdivision of the State of California

## 2011-2012 Operating Budget: First Quarter Report

Expenses		FY2008-09		FY2009-10		FY2010-11		FY2011-12		
		Adopted FY08-09	Actual FY08-09	Adopted FY09-10	Actual FY09-10	Adopted FY10-11	Actual FY10-11	Final FY11-12	Through 9/31 FY11-12	% Available FY11-12
<b>Salaries and Benefits</b>										
<u>Account</u>	<u>Description</u>									
51100000	Regular Salaries	168,905.43	152,952.55	195,580.00	193,055.65	198,346.60	198,280.48	199,647.00	43,018.72	78.5%
51300500	Group Health Insurance	40,148.04	21,405.57	36,471.00	29,210.94	37,953.96	33,872.67	45,648.12	9,267.30	79.7%
51300100	Retirement: Pension (CalPers)	34,550.93	26,282.61	34,064.00	33,015.37	34,991.95	34,924.41	36,205.00	7,854.00	78.3%
51200500	Commissioner Per Diems	9,600.00	4,400.00	9,600.00	5,100.00	9,600.00	4,900.00	9,600.00	700.00	92.7%
51300120	Retirement: Non-Pension	11,295.00	11,296.00	8,706.00	8,706.00	9,138.00	9,138.00	9,341.00	2,335.25	75.0%
51300300	Medicare	2,826.27	2,440.46	2,836.00	2,657.51	2,876.49	2,738.20	2,895.00	598.55	79.3%
51301800	Cell Phone Allowance	840.00	845.14	840.00	843.50	840.00	843.50	840.00	161.00	80.8%
51301200	Workers Compensation	149.00	149.00	168.00	168.00	226.00	226.00	327.00	81.75	75.0%
51200100	Extra Help	26,010.00	26,283.11	-	-	-	-	-	-	-
51200200	Overtime	-	-	-	-	-	-	-	-	-
		<u>294,324.67</u>	<u>246,054.44</u>	<u>288,265.00</u>	<u>272,756.97</u>	<u>293,973.00</u>	<u>284,923.26</u>	<u>304,503.12</u>	<u>64,016.57</u>	<u>79.0%</u>
<b>Services and Supplies</b>										
<u>Account</u>	<u>Description</u>									
52240500	Property Lease	27,000.00	27,000.00	29,280.00	29,280.00	29,280.00	29,280.00	29,280.00	29,280.00	0.0%
52180500	Legal Services	26,320.00	19,129.61	24,990.00	17,938.31	26,010.00	17,659.74	22,540.00	-	100.0%
52180200	Information Technology Services	17,768.00	17,768.04	22,438.00	19,182.50	18,438.91	17,625.42	24,630.83	7,570.64	69.3%
52170000	Office Expenses	15,000.00	10,916.66	15,000.00	9,697.20	15,000.00	9,628.08	12,000.00	7,451.69	37.9%
52180510	Audit and Accounting Services	7,507.00	6,182.37	7,883.00	7,819.33	8,277.15	7,301.48	8,691.01	899.31	89.7%
52250800	Training	4,000.00	2,530.53	4,000.00	5,475.00	4,000.00	3,969.00	4,000.00	2,238.00	44.1%
52250000	Transportation and Travel	4,000.00	1,716.91	3,500.00	4,510.88	3,500.00	5,171.79	3,500.00	73.64	97.9%
52070000	Communications	3,500.00	1,720.96	3,500.00	1,205.16	3,500.00	1,640.02	2,000.00	54.92	97.3%
52150000	Memberships	2,200.00	2,200.00	2,275.00	2,200.00	2,275.00	2,200.00	2,275.00	2,200.00	3.3%
52190000	Publications and Notices	1,500.00	2,490.22	1,500.00	1,112.17	1,500.00	1,433.43	1,500.00	-	100.0%
52235000	Special Departmental Purchases	56,000.00	50,081.73	1,000.00	1,095.25	1,000.00	2,482.00	1,000.00	1,534.22	-53.4%
52251200	Private Mileage	1,000.00	1,051.07	1,000.00	533.60	1,000.00	1,297.66	1,000.00	32.91	96.7%
52243900	Filing Fees	850.00	300.00	850.00	250.00	850.00	450.00	850.00	50.00	94.1%
52250700	Meals Reimbursement - Taxable	-	-	500.00	588.92	500.00	171.97	500.00	-	100.0%
52100300	Insurance: Liability	546.00	545.00	347.00	347.00	444.00	444.00	321.00	80.25	75.0%
53980200	Capital Replacement*	-	-	-	3,931.30	3,931.40	3,931.40	3,931.40	-	100.0%
		<u>167,191.00</u>	<u>143,633.10</u>	<u>118,063.00</u>	<u>105,166.62</u>	<u>119,506.46</u>	<u>104,685.99</u>	<u>118,019.23</u>	<u>51,465.58</u>	<u>56.4%</u>
<b>Contingencies and Reserves</b>										
<u>Account</u>	<u>Description</u>									
54000900	Operating Reserve	40,651.57	-	40,632.80	-	-	-	-	-	-
54001000	Consultant Contingency	50,000.00	-	50,000.00	-	-	-	-	-	-
		<u>90,651.57</u>	<u>-</u>	<u>90,632.80</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENSE TOTALS</b>		<u><u>552,167.24</u></u>	<u><u>389,687.54</u></u>	<u><u>496,960.80</u></u>	<u><u>377,923.59</u></u>	<u><u>413,479.46</u></u>	<u><u>389,609.25</u></u>	<u><u>422,522.35</u></u>	<u><u>115,482.15</u></u>	<u><u>72.7%</u></u>

**Revenues**

		FY2008-09		FY2009-10		FY2010-11		FY2011-12		
		Adopted FY08-09	Actual FY08-09	Adopted FY09-10	Actual FY09-10	Adopted FY10-11	Actual FY10-11	Final FY11-12	Through 9/31 FY11-12	% Collected FY11-12
<b>Intergovernmental Contributions</b>										
<u>Account</u>	<u>Description</u>									
45080600	County of Napa	-	176,382.73	-	153,965.70	178,009.77	178,010.00	191,550.50	191,550.50	100%
45082200	City of Napa	-	119,820.40	-	105,428.75	119,646.81	119,647.00	126,330.38	126,330.35	100%
45082400	City of American Canyon	-	27,179.61	-	22,010.54	27,468.37	27,468.00	32,912.04	32,912.04	100%
45082300	City of St. Helena	-	12,134.39	-	11,135.35	12,656.54	12,657.00	12,997.37	12,997.37	100%
45082100	City of Calistoga	-	9,714.01	-	8,742.73	10,642.45	10,642.00	11,393.34	11,393.00	100%
45082500	Town of Yountville	-	7,534.31	-	6,648.33	7,595.60	7,596.00	7,917.37	7,917.37	100%
		-	352,765.45	-	307,931.40	356,019.55	356,020.00	383,101.00	383,100.63	100%
<b>Service Charges</b>										
<u>Account</u>	<u>Description</u>									
46003400	Standard Applications Fees	-	16,155.00	-	18,437.00	10,000.00	24,293.00	10,000.00	4,494.00	45%
46003300	Special Application Fees	-	120.00	-	625.00	-	3,187.00	-	-	-
48040000	Miscellaneous	-	-	-	156.30	-	-	-	-	-
		-	16,275.00	-	19,218.30	10,000.00	27,480.00	10,000.00	4,494.00	45%
<b>Investments</b>										
<u>Account</u>	<u>Description</u>									
44000300	Interest	-	10,458.70	-	3,791.48	5,000.00	2,570.00	2,340.00	1,320.45	56%
		-	10,458.70	-	3,791.48	5,000.00	2,570.00	2,340.00	1,320.45	56%
	REVENUE TOTALS	-	379,499.15	-	330,941.18	371,019.55	386,070.00	395,441.00	388,915.08	98.3%

<b>OPERATING DIFFERENCE</b>	-	(10,188.39)	-	(43,051)	(3,539)	(27,081.35)
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**FUND BALANCE**

<b>Beginning:</b>	204,686	206,231	150,070	143,487
<i>Reserved</i>	-	19,657	15,726	131,692
<i>Unreserved</i>	204,686	186,574	134,344	11,795
<b>Ending:</b>	206,231	150,070	143,487	
<i>Reserved</i>	19,657	15,726	131,692	
<i>Unreserved</i>	186,574	134,344	11,795	

<b>Minimum Three Month Operating Balance:</b>	138,042	124,240.20	103,369.87	105,630.59
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**December 5, 2011**  
**Agenda Item No. 5b (Consent/Action)**

November 28, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Amendments to Adopted Fee Schedule**

The Commission will consider minor amendments to its adopted fee schedule. The amendments would incorporate the County of Napa's Public Works Department's new hourly charge to review the maps and descriptions accompanying change of organization or reorganization proposals. The proposed amendments are being presented for approval.

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California Government Code Section 56383 authorizes Local Agency Formation Commissions (LAFCOs) to establish a schedule of fees for the costs of administering its prescribed regulatory and planning responsibilities. This includes establishing fees to process change of organization proposals, outside service requests, and sphere of influence amendments. The fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged.

**A. Discussion**

LAFCO of Napa County's ("Commission") fee schedule was last amended in August 2011. The fee schedule generally assigns fixed application fees based on a pre-calculated estimate of the number of hours needed to process a specific type of proposal and multiplied by the current composite staff hourly rate of \$113.00. The fee schedule also identifies several other charges the Commission collects on behalf of other agencies in the course of processing applications. This includes collecting a fee for the County of Napa's Public Works Department to review and, as needed, identify edits to the maps and descriptions that must by Commission policy accompany change of organization or reorganization proposals for subsequent filing with the State Board of Equalization.

The current fee schedule directs the Commission to collect an initial deposit from applicants on behalf of the County's Public Works Department to cover three hours of review at the time proposals are filed. Markedly, the three-hour amount was jointly calculated by County and Commission staff to represent the approximate time needed by Public Works to review most proposal maps and descriptions. Any additional review time, nevertheless, is subsequently billed to the applicants on an hourly basis and typically collected as part of a condition of approval.

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Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville  
Joan Bennett, Commissioner  
Councilmember, City of American Canyon  
Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

Bill Dodd, Chair  
County of Napa Supervisor, 4th District  
Brad Wagenknecht, Commissioner  
County of Napa Supervisor, 1st District  
Mark Luce, Alternate Commissioner  
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Representative of the General Public  
Gregory Rodeno, Alternate Commissioner  
Representative of the General Public  
Keene Simonds  
Executive Officer

The current hourly fee of Public Works listed on the Commission's adopted fee schedule is \$149 and results in an initial three-hour deposit requirement of \$447. Public Works has recently increased its hourly rate to \$165. If the Commission is agreeable to continue using Public Works to review proposal maps and descriptions, the fee schedule should be amended to raise the three-hour deposit to \$495 and note all subsequent review hours will be billed at \$165.

## **B. Analysis**

State law requires all change of organization or reorganization proposals (i.e., government boundary changes) include maps and descriptions, acceptable to the Executive Officer, of the boundaries of the subject territory as it relates to each affected local agency (Government Code 56652). The Commission retains full discretion in implementing this requirement. Most notably, this includes choosing the entity or individual that will be responsible for reviewing the maps and descriptions to help ensure accuracy in meets and bounds as well as conform to the filing requirements of the State Board of Equalization; the latter entity being responsible for adjusting tax assessment rolls. Towards this end, it has been the Commission's long-standing practice to rely on the County Public Works Department to perform the referenced function.

Public Works' new hourly fee represents an approximate 10% increase in cost to applicants in having their maps and descriptions reviewed in the course of filing a boundary change. This increase appears reasonable given the current applicant charge for Public Works to review maps and descriptions have not been raised for several years. Further, a cursory review of the fees charged by other San Francisco Bay Area LAFCOs tied to maps and descriptions suggest the \$165 hourly rate is reasonable.

## **C. Alternatives for Action**

The following alternative actions are available to the Commission.

**Alternative One:** Approve the attached draft amendment to the adopted fee schedule.

**Alternative Two:** Continue consideration of the item to a future meeting and provide direction to staff with regard to additional information or analysis as needed.

## **D. Recommendation**

It is recommended the Commission take action as outlined as Option One in the preceding section.

Respectfully submitted,

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Keene Simonds  
Executive Officer

Attachment:

1) Draft Amendments to the Adopted Fee Schedule (track changes)



## Local Agency Formation Commission of Napa County *Schedule of Fees and Deposits*

Effective Date: ~~July 29, 2011~~ December 5, 2011

The policy of the Commission is:

1. This fee schedule shall be administered in accordance with the provisions of California Government Code Section 56383.
2. Applications submitted to the Commission shall be accompanied by a non-refundable initial fee as detailed in this schedule.
3. Applicants are responsible for any fees or charges incurred by the Commission or required by other agencies in the course of the processing of an application.
4. Initial fees include a fixed number of staff hours as detailed in the fee schedule or are designated as “at cost.”
5. Additional Commission staff time shall be charged to the applicant at an hourly rate of \$113.00.
6. Applicants are responsible for any extraordinary administrative costs as determined by the Executive Officer and detailed for the applicant in a written statement.
7. Additional Commission staff time and administrative costs shall not be charged for city annexation applications that are comprised solely of one, entire unincorporated island.
8. If the Executive Officer estimates a proposal will require more than 20 hours staff time to complete, he or she shall provide a written statement to that effect to the applicant and request a deposit in an amount sufficient to cover anticipated costs. If this or any subsequent deposit proves insufficient, the Executive Officer shall provide an accounting of expenditures and request deposit of additional funds.
9. If the processing of an application requires the Commission contract from another agency or from a private firm or individual for services that are beyond the normal scope of staff work (such as the drafting of an Environmental Impact Report or Comprehensive Fiscal Analysis), the applicant shall be responsible for all costs associated with that contract. The applicant will provide the Commission with a deposit sufficient to cover the cost of the contract.
10. The Executive Officer may stop work on any proposal until the applicant submits a requested deposit.

11. Written appeal of fees and/or deposits, specifying the reason for the appeal, may be submitted to the Commission prior to the submission of an application or prior to the submission of a deposit requested by the Executive Officer. The appeal will be considered at the next regular meeting of the Commission.
12. Upon completion of a project, the Executive Officer shall issue to the applicant a statement detailing all expenditures from a deposit for additional time and materials and shall have a refund for any remaining funds issued to the applicant.

## **INITIAL APPLICATION FEES**

### **Change of Organization or Reorganizations: Annexations and Detachments**

Exempt from the California Environmental Quality Act

- With 100% consent of property owners and affected agencies: \$4,068 (30 hours)
- Without 100% consent of property owners and affected agencies: \$5,424 (40 hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Negative Declaration)

- With 100% consent of property owners and affected agencies: \$4,746(35 hours)
- Without 100% consent of property owners and affected agencies: \$6,102 (45 hours)

Not exempt from the California Environmental Quality Act  
(The Commission is a Responsible Agency; Environmental Impact Report)

- With 100% consent of property owners and affected agencies: \$5,424(40 hours)
- Without 100% consent of property owners and affected agencies: \$6,780 (50 hours)

- \* All initial application fees for annexation and detachment proposals include a 20% surcharge to contribute to the costs in preparing municipal service reviews.
- \* Annexation or detachment proposals that involve boundary changes for more than two agencies and qualify as reorganizations will be charged an additional fee of \$565 (5 hours).
- \* City annexations involving entire unincorporated islands and subject to California Government Code Section 56375.3 will be charged a flat fee of \$500.
- \* If the Commission is the Lead Agency and an Initial Study is needed to determine whether a Negative Declaration or Environmental Impact Report is appropriate, applicants will be charged at the hourly staff rate.

### **Change of Organizations or Reorganizations: Other**

- Special District Formations, Consolidations, Mergers, and Dissolutions: Actual Cost
- City Incorporations or Dissolutions: Actual Cost

### **Special Studies**

- Municipal Service Review: Actual Cost
- Sphere of Influence Review: Actual Cost  
(Establishment, Amendment, or Update)

**Request to Activate Latent Power** \$5,424 (40 hours)

\* The initial application fee for the activation of a latent power includes a 20% surcharge to contribute to the costs in preparing municipal service reviews.

**Request for an Extension of Time** \$565 (5 hours)

**Request to Approve an Outside Service Agreement** \$2,712 (20 hours)

\* The initial application fee to approve an outside service agreement includes a 20% surcharge to contribute to the costs in preparing municipal service reviews.

**Request for Reconsideration** \$2,260 (20 hours)

**Special Meeting Fee** \$800

**Alternate Legal Counsel Fee** Actual Cost

**OTHER APPLICATION FEES**

**Assessor Mapping Service**  
(Made payable to the "County of Napa") \$125

**Map and Geographic Description Review**  
(Made payable to the "County of Napa") \$~~447~~495 (3 hours)

\* If needed, additional review time will be billed at \$~~149~~165 per hour

**Registered Voter List for Public Hearing Notice** \$55 (1 hour)  
(Made payable to the "County of Napa")

**Geographic Information Service** \$125 (1 hour)  
(Made payable to "LAFCO of Napa County")

**California Department of Fish and Game Environmental Filing Fees**  
(Made payable to the "County of Napa Clerk Recorder")

Commission as Lead Agency

- Environmental Impact Report: \$2,839.25
- Negative Declaration: \$2,044.00
- Mitigated Negative Declaration \$2,044.00
- Clerk-Recorder Filing Fee: \$50.00

Commission as Responsible Agency

- Notice of Determination (Represents Clerk Filing Fee): \$50.00
- Notice of Exemption (Represents Clerk Filing Fee): \$50.00

**Filing of Change to Jurisdictional Boundary**  
(Made payable to the “State Board of Equalization”)

<u>Acre Amount</u>	<u>Fee</u>	<u>Acre Amount</u>	<u>Fee</u>
Less than 1:	\$300	51 to 100:	\$1,500
1 to 5:	\$350	101 to 500:	\$2,000
6 to 10:	\$500	500 to 1,000:	\$2,500
11 to 20:	\$800	1,000 to 2,000:	\$3,000
21 to 50:	\$1,200	2,000 and above:	\$3,500

**ADMINISTRATIVE SERVICE FEES**

The following are charges to be assessed to persons or entities other than the applicant.

- Copying (no color): \$0.10 per page
- Copying (color): \$0.40 per page
- Faxing: \$1.00 service charge, plus \$0.15 per page
- Mailing: Actual Cost
- Audio Tape Recording of Meeting: Actual Cost
- Research/Achieve Retrieval: \$97 per hour (minimum of one hour)



**Local Agency Formation Commission**  
**Subdivision of the State of California**

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**December 5, 2011**  
**Agenda Item No. 5c (Consent/Action)**

November 28, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Approval of Meeting Calendar for First Half of 2012**

The Commission will consider approving a meeting calendar for the first six months of 2012. It is recommended the Commission approve regular meeting dates for February 6<sup>th</sup>, April 2<sup>nd</sup>, and June 4<sup>th</sup>. No special meetings are proposed at this time.

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The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires Local Agency Formation Commissions (LAFCOs) to adopt policies and procedures with respect to conducting meetings. Government Code Section 56375(i) specifies LAFCOs must establish regulations to ensure meetings are conducted on a regular and orderly basis.

**A. Discussion**

LAFCO of Napa County's ("Commission") *Policy on Regular Commission Meeting Calendar* was last amended on December 1, 2009 and calls for regular meetings to be scheduled for 4:00 P.M. on the first Monday of each month as needed. All regular meetings shall be held in the Board Chambers at the County of Napa Administration Building. The Commission may also schedule special meetings in conjunction with calendaring regular meetings as needed. The Commission is directed to review and approve a meeting calendar every six months at the June and December meetings.

**B. Discussion/Analysis**

The Commission's projected workload justifies scheduling meetings every other month for the first half of 2012 given the slowdown in proposal activity. As in the case currently, staff will take advantage of the slowdown in proposal activity by making needed progress on the Commission's adopted municipal service review and sphere of influence update study schedule. Given these inputs, staff believes it would be appropriate for the Commission to continue its current practice of meeting every two months. This would result in regular meetings on February 6<sup>th</sup>, April 2<sup>nd</sup>, and June 4<sup>th</sup>. No special meetings are proposed at this time.

---

Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville  
Joan Bennett, Commissioner  
Councilmember, City of American Canyon  
Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

Bill Dodd, Chair  
County of Napa Supervisor, 4th District  
Brad Wagenknecht, Commissioner  
County of Napa Supervisor, 1st District  
Mark Luce, Alternate Commissioner  
County of Napa Supervisor, 2nd District

Brian J. Kelly, Commissioner  
Representative of the General Public  
Gregory Rodeno, Alternate Commissioner  
Representative of the General Public  
Keene Simonds  
Executive Officer

**C. Recommendation**

It is recommended the Commission take the following action:

- 1) Adopt a regular meeting calendar for the first six months of 2012 to include February 6<sup>th</sup>, April 2<sup>nd</sup>, and June 4<sup>th</sup> with any desired changes.

Respectfully submitted,

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Keene Simonds  
Executive Officer

Attachment:

- 1) *Policy on Regular Commission Meeting Calendar*



## **LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

### ***Policy on Regular Commission Meeting Calendar***

Adopted: June 14, 2001  
Amended: December 9, 2004  
December 4, 2006  
December 1, 2008

#### **I. Background**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires Local Agency Formation Commissions (LAFCOs) to adopt policies and procedures with respect to conducting meetings. Government Code Section 56375(i) specifies LAFCOs shall establish regulations to ensure meetings are conducted on a regular and orderly basis.

#### **II. Objective**

The objective of this policy is to guide the Commission in scheduling regular and special meetings in a consistent and logical manner.

#### **III. Guidelines**

##### **A. Regular Meetings**

- 1) The regular meeting day of the Commission is the first Monday of each month. The time and place of regular meetings is 4:00 P.M. in the Board Chambers of the County of Napa Administration Building, located at 1195 Third Street, Napa.
- 2) The Commission shall review and approve its regular meeting calendar every six months. If a regular meeting falls on a holiday, the Commission shall determine an alternate day as part of its review if needed.
- 3) The Chair may cancel or change the date or time of a regular meeting if he or she determines the Commission cannot achieve a quorum or there is a lack of business. Regular meetings may also be canceled or changed with the consent of a majority of the regular members of the Commission. For the purpose of this policy, a majority includes at least one member representing the cities and one member representing the county.
- 4) Notice of any change to a scheduled regular meeting shall be posted on the Commission website and transmitted to all interested parties.

**B. Special Meetings**

- 1) The Chair may schedule special meetings of the Commission as needed. The Chair shall consult with the Executive Officer in scheduling special meetings to ensure a quorum is available at a specified place and time.
- 2) Requests from outside parties for special meetings must be made in writing and submitted to the Executive Officer. If approved and scheduled by the Chair, the affected outside party requesting the special meeting will be responsible for any related charges pursuant to the Commission's *Schedule of Fees and Deposits*.
- 3) Notices for scheduled special meetings will be posted on the Commission website and transmitted to all interested parties within 72 hours of the meeting date.



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December 5, 2011

Agenda Item No. 5e (Consent/Information)

November 28, 2011

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Designation of Chair and Vice Chair for 2012

The Commission will receive a report regarding the designation of the Chair and Vice Chair for the 2012 calendar year. The report is being presented for information.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 specifies each Local Agency Formation Commission (LAFCO) shall comprise no less than five regular members made by appointment. This includes two members appointed by the board of supervisors, two members appointed by the city selection committee, and one member appointed by the other four regular members.

A. Information

LAFCO of Napa County's ("Commission") Appointment of Chair and Vice Chair policy establishes an annual rotation system with respect to the designation of the Chair and Vice Chair among its regular members. This policy was adopted in August 2004 and assigns seat designations for all five regular positions on the Commission. The underlying purpose of the policy is to provide an automatic and predetermined rotation of the Chair and Vice Chair at the beginning of each calendar year to ensure each regular member position will have an opportunity to serve as the presiding officer of the agency.

The Commission's adopted policy designates Commissioners Chilton and Wagenknecht as Chair and Vice Chair, respectively, in 2012. The complete rotation schedule follows.

Table with 2 columns: Chair Schedule and Vice Chair Schedule. Lists 5 members for each role in a numbered list.

B. Commission Review

The Commission is invited to review and discuss the staff report as needed.

Attachment:

- 1) Commission Policy: Appointment of Chair and Vice Chair

Lewis Chilton, Vice Chair
Councilmember, Town of Yountville
Joan Bennett, Commissioner
Councilmember, City of American Canyon
Juliana Inman, Alternate Commissioner
Councilmember, City of Napa

Bill Dodd, Chair
County of Napa Supervisor, 4th District
Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District
Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Brian J. Kelly, Commissioner
Representative of the General Public
Gregory Rodeno, Alternate Commissioner
Representative of the General Public
Keene Simonds
Executive Officer

**Local Agency Formation Commission of Napa County**  
 Policy For the Appointment of Chair and Vice-Chair  
 (Adopted: August 3, 2004)

It is the policy of the Commission that:

1. This policy becomes effective January 1, 2005.
2. The terms of office of the Chair and Vice-Chair shall be one calendar year and shall begin on January 1.
3. Upon the date of adoption of this policy, for the purposes of establishing a rotational system for the appointment of the chair and vice-chair, each regular member seat on the Commission shall have a designation as indicated in the following table:

<u>Seat Designation</u>	<u>Occupant of Seat on Aug. 1, 2004</u>
City Member I	Lori Luporini
City Member II	Ken Slavens
County Member I	Mike Rippey
County Member II	Brad Wagenknecht
Public Member	Guy Kay

It shall be the responsibility of the Executive Officer to maintain a record of the seat designations and occupants.

4. The Chair on January 1, 2005 shall be the occupant of the seat designated City Member I.
5. The Vice-Chair of the Commission shall be appointed according to the following:

<u>Seat Designation of the Chair</u>	<u>Seat Designation of the Vice-Chair</u>
City Member I	County Member I
County Member I	City Member II
City Member II	County Member II
County Member II	Public Member
Public Member	City Member I

6. Upon completion of a term as Vice-Chair, that member shall be appointed to serve as the Chair of the Commission.
7. If a vacancy should be created in the office of the Chair for any reason, the members shall, at the next regular meeting, appoint the Vice-Chair to fill the vacancy for the remaining unexpired term.
8. If a vacancy should be created in the office of the Vice-Chair for any reason, the members shall, at the next regular meeting, appoint a Vice-Chair to fill the vacancy for the remaining unexpired term in accordance with the system set forth in Statement #5.
9. If a member fulfills an unexpired term of the Chair, he shall be appointed to fulfill the subsequent full term of the office.
10. The Commission may create temporary changes to the schedule in Statement #5 as part of an action item placed on the agenda.

**Local Agency Formation Commission of Napa County**  
Policy For the Appointment of Chair and Vice-Chair

Seat Designations and Occupants  
Updated: July 25, 2005

City Member I  
City Member II  
County Member I  
County Member II  
Public Member

Lori Luporini  
Dr. Andrew Alexander  
Bill Dodd  
Brad Wagenknecht  
Guy Kay



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**December 5, 2011**  
**Agenda Item No. 5f (Consent/Information)**

November 28, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Expiring Commissioner Terms in 2012**

The Commission will receive a report identifying the member terms scheduled to expire in 2012. A total of three terms are set to expire. The report is being presented for information.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 states the composition of Local Agency Formation Commissions (LAFCOs) shall generally include two regular members representing the county, two regular members representing the cities, and one regular member representing the general public. LAFCOs may also have two regular members representing special districts. Each category represented on LAFCO also has one alternate member. Appointments for the county and city regular and alternate members are made by board of supervisors and city selection committees, respectively. Appointments for the regular and alternate public members are made by the county and city members on LAFCO. All terms on LAFCO are four years.

**A. Information**

LAFCO of Napa County (“Commission”) has a total of three members with terms scheduled to expire during the 2012 calendar year. The affected Commissioners are Wagenknecht (Regular County), Inman (Alternate City), and Rodeno (Alternate Public). The appointments to the Commission involving any county or city member are the sole jurisdiction of the Board of Supervisors and City Selection Committee, respectively. Staff will notify these respective bodies and request they make new four-year appointments/reappointments for the affected seats. In contrast, the appointments for both public member seats are the sole discretion of the Commission. An outline and discussion of the policy considerations relating to the appointment/reappointment of the affected seat currently held by Commissioner Rodeno is provided in Agenda Item No. 7d.

A full listing of the expiring terms for all members follows.

Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville

Joan Bennett, Commissioner  
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

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

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

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

Brian J. Kelly, Commissioner  
Representative of the General Public  
Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

<b>Member</b>	<b>Appointing Authority</b>	<b>Term Expires</b>
Bill Dodd, Chair	Board of Supervisors	May 5, 2014
Lewis Chilton, Vice Chair	City Selection Committee	May 4, 2013
Joan Bennett	City Selection Committee	May 4, 2015
Brian J. Kelly	Commission	May 5, 2014
Brad Wagenknecht	Board of Supervisors	May 7, 2012
Juliana Inman, Alternate	City Selection Committee	May 7, 2012
Mark Luce, Alternate	Board of Supervisors	May 4, 2013
Gregory Rodeno, Alternate	Commission	May 7, 2012

**B. Commission Review**

The Commission is invited to review and discuss the staff report as needed.

Attachments: none



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**December 5, 2011**

**Agenda Item No. 5g (Consent/Information)**

November 30, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer  
Brendon Freeman, Analyst

**SUBJECT: Current and Future Proposals**

The Commission will receive a report summarizing current and future proposals. The report is being presented for information. One new proposal has been submitted since the October 3, 2011 meeting.

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The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCOs) with regulatory and planning duties to coordinate the logical formation and development of local governmental agencies. This includes approving or disapproving proposals involving the formation, expansion, merger, and dissolution of cities and special districts.

**A. Information**

There are currently three active proposals on file with LAFCO of Napa County ("Commission"). A summary of these active proposals follows.

**Rosewood Lane Annexation to Napa Sanitation District**

This application has been submitted by Ralph Melligio to annex 0.9 acres of unincorporated territory to Napa Sanitation District. The affected territory comprises one parcel identified by the County Assessor as 038-160-030 and includes a single-family residence. Due to a failing septic system, the Napa Sanitation District recently requested and the Chair approved as allowed under policy an outside service agreement authorizing the agency to temporarily extend public sewer service to the affected territory while annexation proceedings are completed. The Commission is expected to consider ratifying the Chair's approval of the outside service agreement as part of today's meeting.

**Status:** The Commission will serve as lead agency for the annexation. Accordingly, staff will prepare an initial study assessing the effects of the annexation for public review and comment. Staff anticipates completing the environmental review in time for the Commission to consider the proposal at its February 6, 2012 regular meeting.

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Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville

Joan Bennett, Commissioner  
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

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

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

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

Brian J. Kelly, Commissioner  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

### **Silverado Trail/Zinfandel Lane Annexation to the City of St. Helena**

The City of St. Helena proposes the annexation of approximately 100 acres of unincorporated territory located northwest of the intersection of Silverado Trail and Zinfandel Lane. The affected territory consists of one entire parcel and a portion of a second parcel, which are both owned and used by St. Helena to discharge treated wastewater from an adjacent treatment plant through a spray irrigation system. Both subject parcels are located outside the City's sphere of influence. Rather than request concurrent amendment, St. Helena is proposing only the annexation of a portion of the second parcel to ensure the affected territory is non-contiguous to its incorporated boundary and therefore eligible for annexation under Government Code Section 56742. This statute permits a city to annex non-contiguous land it owns and uses for municipal purposes without consistency with its sphere of influence. However, if sold, the statute requires the land be automatically detached. The two subject parcels are identified by the County Assessor as 030-240-017 (portion) and 030-250-018.

Status: Staff has completed its review of the proposal. St. Helena has filed a request with the Commission to delay consideration of the proposal in order to explore a separate agreement with the County to extend the current Williamson Act contract associated with the affected territory.

### **Formation of the Villa Berryessa Water District**

This application has been submitted by Miller-Sorg Group, Inc. The applicant proposes the formation of a new special district under the California Water District Act. The purpose in forming the new special district is to provide public water and sewer services to a planned 100-lot subdivision located along the western shoreline of Lake Berryessa. A tentative subdivision map for the underlying project has already been approved by the County. The County has conditioned recording the final map on the applicants receiving written approval from the United States Bureau of Reclamation to construct an access road and intake across federal lands to receive water supplies from Lake Berryessa. Based on their own review of the project, the Bureau is requesting a governmental agency accept responsibility for the construction and perpetual operation of the water and sewer systems serving the subdivision.

Status: Staff is currently awaiting a response to an earlier request for additional information from the applicant.

There are three new proposals expected to be submitted to the Commission in the immediate future. A summary of these anticipated proposals follows.

### **Matt Drive/Easum Drive Annexation to the City of Napa**

An interested landowner within a completely surrounded unincorporated island located near the intersection of Matt Drive and Easum Drive in the City of Napa has inquired about annexation. The landowner owns and operates a bed and breakfast and is interested in annexation in response to an informational mailer issued by

LAFCO earlier this year outlining the cost benefits to annexation. Subsequent follow up indicates the other two landowners within the island are agreeable to annexation. Staff is working with the City in preparing an application for consideration by the City Council.

**Imola Avenue/Tejas Drive Annexation to the City of Napa**

An interested landowner within a substantially surrounded unincorporated island located near the intersection of Imola Avenue and Tejas Avenue in the City of Napa has inquired about annexation. The interested landowner owns an approximate 1.5 acre undeveloped lot and is interested in ultimately pursuing a development project, although no specific plans exist at this time. Staff is currently working with the landowner and City in developing an outreach program to gauge interest to expand the annexation to further reduce or eliminate the entire island.

**Formation of a Community Services District at Capell Valley**

An interested landowner has inquired about the formation of a new special district for purposes of assuming water responsibilities from an existing private water company. The affected area includes the 48-space mobile home park adjacent to Moskowite Corners as well as two adjacent parcels that are zoned for affordable housing by the County. Staff has been working with the landowner in evaluating governance options as well as other related considerations under LAFCO law.

**B. Commission Review**

The Commission is invited to discuss any of the proposals identified in this report.

Attachments: none



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**December 5, 2011**

**Agenda Item No. 6a (Public Hearing)**

November 28, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer  
Brendon Freeman, Analyst

**SUBJECT: Ratification of an Outside Service Agreement Approval for the Napa Sanitation District Involving 1430 Rosewood Lane (038-160-030)**

The Commission will consider ratifying an outside service agreement approved by the Chair authorizing the Napa Sanitation District to provide extraterritorial public sewer service to an unincorporated property at 1430 Rosewood Lane to address a public health threat. Staff recommends ratification approval along with waiving the application fee due to special circumstances as allowed under Commission policy.

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Local Agency Formation Commissions (LAFCOs) are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to regulate the formation and development of local governmental agencies and their municipal services. This includes approving or disapproving requests from cities and special districts to provide new or extended municipal services outside their jurisdictional boundaries under California Government Code (G.C.) Section 56133. LAFCOs are authorized to condition approval for outside service agreements as long as the terms do not directly regulate land uses.

**A. Background**

LAFCO of Napa County (“Commission”) received a written request on November 10, 2011 from the Napa Sanitation District (NSD) to approve an outside service agreement to allow the agency to immediately extend new public sewer service to an unincorporated single-family residence located at 1430 Rosewood Lane. The single-family residence is part of an approximate 0.9 acre lot and is 2,100 square feet in size with four bedrooms built in the 1920s. The single-family residence lies entirely within NSD’s sphere of influence.

As allowed under Commission policy, Chair Dodd conditionally approved the outside service agreement request on November 14<sup>th</sup> upon receipt of documentation stating the septic system serving the residence had failed, creating an urgent public health threat. The Chair’s approval was conditioned on the landowner first submitting an application with the Commission to annex the entire lot. This condition was satisfied on November 16<sup>th</sup>.

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Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville

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

Brian J. Kelly, Commissioner  
Representative of the General Public

Joan Bennett, Commissioner  
Councilmember, City of American Canyon

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

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

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

Keene Simonds  
Executive Officer

The outside service agreement between NSD and the landowner of 1430 Rosewood Lane (Ralph Melligio) expires on September 1, 2012. The outside service agreement is intended to be succeeded through the referenced annexation of the entire affected lot. In the interim, Commission policy requires the Chair's approval be ratified by the Commission at the next regular meeting as part of a public hearing.



## **B. Discussion**

### ***Agency Profile***

NSD was formed in 1945 as a dependent enterprise district to provide public sewer service for the City and the surrounding unincorporated area. NSD presently provides sewer service to most of the City along with several surrounding unincorporated areas, including Silverado, Napa State Hospital, and the Napa County Airport. NSD currently serves 31,283 residential customers with an estimated resident service population of 81,961.<sup>1</sup>

NSD's current operating budget is \$19.462 million.<sup>2</sup> NSD anticipates collecting \$24.848 million in general revenues resulting in a year-end operating surplus/deficit of \$5.386 million. Moreover, NSD's undesignated fund balance as of the beginning of the fiscal year totaled \$3.119 million and available for use in operations or on capital. This amount is sufficient to cover nearly three months of operating expenses.<sup>3</sup>

### ***Request Purpose***

The purpose of the approval request before the Commission is to authorize new public sewer service to an existing single-family residence occupying the affected territory in a manner responsive to local conditions and statutory requirements. As mentioned, the septic system serving the residence failed, creating an urgent threat to public health as verified by County Environmental Management. As a temporary measure, the landowner has entered into an outside service agreement with NSD to allow immediate connection to the agency's public sewer system given annexation proceedings take a minimum of three months to process before Commission consideration. Permanent public sewer service is intended to be established through a separate annexation process. An annexation application has been submitted by the landowner and is expected to be presented to the Commission in the near

<sup>1</sup> The resident service projection based on the 2011 California Department of Finance population per household estimate (2.62) assigned to Napa County and multiplied by the number of residential sewer connections within NSD (31,283). NSD also serves 4,182 non-residential customers, including industrial and commercial users.

<sup>2</sup> The adopted operating expense amount is divided between operating expenses (\$12.743 million), debt service (\$2.750 million), and transfer to the capital projects fund (\$3.967 million).

<sup>3</sup> Calculation based on NSD's adopted annual operating expense for 2011-12 in the amount of \$12.743 million.

future. Consideration of the annexation, however, is first subject to the Commission completing the necessary environmental review as lead agency as well as assessing the merits of reorganizing the action to include a concurrent annexation to the City of Napa.

### **C. Analysis**

G.C. Section 56133 requires cities and special districts to request and receive written approval from LAFCO before entering into agreements to provide new or extended services outside their jurisdictional boundaries. LAFCOs are delegated broad discretion in considering outside service extensions with the caveat of complying with two geographic requirements. First, LAFCO may only approve outside service extensions within the affected agency's sphere of influence in anticipation of a future annexation. Second, LAFCO may only approve outside service extensions beyond an agency's sphere of influence to respond to an existing or impending public health or safety threat.

#### ***Required Factors for Review***

Commission policy requires it to consider three specific factors in reviewing outside service agreement approval requests. An analysis of all three factors as it relates to the outside service agreement between NSD and the landowners of the affected territory is included in Chair Dodd's letter of approval, which is attached for Commission review. This analysis is incorporated into this staff report for purposes of the Commission considering the ratification of the Chair's approval.

#### ***Environmental Review***

Discretionary actions by public agencies are subject to the California Environmental Quality Act (CEQA) any time an underlying activity will result in a direct or indirect physical change to the environment. A lead agency has the principal responsibility for carrying out or approving the underlying activity consistent with the provisions of CEQA. This includes determining whether the underlying activity qualifies as a "project." If the activity is determined to be a project, the lead agency must determine if an exemption applies or if additional environmental review is needed, such as preparing an initial study. A responsible agency is accountable for approving an associated aspect of the underlying activity and must rely on the lead agency's determination in making its own CEQA finding.

NSD serves as the lead agency given it is principally responsible for approving the underlying activity: extending sewer service to the affected territory. NSD has determined this activity is a project under CEQA, but qualifies for an exemption from further review under Public Resources Code Section 21080(b)(4). The statute provides categorical exemptions for "specific actions necessary to prevent or mitigate an emergency." The Commission serves as responsible agency. Staff believes NSD has made an adequate determination the underlying activity is categorically exempt from further review given it mitigates a public health threat.

### ***Waiver of Application Fee***

The Commission's adopted fee schedule states the application charge for processing a request to approve an outside service agreement is \$2,568. The Commission policy permits the agency to waive any fee if it finds the payment would be detrimental to the public interest. Additionally, it is pertinent to note the annexation proposal filed with the Commission involving the affected territory is also subject to a base fee of \$4,068.

Staff believes it would be appropriate for the Commission to waive the \$2,568 application fee tied to the request to approve the outside service agreement. Collecting the fee would - arguably - be detrimental to the public by incentivizing other applicants to continue to use a failing septic system rather than seek an outside service agreement approval as a temporary measure until annexation proceedings can be completed.

### **D. Alternatives for Commission Action**

Staff has identified the following alternative actions for Commission consideration.

**Alternative One:** Adopt the draft resolution identified as Attachment Four ratifying the Chair's approval of the outside service agreement and waiving the application fee.

**Alternative Two:** Adopt the draft resolution identified as Attachment Five ratifying the Chair's approval of the outside service agreement without waiving the application fee.

**Alternative Three:** Continue consideration of the outside service agreement approval request to the next regular meeting.

**Alternative Four:** Deny ratification approval of the outside service agreement. Denial would necessitate NSD discontinue service immediately.

### **E. Recommendation**

Staff recommends Alternative One as outlined in the preceding section.

## **F. Procedures for Consideration**

This item has been agendized for public hearing. The following procedures are recommended with respect to the Commission's consideration of this item:

- 1) Receive verbal report from staff;
- 2) Open the public hearing an invite public testimony;
- 3) Close the public hearing; and
- 4) Discuss item and consider action on recommendation.

Respectfully submitted,

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Keene Simonds  
Executive Officer

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Brendon Freeman  
Analyst

Attachments:

- 1) NSD Application Materials
- 2) Letter from County of Napa Environmental Management
- 3) Chair Dodd's Letter Approving the Outside Service Agreement
- 4) Draft Resolution Ratifying Approval While Waiving Application Fee (Option One)
- 5) Draft Resolution Ratifying Approval Without Waiving Application Fee (Option Two)



**Local Agency Formation Commission**  
**Subdivision of the State of California**

1700 Second Street, Suite 268  
Napa, California 94559  
Telephone: (707) 259-8645  
Facsimile: (707) 251-1053  
<http://napa.lafco.ca.gov>

**December 5, 2011**  
**Agenda Item No. 7a (Action)**

November 28, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Amendments to Adopted Study Schedule**

The Commission will consider amendments to its adopted study schedule calendaring municipal service reviews and sphere of influence updates for the 2008/09 to 2013/14 period. The proposed amendments include extending the study schedule by one additional year to 2014/15 along with making related scheduling changes to pending studies.

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Local Agency Formation Commissions (LAFCOs) are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 for coordinating the orderly formation and development of governmental agencies and services. This includes establishing and updating spheres of influence for each city and special district to designate the territory LAFCO believes represents the affected agency's probable future boundary and service area. All boundary changes and outside service extensions must be consistent with the spheres of influence of the affected agencies with limited exceptions.

As of January 1, 2008, LAFCOs are now required to review and update spheres of influence every five years as needed. State law also requires LAFCOs to inform their sphere of influence determinations by conducting municipal service reviews to comprehensively evaluate the level and range of governmental services provided within their jurisdictions. Municipal service reviews vary in scope and can focus on a particular agency, service, or geographic region. The collective purpose in preparing these studies is to make LAFCOs more proactive and effective in fulfilling their mandate to advantageously provide for the present and future needs of the public.

**A. Discussion**

LAFCO of Napa County's ("Commission") current adopted study schedule extends from 2008/09 to 2013/14. The underlying focus of the study schedule is to expand on the baseline information collected during the inaugural round of municipal service reviews and sphere of influence updates completed between the 2001/02 and 2007/08 period. In particular, this includes measuring key trends relating to the adequacy, capacity, and cost of essential governmental services supporting urban growth and development in Napa County. A copy of the current study schedule is attached.

---

Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville

Joan Bennett, Commissioner  
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

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

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

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

Brian J. Kelly, Commissioner  
Representative of the General Public  
Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

Staff estimates the Commission is approximately six-to-eight months behind with respect to progress made on its adopted study schedule. This current and ongoing delay is primarily attributed to preparing the Commission's countywide municipal service review on law enforcement services; a review that was initially expected to be completed by 2010/11. However, delays in information collection are likely to push the completion of the municipal service review to the end of 2011/12. These and other factors – notably self-initiating a special district reorganization and working on the CALAFCO Annual Conference – are also delaying the start of the Commission's next scheduled municipal service review on the central county region; a review currently scheduled to be completed by the end of this fiscal year.

## **B. Analysis**

Staff believes it would be appropriate for the Commission to amend the adopted study schedule to reflect the current progress to date. This would be highlighted by extending the coverage period of the study schedule one year from 2013/14 to 2014/15. Adopting this amendment would provide additional time to complete active studies without further comprising the scheduled start time of pending studies (i.e., central county region). Additionally, as advocated by several members during a recent workshop, extending the coverage period would allow for more anticipatory discussions with the Commission on key governance and service issues underlying each study before a final action is taken.

All specific proposed amendments are summarized below.

- Extend the coverage period of the study schedule by one year to 2014/15.
- Recalendar the current countywide municipal service review on law enforcement services one year from 2010/11 to 2011/12.
- Recalendar all studies currently scheduled for 2011/12 by one year to 2012/13. This would affect the municipal service review on the central county region.
- Recalendar all studies currently scheduled for 2012/13 by one year to 2013/14. This would affect agency municipal service reviews on four special districts.
- Recalendar all studies currently scheduled for 2013/14 by one year to 2014/15. This would affect the municipal service review on the north county region.

Please note the proposed one year extension would further lengthen the Commission's study schedule beyond the five year cycle period prescribed by the Legislature for preparing municipal service reviews and sphere of influence updates after 2008. This timing provision, however, is deemed directory rather than mandatory and is consistent with actions taken by the Commission in completing its inaugural round of studies.<sup>1</sup>

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<sup>1</sup> California Government Code Section 56106 specifies any provision governing the time within which the Commission is to act shall be deemed directory rather than mandatory with the exception of certain noticing requirements.

### **C. Alternatives for Commission Action**

The following alternative actions are available to the Commission:

**Alternative One:** Approve the proposed amendments to the adopted study schedule as outlined in Attachment Two with any desired changes.

**Alternative Two:** Continue consideration of the item to the next regular meeting and direct staff to provide additional information as needed.

**Alternative Three:** Take no action.

### **D. Recommendation**

It is recommended the Commission take action consistent with Alternative One as outlined in the preceding section.

### **E. 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;
- 2) Invite public testimony (optional); and
- 3) Discuss item and consider action on recommendation.

Respectfully submitted,

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Keene Simonds  
Executive Officer

Attachments:

- 1) Current Study Schedule
- 2) Proposed Amended Study Schedule



**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY  
STUDY SCHEDULE (2008/09-2013/14)**

**Municipal Service Reviews (Government Code §56430)  
Sphere of Influence Reviews (Government Code §56425)**

Adopted: February 4, 2008  
Amended: November 3, 2008  
Amended: June 7, 2010

**Fiscal Years 2008/2009 and 2009/2010**

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**South Napa County**

Municipal service review will examine the governmental services provided by the City of American Canyon, American Canyon Fire Protection District, and County Service Area No. 3. The municipal service review will precede sphere of influence reviews for all three local agencies.

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**Lake Berryessa Area**

Municipal service review will examine the governmental services provided by the Lake Berryessa Resort Improvement District, Napa-Berryessa Resort Improvement District, and the Spanish Flat Water District. The municipal service review will precede sphere of influence reviews for all three local agencies.

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**Fiscal Year 2010/2011**

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**County Service Area No. 4**

Municipal service review will examine the governmental services provided by County Service Area No. 4 and will precede a sphere of influence review.

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**Napa County Regional Park & Open Space District**

Municipal service review will examine the governmental services provided by the Napa County Regional Park & Open Space District will precede the establishment of a sphere of influence review.

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**Napa County Mosquito Abatement District**

Municipal service review will examine the governmental services provided by the Napa County Mosquito Abatement District and will precede a sphere of influence review.

---

**Law Enforcement Services**

Municipal service review will examine public law enforcement (i.e., police protection) services provided in Napa County.

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**Fiscal Year 2011/2012**

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**Central Napa County**

Municipal service review will examine the governmental services provided by the City of Napa, Napa Sanitation District, Silverado Community Services District, and Congress Valley Water District. The municipal service review will precede sphere of influence reviews for all four local agencies.

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**Fiscal Year 2012/2013**

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**Circle Oaks County Water District**

Municipal service review will examine the governmental services provided by the Circle Oaks County Water District and will precede a sphere of influence review.

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**Napa County Flood Control and Water Conservation District**

Municipal service review will examine the governmental services provided by the Napa County Flood Control and Water Conservation District and will precede a sphere of influence review.

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**Napa County Resource Conservation District**

Municipal service review will examine the governmental services provided by the Napa County Resource Conservation District and will precede a sphere of influence review.

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**Napa River Reclamation District No. 2109**

Municipal service review will examine the governmental services provided by the Napa River Reclamation District No. 2109 and will precede a sphere of influence review.

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**Fiscal Year 2013/2014**

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**North Napa Valley**

Municipal service review will examine the governmental services provided by the Cities of Calistoga, St. Helena, and Town of Yountville. The municipal service review will precede sphere of influence reviews for all three local agencies.

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**Los Carneros Water District**

Municipal service review will examine the governmental services provided by the Los Carneros Water District and will precede a sphere of influence review.

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**Cemetery Services**

Municipal service review will examine public interment services provided in Napa County and will precede a sphere of influence review of the Monticello Public Cemetery District and the Pope Valley Cemetery District.

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**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**  
**STUDY SCHEDULE (2008/09-~~2013/14~~2014/15)**

**Municipal Service Reviews (Government Code §56430)**  
**Sphere of Influence Reviews (Government Code §56425)**

Adopted: February 4, 2008

Amended: November 3, 2008

Amended: June 7, 2010

Amendmended: December 5, 2011

**Fiscal Years 2008/2009 and 2009/2010**

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**South Napa County**

Municipal service review will examine the governmental services provided by the City of American Canyon, American Canyon Fire Protection District, and County Service Area No. 3. The municipal service review will precede sphere of influence reviews for all three local agencies.

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**Lake Berryessa Area**

Municipal service review will examine the governmental services provided by the Lake Berryessa Resort Improvement District, Napa-Berryessa Resort Improvement District, and the Spanish Flat Water District. The municipal service review will precede sphere of influence reviews for all three local agencies.

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**Fiscal Year 2010/2011**

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**County Service Area No. 4**

Municipal service review will examine the governmental services provided by County Service Area No. 4 and will precede a sphere of influence review.

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**Napa County Regional Park & Open Space District**

Municipal service review will examine the governmental services provided by the Napa County Regional Park & Open Space District will precede the establishment of a sphere of influence review.

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**Napa County Mosquito Abatement District**

Municipal service review will examine the governmental services provided by the Napa County Mosquito Abatement District and will precede a sphere of influence review.

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**~~Law Enforcement Services~~**

~~Municipal service review will examine public law enforcement (i.e., police protection) services provided in Napa County.~~

---

**Fiscal Year 2011/2012**

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**Law Enforcement Services**

Municipal service review will examine public law enforcement (i.e., police protection) services provided in Napa County.

---

**Fiscal Year ~~2011/2012~~ 2012/13**

---

**Central Napa County**

Municipal service review will examine the governmental services provided by the City of Napa, Napa Sanitation District, Silverado Community Services District, and Congress Valley Water District. The municipal service review will precede sphere of influence reviews for all four local agencies.

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**Fiscal Year ~~2012/2013~~2013/14**

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**Circle Oaks County Water District**

Municipal service review will examine the governmental services provided by the Circle Oaks County Water District and will precede a sphere of influence review.

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**Napa County Flood Control and Water Conservation District**

Municipal service review will examine the governmental services provided by the Napa County Flood Control and Water Conservation District and will precede a sphere of influence review.

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**Napa County Resource Conservation District**

Municipal service review will examine the governmental services provided by the Napa County Resource Conservation District and will precede a sphere of influence review.

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**Napa River Reclamation District No. 2109**

Municipal service review will examine the governmental services provided by the Napa River Reclamation District No. 2109 and will precede a sphere of influence review.

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**Fiscal Year ~~2013/2014~~2014/15**

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**North Napa Valley**

Municipal service review will examine the governmental services provided by the Cities of Calistoga, St. Helena, and Town of Yountville. The municipal service review will precede sphere of influence reviews for all three local agencies.

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**Los Carneros Water District**

Municipal service review will examine the governmental services provided by the Los Carneros Water District and will precede a sphere of influence review.

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**Cemetery Services**

Municipal service review will examine public interment services provided in Napa County and will precede a sphere of influence review of the Monticello Public Cemetery District and the Pope Valley Cemetery District.

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**Local Agency Formation Commission**  
**Subdivision of the State of California**

1700 Second Street, Suite 268  
Napa, California 94559  
Telephone: (707) 259-8645  
Facsimile: (707) 251-1053  
<http://napa.lafco.ca.gov>

**December 5, 2011**  
**Agenda Item No. 7b (Action)**

November 28, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Financial Audit for Fiscal Year Ending June 30, 2011**

The Commission will review a written report from an outside consultant auditing the agency's financial statements for the 2010-2011 fiscal year. The report is being presented to the Commission to receive and file.

It is the practice of the Local Agency Formation Commission of Napa County ("Commission") to retain an outside consultant to perform an audit on the agency's financial statements for each fiscal year completed. The purpose of the audit is for a third-party to assess the reliability of the financial statements by reviewing records and testing transactions to determine their compliance with generally accepted governmental accounting standards. The audit also provides an opportunity for the third-party to identify reporting errors and omissions as well as to make suggestions for improvements.

**A. Discussion**

In June 2011, the Commission authorized the Executive Officer to retain Galina, LLP to conduct an independent audit of the agency's financial statements for the 2010-2011 fiscal year. Gallina completed its audit in November 2011 and, importantly, found no material misstatements. The audit also found no instances of significant or unusual changes in reporting practices and does not include any suggestions for improvements. A copy of Gallina's audit is attached.

**B. Analysis**

Gallina's audit provides an unqualified opinion the Commission's financial statements for the 2010-2011 fiscal year are reliable representations of the agency's financial position as of June 30, 2011. This clean opinion indicates the Commission maintains an effective level of internal control in managing its financial records and transactions which helps to ensure maximum accountability with respect to the agency's use of public funds.

An attached chart depicts changes in the Commission's audited fund balance since becoming a separate legal entity from the County of Napa beginning in 2001-2002.

Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville  
Joan Bennett, Commissioner  
Councilmember, City of American Canyon  
Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

Bill Dodd, Chair  
County of Napa Supervisor, 4th District  
Brad Wagenknecht, Commissioner  
County of Napa Supervisor, 1st District  
Mark Luce, Alternate Commissioner  
County of Napa Supervisor, 2nd District

Brian J. Kelly, Commissioner  
Representative of the General Public  
Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

**C. Alternatives for Commission Action**

The following alternative actions are available to the Commission:

**Alternative One:** Receive and file the completed audit report for 2010-2011.

**Alternative Two:** Continue consideration of the item to the next regular meeting and direct staff to provide additional information as needed.

**Alternative Three:** Take no action.

**D. Recommendation**

The Committee recommends Alternative One as outlined in the preceding section.

**E. Procedures for Consideration**

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

- 1) Receive verbal report from the County of Napa's Auditor-Controller's Office;
- 2) Invite public comment; and
- 3) Discuss item and consider action on recommendation.

Respectfully submitted,

---

Keene Simonds  
Executive Officer

Attachments:

- 1) 2010-2011 Audit Report, Prepared by Gallina, LLP
- 2) LAFCO Financial Summary Chart Since 2001-2002

**LOCAL AGENCY FORMATION  
COMMISSION OF NAPA COUNTY**

**AUDIT REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2011**

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Audit Report  
For the Year Ended June 30, 2011

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# LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

## Commission Membership

For the Year Ended June 30, 2011

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Bill Dodd	Chair Napa County Board of Supervisors	May 2014
Lewis Chilton	Vice Chair City Selection Committee	May 2013
Brian J. Kelly	Member Public Member	May 2014
Brad Wagenknecht	Member Napa County Board of Supervisors	May 2012
Joan Bennett	Member City Selection Committee	May 2015
Mark Luce	Alternate Member Napa County Board of Supervisors	May 2013
Gregory Rodeno	Alternate Member Public Member	May 2012
Juliana Inman	Alternate Member City Selection Committee	May 2013

## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Local Agency Formation Commission of Napa County  
Napa, California

We have audited the accompanying basic financial statements of the Local Agency Formation Commission of Napa County (Commission), as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Commission as of June 30, 2011, and the respective changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2011, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

*Gallina LLP*

Roseville, California  
October 12, 2011

## **LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

### **Management's Discussion and Analysis**

The Local Agency Formation Commission of Napa County ("Commission") administers a section of California Government Code now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The Commission is delegated regulatory and planning responsibilities to coordinate the logical formation and development of local agencies in a manner preserving agricultural and open-space resources, promoting the orderly extension of municipal services, and discouraging urban sprawl. Key duties include regulating boundary changes through annexations or detachments, approving city incorporations or disincorporations, and forming, consolidating, or dissolving special districts. The Commission is also responsible for preparing studies to inform its regulatory activities, including establishing and updating spheres of influence for all cities and special districts within its jurisdiction. Spheres are planning tools used by the Commission to designate the territory it believes represents the appropriate and probable future service area of the affected agency. All jurisdictional changes, such as annexations, must be consistent with the spheres of the affected agencies with limited exceptions. As of June 30, 2011, there are currently 23 cities and special districts subject to Commission jurisdiction in Napa County.

The Commission was first established in 1963 as an office within the County of Napa. From 1963 to 2000, 100% of the Commission's annual budget was funded by the County. On July 1, 2001, in conjunction with the enactment of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the Commission became independent of the County. This transition was highlighted by the Commission appointing its own Executive Officer and Counsel as well as altering its funding to include contributions from the five cities in Napa County: American Canyon; Calistoga; Napa; St. Helena; and Yountville. The County is now responsible for funding 50% of the Commission's annual budget with the remaining portion divided among the five cities based on a locally adopted formula as provided under Government Code Section 56381.

This narrative overview and analysis of the financial activities for the fiscal year ending June 30, 2011, is offered by the Commission's manager, the Executive Officer, to provide greater context to the audit performed by the Commission's independent auditor, GALLINA LLP. Please read it in conjunction with the Commission's Financial Statements, which follow this section.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The following Statement of Net Assets and Governmental Fund Balance Sheet, and the Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balance, provide information about the activities of the Commission. The financial statements also include various footnote disclosures, which further describe the Commission's activities.

## LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

### Management's Discussion and Analysis (continued)

#### Government-Wide Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private sector business.

The *statement of net assets and governmental fund balance sheet* presents information on all of the Commission's assets and liabilities, with the difference between the two reported as *net assets*.

The *statement of activities and governmental fund revenues, expenditures and changes in fund balances* presents information showing how the Commission's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

#### Fund Financial Statements

A *fund* is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The Commission, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

Because the focus of governmental funds is narrower than government-wide financial statements, it is useful to compare the information presented. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate the comparison between governmental funds and government wide statements.

The Commission adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the Fund to demonstrate compliance with the budget.

#### Notes to Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements.

#### Required Supplementary Information (RSI)

RSI is presented concerning the Commission's General Fund budgetary schedule. The Commission adopts an annual appropriated budget for its General Fund. A budgetary

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

Management’s Discussion and Analysis (continued)

comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

**FINANCIAL ANALYSIS OF THE COMMISSION**

Net Assets

The Commission has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), Basic Financial Statements – and Management’s Discussion and Analysis (MD&A)– for State and Local Governments.

**Condensed Statement of Net Assets  
As of June 30,**

	<u>2011</u>	<u>2010</u>	<u>Variance</u>
Current assets	\$ 181,782	\$ 182,405	\$ (623)
Noncurrent assets	11,795	15,726	(3,931)
<b>Total assets</b>	<u>193,577</u>	<u>198,131</u>	<u>(4,554)</u>
Current liabilities	12,570	13,586	(1,016)
Long term liabilities	37,520	34,475	3,045
<b>Total liabilities</b>	<u>50,090</u>	<u>48,061</u>	<u>2,029</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt	11,795	15,726	(3,931)
Unrestricted	131,692	134,344	(2,652)
<b>Total net assets</b>	<u>\$ 143,487</u>	<u>\$ 150,070</u>	<u>\$ (6,583)</u>

State law requires the County and the five cities of Napa County fund the Commission’s budget each year. The Commission is also authorized to establish and collect fees for purposes of offsetting agency contributions. It is also the practice of the Commission to make use of its unrestricted fund balance to help cover operating costs to help minimize the fiscal impact on local agencies as long as the balance does not fall below the equivalent of three months of operating expenses. This practice of using the unrestricted fund balance to help cover operating costs results in budgeting an operating shortfall. For the fiscal year ending June 30, 2011, the Commission budgeted an operating shortfall of (\$44,459). The actual operating shortfall was reduced from (\$44,459) to (\$6,583) due to sizeable decreases in costs for legal services and office supplies relative to the prior fiscal year.

## LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

### Management's Discussion and Analysis (continued)

#### Changes in Net Assets

The government-wide financial statement presented on the following page represents an analysis of the Commission's governmental activities. It should be noted that *Intergovernmental Revenues* represent the amount each agency was required to contribute to the Commission's budget. The sum of these contributions and the fund balance at the beginning of the fiscal year must sum to the adopted budget.

#### **Condensed Statement of Activities For the Fiscal Year Ended June 30,**

	<b>2011</b>	<b>2010</b>	<b>Variance</b>
<b>Revenues:</b>			
Intergovernmental	\$ 356,020	\$ 307,932	\$ 48,088
Planning fees	27,480	19,062	8,418
Interest income	2,570	3,792	(1,222)
Other revenue	--	156	(156)
<b>Total revenues</b>	<b>386,070</b>	<b>330,942</b>	<b>55,128</b>
<b>Expenses:</b>			
Salaries and benefits	287,968	281,937	6,031
Services and supplies	100,754	101,235	(481)
Depreciation	3,931	3,931	--
<b>Total expenses</b>	<b>392,653</b>	<b>387,103</b>	<b>5,550</b>
Change in net assets	(6,583)	(56,161)	49,578
Net assets - Beginning of year	150,070	206,231	(56,161)
<b>Net assets - End of year</b>	<b>\$ 143,487</b>	<b>\$ 150,070</b>	<b>\$ (6,583)</b>

#### Financial Analysis of the Commission's Governmental Fund

As noted earlier, fund accounting is used by the Commission to ensure and demonstrate compliance with finance-related legal requirements.

For the fiscal year ending June 30, 2011, the Commission reported an ending fund balance of \$169,212 for an increase of \$393 from the prior year.

## **LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

### **Management's Discussion and Analysis (continued)**

#### **BUDGETARY HIGHLIGHTS**

The Commission practices bottom-line accounting, giving management the discretion to use excess funds in one account to offset deficits in other accounts. This allows management to minimize the fiscal impact of unanticipated increases in salaries and benefits by controlling spending in other accounts.

#### **CAPITAL ASSETS**

During fiscal year 2008-2009, the Commission purchased an electronic document management system with a cost of \$19,657. This asset is being depreciated over an estimated useful life of 5 years, using the straight-line depreciation method.

#### **DEBT ADMINISTRATION**

With the close of the fiscal year on June 30, 2011, the Commission did not have any long-term obligations outstanding, except for compensated absences totaling \$37,520.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Commission is committed to fulfilling its state-mandated mission with as little fiscal impact on local agencies as possible. In preparing the budget for fiscal year 2011-2012 the Commission used a spending baseline to estimate how much it would cost to continue the level of its activities and services at next year's price for labor and supplies. The Commission's adopted fiscal year 2011-2012 budget is \$424,992, an overall percentage increase of 2.8%. The primary factor for the increase is attributed to a rise in information technology services provided by the County of Napa.

#### **CONTACTING THE COMMISSION**

This financial report is designed to provide a general overview of the Commission's finances for all those interested. Through a memorandum of understanding, Napa County provides certain management and administrative functions, including financial management and accounting. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Local Agency Formation Commission of Napa County  
1700 Second Street, Suite 268  
Napa, California, 94559

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Statement of Net Assets  
June 30, 2011

**ASSETS**

Current Assets:

Cash in County Treasury	\$	180,424
Imprest cash		100
Prepaid expenses		1,258
Total Current Assets		<u>181,782</u>

Non-Current Assets:

Capital assets, net		<u>11,795</u>
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Total Assets	\$	<u><u>193,577</u></u>
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**LIABILITIES**

Current Liabilities:

Accounts payable	\$	945
Accrued salaries		11,625
Total Current Liabilities		<u>12,570</u>

Non-Current Liabilities:

Portion due or payable within one year:		
Compensated absences		6,134
Portion due or payable after one year:		
Compensated absences		31,386
Total Non-Current Liabilities		<u>37,520</u>

Total Liabilities		<u>50,090</u>
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**NET ASSETS**

Invested in capital assets, net		11,795
Unrestricted		<u>131,692</u>

Total Net Assets		<u>143,487</u>
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Total Liabilities and Net Assets	\$	<u><u>193,577</u></u>
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The accompanying notes are an integral part of these financial statements.

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

Statement of Activities  
For the Year Ended June 30, 2011

**EXPENSES**

Salaries and benefits	\$ 287,968
Services and supplies	100,754
Depreciation expense	3,931
Total Expenses	<u>392,653</u>

**PROGRAM REVENUES**

Intergovernmental revenues:	
County of Napa	178,010
City of Napa	119,647
City of St. Helena	12,657
City of American Canyon	27,468
City of Calistoga	10,642
Town of Yountville	7,596
Planning fees	27,480
Total Program Revenues	<u>383,500</u>
 Net Program Revenue (Expense)	 <u>(9,153)</u>

**GENERAL REVENUES**

Interest income	<u>2,570</u>
Total General Revenues	<u>2,570</u>
 Change in Net Assets	 (6,583)
 Net Assets - Beginning of Year	 <u>150,070</u>
 Net Assets - End of Year	 <u>\$ 143,487</u>

The accompanying notes are an integral part of these financial statements.

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

Balance Sheet  
Governmental Funds  
June 30, 2011

**ASSETS**

Cash in County Treasury	\$	180,424
Imprest cash		100
Prepaid expenses		<u>1,258</u>
Total Assets	\$	<u><u>181,782</u></u>

**LIABILITIES**

Accounts payable	\$	945
Accrued salaries		<u>11,625</u>
Total Liabilities		<u>12,570</u>

**FUND BALANCE**

Nonspendable for prepaids		1,258
Restricted		<u>167,954</u>
Total Fund Balance		<u>169,212</u>
Total Liabilities and Fund Balance	\$	<u><u>181,782</u></u>

The accompanying notes are an integral part of these financial statements.

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

Reconciliation of the Governmental Funds Balance Sheet  
to the Government-Wide Statement of Net Assets - Governmental Activities  
June 30, 2011

Fund balance - total governmental funds	\$ 169,212
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	11,795
Compensated absences payables are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>(37,520)</u>
Net Assets of Governmental Activities	<u>\$ 143,487</u>

The accompanying notes are an integral part of these financial statements.

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

Statement of Revenues, Expenditures and Changes in Fund Balance  
Governmental Funds  
For the Year Ended June 30, 2011

**REVENUES**

Intergovernmental revenues:

County of Napa	\$ 178,010
City of Napa	119,647
City of St. Helena	12,657
City of American Canyon	27,468
City of Calistoga	10,642
Town of Yountville	7,596
Planning fees	27,480
Interest income	2,570
	<hr/>
Total Revenues	386,070
	<hr/>

**EXPENDITURES**

Salaries and benefits	284,923
Services and supplies	100,754
	<hr/>
Total Expenditures	385,677
	<hr/>
Change in Fund Balance	393
Fund Balance - Beginning of Year	168,819
	<hr/>
Fund Balance - End of Year	\$ 169,212
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of Governmental Funds to the  
Government-Wide Statement of Activities - Governmental Activities  
For the Year Ended June 30, 2011

Net change to fund balance - total governmental funds	\$	393
Amounts reported for governmental activities in the statement of activities are different because:		
Changes in compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(3,045)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		<u>(3,931)</u>
Change in Net Assets of Governmental Activities	<u>\$</u>	<u>(6,583)</u>

The accompanying notes are an integral part of these financial statements.

# LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Notes to Financial Statements  
June 30, 2011

## Note 1: Summary of Significant Accounting Policies

### A. Reporting Entity

The Local Agency Formation Commission of Napa County (Commission) was created in 1963 by the California Legislature to encourage the orderly formation and development of local agencies, promote the efficient extension of municipal services, and protect against the premature conversion of agricultural and open-space lands. In 2001, following the enactment of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the Commission became an independent agency separate from Napa County. As of June 30, 2011, there are 23 cities and special districts under the jurisdiction of the Commission in Napa County.

The Commission is comprised of five regular and three alternate members. Each member is appointed pursuant to California Government Code Section 56000 et. Seq. and represents one of the following three interests:

- County Members: Two regular and one alternate member represent Napa County. These members are Board of Supervisors. Appointments are made by the Board of Supervisors.
- City Members: Two regular and one alternate member represent the five cities in Napa County. The members are mayors or council members. Appointments are made by the City Selection Committee.
- Public Members: One regular and one alternate member represent the general public. Appointments are made by the county and city members on the Commission.

The Commission includes all activities (operations of its administrative staff and commission officers) considered to be a part of the Commission. The Commission reviewed the criteria developed by the Governmental Accounting Standards Board (GASB) in its issuance of Statement No. 14, relating to the financial reporting entity to determine whether the Commission is financially accountable for other entities. The Commission has determined that no other outside entity meets the above criteria, and therefore, no agency has been included as a component unit in the financial statements. In addition, the Commission is not aware of any entity that would be financially accountable for the Commission that would result in the Commission being considered a component unit of that entity.

# LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Notes to Financial Statements  
June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

**B. Basis of Presentation and Accounting**

*Government-Wide Statements*

The statement of net assets and statement of activities display information about the primary government (Commission). These statements include the financial activities of the overall Commission.

The statement of activities presents a comparison between direct expenses and program revenues for the Commission's governmental activity. Direct expenses are those that are specifically associated with the Commission. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of the Commission. Revenues that are not classified as program revenues, including all taxes and investment income, are presented as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows take place. Nonexchange transactions in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include sales taxes and grants. Revenues from sales tax are recognized when the underlining transactions take place. Revenues from grants are recognized in the fiscal year in which all eligible requirements have been satisfied.

When both restricted and unrestricted net assets are available, restricted resources are used before non-restricted resources.

*Fund Financial Statements*

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available ("susceptible to accrual"). Taxes, interest, certain state and federal grants, and charges for services revenues are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be measurable and available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

# LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Notes to Financial Statements  
June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

**B. Basis of Presentation and Accounting** (continued)

*Fund Financial Statements* (continued)

The General Fund is the Commission's primary operating fund. It accounts for all financial resources of the general government.

**C. Capital Assets**

Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed fixed assets are valued at their estimated fair market value on the date contributed. The Commission defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are depreciated using the straight-line method over their estimated useful lives in the government-wide statements. Depreciation begins on the first day of the fiscal year following the period the asset is placed in service and ends in the fiscal year that it is retired from service or is fully depreciated.

**D. Compensated Absences**

Earned vacation may be accumulated up to a maximum of 536 hours by management personnel. Supervisory employees may accumulate up to 416 hours vacation. The following chart is to be used for unused vacation benefits accrual by all other personnel.

<u>Year of Continuous Commission Service</u>	<u>Maximum Accrual of Unused Vacation Benefits</u>
Years 1 through 3	240 maximum hours
Years 4 through 10	300 maximum hours
Years 11 or more	400 maximum hours

The Commission accounts for compensated absences in accordance with Governmental Accounting Standards Board Statement No. 16 *Accounting for Compensated Absences*. The earned vacation is payable upon termination and is reported at the current balance of the liability. There is no payout of sick leave upon termination from the Commission.

# LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Notes to Financial Statements  
June 30, 2011

Note 1: **Summary of Significant Accounting Policies** (continued)

E. **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. **Implementation of New Accounting Standards**

*Governmental Accounting Standards Board Statement 54*

For the fiscal year ended June 30, 2011, the Commission implemented Governmental Accounting Standards Board Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB 54 establishes new accounting and financial reporting standards for all governments that report governmental funds. The statement provides more clearly defined categories within fund balance to make the nature and extent of the constraints placed on the fund balance more transparent. GASB 54 also clarifies the existing governmental fund type definitions to improve the comparability of governmental fund statements. Implementation of GASB 54 required changed presentation of fund balance and new reporting disclosures.

Note 2: **Cash**

Cash at June 30, 2011 consisted of the following:

Cash in County Treasury	<u>\$ 180,424</u>
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The Commission maintains all of its cash and investments with the Napa County Treasurer in an investment pool. On a quarterly basis the Treasurer allocates interest to participants based upon their average daily balances. Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures can be found in the County's financial statements. Napa County's financial statements may be obtained by contacting Napa County's Auditor-Controller's office at 1195 Third Street, Room B-10, Napa, California 94559. The Napa County Treasury Oversight Committee oversees the Treasurer's investments and policies.

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

Notes to Financial Statements  
June 30, 2011

Note 2: **Cash** (continued)

Required disclosures for the Commission's deposit and investment risks at June 30, 2011, were as follows:

Credit risk	Not rated
Custodial risk	Not applicable
Concentration of credit risk	Not applicable
Interest rate risk	Not available

Investments held in the County's investment pool are available on demand and are stated at cost plus accrued interest, which approximates fair value.

Note 3: **Capital Assets**

Changes in capital assets during the year ended June 30, 2011 were as follows:

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2011</u>
Capital assets, being depreciated:				
Equipment	\$ 19,657	\$ --	\$ --	\$ 19,657
Less accumulated depreciation for:				
Equipment	(3,931)	(3,931)	--	(7,862)
Capital assets, net	<u>\$ 15,726</u>	<u>\$ (3,931)</u>	<u>\$ --</u>	<u>\$ 11,795</u>

Note 4: **Long-Term Liabilities**

The following is a summary of long-term liability activity of the Commission for the year ended June 30, 2011:

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2011</u>	<u>Amount</u> <u>Due Within</u> <u>One Year</u>
Compensated Absences	<u>\$ 34,475</u>	<u>\$ 9,180</u>	<u>\$ (6,135)</u>	<u>\$ 37,520</u>	<u>\$ 6,134</u>

## LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Notes to Financial Statements  
June 30, 2011

### Note 5: Net Assets/Fund Balance

#### Net Assets

Net assets comprise the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net assets are classified in the following three components: invested in capital assets (net of related debt), restricted and unrestricted. The Commission has unrestricted funds and invested in capital assets (net of related debt). Invested in capital assets, net of related debt consists of all capital assets, net of accumulated depreciation and reduced by outstanding debt that is attributable to the acquisition, construction and improvement of those assets. Debt related to unspent proceeds or other restricted cash and investments is excluded from the determination. Unrestricted net assets consist of all other net assets not included in the above categories.

#### Fund Balance

Governmental funds report fund balance in classifications based primarily on the extent to which the Commission is bound to honor constraints on the specific purposes for which amounts in the funds can be spend. As of June 30, 2011, fund balances for governmental funds are made up of the following:

- *Nonspendable fund balance* – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- *Restricted fund balance* – amount constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- *Committed fund balance* – amounts constrained to specific purposes by the Commission itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the Commission takes the same highest level of action to remove or change the constraint.
- *Assigned fund balance* – amounts the Commission intends to use for a specific purpose. Intent can be expressed by the Commission's board or by an official or body to which the Commission's board delegates the authority.
- *Unassigned fund balance* – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

Beginning fund balances for the Commission have been restated to reflect the above classifications.

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

Notes to Financial Statements  
June 30, 2011

Note 5: **Net Assets/Fund Balance** (continued)

**Fund Balance** (continued)

The Commission's board establishes (and modifies or rescinds) fund balance commitments by adopting a final budget no later than June 15<sup>th</sup> and approving amendments as needed throughout the fiscal year. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives).

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

The Commission strives to maintain an unassigned fund balance to be used for unanticipated emergencies of approximately three months of expenditures.

Note 6: **Related Party Transactions**

During the fiscal year ended June 30, 2011, the Commission paid Napa County, a related party, \$35,181 for legal, personnel, and other support services.

In addition, the Commission received \$178,010 during the fiscal year ended June 30, 2011, from Napa County, a related party, pursuant to Government Code Section 56381. The County provides half of the intergovernmental revenue to the Commission. The other half is funded by City of Napa, City of St. Helena, City of American Canyon, City of Calistoga and Town of Yountville.

Note 7: **Other Post-Employment Benefits (OPEB)**

The Commission contributes to the County of Napa's other post-employment benefits (OPEB) plan as a cost-sharing participant. All eligible employees of the Commission participate as County employees in the plan. The plan provides healthcare insurance benefits to eligible retirees. Benefit provisions are established and may be amended by the County. Retiree medical benefits are provided through the California Public Employees' Retirement System healthcare program.

During the fiscal year ended June 30, 2011, the Commission's contributions were \$9,138. Additional information and required disclosures can be obtained from the County's audited financial statements, available from the Auditor-Controller's Office.

LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Notes to Financial Statements  
June 30, 2011

Note 8: **Defined Benefit Pension Plan**

The Commission contributes to the County of Napa's retirement plan as a cost-sharing participant. All full-time employees of the Commission participate as County employees in which the County contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute. Copies of PERS annual financial reports may be obtained from their Executive Office located at 400 P Street, Sacramento, California 95814.

During the fiscal year ended June 30, 2011, the Commission's contributions were \$34,924. Additional information and required disclosures can be obtained from the County's audited financial statements, available from the Auditor-Controller's Office.

Note 9: **Operating Lease**

The Commission is committed under a non-cancelable operating lease for photocopy machines. The minimum future lease commitments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2012	\$ 4,000
2013	4,000
2014	4,000
2015	<u>4,000</u>
	<u>\$ 16,000</u>

Rent expenditures were \$29,280 for the year ended June 30, 2011.

Note 10: **Risk Management**

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission participates in Napa County's risk pool. Information about coverage can be found in the County's basic financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual - General Fund  
For the Year Ended June 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b><u>REVENUES</u></b>				
Intergovernmental revenues	\$ 371,120	\$ 356,020	\$ 356,020	\$ --
Interest income	5,000	5,000	2,570	(2,430)
Planning fees	<u>10,000</u>	<u>10,000</u>	<u>27,480</u>	<u>17,480</u>
Total Revenues	<u>386,120</u>	<u>371,020</u>	<u>386,070</u>	<u>15,050</u>
<b><u>EXPENDITURES</u></b>				
Salaries and benefits	293,973	293,973	284,923	9,050
Services and supplies	<u>119,506</u>	<u>121,506</u>	<u>100,754</u>	<u>20,752</u>
Total Expenditures	<u>413,479</u>	<u>415,479</u>	<u>385,677</u>	<u>29,802</u>
Change in Fund Balance	<u>\$ (27,359)</u>	<u>\$ (44,459)</u>	393	<u>\$ 44,852</u>
Fund Balance - Beginning of Year			<u>168,819</u>	
Fund Balance - End of Year			<u>\$ 169,212</u>	

## LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Notes to the Required Supplementary Information  
For the Year Ended June 30, 2011

### **BUDGET AND BUDGETARY REPORTING**

The Commission prepares and legally adopts a final budget on or before June 15<sup>th</sup> of each fiscal year.

After the budget is approved, the appropriations can be added to, subtracted from or changed only by Commission resolution. All such changes must be within the revenues and reserves estimated as available in the final budget or within revised revenue estimates as approved by the Commission.

An operating budget is adopted each fiscal year on the modified accrual basis. Additionally, encumbrance accounting is utilized to assure effective budgetary control. Encumbrances outstanding at year end represent the estimated amount of the expenditures ultimately to result if the unperformed contracts in process at year end are completed or purchase commitments satisfied. Such year end encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year and included in the subsequent year's budget. Unencumbered appropriations lapse at year end. Budgets are prepared using generally accepted accounting principles.

The legal level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the object level. Object levels of expenditures are as follows: salaries and benefits, services and supplies, and other charges.

## **OTHER REPORT**



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners  
Local Agency Formation Commission of Napa County  
Napa, California

We have audited the financial statements of the Local Agency Formation Commission of Napa County (Commission) as of and for the year ended June 30, 2011, and have issued our report thereon dated October 12, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the Commission, management and the six agencies that fund LAFCO and is not intended to be and should not be used by anyone other than these specified parties.

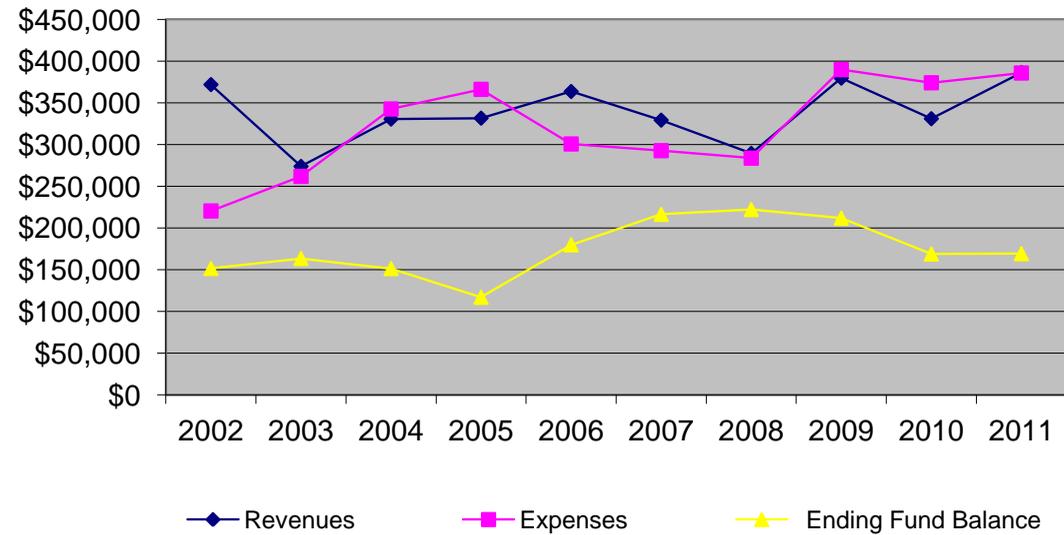
*Gallina LLP*

Roseville, California

October 12, 2011

## LAFCO Financial Summary For the Past 10 Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues	\$ 371,817	\$ 273,774	\$ 330,510	\$ 331,580	\$ 363,529	\$ 329,214	\$ 289,341	\$ 379,499	\$ 330,942	\$ 386,070
Expenses	220,378	261,803	342,558	366,056	300,653	292,636	283,622	389,688	373,993	385,677
Surplus/Deficit	\$ 151,439	\$ 11,971	\$ (12,048)	\$ (34,476)	\$ 62,876	\$ 36,578	\$ 5,719	\$ (10,189)	\$ (43,051)	\$ 393
<b>Fund Balance:</b>										
Beginning Fund Balance	\$ -	\$ 151,439	\$ 163,410	\$ 151,362	\$ 116,886	\$ 179,762	\$ 216,340	\$ 222,059	\$ 211,870	\$ 168,819
Surplus/Deficit 6/30	151,439	11,971	(12,048)	(34,476)	62,876	36,578	5,719	(10,189)	(43,051)	393
Ending Fund Balance	\$ 151,439	\$ 163,410	\$ 151,362	\$ 116,886	\$ 179,762	\$ 216,340	\$ 222,059	\$ 211,870	\$ 168,819	\$ 169,212
<b>Breakdown of Fund Balance:</b>										
Professional Services	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -
Operating Reserve	22,462	22,462	22,462	11,983	35,174	36,978	37,879	40,594	-	-
Petty Cash Reserve	-	-	-	-	-	-	-	-	100	100
Equipment Replacement Reserve	-	-	-	-	-	-	-	-	3,931	7,862
Future Projects	-	-	-	-	-	-	55,000	-	-	-
Reserve for Encumbrances	-	-	4,000	4,803	165	-	-	-	-	-
Available Fund Balance	28,977	40,948	24,900	100	94,423	129,362	79,180	121,276	164,788	161,250
Total Fund Balance	\$ 151,439	\$ 163,410	\$ 151,362	\$ 116,886	\$ 179,762	\$ 216,340	\$ 222,059	\$ 211,870	\$ 168,819	\$ 169,212



	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues	371,817	273,774	330,510	331,580	363,529	329,214	289,341	379,499	330,942	386,070
Expenses	220,378	261,803	342,558	366,056	300,653	292,636	283,622	389,688	373,993	385,677
Ending Fund Balance	151,439	163,410	151,362	116,886	179,762	216,340	222,059	211,870	168,819	169,212



**Local Agency Formation Commission**  
**Subdivision of the State of California**

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<http://napa.lafco.ca.gov>

**December 5, 2011**  
**Agenda Item No. 7c (Action)**

November 28, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Appointments to the 2012-2013 Budget Committee**  
The Commission will consider appointing two members to serve with the Executive Officer on the 2012-2013 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 1<sup>st</sup> and June 15<sup>th</sup>, 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.

<b>Term</b>	<b>Appointee</b>	<b>Appointee</b>
2011-2011	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
2007-2008	Brian J. Kelly	Brad Wagenknecht
2006-2007	Guy Kay	Brad Wagenknecht

**B. Analysis**

The 2012-2013 Budget Committee will review and make recommendations on baseline expenditures to maintain or adjust current agency service levels as deemed appropriate. The Committee will also be asked to consider the merits of a possible office relocation given the Commission’s current lease expire on June 30, 2012.

Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville  
Joan Bennett, Commissioner  
Councilmember, City of American Canyon  
Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

Bill Dodd, Chair  
County of Napa Supervisor, 4th District  
Brad Wagenknecht, Commissioner  
County of Napa Supervisor, 1st District  
Mark Luce, Alternate Commissioner  
County of Napa Supervisor, 2nd District

Brian J. Kelly, Commissioner  
Representative of the General Public  
Gregory Rodeno, Alternate Commissioner  
Representative of the General Public  
Keene Simonds  
Executive Officer

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 2012-2013 Budget Committee.

### **D. Procedures for Consideration**

This item has been agendaized 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,

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Keene Simonds  
Executive Officer

Attachment:

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

## **Local Agency Formation Commission of Napa County**

Policy on the Preparation of the LAFCO Budget  
(Adopted: August 9, 2001; Last amended: January 9, 2003)

To facilitate the adoption of the LAFCO budget pursuant to Government Code §56381, it is the policy of the Commission that:

1. There shall be a LAFCO budget committee, composed of two members of the Commission and the Executive Officer. At the last regular Commission meeting of each calendar year, the Chair shall appoint two members to serve on the budget committee.
2. It is the responsibility of the budget committee to prepare a draft preliminary budget for circulation to the Commission, those agencies statutorily required to contribute to the LAFCO budget and all interested parties.
3. The draft preliminary budget shall be circulated no less than 30 days prior to the meeting at which it shall be considered and adopted.
4. Following the adoption of the preliminary budget, the Executive Officer shall prepare a draft final budget.
5. The draft final budget shall be circulated no less than 30 days prior to the meeting at which it shall be considered and adopted.



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**December 5, 2011**  
**Agenda Item No. 7d (Action)**

November 28, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Notice of Expiring Term: Alternate Public Member**

The city and county members will provide direction to staff with respect to addressing the expiring term of the alternate public member position currently held by Gregory Rodeno.

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California Government Code Section 56325(d) states the composition of Local Agency Formation Commissions (LAFCOs) shall include one member representing the general public, referred to as the “public member.” This code section also states that LAFCOs may designate one alternate public member. The regular and alternative public members are appointed to separate four-year terms and by statute cannot be officers or employees with local governmental agencies. Additionally, to be appointed, the regular or alternate public members must receive at least one vote from a county and city member.

**A. Discussion**

LAFCO of Napa County’s (“Commission”) policy regarding the appointment of the regular and alternate public members was adopted in October 2001 and most recently amended in April 2008. The policy directs the Executive Officer to notify the Commission no less than 120 days prior to an impending vacancy and whether the incumbent is eligible to seek reappointment. Upon notification, the Commission must direct the Executive Officer to (a) recruit candidates and schedule a hearing to make an appointment or (b) schedule a hearing to expedite the reappointment of the incumbent if they are eligible and have served no more than all or a portion of one term.

Commissioner Gregory Rodeno’s term as alternate public member expires on Monday, May 7, 2012. The Commission originally appointed Commissioner Rodeno as alternate public member beginning April 2007 to fill Brian J. Kelly’s unexpired term ending in May 2008. The Commission reappointed Commissioner Rodeno to a new four-year term as alternate public member beginning May 2008.

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Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville  
Joan Bennett, Commissioner  
Councilmember, City of American Canyon  
Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

Bill Dodd, Chair  
County of Napa Supervisor, 4th District  
Brad Wagenknecht, Commissioner  
County of Napa Supervisor, 1st District  
Mark Luce, Alternate Commissioner  
County of Napa Supervisor, 2nd District

Brian J. Kelly, Commissioner  
Representative of the General Public  
Gregory Rodeno, Alternate Commissioner  
Representative of the General Public  
Keene Simonds  
Executive Officer

## **B. Analysis**

Commissioner Rodeno is eligible to seek reappointment under Commission policy. This includes being a resident of Napa County while not being employed by a local public agency or serving as a member on a local public body with the authority to make advisory or final decisions relative to land use or the provision of municipal services. However, because he has served more than one full term as alternate public member, Commissioner Rodeno is not eligible for an expedited reappointment; the Commission must open the recruitment and appointment process to the general public.

## **C. Alternatives for Commission Action**

The following alternative actions are available for consideration by the city and county members on the Commission.

**Alternative One:** Direct the Executive Officer to initiate an open recruitment for the alternate public member position and schedule a future hearing date consistent with the procedures identified in Section 1(a) of the *Policy on the Appointment of a Public Member and Alternate Public Member*. The Commission may provide additional direction as desired to the Executive Officer with respect to organizing the recruitment and appointment process

**Alternative Two:** Continue consideration of the item to a future meeting and direct staff to provide additional information as necessary.

## **D. Recommendation**

It is recommended the city and county members identify their collective preference with respect to addressing the impending vacancy of the alternate public member position and provide direction to the Executive Officer as appropriate.

## **E. Procedures for Consideration**

This item has been agendaized for formal action consistent with Commission policy. The following procedures are recommended with respect to considering this item:

- 1) Receive verbal report from staff;
- 2) Invite public testimony (optional); and
- 3) Discuss item and consider action on recommendation.

Respectfully submitted,

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Keene Simonds  
Executive Officer

Attachment:

- 1) *Policy on the Appointment of the Public Member and Alternate Public Member*



## **LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY**

### ***Policy on the Appointment of a Public Member and Alternate Public Member***

Adopted: October 11, 2001  
Amended: December 5, 2005; April 7, 2008

#### **Authority**

California Government Code Section 56325(d) states the composition of the Commission shall include one member representing the general public, hereinafter referred to as “public member.” This code section also states that the Commission may designate one alternate public member. The selection of the public member and alternate public member shall be subject to the affirmative vote of at least one of the members appointed by each of the Board of Supervisors and City Selection Committee.

#### **Eligibility**

The public member and alternate public member shall be a resident of Napa County. No person may serve as public member or alternate public member if at the same time he or she is an officer or employee of a local public agency. No person may also serve as public member or alternate public member if he or she is member of a local public board, commission, or committee with the authority to make advisory or final decisions relative to land use or the provision of municipal services.

#### **Term of Office**

The term of office for public member and alternate public member shall be four years and shall end on the first Monday in May of the year in which the term expires. The public member and alternate public member shall continue to serve until his or her successor is appointed.

#### **Appointment Procedures**

##### **New Term for Public Member or Alternate Public Member**

It is the policy of the Commission that in anticipation of the expiration of a four-year term for the public member or alternate public member, the following procedures will be taken:

1. At a regular meeting no less than 120 days prior to the scheduled expiration of public member or alternate public member’s term, the Executive Officer shall inform the Commission of the impending vacancy and whether the incumbent is eligible to seek reappointment. The Commission shall take either of the following two actions set forth in 1.a) or 1.b).

- a) Direct the Executive Officer to recruit candidates and schedule a hearing date to consider making an appointment to the position. Tasks of Executive Officer shall include the following:
  - i) Issue a notice announcing the vacancy and that the Commission is accepting applications for the position no less than 60 days prior to the scheduled hearing for the appointment. The notice shall be posted at the LAFCO office and on its website, sent to all local agencies, and published in the Napa Valley Register.<sup>1</sup> The notice shall indicate if the incumbent is eligible for reappointment.
  - ii) Determine the filing period to receive applications for the position. All applications shall be made available to each city and county member on the Commission no less than 14 days prior to the scheduled hearing for the appointment.
  - iii) If it becomes necessary for the Commission to cancel or reschedule the meeting at which the hearing for the appointment has been scheduled, the Executive Officer shall reschedule the hearing for the next regular meeting.
  
- b) If the incumbent is eligible and has served no more than all or a portion of one term, the Commission may direct the Executive Officer to schedule a public hearing to consider approving reappointment. Tasks of Executive Officer shall include the following:
  - i) Issue a notice announcing the scheduled reappointment of the incumbent. The notice shall be posted at the LAFCO office and on its website and sent to all local agencies. The notice shall be posted no less than 21 days prior to the hearing for which the reappointment has been scheduled.
  - ii) If it becomes necessary for the Commission to cancel or reschedule the meeting at which the hearing for the reappointment has been scheduled, the Executive Officer shall reschedule the hearing for the next regular meeting.

### **Mid-Term Vacancy for Public Member**

If the position of public member becomes vacant prior to the expiration of the term, it is the policy of the Commission that it may fill the unexpired term through one of the following:

1. Choose from among the remaining applicants for the position if no more than 12 months have passed since the appointment of the public member.
2. Appoint the alternate public member.
3. Fill the position in the manner prescribed for the appointment for a public member to a new term.

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<sup>1</sup> For purposes of this policy, notice to local agencies is fulfilled by sending a copy of the notice to the clerk or secretary of the legislative body of each local agency in Napa County.

An appointment to fill an unexpired term shall be preceded by posting a notice of vacancy. The notice will be posted at the LAFCO office and on its website and sent to all local agencies. The notice will be posted no less than 21 days prior to the meeting at which time the Commission will consider taking action to fill the unexpired term.

### **Mid-Term Vacancy for Alternate Public Member**

If the position of alternate public member becomes vacant prior to the expiration of the term, it is the policy of the Commission that it may fill the unexpired term through one of the following:

1. Choose from among the remaining applicants for the position if no more than 12 months have passed since the appointment of the alternate public member.
2. Fill the position in the manner prescribed for the appointment of an alternate public member to a new term.

An appointment to fill an unexpired term shall be preceded by posting a notice of vacancy. The notice will be posted at the LAFCO office and on its website and sent to all local agencies. The notice will be posted no less than 21 days prior to the meeting at which time the Commission will consider taking action to fill the unexpired term.

### **Conducting Public Hearings for Appointing a Public Member or Alternate Public Member**

It is the policy of the Commission that a public hearing to appoint either the public member or alternate public member shall be conducted as follows:

1. The Chair shall open the public hearing and first invite candidates to address the Commission. The Chair shall then invite public comments from the audience.
2. Upon the close of the public comment period, the Chair shall ask each commissioner to make one nomination. Commissioners may nominate anyone from the applicant pool, and an applicant may receive more than one nomination.
3. After each commissioner has made a nomination, the Chair shall ask if there is a second to any of the nominations. If there is a second, the Chair shall call for a vote on that nomination. If the vote is in the affirmative, the appointment is made. If the vote is not in the affirmative, the Chair shall call for a second to another of the nominations. This process shall continue until an appointment is made or all of the nominations are exhausted.
4. If all of the nominations are exhausted, the Chair may 1) begin the entire procedure again by calling for one nomination from each commissioner or 2) call for the use of the ballot system as described in Paragraph 5.

5. If the Chair calls for use of a ballot system, then the Clerk shall provide each commissioner with a ballot that has been preformatted to label their printed name. Each commissioner shall mark the ballot with the name of a candidate from among the applicants. The ballots are then submitted to the Clerk for tabulation. The Clerk determines the number of votes for each candidate. If a candidate receives at least three votes, the Clerk announces the name of the candidate and the number votes. The Commission then formally votes to appoint that candidate. If no candidate receives at least three votes, the Clerk shall announce which candidates received votes and shall provide each commissioner with a second ballot that has been preformatted to label their printed name. Each commissioner shall mark the ballot with the name of candidate from among those candidates that received votes in the previous round of voting. The ballots are then submitted to the Clerk for tabulation. The Clerk determines the number of votes for each candidate. If a candidate receives at least three votes, the Clerk announces the name of the candidate and the number votes. The Commission then formally votes to appoint that candidate. If no candidate receives at least three votes, the Clerk shall announce which candidates received votes and the Commission shall engage in another round of voting. This shall continue until a candidate is selected.

As mentioned, California Government Code Section 56325(d) specifies that the appointment of a public or alternate public member requires the vote of at least one commissioner appointed by the Board of Supervisors and one commissioner appointed by the City Selection Committee. If a candidate receives at least three votes, this requirement is fulfilled.



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**December 5, 2011**  
**Agenda Item No. 8a (Discussion)**

November 30, 2011

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer  
Brendon Freeman, Analyst

**SUBJECT: Municipal Service Review: Countywide Law Enforcement Services**

The Commission will receive a preliminary draft report on its scheduled municipal service review on countywide law enforcement services. The preliminary draft examines the level and range of local law enforcement services relative to present and projected needs throughout Napa County. The preliminary draft includes agency profiles as well as analyzes pertinent demographic conditions and service measurements. The preliminary draft is being presented for discussion and feedback from the Commission in anticipation of preparing a complete draft report with determinative statements for presentation at a future meeting.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to prepare municipal service reviews in conjunction with establishing and updating each local agency's sphere of influence. LAFCOs may also prepare municipal service reviews irrespective of establishing or updating spheres for purposes of informing future regulatory actions. The law specifies, at a minimum, that LAFCOs prepare conjunctive municipal service reviews and sphere of influence updates every five years.

The legislative intent of the municipal service review is to proactively inform LAFCOs with regard to the availability and sufficiency of governmental services provided within its respective jurisdiction. Municipal service reviews vary in scope and can focus on a particular agency, service, or geographic region as defined by the Commission. Municipal service reviews may also lead LAFCO to take other actions under its authority such as forming, consolidating, or dissolving one or more local agencies. Municipal service reviews culminate with LAFCO making determinations on a number of governance-related factors that include addressing infrastructure needs or deficiencies, growth and population trends, and financial standing consistent with California Government Code Section 56430.

Lewis Chilton, Vice Chair  
Councilmember, Town of Yountville

Joan Bennett, Commissioner  
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner  
Councilmember, City of Napa

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

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

Brian J. Kelly, Commissioner  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
*Executive Officer*

## **A. Discussion**

### *Municipal Service Review on Law Enforcement Services*

Consistent with LAFCO of Napa County's ("Commission") adopted study schedule, staff has initiated work on a municipal service review on law enforcement services provided throughout Napa County. The immediate objective of the municipal service review is to develop and expand the Commission's knowledge and understanding of the current and planned provision of law enforcement services relative to the present and projected needs of the five affected agencies' respective jurisdictions: the County of Napa and the Cities of American Canyon, Calistoga, Napa, and St. Helena. The Commission will use the municipal service review to inform its decision-making as it relates to performing future sphere updates for the affected agencies as well as evaluating future jurisdictional changes throughout the county.

#### *Preliminary Draft Report*

With the preceding in mind, staff has prepared a preliminary draft report on the municipal service review for Commission discussion and feedback. The preliminary draft includes summary profiles on all five affected agencies' law enforcement services. The preliminary draft also evaluates key demographic conditions influencing law enforcement services throughout the county along with measuring individual agency capacities, demands, and performances.

It is important to note the preliminary draft does not include an executive summary with determinative statements addressing the factors required for consideration under the municipal service review mandate. The executive summary and its determinative statements will be prepared and included as part of a complete draft report presented at a future regular meeting. Importantly, staff has deferred preparing the executive summary and determinative statements in favor of first highlighting the pertinent issues identified in the preliminary draft to help ensure the conclusions reflect the collective thoughts of the Commission.

As for key issues identified in the preliminary draft, arguably the most pressing matter relates to the significant and growing costs of law enforcement services for local government agencies in Napa County. Markedly, all five affected local agencies have experienced sizable increases in their respective percentages of general fund monies being dedicated to law enforcement services. This trend is particularly evident for the four cities as they are all currently budgeting between 28 and 37 percent of their general fund monies to support law enforcement services. Moreover, the rate of increases in law enforcement costs among the five affected local agencies has exceeded the rate of their new general fund revenues over the last five years by nearly one-fifth or 20 percent; a disparity suggesting a "tipping point" is looming for one or more of the agencies in which their current service practices are no longer sustainable under the present funding system.

Other key issues identified in the preliminary draft are highlighted below.

- Pertinent demographic factors influencing the delivery of law enforcement services include:
  - Napa County's overall population growth rate has exceeded the remaining eight Bay Area counties by two to one over the last 10 years.
  - Four-fifths of the countywide population lives in cities with nearly 90 percent of the amount residing in American Canyon and Napa. American Canyon has experienced the largest percentage increase in population over the last five years by rising 75 percent from 11,261 to 19,693.
  - It is estimated the average daytime tourist population during peak visitor season is 15,753; an amount that represents over one-tenth of the current countywide resident population. The average overnight tourist population during peak visitor periods is estimated at 9,217.
  - Countywide visitor growth as measured by lodging rooms has increased over the last five years by almost one-fourth from 3,582 to 4,400. There are 12 additional project approvals that would increase the total number of countywide guestrooms by nearly one-third if constructed.
  - All five cities in Napa County have experienced a doubling of their unemployment rates over the last five years.
  - The average median household income in Napa County has increased by 30 percent over the last 10 years. The poverty rate, conversely, has remained relatively stagnant and is currently at 8.6 percent.
- There remains a sizable disparity in the relative law enforcement costs among the five affected local agencies over the last five years based on per capita expenses. This disparity is highlighted by the difference in average annual per capita expenses between St. Helena (\$413) and Calistoga (\$381) compared to American Canyon (\$266) and Napa (\$250). Notably, the former group's relative law enforcement costs exceed the latter group by over one-half.
- American Canyon has experienced the largest percentage change in its per capita law enforcement costs by rising 34 percent over the last five years; an amount that exceeds the percentage change in the City's population by two-fifths. The other affected local agencies have also experienced increases in their per capita law enforcement costs with the exception of Calistoga, which has decreased by nearly five percent.

- The five affected local agencies presently employ 266 law enforcement personnel divided between 187 sworn officers and 79 support staff. This aggregate total, notably, has remained the same over the last five years with the only changes limited to increasing the number of sworn officers by six with a matching decrease in support staff. The current total produces a composite breakdown in which 70 percent of all law enforcement personnel are sworn officers.
- There has been a distinct divide as it relates to staffing sworn officers over the last five years between the two north county cities and the two south county cities relative to their respective population bases. Calistoga and St. Helena have both averaged 2.0 sworn officers for every 1,000 residents while American Canyon and Napa have averaged 1.3 and 0.9 sworn officers for every 1,000 residents, respectively; a divide that contributes to the per capita law enforcement cost differences between the north and south county cities.
- There has been a slight decline in the number of annual countywide service calls over the last five years at approximately two percent. The majority of the decrease is attributed to service call declines reported by County Sheriff and Napa. Two distinct factors appear to underlie the decrease in service calls within these two agencies: the former involving the closure of the Lake Berryessa resorts and the latter attributed to the implementation of an online reporting system.
- A sharp contrast exists with regards to the relative number of annual service calls received among the five affected local agencies over the last five years. Specifically, St. Helena and Calistoga have experienced nearly double the number of annual service calls for every 1,000 residents compared to the remaining three affected agencies. Furthermore, only St. Helena and Calistoga have averaged more than one service call for every resident during this period.
- There has been a moderate decline in the annual number of countywide reported crimes over the last five years at approximately nine percent. St. Helena has experienced the largest percentage decline in reported crimes at 40 percent followed by Napa, County Sheriff, and Calistoga at 13.2, 12.8, and 8.3 percent, respectively. American Canyon, conversely, has experienced nearly a 40 percent increase in reported crimes with the most recent years marking peak totals.
- The ratio of service calls to reported crimes serves as a reasonable indicator of how efficiently law enforcement services are being utilized. Napa has the lowest ratio among the five local agencies by averaging 19 service calls for every one reported crime over the last five years. St. Helena, conversely, has the highest ratio by averaging 94 service calls for every one reported crime; an amount that is more than double the next highest total.

- The relationship between reported crimes and residents helps to contextualize demands on law enforcement agencies relative to their respective constituent bases. St. Helena has averaged the lowest relative crime totals of the five affected agencies over the last five years by tallying 18.7 reported crimes for every 1,000 residents. Conversely, Napa has averaged the highest relative crime totals by tallying 40.6 reported crimes for every 1,000 residents.
- Annual countywide clearance rates for reported crimes fluctuated considerably over the last five years from a low of 28.8 percent to a high of 37.7 percent.
- Countywide clearance rates show two distinct and opposite patterns in crime solving over the last five years: violent and simple assault offenses have been cleared on average 75 percent while property offenses have been cleared on average 17 percent.
- American Canyon and Napa's average annual clearance rates for all reported crimes over the last five years are the highest among the affected agencies at 36.4 and 34.4 percent, respectively. Calistoga and County Sheriff follow with respective average annual clearance rates at 31.1 and 28.1 percent. St. Helena has the lowest average annual clearance rate at 22.8 percent; nearly a 60 percent difference from American Canyon and Napa.

## **B. Commission Review**

Commissioners are encouraged to discuss and provide feedback to staff on the preliminary draft report. Specific feedback is respectfully requested as it relates to (a) areas of additional analysis, (b) approach in preparing determinative statements, and (c) solicitation of public comments.

### Attachment:

- 1) Preliminary Draft Report

## LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

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### MUNICIPAL SERVICE REVIEW: COUNTYWIDE LAW ENFORCEMENT SERVICES

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#### **Agencies Evaluated:**

City of American Canyon  
City of Calistoga  
City of Napa  
City of St. Helena  
County of Napa

**Preliminary Draft Report  
December 2011**

#### **Prepared By:**



#### **Local Agency Formation Commission of Napa County**

*Subdivision of the State of California*

1700 Second Street, Suite 268

Napa, California 94559

<http://napa.lafco.ca.gov>

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#### **Commissioners**

Bill Dodd, Chair, County Member  
Lewis Chilton, Vice Chair, City Member  
Joan Bennett, Commissioner, City Member  
Brian J. Kelly, Commissioner, Public Member  
Brad Wagenknecht, Commissioner, County Member  
Juliana Inman, Alternate Commissioner, City Member  
Mark Luce, Alternate Commissioner, County Member  
Gregory Rodeno, Alternate Commissioner, Public Member

#### **Staff**

Keene Simonds, Executive Officer  
Jacqueline M. Gong, Counsel  
Brendon Freeman, Staff Analyst  
Kathy Mabry, Commission Secretary

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## I. INTRODUCTION

### 1.0 Local Agency Formation Commissions

#### *Authority and Duties*

Local Agency Formation Commissions (LAFCOs) were established in 1963 as political subdivisions of the State of California and are responsible for administering a section of Government Code now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”).<sup>1</sup> LAFCOs are located in all 58 counties in California and are delegated regulatory authority to coordinate the logical formation and development of local governmental agencies and their municipal services. Towards this end, LAFCOs are commonly referred to as the Legislature’s “watchdog” for local governance issues.

Specific regulatory authority of LAFCOs includes approving or disapproving jurisdictional changes involving the establishment, expansion, and reorganization of cities and special districts. LAFCOs are also provided broad discretion to condition jurisdictional changes as long as they do not directly regulate land use, property development, or subdivision requirements. LAFCOs generally exercise their regulatory authority in response to applications submitted by local agencies, landowners, or registered voters. Recent amendments to CKH, however, now empower and encourage LAFCOs to initiate on their own jurisdictional changes to form, merge, and dissolve special districts consistent with current and future community needs.<sup>2</sup> The following table provides a complete list of LAFCOs’ regulatory authority.

#### LAFCOs’ Regulatory Authority (Table I/A)

- |  |  |
|--|--|
| • City Incorporations and Disincorporations    | • City and Special District Annexations                |
| • Special District Formations and Dissolutions | • City and Special District Detachments                |
| • City and Special District Consolidations     | • Merge/Establish Subsidiary Special Districts         |
| • City and Special District Service Extensions | • Special District Service Activations or Divestitures |

LAFCOs inform their regulatory authority through a series of planning activities, namely preparing municipal service reviews and sphere of influence updates. Markedly, the latter planning activity is predicated on determining spheres of influence for all cities and special districts for purposes of demarking the territory LAFCOs believe represent the appropriate and future jurisdictional boundaries of the affected agencies. All jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of influence of the affected agencies with limited exceptions.<sup>3</sup>

<sup>1</sup> Reference California Government Code Section 56000 et seq..

<sup>2</sup> All jurisdictional changes approved by LAFCO are subject to conducting authority proceedings, which may include elections, unless specifically waived under CKH.

<sup>3</sup> Exceptions in which a jurisdictional change does not require consistency with the affected agency’s jurisdictional boundary include the annexation of correctional facilities or annexation of land owned and used by the affected agency for municipal purposes. Common examples of the latter include municipal water and wastewater facilities.

## *Composition*

LAFCOs are generally governed by an eight-member commission comprising three county supervisors, three city councilmembers, and two representatives of the general public.<sup>4</sup> Members are divided between “regular” and “alternate” status and must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. LAFCO members are subject to standard disclosure requirements for California public officials and must file annual statements of economic interests. Importantly, LAFCOs have sole authority in administering its legislative responsibilities and its decisions are not subject to an outside appeal process.

All LAFCOs are independent of local government with the majority employing their own staff; an increasingly smaller portion of LAFCOs choose to contract with their local county government for staff support services. All LAFCOs, nevertheless, must appoint their own Executive Officers to manage agency activities and provide written recommendations on all regulatory and planning actions before the members

## *Funding*

CKH prescribes that local agencies fund LAFCOs’ annual operating costs. Counties are generally responsible for one-half of LAFCO’s annual operating costs with the remainder proportionally allocated among cities based on a calculation of tax revenues and population.<sup>5</sup> LAFCOs are also authorized to collect fees to offset local agency contributions.

### ***1.1 LAFCO of Napa County***

LAFCO of Napa County (“Commission”) was first established in 1963 as a department within the County of Napa. Consistent with pre CKH provisions, the County was entirely responsible for funding the Commission’s annual operating costs over the first three decades while the duties of the Executive Officer were performed by the County Administrator. CKH’s enactment in 2001 changed the Commission’s funding to assign one-half of its operating costs to the County with the other one-half assigned to the Cities of American Canyon, Calistoga, Napa, St. Helena, and the Town of Yountville. CKH’s enactment also facilitated a number of organizational changes highlighted by the Commission appointing its own Executive Officer and relocating the office out of the County Administration Building. The Commission’s current member roster is provided below.

<b>Napa LAFCO’s Commission Roster</b> (Table 1/B)		
<b>Appointing Agency</b>	<b>Regular Members</b>	<b>Alternative Members</b>
County of Napa: Supervisors	Bill Dodd Brad Wagenknecht	Mark Luce
City Selection Committee: Mayors	Joan Bennett Lewis Chilton	Juliana Inman
Commissioners: City and County	Brian J. Kelly	Gregory Rodeno

<sup>4</sup> Several LAFCOs also have two members from independent special districts within their county.

<sup>5</sup> The funding formula for LAFCOs with special district representation provides that all three appointing authorities (county, cities, and special districts) are responsible for one-third of LAFCOs’ annual operating costs.

Staffing for the Commission currently consists of 2.5 full-time equivalent employees. This includes a full-time Executive Officer and Analyst along with a part-time Secretary.<sup>6</sup> Legal services are provided by an appointed deputy from the County Counsel's Office on an as-needed basis. The Commission's adopted budget for 2011-2012 totals \$428,270 with an audited fund balance of \$169,212 as of July 1, 2011.

## 2.0 Municipal Service Review Program

The Commission is required under CKH to prepare municipal service reviews in conjunction with establishing and updating each local agency's sphere of influence ("sphere").<sup>7</sup> The Commission may also prepare municipal service reviews *irrespective* of establishing or updating spheres for purposes of informing potential future regulatory actions (emphasis). CKH mandates at minimum that conjunctive municipal service reviews and sphere of influence updates shall be prepared every five years.

The legislative intent of the municipal service review is to proactively inform the Commission with regard to the availability and sufficiency of governmental services provided within its respective jurisdiction. Municipal service reviews vary in scope and can focus on particular agency, service, or geographic region as defined by the Commission. Municipal service reviews may also lead the Commission to take other actions under its authority, such as forming, consolidating, or dissolving one or more local agencies. Municipal service reviews culminate with the Commission making determinations on a number of governance-related factors that include addressing infrastructure needs or deficiencies, growth and population trends, and financial standing consistent with G.C. Section 56430. A listing of all required municipal service review determinations follows.

*A municipal service review is a comprehensive evaluation of the availability and adequacy of one or more services within a defined area or of the range and level of services provided by one or more agencies.*

### Mandatory Municipal Service Review Determinations (Table I/C)

1. Growth and population projections for the affected area.
2. Present and planned capacity of public agencies and adequacy of public services, including infrastructure needs or deficiencies.
3. Financial ability of agencies to provide services.
4. Status and opportunities for shared facilities.
5. Accountability for community service needs, including governmental structure and operational efficiencies.
6. Any matter related to effective or efficient service delivery as required by LAFCO policy.

<sup>6</sup> The Commission contracts with the County for staff support services. The Executive Officer and all support personnel are County employees. The Commission, however, appoints and removes the Executive Officer on its own discretion.

<sup>7</sup> LAFCO establishes, amends, and updates spheres to designate the territory it believes represents the appropriate and probable future service area and jurisdictional boundary of the affected agency. All jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions. CHK requires LAFCO to review and update spheres every five years, as needed, beginning January 1, 2008.

Beginning in 2001, it is the practice of the Commission to adopt a study schedule to calendar the preparation of municipal service reviews in Napa County over a five to eight year period. The study schedule is amended as needed to address changes in priorities or other timing considerations and generally – although not always – corresponds with anticipated sphere of influence updates. Commission policy necessitates all municipal service reviews be considered at public hearings along with adopting their corresponding determinations.

## ***2.1 Countywide Municipal Service Review on Law Enforcement Services***

This report represents the Commission’s scheduled municipal service review on local law enforcement services provided in Napa County. The municipal service review’s principal objective is to develop and expand the Commission’s knowledge and understanding of the current and planned provision of local law enforcement services relative to present and projected needs throughout the county. This includes, in particular, evaluating the availability and adequacy of law enforcement services provided by the five principal local service providers operating in Napa County subject to Commission oversight: (a) City of American Canyon; (b) City of Calistoga; (c) City of Napa; (d) City of St. Helena; and (e) County of Napa, hereinafter referred to as the “local law enforcement agencies.”<sup>8</sup>

*The focus of this municipal service review is for the Commission to independently consider the availability and adequacy of law enforcement services provided by local agencies. Specific focus includes independently assessing demand, supply, and funding indicators that underlie the delivery of local law enforcement services in Napa County.*

The report has been prepared in a manner consistent with the Commission’s *Policy on Municipal Service Reviews* and is organized into four principal focus areas. The first focus area (Section II) is an executive summary highlighting the key policy and services issues identified by the Commission with respect to law enforcement services in Napa County. This includes determinations addressing the specific factors required as part of the municipal service review process under G.C. Section 56430 as well as under local policy. The second focus area (Section III) provides a summary review of all five local law enforcement agencies in terms of their formation and development, relevant population and growth trends, capacities and demands, and financial standing. The third focus area (Section IV) considers pertinent demographic conditions influencing law enforcement services from growth to socioeconomic factors. The fourth and final focus area (Section V) examines key service characteristics underlying local law enforcement services. This includes evaluating and, as appropriate, quantifying service capacities, demands, and performance.

<sup>8</sup> The Town of Yountville chooses to contract with the County of Napa for law enforcement services. Accordingly, this municipal service review assesses the adequacy of law enforcement services in Yountville as part of the review of the County of Napa.

## **II. EXECUTIVE SUMMARY**

This section will be prepared as part of the complete draft report.

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### III. AGENCY PROFILES

#### 1.0 City of American Canyon



American Canyon was incorporated in 1992 as a general law municipality. It is approximately 5.5 square miles in size and provides a full range of municipal services directly or through agreements with outside contractors with the notable exception of fire protection, which is the responsibility of a subsidiary agency of the City, the American Canyon Fire Protection District (ACFPD). American Canyon is the second largest municipality in Napa County as measured by residents and has been one of the fastest growing communities in the entire San Francisco Bay Area with an average annual population increase of 9.6% over the last 10 years; an amount more than double the 4.6% annual growth rate of the remaining region during the same period. The California Department of Finance estimates American Canyon's current population at 19,693, which results in a density of 3,580 residents for every square mile.

Resident Population in American Canyon									
Table III/A; Source: California Department of Finance									
2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
11,261	12,334	13,117	14,197	14,879	15,911	16,241	16,521	16,836	19,693

#### 1.1 Land Use Policies

The American Canyon General Plan was adopted in 1994 and codifies land use objectives and policies for the City through 2010. The General Plan includes a vision statement for American Canyon to evolve into a “compact urban community surrounded by a well-defined network of farmlands, hillsides, and riverine habitats.” The General Plan outlines four broad development goals: (a) serve as a bedroom community for the greater region; (b) create a sufficient commercial base for residents; (c) become a subregion employment center; and (d) emerge as a destination for visitors to the Napa Valley. American Canyon's sphere is generally coterminous with the City limits with the notable exception of the inclusion of a 76.7 acre unincorporated area located off of Watson Lane.

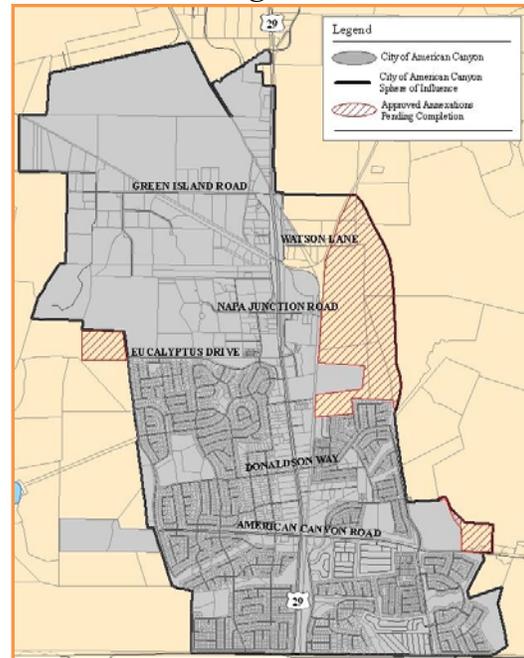
The American Canyon General Plan includes an urban limit line (ULL) directing the City's future growth through 2030. All lands in the ULL are assigned land use designations that orient American Canyon's development to emphasize predominately residential uses in the southwest and southeast while commercial and industrial uses are generally planned in the central and northwest. Residential densities range from one to 20 housing units per acre. There are currently 6,018 housing units in American Canyon. Housing units overall have increased by nearly one-fifth over the last five years with the 537 unit additions primarily attributed to Standard Pacific's development of the Vintage Ranch subdivision. Further, American Canyon has experienced a sizable increase in unoccupied residences, which are presumably attributed to foreclosures.

Housing Units in American Canyon						
Table III/B; Source: California Department of Finance						
Type	2007	2008	2009	2010	2011	Trends
Total	5,481	5,591	5,635	5,708	6,018	+9.8%
-Single-Family	4,357	4,467	4,511	4,582	n/a	+5.2%
-Multi-Family	1,124	1,124	1,124	1,126	n/a	+0.2%
Vacant (%)	1.97	1.97	1.97	1.96	5.43	+175.6%

## 1.2 Finances

American Canyon's current General Fund operating expenses are budgeted at \$15.6 million; an amount representing a per capita expenditure of \$794. The largest discretionary operating expenses are dedicated to the City's contract with the County of Napa Sheriff (\$4.9 million) and legal services (\$0.3 million). General Fund operating revenues are budgeted at \$15.7 million with close to one-half (\$7.7 million) expected to be drawn from property tax proceeds. On a regional level, American Canyon collects more than double the amount of property taxes than any other municipality in Napa County as measured on a per acreage basis.<sup>9</sup> Sales tax revenues are projected to represent the second largest discretionary revenue source for American Canyon accounting for one-eighth (\$2.0 million) of the total budgeted amount.<sup>10</sup>

Figure 1



A review of American Canyon's most recently audited financial statements reflect the City experienced a moderate negative change in its overall equity decreasing by 0.7% or \$2.6 million between 2008-09 and 2009-2010 from \$353.6 to \$351.1 million. Financial statements also note the unrestricted portion of the overall fund balance decreased in value over the preceding 12-month period by 6.7% or \$2.2 million to \$30.4 million due to a corresponding shortfall in revenues-to-expenses. Nevertheless, the financial statements assert American Canyon finished the last audited fiscal year with a high amount of liquidity given its total current assets equal more than seven times its current liabilities. American Canyon also finished the last audited fiscal year holding a low amount of long-term obligations relative to its net assets as measured by its debt-to-equity of 6.9%, reflecting an ability to assume additional debt as needed. American Canyon's audited General Fund unreserved/undesignated account as of June 30, 2010 totaled \$3.0 million; an amount equaling nearly three months of general operating expenditures during the fiscal year.<sup>11</sup>

<sup>9</sup> The State Controller's most recently published *Cities Annual Report* notes American Canyon's per acreage property tax collection was \$2,169. This amount surpassed the per acreage property tax collections for Napa at \$1,243, St. Helena at \$762, Calistoga at \$715, Yountville at \$560, and County of Napa at \$105.

<sup>10</sup> Sales tax revenues have more than doubled since 2000 as result of expansive new commercial development and highlighted by a Wal-Mart Supercenter, which has over 500 employees and is the largest employer in the City limits.

<sup>11</sup> American Canyon's General Fund operating expenses in 2009-2010 totaled \$14.6 million.

American Canyon’s Audited General Fund Balances					
Table III/C; Source: City of American Canyon					
Category	2005-06	2006-07	2007-08	2008-09	2009-10
Reserved	1.376	2.913	2.077	2.990	4.287
Unreserved/Designated	5.569	3.795	4.020	4.040	2.762
Unreserved/Undesignated	1.174	1.255	4.880	4.297	3.024
<i>Total</i>	<i>\$8.119</i>	<i>\$7.963</i>	<i>\$10.977</i>	<i>\$11.327</i>	<i>\$10.074</i>

*Dollars in Millions / Amounts as of July 1<sup>st</sup>*

### 1.3 Law Enforcement Services

#### Available Resources

American Canyon’s Police Department (ACPD) is directly responsible for providing the majority of law enforcement services within the City; other related services – such as animal control and special tactic operations – are provided by contract with the County of Napa. ACPD currently budgets 25.5 full-time equivalent employees divided between 23 sworn and 2.5 support personnel. The City of Napa provides dispatch services to ACPD by way of a separate contract with the County Sheriff.



ACPD’s approved operating expenses in 2011-2012 total \$5.33 million. This amount is entirely funded through American Canyon’s General Fund and accounts for 34% of the City’s budgeted operating expenses. ACPD’s overall per capita cost is \$271.

ACPD’s organizational structure is unique relative to other local agencies given all of its sworn personnel are contracted with County Sheriff (“Sheriff”). A lieutenant or captain with Sheriff is mutually selected by the Sheriff-Coroner and City Council to serve as ACPD’s Police Chief and oversee three divisions: 1) administration; 2) patrol; and 3) investigations. Other sworn personnel include four sergeants and 18 officers. Patrol is the largest division and is set up to include four units during the day and four units during the night shifts. One officer is assigned to each unit with all vehicles equipped with radio.<sup>12</sup> All sworn personnel generally work three 12-hour shifts one week followed by three 12-hour and one eight-hour shift the next week totaling 80 hours every two weeks.<sup>13</sup> Long-term holding is provided by the County of Napa’s Department of Corrections.

ACPD	Self	Contract
Dispatch		☆
Patrol		☆
Investigations		☆
Parking Enforcement		☆
Animal Control		☆
Specialized:		
- Search and Rescue		☆
- Special Weapons / Tactics		☆
- Bomb Squad		☆
- Canine Deployment		☆
- Short-Term Holding		☆
- Long-Term Holding		☆
- Gang Unit		☆

<sup>12</sup> ACPD reports all vehicles are replaced every four years or 80,000 miles.

<sup>13</sup> This personnel arrangement with the County of Napa was established at the time of American Canyon’s incorporation.

**ACPD's Facilities, Transportation Pool, and Personnel/Funding Resources**  
Table III/D; Source: ACPD

<b>Facilities</b>	<b>Location</b>	<b>Size</b>	<b>Built</b>	
1) Administration / Operations Building	911 Donaldson Way East, American Canyon, CA 94503	1,800 square feet	2006	
<b>Marked/Unmarked Vehicles</b>	<b>Motorcycles</b>	<b>Bicycles</b>	<b>Watercrafts</b>	<b>Helicopters</b>
14	2	2	0	0
<b>Sworn Staff</b>	<b>Canines</b>	<b>Support Staff</b>	<b>2010-11 Actual Exp.</b>	<b>2011-12 Adopted Exp.</b>
23	1	2.5	\$5.26 Million	\$5.33 Million
1.2 / 1,000 Residents	0.05 / 1,000 Residents	0.1 / 1,000 Residents	\$267,100 / 1,000 Residents	\$270,655 / 1,000 Residents

### ***Demand on Resources***

ACPD reports it has experienced an approximate eight percent increase in total annual service calls between 2005-06 and 2009-10. This produces a relatively moderate five-year average of 870 calls for every 1,000 residents compared to the other local law enforcement agencies.<sup>14</sup> Actual reported crimes have increased as well by 38 percent during the same period with the five-year average resulting in 35 reported crimes for every 1,000 residents. Further, with respect to the relationship between service calls and reported crimes, the five-year average in American Canyon resulted in one reported crime for every 32 service calls.

A summary of service demands on ACPD between 2005-06 and 2009-10 follows.

- Approximately 92 percent of reported crimes in American Canyon between 2005-06 and 2009-10 are classified as non-violent and involve either property or simple assault offenses. Property offenses account for over four-fifths of the total of non-violent crimes with the largest portion associated with larceny/theft followed by burglaries.<sup>15</sup> Non-violent crimes overall have increased in the period by 34 percent.
- Violent crimes continue to represent a relatively small portion of the overall offense totals (eight percent) despite significantly increasing in American Canyon by 84 percent between 2005-06 and 2009-10. Aggravated assault offenses constitute 57 percent of all violent crimes during this period. Murder rates in American Canyon have been low with three total homicides during the period; all of which occurred in 2007-08.
- Clearance rates overall have fluctuated between 2005-06 and 2009-10 from a low of 27 to a high of 43 percent in terms of reported crimes resulting in an arrest or determined to be unfounded. The average overall clearance rate is 36 percent. The clearance rate for violent crimes averages 58 percent, which is lowest among all local law enforcement agencies.

<sup>14</sup> The per 1,000 resident estimates are based on American Canyon's projected population of 19,693 as of January 1, 2011.

<sup>15</sup> Larceny/theft offenses in American Canyon between 2005 and 2009 accounted for 52 percent of all non-violent crimes. Burglaries during this period accounted for 21 percent of all non-violent crimes.

- ACPD's five-year averages between 2005-06 and 2009-10 for violent crimes and property crimes total 45 and 417, respectively. These amounts are lower than the respective national averages of 49 violent crimes and 499 property crimes for similarly sized jurisdictional agencies as measured by population during the period.<sup>16</sup>
- ACPD's five-year averages between 2005-06 and 2009-10 for clearing violent crimes and property crimes are 58 percent and 26 percent, respectively. These clearance rates are both higher than the national averages of 53 percent and 21 percent for similarly sized jurisdictional agencies as measured by population during the period.

#### ACPD Service Characteristics: Service Calls and Crime Totals

Table III/E; Source: ACPD and United States Department of Justice

Category	2005-06	2006-07	2007-08	2008-09	2009-10	Average	Trend
<b>Service Calls</b>	15,511	19,047	17,544	16,883	16,716	17,140	+7.8%
<b>Total Reported Crimes</b>	471	370	588	647	647	544.6	+37.4%
Violent Crimes	32	28	51	53	59	44.6	+84.4%
Simple Assault Crimes	94	70	102	77	70	82.6	-25.5%
Property Crimes	345	272	435	517	518	417.4	+50.1%
<b>Total Clearances</b>	189	112	160	250	280	198.2	+48.1%
Violent Crimes	17	11	33	36	39	27.2	+129.4%
Simple Assault Crimes	74	47	64	69	61	63.0	-17.6%
Property Crimes	98	54	63	145	180	108.0	+83.7%
<b>Clearances to Crimes %</b>	40.1	30.3	27.2	38.6	43.3	36.4	+8.0%
Violent Crimes	53.1	39.3	64.7	67.9	66.1	58.2	+24.5%
Simple Assault Crimes	78.7	67.1	62.7	89.6	87.1	77.0	+10.7%
Property Crimes	28.4	19.9	14.5	28.0	34.7	25.9	+22.2%

<sup>16</sup> The comparison against national averages involves law enforcement agencies with service populations ranging between 10,000 and 24,999.

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## 2.0 City of Calistoga



Calistoga was incorporated in 1886 as a general law municipality. It is approximately 2.6 square miles in size and provides a full range of municipal services directly or through agreements with outside contractors. Calistoga is the fourth largest of five municipalities in Napa County as measured by residents and has experienced negative growth over the last 10 years as its population has decreased by an average of 0.1% annually; a dynamic presumably attributed to the influx of single-family residences being converted to bed and breakfast establishments. The California Department of Finance estimates Calistoga's current population at 5,188, which results in a density of 1,995 residents for every square mile.

Resident Population in Calistoga									
Table III/F; Source: California Department of Finance									
2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
5,225	5,238	5,177	5,183	5,218	5,253	5,284	5,335	5,370	5,188

### 2.1 Land Use Policies

Calistoga's General Plan was comprehensively updated in 2003 and codifies land use policies for the City through 2020. The General Plan outlines a vision statement for Calistoga to remain a walkable small town with an eclectic commercial main street along with pedestrian-oriented neighborhoods that will continue to be attractive to visitors. The General Plan includes several unique growth control policies, such as discouraging the annexation of adjacent unincorporated lands, and as such, does not designate or prezone any unincorporated lands. Calistoga recently established an allocation system to better control the annual rate of residential and non-residential growth in the City. Notably, this allocation system restricts the number of approved residential projects to ensure no more than a 1.35% annual increase in population. Allocations are subject to an application process and formally awarded by the City Council. No allocations have been awarded for 2011 due to a lack of applications. Calistoga's sphere is coterminous with its City limits.

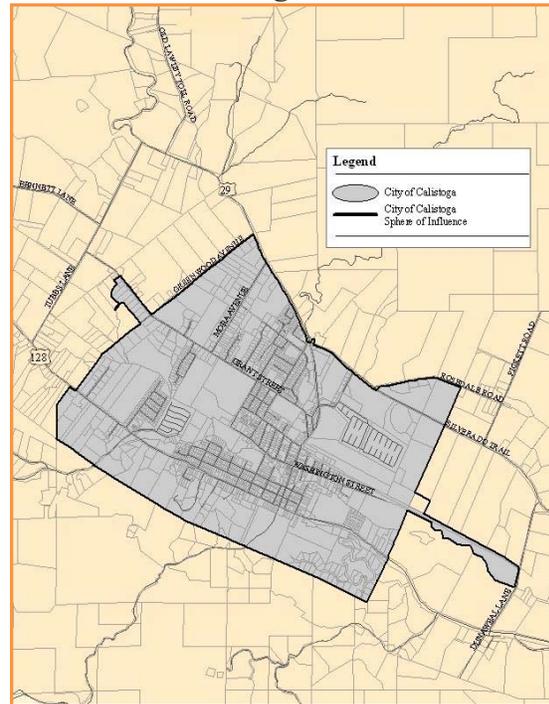
The Calistoga General Plan orients development within the City to include a perimeter of rural to low density residential uses. Medium to high density residential along with public and commercial uses are directed within the City core. Residential densities range from one to 20 housing units per acre. There are currently 2,319 housing units in Calistoga. Housing units overall have decreased by 0.4% over the last five years declining by 10 since 2007 with the change principally attributed to demolition/rebuild projects in the amount of 10 between 2007 and 2011.

Housing Units in Calistoga						
Table III/G; Source: California Department of Finance						
Type	2007	2008	2009	2010	2011	Trends
Total	2,329	2,341	2,342	2,343	2,319	-0.4%
-Single-Family	1,174	1,185	1,184	1,185	n/a	+0.9%
-Multi-Family	1,155	1,156	1,158	1,158	n/a	+0.3%
Vacant (%)	9.15	9.14	9.14	9.13	12.94	+41.4%

## 2.2 Finances

Calistoga's current General Fund operating expenses are budgeted at \$6.3 million; an amount representing a per capita expenditure of \$1,209. The largest discretionary operating expenses are dedicated to police services (\$2.3 million) and support services (\$1.0 million). General Fund operating revenues are budgeted at \$7.0 million with more than one-half (\$3.5 million) expected to be drawn from transient occupancy tax proceeds. Towards this end, on a regional level, Calistoga collects more in transient occupancy taxes than any other municipality in Napa County as measured on a per capita basis with the exception of the Town of Yountville.<sup>17</sup> Property tax revenues are projected to represent the second largest discretionary revenue source for Calistoga accounting for over one-fifth (\$1.6 million) of the total budgeted amount.

Figure 2



A review of Calistoga's most recently audited financial statements reflect the City experienced a moderate positive change in its overall equity increasing by 1.6% or \$0.5 million between 2008-09 and 2009-2010 from \$28.9 to \$29.3 million. Financial statements, however, note the unrestricted portion of the overall fund balance decreased in value over the preceding 12-month period by 15.1% or \$0.1 million to \$0.6 million due to a corresponding shortfall in General Fund revenues-to-expenses. The financial statements also provide that Calistoga finished the last audited fiscal year with relatively low liquidity as its total current assets equal 1.4 times its current liabilities. Moreover, Calistoga also finished the last audited fiscal year holding a sizable amount of long-term obligations relative to its net assets as measured by its debt-to-equity of 72%, reflecting a leveraged capital position. Calistoga's audited General Fund balance for both unreserved/designated and emergency/contingency accounts as of June 30, 2010 totaled \$0.8 million; an amount equaling one month of general operating expenditures during the fiscal year.<sup>18</sup>

<sup>17</sup> The State Controller's most recently published *Cities Annual Report* notes Calistoga's per capita transient occupancy tax collection was \$601. This amount is second locally to Yountville's per capita collection total of \$935 and surpassed the collection total amounts for County of Napa at \$294, St. Helena at \$188, Napa at \$105, and American Canyon at \$28.

<sup>18</sup> Calistoga's General Fund operating expenses in 2009-2010 totaled \$6.6 million.

Calistoga's Audited General Fund Balances					
Table III/H; Source: City of Calistoga					
Category	2005-06	2006-07	2007-08	2008-09	2009-10
Reserved	1.540	1.559	0.589	0.448	0.000
Unreserved/Designated	0.253	0.327	1.101	0.941	0.933
Unreserved/Undesignated	0.000	0.000	0.021	0.000	0.000
<i>Total</i>	<i>\$1.793</i>	<i>\$1.886</i>	<i>\$1.711</i>	<i>\$1.389</i>	<i>\$0.933</i>

*Dollars in Millions / Amounts as of July 1<sup>st</sup>*

### 2.3 Law Enforcement Services

#### Available Resources

Calistoga's Police Department (CPD) is directly responsible for providing the majority of law enforcement services provided in the City; other related services such as special weapons and tactics are provided by mutual agreement with the County of Napa. CPD currently budgets 15.0 full-time equivalent employees divided between 11 sworn and four support personnel. Sworn personnel include a police chief, two sergeants, and eight officers. Support personnel include four full-time and three part-time dispatchers.



CPD's approved operating expenses in 2011-2012 total \$2.32 million. This amount is entirely funded through Calistoga's General Fund and accounts for 37% of the City's budgeted operating expenses. CPD's overall per capita cost is \$447.

CPD's organizational structure comprises four distinct divisions: 1) administration; 2) operations; 3) code enforcement; and 4) records/dispatch services. Operations is the largest of the four divisions and is set up to include two patrol units during the day and two patrol units during the night. One officer is assigned to each patrol unit with all marked vehicles equipped with multi-frequency radio and video.<sup>19</sup> Operations personnel generally work three 12-hour shifts one week followed by three 12-hour and one eight-hour shift the next week totaling 80 hours every two weeks. CPD operates its own short-term holding facility with a maximum detainee capacity of six individuals. Long-term holding is provided by the County of Napa's Department of Corrections.

CPD	Self	Contract
Dispatch	☆	
Patrol	☆	
Investigations	☆	
Parking Enforcement	☆	
Animal Control	☆	
Specialized:		
- Search and Rescue	☆	
- Special Weapons / Tactics		☆
- Bomb Squad		☆
- Canine Deployment	☆	
- Short-Term Holding	☆	
- Long-Term Holding		☆
- Gang Unit		

<sup>19</sup> CPD reports all vehicles are replaced every five to six years irrespective of mileage.

**CPD's Facilities, Transportation Pool, and Personnel/Funding Resources**  
Table III/I; Source: CPD

Facilities		Location	Size	Built
1) Administration / Operations Building		1235 Washington Street Calistoga 94515	3,072 square feet	1991
Marked/Unmarked Vehicles	Motorcycles	Bicycles	Watercrafts	Helicopters
8	0	1	0	0
Sworn Staff	Canines	Support Staff	2010-11 Actual Exp.	2011-12 Adopted Exp.
11	1	4	\$1.74 Million	\$2.32 Million
2.1 / 1,000 Residents	0.2 / 1,000 Residents	0.8 / 1,000 Residents	\$334,811 / 1,000 Residents	\$447,186 / 1,000 Residents

### *Demand on Resources*

CPD reports it has experienced an approximate six percent decrease in total annual service calls between 2005-06 and 2009-10. This produces a relatively high five-year average of 1,364 calls for every 1,000 residents compared to the other law enforcement agencies.<sup>20</sup> Actual reported crimes have experienced a similar decrease by declining nine percent during the same period with the five-year average resulting in 30 reported crimes for every 1,000 residents. Further, with regard to the relationship between service calls and reported crimes, the five-year average in Calistoga resulted in one reported crime for every 44 service calls.

A summary of service demands on CPD between 2005-06 and 2009-10 follows.

- Approximately 91 percent of reported crimes in Calistoga between 2005-06 and 2009-10 are classified as non-violent and involve either property or simple assault offenses. Property offenses account for close to four-fifths percent of the total non-violent crimes with the largest portion involving larceny/theft followed by simple assault.<sup>21</sup> Non-violent crimes overall have decreased during the period by 13 percent.
- Violent crimes continue to represent a relatively small portion of the overall offense totals (nine percent) and have significantly decreased in Calistoga by 25 percent between 2005-06 and 2009-10. Aggravated assault offenses constitute 82 percent of all violent crimes during this period. Murder rates in Calistoga during this period have been extremely low with one total homicide, which occurred in 2009-10.
- Clearance rates overall have fluctuated between 2005-06 and 2009-10 from a low of 25 to a high of 35 percent in terms of reported crimes resulting in an arrest or determined to be unfounded. The current average overall clearance rate is 31 percent. The clearance rate for violent crimes averages 83 percent and is the highest among all local law enforcement agencies.

<sup>20</sup> The per 1,000 resident estimates based on Calistoga's projected population as of January 1, 2011.

<sup>21</sup> Larceny/theft offenses in Calistoga between 2005 and 2009 accounted for 56 percent of all non-violent crimes. Simple assault during this period accounted for 21 percent of all non-violent crimes.

- CPD's five-year averages between 2005-06 and 2009-10 for violent crimes and property crimes total 14 and 116, respectively. These amounts both fall slightly above the respective national averages of 10 violent crimes and 107 property crimes for similarly sized jurisdictional agencies as measured by population during the period.<sup>22</sup>
- CPD's five-year averages between 2005-06 and 2009-10 for clearing violent crimes and property crimes are 83 percent and 15 percent, respectively. This clearance rate for violent crimes is significantly higher than the national average of 57 percent for similarly sized jurisdictional agencies as measured by population during the period. Conversely, the clearance rate for property crimes is lower than the national average of 20 percent for similarly sized jurisdictional agencies.

### CPD Service Characteristics: Service Calls and Crime Totals

Table III/J; Source: CPD and United States Department of Justice

Category	2005-06	2006-07	2007-08	2008-09	2009-10	Average	Trend
<b>Service Calls</b>	7,187	6,728	7,439	7,261	6,767	7,076	-5.8%
<b>Total Reported Crimes</b>	157	154	179	166	144	160.0	-8.3%
Violent Crimes	16	8	23	12	12	14.2	-25.0%
Simple Assault Crimes	33	40	28	34	22	31.4	-33.3%
Property Crimes	118	106	128	120	110	116.4	-6.8%
<b>Total Clearances</b>	50	49	45	52	51	49.4	+2.0%
Violent Crimes	11	6	18	12	11	11.6	0.0%
Simple Assault Crimes	23	28	11	26	16	20.8	-30.4%
Property Crimes	16	15	16	14	24	17.0	+50.0%
<b>Clearances to Crimes %</b>	31.8	31.8	25.1	31.3	35.4	31.1	+11.3%
Violent Crimes	68.8	75.0	78.3	100.0	91.7	82.8	+33.3%
Simple Assault Crimes	70.0	70.0	39.3	76.5	72.7	65.7	+3.9%
Property Crimes	13.6	14.2	12.5	11.7	21.8	14.8	+60.3%

<sup>22</sup> The comparison against national averages involves law enforcement agencies with service populations under 10,000.

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### 3.0 City of Napa



Napa was incorporated in 1914 as a charter-law municipality.<sup>23</sup> It is approximately 18.2 square miles in size and provides a full range of municipal services directly or through contracts with the notable exception of sewer, which is the responsibility of a separate governmental entity, the Napa Sanitation District. Napa is the largest of five municipalities in Napa County as measured by residents and has experienced relatively moderate growth over the last 10 years as its population has increased by an average of 0.5% annually. The California Department of Finance estimates Napa's current population at 77,464, which results in a density of 4,256 residents for every square mile.

Resident Population in Napa									
Table III/K; Source: California Department of Finance									
2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
74,054	74,736	75,701	75,772	76,094	76,247	76,857	77,917	78,791	77,464

#### 3.1 Land Use Policies

The Napa General Plan was comprehensively updated in 1998 and codifies land use and development policies for the City through 2020. Major and explicit land use objectives within the General Plan include engendering a small town atmosphere enhancing the residential character of existing neighborhoods paired with considerable focus on economic growth. The General Plan also emphasizes a commitment to contained urban development within Napa's rural urban limit (RUL); an urban growth boundary that was established by the City Council in 1975 and has remained relatively unchanged over the last four decades.<sup>24</sup> Napa's sphere is over 90 percent coterminous with its City limits with notable exceptions involving the inclusion of three prominent unincorporated areas that collectively total 570 acres referred to as "North Big Ranch Road," "Ghisletta," and "Napa State Hospital" areas.

The Napa General Plan divides lands within the RUL into 12 distinct planning areas with residential designations comprising the City's north, east, and west perimeters. Residential densities range from two to 40 housing units per acre. There are currently 30,176 housing units in Napa. Housing units overall have increased by 1.0% over the last five years rising by 302 since 2007. Napa has also experienced a sizable increase in unoccupied residences, which are presumably attributed to foreclosures.

Housing Units in Napa						
Table III/L; Source: California Department of Finance						
Type	2007	2008	2009	2010	2011	Trends
Total	29,874	30,094	30,232	30,388	30,176	+1.0%
-Single-Family	20,426	20,598	20,677	20,748	n/a	+1.6%
-Multi-Family	9,448	9,496	9,555	9,640	n/a	+2.0%
Vacant (%)	2.87	2.87	2.87	2.87	6.58	+129.3%

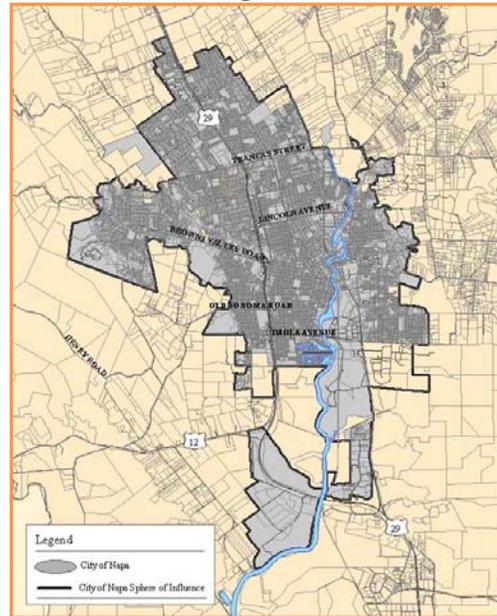
<sup>23</sup> The City of Napa was originally incorporated in 1872 as a general law municipality.

<sup>24</sup> The Napa City Council delegated the authority for making changes to the RUL to voters as part of a charter amendment adopted in 1999.

### 3.2 Finances

Napa’s current General Fund operating expenses are budgeted at \$62.4 million; an amount representing a per capita expenditure of \$805. The largest discretionary operating expenses are dedicated to police (\$21.0 million) and fire protection services (\$13.4 million). General Fund operating revenues are budgeted at \$58.2 million with more than one-third (\$21.4 million) expected to be drawn from property tax proceeds. Notably, on a regional level, Napa collects more in property taxes than any other municipality in Napa County as measured on a per capita basis with the exception of the City of American Canyon.<sup>25</sup> Sales tax revenues are projected to represent the second largest discretionary revenue source for Napa accounting for over one-fifth (\$12.0 million) of the total budgeted amount. As of June 30, 2011, Napa’s unaudited General Fund balance within its combined unreserved/undesignated and contingency/emergency accounts totaled \$12.1 million.

Figure 3



A review of Napa’s most recently audited financial statements reflect the City experienced a negative change in its overall equity decreasing by 0.3% or \$1.7 million between 2008-09 and 2009-2010 from \$511.1 to \$509.4 million. Financial statements also note the unrestricted portion of the overall fund balance decreased in value over the preceding 12-month period by 1.7% or \$0.8 million to \$45.6 million due to reduced revenues and drawdown on undesignated/unreserved funds to support service operations. The financial statements, nevertheless, provide that Napa finished the last audited fiscal year with a high amount of liquidity as its total current assets equal nearly eight times its current liabilities. Napa also finished the last audited fiscal year holding a manageable amount of long-term obligations relative to its net assets as measured by its debt-to-equity of 23%. Napa’s audited General Fund balance within its combined unreserved/undesignated and contingency/emergency accounts as of June 30, 2010 totaled \$11.0 million; an amount equaling two months of general operating expenditures during the fiscal year.<sup>26</sup>

Napa’s Audited General Fund Balances					
Table III/M; Source: Napa					
Category	2005-06	2006-07	2007-08	2008-09	2009-10
Reserved	1.874	1.838	2.127	1.911	2.877
Unreserved/Designated	8.016	6.573	7.000	7.934	7.537
Unreserved/Undesignated	10.991	19.933	17.652	8.236	3.458
<i>Total</i>	<i>\$20.881</i>	<i>\$28.344</i>	<i>\$26.779</i>	<i>\$18.081</i>	<i>\$13.872</i>

*Dollars in Millions / Amounts as of July 1<sup>st</sup>*

<sup>25</sup> The State Controller’s most recently published *Cities Annual Report* notes Napa’s per acre property tax collection was \$1,244. This amount is second locally to American Canyon’s per acre collection total of \$2,169 and surpassed the collection total amounts for St. Helena at \$762, Calistoga at \$716, Yountville at \$560, and County of Napa at \$105.

<sup>26</sup> Napa’s General Fund operating expenses in 2009-2010 totaled \$62.3 million.

### 3.3 Law Enforcement Services

#### Available Resources

Napa’s Police Department (NPD) currently budgets 125 full-time equivalent employees divided between 74 sworn and 51 support personnel. Sworn personnel include a police chief, two captains, two lieutenants, 10 sergeants, and 59 officers. Support personnel include 26 dispatchers. NPD provides dispatch services to County Sheriff, which in turn includes law enforcement services in the City of American Canyon and the Town of Yountville.



NPD’s approved operating expenses in 2011-2012 total \$17.70 million. This amount is entirely funded through Napa’s General Fund and accounts for 28% of the City’s budgeted operating expenses. NPD’s overall per capita cost is \$228.

NPD’s organizational structure comprises three distinct divisions: 1) operations; 2) support services/dispatch; and 3) administration. Operations is the largest of the three divisions and is set up to include a minimum of four patrol units between 12:00 AM and 3:00 AM, three patrol units between 3:00 AM and 6:30 AM, four patrol units between 6:30 AM and 1:30 PM, and five patrol units between 1:30 PM and 12:00 AM. Patrol personnel work either four 10-hour shifts or three 12.5-hour shifts to offer seven day coverage and 40 hours total each week.<sup>27</sup> Long-term holding is provided by the County of Napa Department of Corrections.

NPD	Self	Contract
Dispatch	☆	
Patrol	☆	
Investigations	☆	
Parking Enforcement	☆	
Animal Control		☆
Specialized:		
- Search and Rescue		☆
- Special Weapons / Tactics		☆
- Bomb Squad		☆
- Canine Deployment	☆	
- Short-Term Holding		
- Long-Term Holding		☆
- Gang Unit	☆	

**NPD’s Facilities, Transportation Pool, and Personnel/Funding Resources**  
Table III/N; Source: NPD

Facilities	Location	Size	Built	
1) Administration / Operations Building	1539 First Street Napa 94559	20,830 square feet	1959	
Marked/Unmarked Vehicles	Motorcycles	Bicycles	Watercrafts	Helicopters
53	5	10	0	0
Sworn Staff	Canines	Support Staff	2010-11 Actual Exp.	2011-12 Adopted Exp.
74	2	51	\$19.06 Million	\$17.70 Million
1.0 / 1,000 Residents	0.02 / 1,000 Residents	0.6 / 1,000 Residents	\$245,985 / 1,000 Residents	\$228,519 / 1,000 Residents

<sup>27</sup> NPD reports all vehicles are replaced every three years or between 85,000 and 100,000 miles.

## ***Demand on Resources***

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NPD reports it has experienced a two percent decrease in total annual service calls between 2005-06 and 2009-10. This produces a relatively moderate five-year average of 779 calls for every 1,000 residents compared to other local law enforcement agencies.<sup>28</sup> Actual reported crimes have experienced a more substantive decrease by declining 13 percent during the same period with the five-year average resulting in 41 reported crimes for every 1,000 residents. Further, with regard to the relationship between service calls and reported crimes, the five-year average in Napa resulted in one reported crime for every 19 service calls.

A summary of service demands on NPD between 2005-06 and 2009-10 follows.

- Approximately 90 percent of all reported crimes in Napa between 2005-06 and 2009-10 are classified as non-violent and involve either property or simple assault offenses. Property offenses account for close to three-fourths of the total non-violent crimes with the largest contributor involving larceny/theft offenses followed by burglaries.<sup>29</sup> Non-violent crimes overall have declined during the period by 11 percent.
- Violent crimes continue to represent a relatively small portion of the overall offense totals (10 percent) and have significantly decreased in Napa by 29 percent between 2005-06 and 2009-10. Aggravated assault offenses constitute 77 percent of all violent crimes during this period. Murder rates in Napa during this period have been extremely low with only five homicides.
- Clearance rates overall have fluctuated between 2005-06 and 2009-10 from a low of 31 to a high of 38 percent in terms of reported crimes resulting in an arrest or determined to be unfounded. The average overall clearance rate is 34 percent. The clearance rate for violent crimes averages 63 percent and is moderate relative to all local law enforcement agencies.
- NPD's five-year averages between 2005-06 and 2009-10 for violent crimes and property crimes total 306 and 2,095, respectively. This amount for violent crimes falls slightly below the national average of 310 for similarly sized jurisdictional agencies as measured by population during the period. Moreover, the amount for property crimes falls measurably below the national average of 2,486 for similarly sized jurisdictional agencies.<sup>30</sup>
- NPD's five-year averages between 2005-06 and 2009-10 for clearing violent crimes and property crimes are 63 percent and 15 percent, respectively. This clearance rate for violent crimes is significantly higher than the national average of 46 percent for similarly sized jurisdictional agencies as measured by population during the period. Conversely, the clearance rate for property crimes is lower than the national average of 19 percent for similarly sized jurisdictional agencies.

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<sup>28</sup> The per 1,000 resident estimates based on Napa's projected population as of January 1, 2011.

<sup>29</sup> Larceny/theft offenses in Napa between 2005 and 2009 accounted for 53 percent of all non-violent crimes. Burglaries during this period accounted for 14 percent of all non-violent crimes.

<sup>30</sup> The comparison against national averages involves law enforcement agencies with service populations ranging between 50,000 and 99,999.

### NPD Service Characteristics: Service Calls and Crime Totals

Table III/O; Source: NPD and United States Department of Justice

Category	2005-06	2006-07	2007-08	2008-09	2009-10	Average	Trend
<b>Service Calls</b>	64,394	61,996	55,786	56,600	62,945	60,344	-2.3%
<b>Total Reported Crimes</b>	3,202	3,348	3,509	2,896	2,779	3,146.8	-13.2%
Violent Crimes	384	336	288	249	272	305.8	-29.2%
Simple Assault Crimes	722	829	860	731	590	746.4	-18.3%
Property Crimes	2,096	2,183	2,361	1,916	1,917	2,094.6	-8.5%
<b>Total Clearances</b>	1,198	1,035	1,092	992	1,064	1,076.2	-11.2%
Violent Crimes	279	204	172	151	172	195.6	-38.4%
Simple Assault Crimes	654	585	579	528	491	567.4	-24.9%
Property Crimes	265	246	341	313	401	313.2	+51.3%
<b>Clearances to Crimes %</b>	37.4	30.9	31.1	34.3	38.3	34.4	+2.4%
Violent Crimes	72.7	60.7	59.7	60.6	63.2	63.4	-13.1%
Simple Assault Crimes	90.6	70.6	67.3	72.2	83.2	76.8	-8.2%
Property Crimes	12.6	11.3	14.4	16.3	20.9	15.1	+65.9%

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## 4.0 City of St. Helena



St. Helena was incorporated in 1876 as a general law municipality. It is approximately 5.1 square miles in size and provides a full range of municipal services directly or through agreements with outside contractors. St. Helena is the third largest of five municipalities in Napa County as measured by residents and has experienced negative growth over the last 10 years as its population has decreased by an average of 0.2% annually; a dynamic presumably attributed to the influx of single-family residences being converted to bed and breakfast establishments. The California Department of Finance estimates St. Helena's current population at 5,849, which results in a density of 1,156 residents for every square mile.

### Resident Population in St. Helena

Table III/P; Source: California Department of Finance

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
6,013	6,042	5,977	5,960	5,942	5,936	5,905	5,969	6,010	5,849

### 4.1 Land Use Policies

The St. Helena General Plan was last comprehensively updated in 1993 and codifies land use policies for the City through 2010; a new update is currently underway. The General Plan is predicated on maintaining the City's existing small town character through a number of growth control measures. This includes establishing an urban limit line that comprises less than two-thirds of St. Helena's incorporated boundary and designating the majority of properties within and along the perimeter of the City for agricultural use. The substantive effect of these two growth control measures is a municipal-controlled greenbelt. The St. Helena General Plan also includes a number of discretionary elements highlighting particular areas of unique focus to the City, most notably tourism management. St. Helena's sphere is coterminous with its City limits.

The St. Helena General Plan provides for agricultural and open space uses throughout the City perimeter consistent with the aforementioned greenbelt. A range of low to moderate residential and commercial uses is provided within St. Helena's core. Residential densities range from one to 20 housing units per acre. There are currently 2,775 housing units in St. Helena. Housing units overall have increased by 0.5% over the last five years rising by 13 between 2007 and 2011. Further, a relatively large percentage of housing units in St. Helena have been unoccupied, presumably reflecting a high number of secondary residences.

### Housing Units in St. Helena

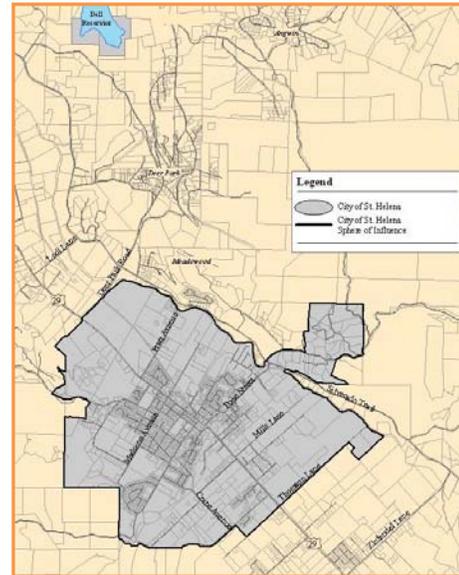
Table III/Q; Source: California Department of Finance

Type	2007	2008	2009	2010	2011	Trends
Total	2,762	2,745	2,749	2,751	2,775	+0.5%
-Single-Family	1,906	1,906	1,910	1,912	n/a	+0.3%
-Multi-Family	856	839	839	839	n/a	-2.0%
Vacant (%)	12.06	12.06	12.04	12.03	13.51	+12.0%

### 4.2 Finances

St. Helena’s current General Fund operating expenses are budgeted at \$8.0 million; an amount representing a per capita expenditure of \$1,372. The largest discretionary operating expenses are dedicated to police (\$2.4 million) and planning services (\$0.9 million). General Fund operating revenues match with over one-half (\$5.0 million) expected to be drawn from property and sales tax proceeds. Property tax revenues are projected to represent the largest discretionary revenue source for St. Helena accounting for over one-third (\$2.9 million) of the total budgeted amount. Significantly, on a regional level, St. Helena collects more than double the combined sales tax collected among all other municipalities in Napa County as measured on a per capita basis.<sup>31</sup> As of June 30, 2011, St. Helena’s unaudited General Fund balance within its unreserved/undesigned account totaled \$2.2 million.

Figure 4



A review of St. Helena’s most recently audited financial statements reflect the City experienced a negative change in its overall equity decreasing by 3.8% or \$2.2 million between 2008-09 and 2009-2010 from \$59.1 to \$56.8 million. Financial statements also note the unrestricted portion of the overall fund balance decreased in value over the preceding 12-month period by 15.5% or \$1.6 million to \$8.8 million due to reduced revenues and drawdown on undesignated/unreserved funds to support service operations. The financial statements provide that St. Helena finished the last audited fiscal year with above average liquidity as its total current assets equal four times its current liabilities. St. Helena also finished the last audited fiscal year holding a manageable amount of long-term obligations relative to its net assets as measured by its debt-to-equity of 34%. St. Helena’s audited General Fund balance within its unreserved/undesigned account as of June 30, 2010 totaled \$2.3 million; an amount equaling over three months of general operating expenditures during the fiscal year.<sup>32</sup>

St. Helena’s Audited General Fund Balance					
Table III/R; Source: St. Helena					
Category	2005-06	2006-07	2007-08	2008-09	2009-10
Reserved	n/a	0.804	n/a	0.578	n/a
Unreserved/Designated	n/a	1.246	n/a	1.268	n/a
Unreserved/Undesignated	n/a	3.123	n/a	3.411	n/a
<i>Total</i>	<i>\$4.195</i>	<i>\$5.173</i>	<i>5.651</i>	<i>\$5.257</i>	<i>\$2.33</i>

*Dollars in Millions / Amounts as of July 1<sup>st</sup>*

<sup>31</sup> The State Controller’s most recently published *Cities Annual Report* notes St. Helena’s per capita sales tax collection was \$305. This amount surpassed the collection total amounts for the County of Napa at \$240, Yountville at \$152, American Canyon at \$138, Calistoga at \$113, and Napa at \$111.

<sup>32</sup> St. Helena’s General Fund operating expenses in 2009-2010 totaled \$7.9 million.

### 4.3 Law Enforcement Services

#### Available Resources

St. Helena’s Police Department (SHPD) currently budgets 18 full-time equivalent employees divided between 13 sworn and five support personnel. Sworn personnel include a police chief and 12 officers, with the latter group alternating between 36-hour and 44-hour work weeks with shifts generally lasting 12 hours. Support personnel include four dispatchers and one clerical assistant.



SHPD’s approved operating expenses in 2011-2012 total \$2.44 million. This amount is entirely funded through St. Helena’s General Fund and accounts for 31% of the City’s budgeted operating expenses. SHPD’s overall per capita cost is \$417.

SHPD’s organizational structure comprises five distinct divisions: 1) crime prevention; 2) parking and traffic; 3) youth education; 4) community awareness; and 5) investigations. Crime prevention is the largest of the five divisions and is set up to include \*\*\*\* patrol units during the daytime, \*\*\*\* units during the afternoon/evening, and \*\*\*\* unit during the graveyard shift. Patrol personnel generally work \*\*\*\* hours per shift totaling \*\*\*\* hours per week.<sup>33</sup> SHPD operates its own short-term holding facility with a detainee capacity of \*\*\*\*\*. Long-term holding is provided by the County of Napa Department of Corrections.

SHPD	Self	Contract
Dispatch	☆	
Patrol	☆	
Investigations	☆	
Parking Enforcement	☆	
Animal Control	☆	
Specialized:		
- Search and Rescue		
- Special Weapons / Tactics		
- Bomb Squad		
- Canine Deployment	☆	
- Short-Term Holding	☆	
- Long-Term Holding		
- Gang Unit		

**SHPD’s Facilities, Transportation Pool, and Personnel/Funding Resources**  
Table III/S; Source: SHPD

Facilities	Location	Size	Built
1) Administration / Operations Building	1480 Main Street St. Helena, CA 94574	5,000 square feet	1955

Marked/Unmarked Vehicles	Motorcycles	Bicycles	Watercrafts	Helicopters
9	1	0	0	0

Sworn Staff	Canines	Support Staff	2010-11 Actual Exp.	2011-12 Adopted Exp.
13	1	5	\$2.35 Million	\$2.44 Million
2.2 / 1,000 Residents	0.2 / 1,000 Residents	0.9 / 1,000 Residents	\$402,182 / 1,000 Residents	\$416,759 / 1,000 Residents

<sup>33</sup> SHPD reports all vehicles are replaced every \*\*\*\* miles or \*\*\* years.

## ***Demand on Resources***

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SHPD reports it has experienced a three percent increase in total annual service calls between 2005-06 and 2009-10. This produces an extremely high five-year average of 1,764 calls for every 1,000 residents compared to other local law enforcement agencies.<sup>34</sup> Actual reported crimes have experienced a more substantive increase by rising 40 percent during the same period with the five-year average resulting in 18 reported crimes for every 1,000 residents. Further, with respect to the relationship between service calls and actual reported crimes, service calls in St. Helena resulted in one reported crime for every 94 service calls.

A summary of service demands on SHPD between 2005-06 and 2009-10 follows.

- Approximately 94 percent of all reported crimes in St. Helena between 2005-06 and 2009-10 are classified as non-violent and involve either property or simple assault offenses. Property offenses account for close to nine-tenths of the total non-violent crimes with the largest contributor involving larceny/theft followed by burglary.<sup>35</sup> Non-violent crimes overall have declined during the period by 41 percent.
- Violent crimes continue to represent a relatively small portion of the overall offense totals (six percent) and have decreased in St. Helena by 20 percent between 2005-06 and 2009-10. Aggravated assault offenses constitute 93 percent of all violent crimes during this period. There have been no murders in St. Helena during this period.
- Clearance rates overall have fluctuated between 2005-06 and 2009-10 from a low of 17 to a high of 34 percent in terms of reported crimes resulting in an arrest or determined to be unfounded. The average overall clearance rate is 23 percent. The clearance rate for violent crimes averages 63 percent and is moderate relative to all local law enforcement agencies.
- SHPD's five-year averages between 2005-06 and 2009-10 for violent crimes and property crimes total seven and 92, respectively. These amounts both fall below the respective national averages of 10 violent crimes and 107 property crimes for similarly sized jurisdictional agencies as measured by population during the period.<sup>36</sup>
- SHPD's five-year averages between 2005-06 and 2009-10 for clearing violent crimes and property crimes are 63 percent and 13 percent, respectively. This clearance rate for violent crimes is significantly higher than the national average of 53 percent for similarly sized jurisdictional agencies as measured by population during the period. Conversely, the clearance rate for property crimes is lower than the national average of 21 percent for similarly sized jurisdictional agencies.

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<sup>34</sup> The per 1,000 resident estimates based on St. Helena's projected population as of January 1, 2011.

<sup>35</sup> Larceny/theft offenses in St. Helena between 2005 and 2009 accounted for 55 percent of all non-violent crimes. Burglaries during this period accounted for 27 percent of all non-violent crimes.

<sup>36</sup> The comparison against national averages involves law enforcement agencies with service populations under 10,000.

### SHPD Service Characteristics: Service Calls and Crime Totals

Table III/T; Source: SHPD and United States Department of Justice

Category	2005-06	2006-07	2007-08	2008-09	2009-10	Average	Trend
<b>Service Calls</b>	8,965	9,655	12,355	11,441	9,188	10,320	+2.5%
<b>Total Reported Crimes</b>	145	102	112	102	87	109.6	-40.0%
Violent Crimes	5	14	8	3	4	6.8	-20.0%
Simple Assault Crimes	11	14	14	9	6	10.8	-45.5%
Property Crimes	129	74	90	90	77	92.0	-40.3%
<b>Total Clearances</b>	24	35	30	17	17	24.6	-29.2%
Violent Crimes	2	10	5	2	3	4.4	+50.0%
Simple Assault Crimes	6	10	13	8	5	8.4	-16.7%
Property Crimes	16	15	12	7	9	11.8	-43.8%
<b>Clearances to Crimes %</b>	16.6	34.3	26.8	16.7	19.5	22.8	+17.5%
Violent Crimes	40.0	71.4	62.5	66.7	75.0	63.1	+87.5%
Simple Assault Crimes	54.5	71.4	92.9	88.9	83.3	78.2	+52.8%
Property Crimes	12.4	20.3	13.3	7.8	11.7	13.1	-5.6%

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## 5.0 County of Napa



A Tradition of Stewardship  
A Commitment to Service

The County of Napa (“County”) was established in 1850 as one of the original 27 county governments in California.<sup>37</sup> Napa County itself is approximately 788.3 square miles in size making it the 11<sup>th</sup> smallest county in the state in terms of total land area. Napa County – incorporated and unincorporated area – has experienced relatively moderate growth over the last 10 years as its population has increased by an average of 0.9% annually with all of the increase attributed to the incorporated areas.<sup>38</sup> Significantly, growth specific to the unincorporated area has actually decreased by an average of 0.5% annually over the last 10 years. The California Department of Finance currently estimates Napa County’s entire population at 137,639 with 26,448 residing in the unincorporated area, which results in an unincorporated density of 35.0 residents for every square mile.

### Resident Population in Unincorporated Napa County

Table III/U; Source: California Department of Finance

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
28,071	28,184	28,023	27,961	28,067	28,108	28,732	28,714	28,653	26,448

### 5.1 Land Use Policies

The County General Plan was last comprehensively updated in 2008 and codifies land use policies through 2030. The General Plan includes a vision statement for the County to moderate and direct growth in ways that minimize resource consumption and make the unincorporated area a sustainable rural community. The General Plan also incorporates and complements two voter initiatives strongly influencing growth in the unincorporated area commonly referred to as Measures “A” and “P.” Measure A was approved by voters in 1980 and subsequently re-adopted by the Board of Supervisors as an ordinance in 2000 and limits housing growth in the unincorporated area to 1% annually. Measure P was originally approved by voters in 1990 and subsequently extended in 2008 to prohibit the redesignation of unincorporated lands designated for agricultural or open space use to another category except by majority vote of the people through 2058.

The County General Plan directs the majority of urban development within the five incorporated cities with the exception of a small number of unincorporated communities that range in resident population from approximately 70 in Oakville to approximately 920 in Berryessa Highlands. The majority of the unincorporated area is designated for agriculture and open space use with minimum lot densities ranging from 40 to 160 acres. There are currently 12,314 housing units in the unincorporated area. Housing units overall have increased by 3.4% in the unincorporated area over the last five years rising by 411 between 2007 and 2011. Further, a relatively large percentage of housing units in the unincorporated have been unoccupied, presumably reflecting a high number of secondary residences.

<sup>37</sup> Please note “County” refers to the governmental entity while “Napa County” refers to the geographic area.

<sup>38</sup> The unincorporated area has experienced negative growth of 0.5% in the last 10 years declining from 27,813 to 26,448.

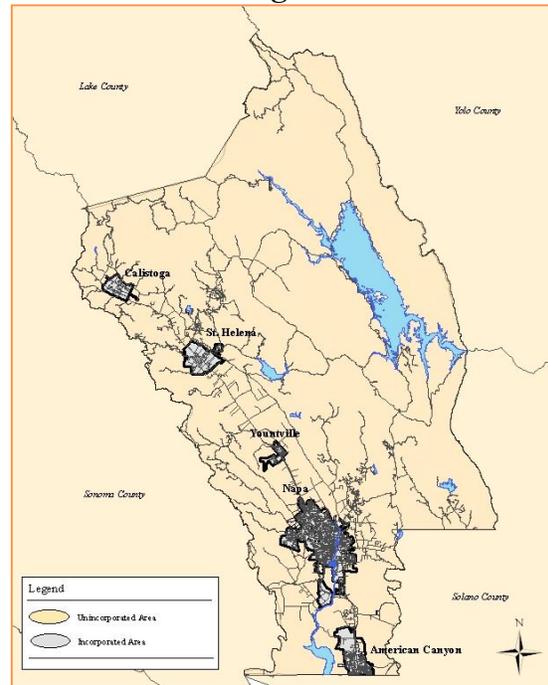
Housing Units in Unincorporated Napa County						
Table III/V; Source: California Department of Finance						
Type	2007	2008	2009	2010	2011	Trends
Total	11,903	11,984	12,028	11,961	12,314	+3.4%
-Single-Family	10,810	10,866	10,902	10,903	n/a	+0.9%
-Multi-Family	1,093	1,118	1,126	1,058	n/a	-3.2%
Vacant (%)	14.59	14.59	14.59	14.59	21.97	+50.6%

## 5.2 Finances

The County's current General Fund operating expenses are budgeted at \$228.5 million; an amount representing a countywide per capita expenditure of \$1,660.<sup>39</sup> The largest discretionary operating expenses are dedicated to Sheriff (\$24.1 million) and mental health services (\$18.9 million). General Fund operating revenues are budgeted at \$241.9 million with the majority expected to be drawn from property (\$60.4 million) and transient occupancy (\$9.0 million) tax proceeds. As of June 30, 2011, the County's unaudited General Fund balance within its unreserved/undesignated account totaled \$25.5 million.

A review of the County's most recently audited financial statements reflect it has experienced a positive change in its overall equity increasing by 4.9% or \$15.4 million between 2008-09 and 2009-2010 from \$315.4 to \$330.8 million. Financial statements, however, note the unrestricted portion of the overall fund balance decreased in value over the preceding 12-month period by 16.2% or \$19.5 million to \$101.2 million due to reduced revenues and drawdown on undesignated/unreserved funds to support service operations. The financial statements also provide that the County finished the last audited fiscal year with exceptionally high liquidity as its total current assets equal 12.1 times its current liabilities. The County also finished the last audited fiscal year holding an average amount of long-term obligations relative to its net assets as measured by its debt-to-equity of 27.7%. The County's audited General Fund balance within its unreserved/undesignated account as of June 30, 2010 totaled \$27.8 million; an amount equaling close to two months of general operating expenditures during the fiscal year.<sup>40</sup>

Figure 5



<sup>39</sup> Budgeted expenses include a \$6.0 million allocation to reserves.

<sup>40</sup> The County's General Fund operating expenses in 2009-2010 totaled \$184.7 million.

### County of Napa's Audited General Fund Balance

Table III/W; Source: County of Napa

Category	2005-06	2006-07	2007-08	2008-09	2009-10
Reserved	11.136	11.696	9.662	10.397	10.511
Unreserved/Designated	17.944	22.981	20.617	25.017	23.015
Unreserved/Undesignated	44.874	40.450	19.692	15.553	27.848
<i>Total</i>	<i>\$73.954</i>	<i>\$75.127</i>	<i>\$49.971</i>	<i>\$50.967</i>	<i>\$61.374</i>

*Dollars in Millions / Amounts as of July 1<sup>st</sup>*

## 5.3 Law Enforcement Services

### Available Resources

#### Sheriff-Coroner's Office

Law enforcement services provided by the County are primarily the responsibility of the County of Napa Sheriff-Coroner's Office ("Sheriff") and are generally divided between (a) field and (b) coroner/civil operations.<sup>41</sup> The former includes patrol and detective services while the latter involves determining the manner and cause of all violent, sudden, or unusual deaths. Sheriff currently budgets 132 full-time equivalent employees divided between 104 sworn and 28 support personnel; this includes sworn personnel assigned to staff ACPD (23) and serve the Town of Yountville (4). Two-thirds of budgeted personnel are assigned to patrol services and are set up to include 10 units during the daytime, four units during the afternoon/evening, and five units during the graveyard shift. Patrol services include all of the unincorporated area and the Town of Yountville with one deputy assigned to each unit with all marked vehicles equipped with multi-frequency radio and video. Patrol staff generally work eight or 10 hours per shift totaling 40 hours per week.<sup>42</sup> The majority of non-sworn support personnel include staffing for the Technical Services Bureau, which is located in the Sheriff's main operation facility in the Airport area and is responsible for all document management activities as well as processing and clearing arrest warrants, fingerprinting, and registering sex and drug offenders. Other non-sworn support personnel provide staffing for the civil process division, which involves issuing court notices ranging from summons and complaints to restraining orders.



Sheriff's approved operating expenses in 2011-2012 total \$24.15 million.<sup>43</sup> Funding this amount is derived from three key revenue sources. The largest revenue source is the County General Fund, which is expected to cover close to one-half of the current fiscal year total. The remaining one-half of expected funding is to be generated from the Sheriff's contracts with the City of American Canyon and the Town of Yountville for law enforcement services

<sup>41</sup> The County also provides correctional services on behalf of all other local law enforcement agencies in Napa County, which is run independent of the Sheriff and headed by a Board of Supervisors-appointed administrator.

<sup>42</sup> Sheriff reports all vehicles are replaced every 90,000 miles.

<sup>43</sup> The budgeted amount covers general field operations only and does not include expenses tied to special services.

as well as proceeds generated from Proposition 172.<sup>44</sup> Sheriff's overall per capita cost as it relates to its unincorporated and contracted service areas is \$492.

Sheriff also provides specialized law enforcement services that are not otherwise available in Napa County. Full-time specialized services include animal control and drug-related investigations as summarized below.<sup>45</sup>

### ***Animal Services***

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Sheriff's animal services capture strayed or abandoned animals as well as investigate dog bites, dangerous animal sightings, and animal neglect in the unincorporated area.<sup>46</sup> Sheriff is also contracted separately to provide these animal services within the Cities of American Canyon and Napa. Sheriff is not contracted by the Cities of Calistoga, St. Helena, or the Town of Yountville to provide animal services, though Sheriff will respond to reported dog bites in those jurisdictions as a preventative measure against the spread of rabies.<sup>47</sup> This division is currently staffed with five full-time animal service officers and one full-time administrative clerk with services available daily.<sup>48</sup>

### ***Special Investigations Bureau***

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Sheriff's special investigations bureau ("NSIB") is a countywide and multi-agency drug task force supervised and managed by the California Department of Justice Bureau of Narcotic Enforcement. NSIB is staffed by eight employees drawn from the Sheriff, NPD, and County of Napa Probation Department. Funding is shared by the County and the Cities of Calistoga, Napa, and St. Helena along with an annual allocation from the United States Drug Enforcement Administration.<sup>49</sup> NSIB's principle activities include conducting covert investigations in arresting drug offenders as well as seizing contraband with time resources principally dedicated to addressing marijuana and methamphetamine operations.

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<sup>44</sup> Expected service charges from the City of American Canyon and the Town of Yountville in 2011-2012 total \$4.909 million and \$0.834 million, respectively. Expected proceeds from Proposition 172 total \$4.025 million.

<sup>45</sup> Other specialized services provided by the Sheriff include overseeing a civil search and rescue unit consisting of 43 trained volunteers as well as a hazardous devices team comprising three volunteer deputies, all of whom must complete a six week bomb technician course. Sheriff also maintains its own special weapons and tactics (SWAT) team consisting of 14 volunteer deputies responsible for responding to critical incidents in which there is an immediate threat to life and property. SWAT team members must pass extensive interviews and physical tests before joining.

<sup>46</sup> Captured strayed or abandoned animals are delivered to the County's animal shelter, which is run by the County Environmental Management Department.

<sup>47</sup> Sheriff's animal services division adopted budget in 2011-2012 totals \$0.866 million. More than one-fourth of the budgeted amount is expected to be drawn from service charges collected from the Cities of American Canyon and Napa with the remainder provided by the County.

<sup>48</sup> Animal services division is staff seven days a week with one or more officers available between 6:00 AM and 10:00 PM. An on-call officer will respond to emergencies between 10:00 PM and 6:00 AM.

<sup>49</sup> NSIB's adopted budget in 2011-2012 totals \$0.821 million. Close to three-fourths of this amount is funded by the County with the remainder largely shared by the Cities of Calistoga, Napa, and St. Helena.

### Sheriff's Facilities, Transportation Pool, and Personnel/Funding Resources

Table III/X; Source: County Sheriff

Facilities	Location	Size	Built
1) Administration/Operations Main Office	1535 Airport Blvd Napa, CA 94558	38,800 square feet	2005
2) Angwin Regional Office	100 Howell Mountain Road Napa, CA 94558	**** square feet	***
3) Lake Berryessa Regional Office	5520 Knoxville Road Napa, CA 94558	**** square feet	***
4) St. Helena Regional Office	3111 N. Saint Helena Hwy St. Helena, CA 94574	**** square feet	***
5) Yountville Regional Office	1950 Mulberry Street Yountville, CA 94599	**** square feet	***

Marked/Unmarked Vehicles	Motorcycles	Bicycles	Watercrafts	Helicopters
30	7	0	10	0

Sworn Staff	Canines	Support Staff	2010-11 Actual Exp.	2011-12 Adopted Exp.
104	3	28	\$23.35 Million	\$24.15 Million
3.5 / 1,000 Residents	0.1 / 1,000 Residents	1.0 / 1,000 Residents	\$479,014 / 1,000 Residents	\$491,514/ 1,000 Residents

### Department of Corrections

Additionally, and separate from the law enforcement services provided by the Sheriff, the County of Napa Department of Corrections (“Corrections”) is responsible for housing both sentenced and pre-sentenced inmates. Corrections was formed in 1975 and is currently one of three county correctional facilities not operated by its respective sheriff’s department in California. Corrections operates a single jail facility located adjacent to the County’s Administrative Building with a maximum rated capacity of 264 inmates. Staffing currently includes 132 employees divided between four distinct divisions: administration, operations, food services, and building maintenance.<sup>50</sup> Civilian officers currently total 52. A director appointed by the County Board of Supervisors is responsible for managing day-to-day activities and ensuring compliance with minimum statewide standards required by the California Department of Corrections and Rehabilitation.



<sup>50</sup> Corrections adopted a 2011-2012 budget total of \$12.717 million.

## *Demand on Resources*

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### *Sherriff-Coroner's Office*

The Sheriff reports it has experienced an approximate six percent decrease in total annual service calls between 2005-06 and 2009-10. The overall totals produce a relatively high five-year average of 874 calls for every 1,000 residents compared to other local law enforcement agencies.<sup>51</sup> Actual reported crimes experienced a more sizable decrease by declining 13 percent during the same period with the five-year average resulting in 23 reported crimes for every 1,000 residents. Furthermore, with respect to the relationship between service calls and actual reported crimes, service calls for the Sheriff resulted in one reported crime for every 36 service calls.<sup>52</sup>

A summary of service demands on the Sheriff between 2005-06 and 2009-10 follows.

- Approximately 92 percent of all reported crimes for the Sheriff between 2005-06 and 2009-10 are classified as non-violent and involve either property or simple assault offenses. Property offenses account for three-fourths of the total non-violent crimes with the largest contributor involving larceny/theft followed by burglary.<sup>53</sup> Non-violent crimes overall have declined during the period by 14 percent.
- Violent crimes continue to represent a relatively small portion of the overall offense totals (eight percent) despite slightly increasing for the Sheriff by three percent between 2005-06 and 2009-10. Aggravated assault offenses constitute 77 percent of all violent crimes during this period. There have been two murders for the Sheriff during this period; one occurring in 2005-06 and one occurring in 2006-07.
- Clearance rates overall have fluctuated between 2005-06 and 2009-10 from a low of 17 to a high of 44 percent in terms of reported crimes resulting in an arrest or determined to be unfounded. The average overall clearance rate is 28 percent. The clearance rate for violent crimes averages 67 percent and is moderate relative to all local law enforcement agencies.
- Service calls within the Town of Yountville represent approximately eight percent of the average annual totals for the Sheriff.<sup>54</sup> This relationship is nearly identical to the proportion of reported crimes for the Sheriff generated in the Town of Yountville.

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<sup>51</sup> The per 1,000 resident estimates based on Napa County/Yountville's estimated population as of January 1, 2011.

<sup>52</sup> Sheriff totals include service calls and reported crimes for the unincorporated area and Town of Yountville.

<sup>53</sup> Larceny/theft offenses in unincorporated Napa County and Yountville between 2005 and 2009 accounted for 50 percent of all non-violent crimes. Burglaries during this period accounted for 26 percent of all non-violent crimes.

<sup>54</sup> This amount reflects service call data between 2007 and 2009; service call information collected as part of this review for the Sheriff before 2007 do not distinguish between the unincorporated area and Yountville.

- Sheriff's five-year averages between 2005-06 and 2009-10 for violent crimes and property crimes total 55 and 514, respectively. These amounts both fall significantly below the respective national averages of 126 violent crimes and 1,159 property crimes for similarly sized jurisdictional agencies as measured by population during the period.<sup>55</sup>
- Sheriff's five-year averages between 2005-06 and 2009-10 for clearing violent crimes and property crimes are 67 percent and 16 percent, respectively. This clearance rate for violent crimes is significantly higher than the national average of 49 percent for similarly sized jurisdictional agencies as measured by population during the period. Conversely, the clearance rate for property crimes is lower than the national average of 20 percent for similarly sized jurisdictional agencies.

### Sheriff Service Characteristics: Service Calls and Crime Totals

Table III/Y; Source: County Sheriff and United States Department of Justice

Category	2005-06	2006-07	2007-08	2008-09	2009-10	Average	Trend
<b>Service Calls</b>	25,406	26,058	27,913	26,789	23,891	25,748	-6.0%
<b>Total Reported Crimes</b>	670	714	886	744	584	719.6	-12.8%
Violent Crimes	38	52	84	61	39	54.8	+2.6%
Simple Assault Crimes	146	169	176	129	133	150.6	-8.9%
Property Crimes	486	493	626	554	412	514.2	-15.2%
<b>Total Clearances</b>	294	119	266	242	102	204.6	-65.3%
Violent Crimes	24	26	54	53	27	36.8	+12.5%
Simple Assault Crimes	120	24	133	120	30	85.4	-75.0%
Property Crimes	150	69	79	69	45	82.4	-70.0%
<b>Clearances to Crimes %</b>	43.9	16.7	30.0	32.5	17.5	28.1	-60.1%
Violent Crimes	63.2	50.0	64.3	86.9	69.2	66.7	+9.5%
Simple Assault Crimes	82.2	14.2	75.6	93.0	22.6	57.5	-72.5%
Property Crimes	30.9	14.0	12.6	12.5	10.9	16.2	-64.7%

### Sheriff Service Characteristics: Animal Control

Table III/Z; Source: County Sheriff

Category	2006-07	2007-08	2008-09	2009-10	2010-11	Average	Trend
Total Service Calls	n/a	n/a	1,946	2,075	1,578	1,866.3	-18.9%
Loose/Stray Animal Calls	n/a	n/a	622	622	928	724.0	+49.2%
Animals Licensed	n/a	n/a	1,321	1,349	1,300	1,323.3	-1.6%

\* Sheriff began tracking and recording service calls and related information in 2008-2009.

### Sheriff Service Characteristics: Special Investigations Bureau

Table III/AA; Source: County Sheriff

Category	2006-07	2007-08	2008-09	2009-10	2010-11	Average	Trend
Number of Searches	n/a	n/a	143	118	103	121.3	-28.0%
Contraband Seized (grams)	n/a	n/a	4,882	10,906	7,575	7,787.7	+55.2%
Number of Arrests	n/a	n/a	150	122	115	129.0	-23.3%

<sup>55</sup> The comparison against national averages involves law enforcement agencies with service populations ranging between 25,000 and 49,999.

### *Department of Corrections*

Corrections reports it has experienced a four percent decrease in annual bookings between the fiscal years ending in 2007 and 2011. The five-year average is 6,442, which results in nearly 18 bookings per day. Despite the overall decrease in annual bookings, the average daily population has increased during the period by three percent and currently averages 252; an amount that is close to reaching Corrections' rated inmate capacity of 264 and reflects inmates are in holding for longer periods than in previous years.

#### Corrections Characteristics

Table III/BB; Source: County Department of Corrections

Category	2006-07	2007-08	2008-09	2009-10	2010-11	Average	Trend
Total Bookings	6,538	6,317	6,491	6,592	6,271	6,441.8	-4.1%
Average Daily Population	255	245	250	250	262	252.4	+2.7%

## IV. PERTINENT DEMOGRAPHIC CONDITIONS

### 1.0 Growth Factors

Growth trends serve as integral components in influencing the level and range of law enforcement services in local communities. Specifically, information collected and analyzed from national and local law enforcement agencies demonstrates a direct correlation between growth and crime. This section examines this correlation through four distinct though interrelated growth categories pertinent in Napa County: (a) population; (b) density; (c) development; and (d) visitor. This includes assessing these four growth categories relative to recent, current, and future conditions as well as regional comparisons as appropriate.

#### 1.1 Population

##### *Recent and Current Projections*

Local law enforcement agencies currently serve a permanent resident population in Napa County totaling 137,639. This total amount represents close to an eight percent overall increase in permanent residents in Napa County during the last 10 year period despite recent declines. The largest increase in permanent residents during this period occurred between 2002 and 2005 and, as described in greater detail in the succeeding sections, is attributed to a surge in new single-family residential construction. Most notably, there was a 1.5 percent increase between 2002 and 2003 alone, representing a net population addition of 1,898. More recent growth, however, has actually declined over the last two years and is attributed to the economic downturn coupled with incorporating new demographic information generated in the recent census.

Resident Population in Napa County: Past/Current Projections									
Table IV/A; Source: California Department of Finance/Napa LAFCO									
2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
127,918	129,816	131,254	132,314	133,448	134,726	136,276	137,723	138,917	137,639
--	+1.5%	+1.1%	+0.8%	+0.9%	+1.0%	+1.2%	+1.1%	+0.9%	-0.9%

Close to 81 percent of the countywide permanent resident population currently resides in one of the five incorporated cities with nearly nine-tenths of this amount belonging to the Cities of American Canyon and Napa. American Canyon has experienced the largest percentage increase in permanent residents over the last 10 years by rising 75 percent from 11,261 to 19,693; an amount that represents nearly nine-tenths of the overall increase in population for the county as a whole as well as the fourth highest percentage increase among all 101 cities in the Bay Area during this period.<sup>56</sup> Napa remains the largest city and experienced a moderate population increase of one-twentieth during this period rising from 74,054 to 77,464. The remaining three cities as well as the unincorporated area have all experienced a decrease in population over the last 10 years.

*Close to 81% of the county population live in cities with nearly 9/10 of the amount residing in the Cities of American Canyon and Napa.*

<sup>56</sup> Only Brentwood (Contra Costa), Rio Vista (Solano), and Dublin (Alameda) have experienced a larger percentage increase in population than American Canyon based on Department of Finance estimates.

**Resident Population of Local Jurisdictions in Napa County: Past/Current Projections**

Table IV/B; Source: California Department of Finance/Napa LAFCO

Year	American Canyon	Calistoga	Napa	St. Helena	Yountville	Unincorporated	Total
2002	11,261	5,225	74,054	6,013	3,294	28,071	127,918
2003	12,334	5,238	74,736	6,042	3,282	28,184	129,816
2004	13,117	5,177	75,701	5,977	3,259	28,023	131,254
2005	14,197	5,183	75,772	5,960	3,241	27,961	132,314
2006	14,879	5,218	76,094	5,942	3,248	28,067	133,448
2007	15,911	5,253	76,247	5,936	3,271	28,108	134,726
2008	16,241	5,284	76,857	5,905	3,257	28,732	136,276
2009	16,521	5,335	77,917	5,969	3,267	28,714	137,723
2010	16,836	5,370	78,791	6,010	3,257	28,653	138,917
2011	19,693	5,188	77,464	5,849	2,997	26,448	137,639
<i>Annual</i>	+7.5%	-0.1%	+0.5%	-0.3%	-0.9%	-0.6%	+0.8%
<i>Total</i>	+74.9%	-0.7%	+4.6%	-2.7%	-9.0%	-5.8%	+7.6%

In terms of regional context, Napa County's permanent resident population growth rate over the last 10 years exceeds the growth rate for the remaining eight counties comprising the San Francisco Bay Area ("Bay Area") by over two to one or 7.6 to 3.7 percent. Napa County continues to represent a very small portion of the overall Bay Area population, however, despite outperforming the remaining region in recent growth trends. Specifically, Napa County's current population of 137,639 represents less than two percent of the nine county Bay Area total of 7,206,083.

*Napa County's growth rate overall has exceeded the remaining Bay Area 2:1 over the last 10 years.*

**Resident Population of Counties in San Francisco Bay Area: Past/Current Projections**

Table IV/C; Source: California Department of Finance/Napa LAFCO

Year	Alameda	Contra Costa	Marin	Napa	San Francisco	San Mateo	Santa Clara	Solano	Sonoma
2002	1,482,473	981,614	249,773	127,918	793,086	714,453	1,715,329	408,430	468,379
2003	1,490,072	993,766	250,402	129,816	797,992	715,898	1,726,183	412,837	470,738
2004	1,494,675	1,005,678	250,789	131,254	801,753	717,653	1,738,654	416,299	473,516
2005	1,498,967	1,016,407	251,586	132,314	806,433	720,042	1,753,041	418,876	475,536
2006	1,506,176	1,025,509	252,921	133,448	812,880	722,994	1,771,610	420,514	476,659
2007	1,519,326	1,035,322	254,527	134,726	823,004	728,314	1,798,242	422,477	478,662
2008	1,537,719	1,048,242	256,511	136,276	835,364	736,951	1,829,480	424,397	482,297
2009	1,556,657	1,060,435	258,618	137,723	845,559	745,858	1,857,621	426,729	486,630
2010	1,574,857	1,073,055	260,651	138,917	856,095	754,285	1,880,876	427,837	493,285
2011	1,521,157	1,056,064	254,692	137,639	812,820	724,702	1,797,375	414,509	487,125
<i>Annual</i>	+0.3%	+0.8%	+0.2%	+0.8%	+0.3%	+0.1%	+0.5%	+0.2%	+0.4%
<i>Total</i>	+2.6%	+7.7%	+2.0%	+7.6%	+2.5%	+1.4%	+4.8%	+1.5%	+4.0%

**Future Projections**

It is reasonable to assume the rate of population growth within each local jurisdiction in Napa County over the next five years will correspond with percentage changes that have occurred between 2008 and 2010 according to the California Department of Finance. This approach presumes the economic downturn that began in earnest in 2008 will continue into the near-term and depress new development. It also presumes the percentage change in growth in the most recent calendar year (2011) is largely an anomaly and attributed to the California Department of Finance’s practice of recalibrating their population projections every 10 years following the latest census release.

*It is reasonable to assume the rate of new growth in the near-term will mirror percentage changes between 2008 and 2010.*

With the preceding assumptions in mind, it is anticipated overall permanent resident population growth in Napa County will slightly decrease from its current annual estimate of 0.8% to 0.5%. This would increase the overall resident population from 137,639 to 142,143 by 2016; a difference of 4,504.<sup>57</sup> Close to three-fourths of this projected new population will occur in Napa with the remaining one-quarter allocated to American Canyon. The remaining local jurisdictions – Calistoga, St. Helena, Yountville, and the unincorporated area – are expected to experience either minimal, zero, or negative growth.

*It is projected Napa County’s overall growth rate will decrease from its current annual estimate of 0.8% to 0.5%; resulting in a countywide population of 142,143 by 2016.*

Resident Population of Local Jurisdictions: Future Projections							
Table IV/D; Source: California Department of Finance/Napa LAFCO							
Year	American Canyon	Calistoga	Napa	St. Helena	Yountville	Unincorporated	Total
2012	19,933	5,216	78,114	5,884	2,997	26,424	138,528
2013	20,177	5,244	78,769	5,919	2,997	26,400	139,423
2014	20,423	5,273	79,430	5,954	2,997	26,375	140,324
2015	20,673	5,302	80,096	5,989	2,997	26,351	141,230
2016	20,925	5,330	80,768	6,024	2,997	26,327	142,143
<i>Annual</i>	+1.0%	+0.4%	+0.7%	+0.5%	0.0%	-0.1%	+0.5%
<i>Total</i>	+5.0%	+2.2%	+3.4%	+2.4%	0.0%	-0.4%	+2.6%

**1.2 Density**

As already referenced, another key measurement of growth involves density and its relationship between permanent residents and land area. In particular, the measurement of density helps to influence the type and level of law enforcement services for a community with denser areas generally necessitating more policing than less populated areas. The latter statement emphasizes the inherent correlation between population and crime. There is also a direct correlation between increases in density of a community and crime.

*There is a direct correlation between increases in population and crime; there is also a direct correlation between community densities and crime totals.*

<sup>57</sup> The five-year projected timeframe corresponds with the municipal service review cycle period.

Napa and American Canyon are the densest local jurisdictions in Napa County with 4,256 and 3,581 permanent residents, respectively, for every square mile. Calistoga, St. Helena, and Yountville have a density range approximately half of these amounts at respectively 1,995, 1,147, and 1,998. The unincorporated area is by far the least dense local jurisdiction with only 35 residents for every square mile.

<b>Resident to Square Mile Densities of Local Jurisdictions in Napa County</b>			
Table IV/E; Source: California Department of Finance/Napa LAFCO			
<b>Jurisdiction</b>	<b>Population</b>	<b>Land Area (Square Miles)</b>	<b>Permanent Residents Per Square Mile</b>
American Canyon	19,693	5.5	3,580.5
Calistoga	5,188	2.6	1,995.4
Napa	77,464	18.2	4,256.3
St. Helena	5,849	5.1	1,146.9
Yountville	2,997	1.5	1,998.0
Unincorporated	26,448	755.4	35.0
<i>Average</i>	<i>22,939.8</i>	<i>131.4</i>	<i>174.6</i>

Napa County as a whole remains sparsely populated relative to the Bay Area in terms of permanent resident densities. Napa County currently averages 175 residents for every square mile. The remaining eight Bay Area counties, comparatively, average nearly six times this amount with 1,097 residents for every square mile.

<b>Resident to Square Mile Densities of Counties in San Francisco Bay Area</b>			
Table IV/F; Source: California Department of Finance/Napa LAFCO			
<b>County</b>	<b>Population</b>	<b>Land Area (Square Miles)</b>	<b>Permanent Residents Per Square Mile</b>
Alameda	1,521,157	738.0	2,061.2
Contra Costa	1,056,064	802.2	1,316.5
Marin	254,692	606.0	420.3
Napa	137,639	788.3	174.6
San Francisco	812,820	49.0	16,588.2
San Mateo	724,702	449.1	1,613.7
Santa Clara	1,797,375	1,315.0	1,366.8
Solano	414,509	909.4	455.8
Sonoma	487,125	1,573.5	309.6
<i>Average</i>	<i>800,676</i>	<i>803.4</i>	<i>996.6</i>

### 1.3 Development

Consistent with most metropolitan suburbs, the predominant development use among local jurisdictions in Napa County remains residential with commercial a distant second. (Industrial uses are relatively limited to an approximate 4.6 square mile area adjacent to the Napa County Airport and overlap the jurisdictions of the County and American Canyon.)

The rate of residential development among all local jurisdictions has considerably slowed over the last 10 year period; a trend directly attributed to the collapse of the “housing bubble” and subsequent downturn in the national and local economy.

*The rate of new residential development among all local jurisdictions has considerably slowed over the last 10 year period.*

Estimates prepared by the California Department of Finance indicate an overall 10 percent increase in the total number of housing unit development among all local jurisdictions in Napa County over the last 10 years rising from 49,713 to 54,882. However, the rate of this growth has sharply decreased with nearly two-thirds of the total number of new housing unit development occurring in the first five years and the remaining one-third taking place in the last five years. More than four-fifths of all new housing unit development during this period belongs to American Canyon (43 percent) and Napa (37 percent).

*More than four-fifths of all new housing unit development in Napa County since 2002 belongs to American Canyon (43%) and Napa (37%).*

#### Total Housing Unit Development Within Local Jurisdictions: Recent/Current

Table IV/G; Source: California Department of Finance/Napa LAFCO

Year	American Canyon	Calistoga	Napa	St. Helena	Yountville	Unincorporated	Total
2002	3,765	2,256	28,245	2,726	1,159	11,562	49,713
2003	4,125	2,260	28,489	2,737	1,163	11,629	50,403
2004	4,448	2,263	29,246	2,743	1,164	11,674	51,538
2005	4,844	2,278	29,433	2,750	1,165	11,739	52,209
2006	5,109	2,307	29,735	2,758	1,177	11,855	52,941
2007	5,481	2,329	29,874	2,762	1,194	11,903	53,543
2008	5,591	2,341	30,094	2,745	1,195	11,984	53,950
2009	5,635	2,342	30,232	2,749	1,194	12,028	54,180
2010	5,708	2,343	30,388	2,751	1,197	11,961	54,348
2011	6,018	2,319	30,176	2,775	1,280	12,314	54,882
<i>Change</i>	<i>+59.8%</i>	<i>+2.8%</i>	<i>+6.8%</i>	<i>+1.8%</i>	<i>+10.4%</i>	<i>+6.5%</i>	<i>+10.4%</i>

Napa County remains predominantly rural given an estimated 95 percent of its total land area currently categorized as undeveloped or greenfield.<sup>58</sup> The rate of greenfield development over the last 10 years countywide has increased by one percent raising the total land dedicated for urban use from 21,110 to 23,557. The average annual conversion of land from non-urban to urban use is 220 acres with the majority of the transitions occurring in the south county.

*Napa County remains predominantly rural given an estimated 95 percent of its total land area currently categorized as undeveloped or greenfield.*

<sup>58</sup> For purposes of this report, “greenfield” is defined as land that has not been developed or used for any purpose other than farm land, graze land, or other passive usage.

Recent Greenfield Development Projects in Napa County		
Table IV/H; Source: California Department of Conservation/Napa LAFCO		
Project Name	Acreage	Jurisdiction
Villagio Inn and Spa (1998-00)	5.0	Yountville
Napa Valley Gateway Business Park (1998-00)	150.0	Napa
La Vigne Subdivision (2000-02)	130.0	American Canyon
Capriana Subdivision (2002-04)	20.0	Napa
Eucalyptus/Gladwell Subdivision (2002-04)	75.0	American Canyon
Central Valley Distribution Warehouses (2002-04)	20.0	American Canyon
Vintage Ranch Subdivision I (2004-06)	90.0	American Canyon
Solage Resort (2006-08)	35.0	Calistoga
Meritage Resort (2006-08)	15.0	Napa
Vintage Ranch Subdivision II (2006-08)	75.0	American Canyon
Napa Junction Shopping Center (2006-08)	40.0	American Canyon
California Freight Sales Warehouses (2006-08)	10.0	American Canyon
Calistoga Ranch Resort (2006-08)	15.0	Calistoga
Hanna Court Business Center (2008-10)	20.0	American Canyon
Kendall-Jackson/Biagi Distribution (2008-10)	17.0	American Canyon
American Canyon High School (2008-10)	50.0	American Canyon
Springhill Suites Marriott (2008-10)	5.0	County

Napa County is the least developed county in the Bay Area in terms of the percentage of total land area used for urban purposes. The average percent of land developed for urban use among the eight other Bay Area counties is 29 percent with a high of 100 percent in San Francisco and a low of seven percent in Sonoma.<sup>59</sup> The remaining Bay Area counties overall have increased their collective allocation of land dedicated for urban use by four percent during the 10 year period.

Bay Area Counties: % Developed	
Table IV/ I	
County	% Developed
San Francisco	100%
Contra Costa	30%
Alameda	28%
Santa Clara	23%
San Mateo	20%
Marin	11%
Solano	10%
Sonoma	7%
Napa	5%

## 1.4 Visitor

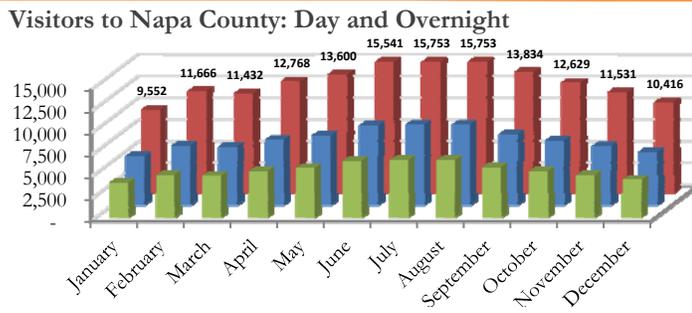
### Current Conditions

Visitors are an integral component in supporting Napa County's economy and create additional and unique demands on local law enforcement agencies. The volume of visitors during peak tourist periods (June through August), in particular, significantly increases the day population in the county by an estimated 10 percent with the addition of 15,753 daytime tourists. Most notably, a recent economic study estimated 4.7 million day visits during one calendar year with close to three-fifths of the amount resulting in one or more overnight stays; the latter producing an average overnight visitor population in peak periods of 9,217.<sup>60</sup>

*It is estimated the average overnight visitor population in Napa County during peak tourist season is 9,217.*

<sup>59</sup> San Francisco County includes expansive parklands, most notably Golden Gate Park, that are categorized as urban given the approximate 1,000 acre site is largely dedicated to civic facilities.

<sup>60</sup> Information on one-day and overnight visits are generated from *Napa County Visitor Profile and Economic Impact Study* (March 2006). For purposes of this review, LAFCO staff incorporated the baseline information included in the referenced economic study coupled with updated total lodging information along with making certain independent assumptions. Independent assumptions include: (a) the increased number of lodging guestrooms since 2006 has been effectively canceled out by the downturn in the economy in terms of any increases in one-day and overnight visits; (b) an



Visitor growth as measured by lodging rooms has increased in Napa County over the last five years by close to one-fourth from 3,582 to 4,400. More than two-thirds of the lodging rooms are located either in the City of Napa (46 percent) or the unincorporated area (22 percent). American Canyon has experienced the largest percentage increase in lodging rooms over the five-year period by increasing nearly three-fold by an additional 233 guestrooms.

Lodging Units Within Local Jurisdictions: Recent/Current				
Table IV/j; Source: NCLOG/Napa LAFCO/Napa Valley Destination Council				
Jurisdiction	2005	2010	% Change	Estimated Visitor Total at Full Occupancy
American Canyon	80	313	+291.3%	783
Calistoga	618	490	-20.7%	1,225
Napa	1,489	2,007	+34.8%	5,018
St. Helena	202	209	+3.5%	523
Yountville	347	423	+21.9%	1,058
Unincorporated	846	958	+13.2%	2,395
<b>Total</b>	<b>3,582</b>	<b>4,400</b>	<b>+22.8%</b>	<b>11,000</b>

\* Estimated visitor amounts assume 2.5 persons per lodging guestroom.

**Future Conditions**

There are 12 additional projects have been approved by local land use authorities and if constructed would generate an additional 1,363 guestrooms in Napa County. This includes Napa’s existing approval of two new luxury resorts (Ritz Carlton and St. Regis) that would add 526 guestrooms in the City.<sup>61</sup> All told, these 12 projects would have the potential to generate an estimated 3,408 additional overnight

There are 12 additional project approvals that would increase a total number of guestrooms in Napa County by nearly one-third if constructed.

average of 2.5 persons per lodging guestroom; (c) peak occupancy rate of 85% in July and August; and (d) an overall average year occupancy rate of 70%.

<sup>61</sup> The other 10 projects include two County approvals for a new luxury resort and conference center (Montalcino) in the Napa County Airport Area with 379 guestrooms along with an eight room expansion to an existing hotel in the Carneros region (Carneros Inn). Six additional City of Napa approvals involve hotels and expansions (California Boulevard Hotel, Eliza Yount Mansion Inn, La Residence, Milliken Creek Inn Expansion, Soscol Hotel, and Meritage Inn Expansion) would result in 305 new guestrooms. The remaining two projects involve St. Helena approvals for two new hotels (Grandview and Vineland Station) that would result in an additional 95 guestrooms. There are no existing approvals for new hotels or expansions to existing hotels within American Canyon, Calistoga, and Yountville.

visitors at full occupancy; an increase of nearly one-third over the current guestroom capacity.

## 2.0 Socioeconomic Factors

Similar to population and development growth, socioeconomic factors play important roles in underlying local law enforcement services. This includes, in particular, the relationship between how economics and employment conditions interplay with the amount of crime occurring within local communities. The inferred correlation being communities with higher income and lower unemployment levels on average will experience less crime than communities characterized by lower income and higher unemployment levels. This section examines this correlation through two distinct and interrelated socioeconomic factors within Napa County: (a) employment rates and (b) household income levels. This includes assessing these two socioeconomic factors relative to recent, current, and future conditions as well as regional comparisons as appropriate.

*Socioeconomic factors play important roles in underlying local law enforcement services specifically as it relates to employment and income conditions.*

### 2.1 Employment Rates

Most recent labor reports indicate approximately 8.5 percent of the overall labor force in Napa County is currently unemployed.<sup>62</sup> Markedly, this current unemployment rate reflects an overall five percent increase over the last five years. American Canyon presently holds the largest unemployment rate among local jurisdictions at 13.5 percent; the unincorporated area presently holds the lowest unemployment rate at 5.4 percent. All five cities have experienced a doubling of their unemployment rate since 2006.

*All five cities in Napa County have experienced a doubling of their unemployment rate over the last five years.*

#### Employment Rates Among Local Jurisdictions: Recent/Current

Table IV/K; Source: CA Employment Development Department/Napa LAFCO

Category	American Canyon	Calistoga	Napa	St. Helena	Yountville	Unincorporated	Total
2006 Unemployment Rate	6.3%	3.1%	4.0%	4.2%	2.8%	3.7%	3.9%
Labor Force	5,300	2,900	42,800	3,500	1,200	16,200	71,900
Total Employed	5,000	2,800	41,100	3,400	1,200	15,600	69,100
Total Unemployed	300	100	1,700	100	0	600	2,800
2011 Unemployment Rate	13.5%	6.8%	8.9%	9.1%	6.2%	5.4%	8.5%
Labor Force	5,800	3,100	45,200	3,700	1,300	16,600	75,700
Total Employed	5,000	2,800	41,200	3,400	1,200	15,700	69,300
Total Unemployed	800	200	4,000	300	100	900	6,400
5-Year Difference	+114%	+119%	+123%	+117%	+121%	+46%	+118%

\* Labor force is calculated by adding the number of employed individuals within a local jurisdiction to the number of unemployed individuals actively seeking employment within the same jurisdiction.

<sup>62</sup> Unemployment information provided by the California Employment Development Department. This agency collects and reports labor force, employment, and unemployment information for each local jurisdiction within Napa County and includes two "Census Designated Places" (CPDs); Angwin and Deer Park. Data for 2011 is currently preliminary.

Napa County as a whole remains relatively sound in terms of its countywide unemployment rates compared to the rest of the Bay Area. Napa County currently averages 85 unemployed persons for every 1,000 members of its labor force. The remaining eight Bay Area counties, comparatively, average slightly more than this amount with 94 unemployed persons for every 1,000 members of their aggregate labor force.

<b>Employment Rates Among San Francisco Bay Area Counties: Current</b>				
Table IV/L; Source: CA Employment Development Department/Napa LAFCO				
County	Labor Force	Total Employed	Total Unemployed	Unemployment Rate
Alameda	750,500	674,100	76,400	10.2%
Contra Costa	518,800	466,500	52,300	10.1%
Marin	132,500	122,700	9,800	7.4%
Napa	75,700	69,300	6,400	8.5%
San Francisco	459,600	421,700	37,900	8.3%
San Mateo	375,300	345,200	30,000	8.0%
Santa Clara	889,700	804,400	85,300	9.6%
Solano	212,800	189,300	23,500	11.0%
Sonoma	254,800	230,900	23,900	9.4%
<i>Average</i>	<i>407,744.4</i>	<i>369,344.4</i>	<i>38,388.9</i>	<i>9.4%</i>

## 2.2 Household Income Levels

Data collected from the last two Census publications identifies the average median household income in Napa County is currently \$66,970 and represents nearly a 30 percent increase over the last 10 year period. The data also shows that an estimated 8.6 percent of the overall countywide population is presently living in poverty with the largest proportional allocation residing in Napa at 11.0 percent. American Canyon, conversely, has the lowest poverty rate among local jurisdictions at 3.5 percent. The poverty rate overall has increased slightly by 0.3 percent over the 10 year period.

*The average median household income in Napa County has increased by 30% over the last ten years to \$66,970. The poverty rate is currently at 8.6%.*

<b>Household Income Levels Within Local Jurisdictions</b>					
Table IV/M; Source: US Census Bureau/Napa LAFCO					
Jurisdiction	Population	2009 Median Household Income	1999 Median Household Income	2009 Poverty Level	1999 Poverty Level
American Canyon	19,693	\$78,718	\$52,105	3.5%	8.8%
Calistoga	5,188	\$52,393	\$44,375	6.3%	8.0%
Napa	77,464	\$64,180	\$49,154	11.0%	8.9%
St. Helena	5,849	\$70,900	\$58,902	5.3%	6.4%
Yountville	2,997	\$69,028	\$46,944	5.2%	7.3%
Unincorporated	26,448	\$68,416	n/a	9.7%	6.8%
<i>Countywide Total</i>	<i>137,639</i>	<i>\$66,970</i>	<i>\$51,738</i>	<i>8.6%</i>	<i>8.3%</i>

Napa County as a whole has the second lowest median household income compared to the other eight Bay Area counties. Napa County currently averages \$66,970 per household; approximately 13 percent lower than the aggregate median household income for the remaining eight counties in the region. Napa County's poverty rate also remains relatively low compared to the other eight Bay Area counties.

### Household Income Levels of Counties in San Francisco Bay Area

Table IV/N; Source: US Census Bureau/Napa LAFCO

County	Population	2009 Median Household Income	1999 Median Household Income	2009 Poverty Level	1999 Poverty Level
Alameda	1,521,157	\$68,863	\$55,946	10.8%	11.0%
Contra Costa	1,056,064	\$77,838	\$63,675	9.5%	7.6%
Marin	254,692	\$87,728	\$71,306	7.3%	6.6%
Napa	137,639	\$66,970	\$51,738	8.6%	8.3%
San Francisco	812,820	\$70,040	\$55,221	11.7%	11.3%
San Mateo	724,702	\$84,426	\$70,819	7.6%	5.8%
Santa Clara	1,797,375	\$85,569	\$74,335	9.1%	7.5%
Solano	414,509	\$67,920	\$54,099	10.7%	8.3%
Sonoma	487,125	\$63,848	\$53,076	9.5%	8.1%
<i>Average</i>	<i>800,676</i>	<i>\$74,800</i>	<i>\$61,135</i>	<i>9.4%</i>	<i>8.3%</i>

## V. LAW ENFORCEMENT SERVICE MEASUREMENTS

### 1.0 Capacities

The ability of law enforcement agencies to adequately accommodate demands is directly dependent on certain key planning factors that collectively capacitate the level and range of services provided. These planning factors are generally determined on an annual or biannual basis by the agency's respective governing board relative to perceived community needs paired with available resources. This section examines this relationship through three distinct and interrelated capacity categories: (a) financial resources; (b) staffing levels; and (c) facilities and equipment. This includes assessing these capacity categories relative to recent, current, and future conditions as well as regional comparisons as appropriate.

#### 1.1 Financial Resources

The financial resources of law enforcement agencies represent the most important capacity factor with regard to their ability to adequately address service demands. This factor is highlighted by the importance of the revenue to expense relationship and proportional impact of law enforcement costs on agency-wide resources. Other pertinent financial considerations relevant to assessing the present and future level of law enforcement include per capita expenses and availability of reserves.

#### *Revenues and Expenses*

Nearly all funding for law enforcement services provided by the five local agencies in Napa County subject to this review is generated from discretionary general tax revenues collected by the respective governing bodies, commonly referred to as "general fund" monies.<sup>63</sup> The principal general tax revenue source for all of the affected agencies is predominantly property followed either by sales or transient-occupancy. Over the last five years, general fund monies collected by the affected agencies have increased by an average of 2.6 percent annually rising from an estimated total of \$323.398 to \$365.889 million. Significant increases in property tax revenues combined with moderate increases in transient-occupancy tax revenues underlie the overall increase despite sizeable decreases in sales tax revenues.

*General fund monies collected by the five local agencies have increased by an annual average of 2.6% over the last five years.*

<sup>63</sup> A key exception relates to the County and its reimbursement for contracted law enforcement services with American Canyon and Yountville. All five local agencies also receive some annual funding from federal and state grant programs.

**General Fund Revenue Source Totals Among Local Jurisdictions: Recent**  
Table V/A; Source: Agency Comprehensive Annual Financial Reports and Budgets/Napa LAFCO

General Fund Revenues	American Canyon	Calistoga	Napa	St. Helena	County	Total
<b>2010-11 (Millions)</b>						
Property Tax	\$7.391	\$1.686	\$21.436	\$2.901	\$84.196	\$117.610
Sales Tax	\$1.930	\$0.739	\$11.583	\$2.139	\$5.142	\$21.533
Transient-Occupancy Tax	\$0.600	\$3.432	\$9.161	\$1.257	\$8.299	\$22.749
Year-End Total	\$14.985	\$7.069	\$56.904	\$8.028	\$278.903	\$365.889
<b>2009-10 (Millions)</b>						
Property Tax	\$7.133	\$1.655	\$23.111	\$2.722	\$91.575	\$126.196
Sales Tax	\$1.928	\$0.671	\$11.559	\$2.092	\$16.795	\$33.045
Transient-Occupancy Tax	\$1.104	\$3.042	\$8.242	\$1.193	\$8.301	\$21.882
Year-End Total	\$11.755	\$9.740	\$58.188	\$8.176	\$251.060	\$338.919
<b>2008-09 (Millions)</b>						
Property Tax	\$7.229	\$1.710	\$23.251	\$2.577	\$85.734	\$120.501
Sales Tax	\$2.276	\$0.843	\$13.288	\$2.608	\$28.460	\$47.475
Transient-Occupancy Tax	\$1.068	\$3.209	\$8.242	\$1.310	\$9.371	\$23.200
Year-End Total	\$22.552	\$12.078	\$62.363	\$8.979	\$252.051	\$358.023
<b>2007-08 (Millions)</b>						
Property Tax	\$7.165	\$1.461	\$23.365	\$2.530	\$75.713	\$110.234
Sales Tax	\$2.447	\$0.820	\$13.502	\$1.970	\$31.188	\$49.927
Transient-Occupancy Tax	\$1.043	\$3.402	\$8.725	\$1.537	\$10.810	\$25.517
Year-End Total	\$17.280	\$11.040	\$65.644	\$9.313	\$244.105	\$347.382
<b>2006-07 (Millions)</b>						
Property Tax	\$6.416	\$1.329	\$21.267	\$2.257	\$69.224	\$100.493
Sales Tax	\$1.277	\$0.556	\$13.695	\$2.533	\$30.598	\$48.659
Transient-Occupancy Tax	\$0.784	\$2.522	\$7.779	\$1.493	\$9.654	\$22.232
Year-End Total	\$12.869	\$5.019	\$60.216	\$8.204	\$237.090	\$323.398

Calistoga has experienced the largest increase in general fund monies over the last five years among the affected agencies with its composite total rising by approximately 40 percent from an estimated \$5.019 to \$7.069 million; an increase highlighted by a one-third rise in transient-occupancy tax proceeds. American Canyon and the County have also experienced increases in their composite general fund monies during this period with their respective percentage changes both rising by slightly less than one-fifth. Napa and St. Helena, conversely, have both experienced small decreases in their composite general fund monies during this period primarily as a result of sales tax losses.

**General Fund Revenue Trends:**  
FY2007 to FY2011  
Table V/B

Calistoga	+40.8%
County of Napa	+17.6%
American Canyon	+16.4%
St. Helena	-2.1%
Napa	-5.3%

Similar to revenue changes in general fund monies, law enforcement expenses among the affected agencies have also increased over the last five years by a composite average of 3.1 percent annually rising from \$45.36 to \$52.36 million. The increase in personnel costs underlies the rise in expenses with the largest single year change occurring in 2008-2009 as most of the agencies began funding other post-employment benefit costs as required by the Government Accounting Standards Board.<sup>64</sup>

*Law enforcement expenses among the five local agencies have increased by a composite average of 3.1% over the last five years.*

<sup>64</sup> Government Accounting Standards Board (GASB) Statement 45 was initially established in 2004 and requires governmental entities to recognize the cost of other post-employment benefits, such as retiree healthcare, when they are earned rather than when they are paid.

<b>Law Enforcement Expenditures Within Local Jurisdictions: Recent</b>						
Table V/C; Source: Agency Comprehensive Annual Financial Reports and Budgets/Napa LAFCO						
Jurisdiction	2006-07	2007-08	2008-09	2009-10	2010-11	Average
American Canyon	\$3.19	\$3.74	\$5.29	\$5.25	\$5.26	\$4.55
Calistoga	\$1.85	\$2.09	\$2.20	\$2.20	\$1.74	\$2.02
Napa	\$17.82	\$18.63	\$20.58	\$20.68	\$19.06	\$19.35
St. Helena	\$2.27	\$2.55	\$2.55	\$2.55	\$2.35	\$2.45
County: Sheriff	\$20.23	\$20.54	\$22.77	\$22.79	\$23.35	\$21.94
<i>Countywide Total</i>	<i>\$45.36</i>	<i>\$47.55</i>	<i>\$53.39</i>	<i>\$53.47</i>	<i>\$52.36</i>	<i>\$50.43</i>

*Amounts in millions*

### ***Relationship to Total General Fund Expenses***

Also of significance, as reflected in the preceding paragraph, the rate of increases in local law enforcement expenses in Napa County has exceeded the rate of new general fund revenues among the affected agencies during the last five years by nearly one-fifth or 20 percent. The end result of this ongoing trend is that all five affected agencies have experienced sizeable increases in the percentage of their general fund monies being dedicated to law enforcement services. This trend is particularly evident with respect to the cities as all four are now budgeting between 28 and 37 percent of their general fund monies to support law enforcement services in the current fiscal year.

### **Current Percentage of General Fund Monies Budgeted to Law Enforcement**

Table V/D; Source: Napa LAFCO

American Canyon	Calistoga	Napa	St. Helena	County of Napa
34%	37%	28%	31%	11%

### ***Per Capita Expenses***

The County Sheriff has averaged the highest per capita expense for law enforcement services over the last five years at \$453 among the five affected agencies. This amount, however, is artificially inflated given there is no practical method of adjusting to account for the cost recovery associated with its service contracts with American Canyon and Yountville. Among the cities, there is a sizeable cost difference as measured by per capita law enforcement expenses between the north valley and south valley cities with the latter group incurring a cost savings of over one-half relative to the former group.

### **Average Law Enforcement Expense Per Capita: FY2007 to FY2011**

Table V/E; Source: Napa LAFCO

County: Sheriff	\$453
St. Helena	\$413
Calistoga	\$381
American Canyon	\$266
Napa	\$250

American Canyon has experienced the largest percentage change in its per capita law enforcement cost by rising 34 percent over the last five years; an amount that exceeds the percentage change in its population by two-fifths. County Sheriff, Napa, and St. Helena have also experienced moderate increases in their per capita law enforcement expenses ranging between 5 and 11 percent during the period. Calistoga is the only local agency that has experienced an actual decline in its per capita law enforcement expense as reflected by its 5 percent decrease.

### **Changes in Law Enforcement Per Capita Costs: FY2007 to FY2011**

Table V/F; Source: Napa LAFCO

American Canyon	+33.5%
County: Sheriff	+11.0%
St. Helena	+5.2%
Napa	+5.1%
Calistoga	-4.8%

## Agency Reserves

Almost all of the five affected agencies providing local law enforcement services in Napa County with the exception of American Canyon have experienced precipitous declines in their general fund reserves over the last audited fiscal years. The decline is directly attributed to a reduction in general fund revenues – namely sales tax and miscellaneous service fees – associated with the downturn in the economy and has led to a composite decline of 19%. This trend has had a particular negative effect on the portion of the affected agencies' fund balances that are either set aside for unreserved/undesignated and or emergency/contingency purposes; the portion of the fund balance that could be immediately accessed to absorb law enforcement overruns.

Calistoga has experienced the largest percentage decrease in audited general fund reserves declining by nearly (50%) between fiscal years 2006 and 2010 from \$1.8 to \$0.9 million; an amount equaling only one month of generally operating expenses. St. Helena, Napa, and the County follow with declines in their audited general fund reserves during the five year period at (44%), (33%), and (17%), respectively. American Canyon, conversely, experienced a positive change in its general fund reserve over the five year period by increasing 24%.

Changes in Local Agencies' Audited General Fund Reserves						
Table V/G; Source: Affected Agencies' CAFRs						
Agency	2005-06	2006-07	2007-08	2008-09	2009-10	Change
American Canyon	\$8.119	\$7.963	\$10.977	\$11.327	\$10.074	+24%
Calistoga	\$1.793	\$1.886	\$1.711	\$1.389	\$0.933	-47%
Napa	\$20.881	\$28.344	\$26.779	\$18.081	\$13.872	-33%
St. Helena	\$4.195	\$5.173	5.651	\$5.257	\$2.33	-44%
County of Napa	\$73.954	\$75.127	\$49.971	\$50.967	\$61.374	-17%

*Amounts in millions*

## 1.2 Staffing Levels

Staffing levels among local law enforcement agencies are generally divided between two distinct categories: sworn officers and support personnel. It is common practice for most local law enforcement agencies that their sworn officers represent a significantly larger portion of their overall staffing compared to their support personnel and are typically the most likely group to have interactions with the general public. Nonetheless, support personnel appear to be assuming larger responsibilities within law enforcement agencies as part of a national trend towards “community policing” in which there is a greater emphasis on organizing and managing citizen engagement.

### Combined Personnel Totals

The five local agencies in Napa County subject to this review employ 266 law enforcement personnel divided between 187 sworn officers and 79 support staff.<sup>65</sup> This aggregate total has remained the same, markedly, over the last five years with the only changes limited to increasing the number of

*Total number of actual law enforcement personnel among the five agencies has remained the same over the last five years.*

<sup>65</sup> Personnel totals as of June 30, 2011.

sworn officers by six with a matching decrease in support staff. The current total produces a composite breakdown in which 70% of local law enforcement personnel within the five affected agencies are sworn officers.

All five affected agencies have experienced some change in the number and division of their law enforcement personnel. Three agencies have experienced a net increase in law enforcement personnel and include the County Sheriff (six), American Canyon (one), and Calistoga (one). The remaining two agencies, Napa (seven) and St. Helena (one), in turn, have decreased their law enforcement personnel.

#### Law Enforcement Personnel Within Local Jurisdictions: Recent

Table V/H; Source: FBI Uniform Crime Reports

Jurisdiction	2006-07		2007-08		2008-09		2009-10		2010-11	
	Sworn/Support									
American Canyon	22	3	22	3	22	3	23	3	23	3
Calistoga	10	4	11	4	11	4	11	4	11	4
Napa	71	43	69	42	74	41	71	43	66	41
St. Helena	12	4	13	4	12	4	12	4	11	4
County: Sheriff	66	31	71	27	76	28	73	28	76	27
<i>Totals:</i>	<i>181</i>	<i>85</i>	<i>186</i>	<i>80</i>	<i>195</i>	<i>80</i>	<i>190</i>	<i>82</i>	<i>187</i>	<i>79</i>
<i>Personnel Division:</i>	<i>(68%)</i>	<i>(32%)</i>	<i>(70%)</i>	<i>(30%)</i>	<i>(71%)</i>	<i>(29%)</i>	<i>(70%)</i>	<i>(30%)</i>	<i>(70%)</i>	<i>(30%)</i>

\* Preceding totals represent *actual* filled positions; budgeted numbers may differ

\* County Sheriff totals exclude sworn officers assigned by contract to American Canyon

#### Sworn Officers Relative to Population

A common measurement for law enforcement agencies with respect to quantifying the relationship between staff and service population is to consider the number of *sworn officers* for every 1,000 persons residing in their respective jurisdictions (emphasis added). Although no national standard exists, the current composite total for law enforcement agencies in the western United States are 1.84 sworn officers for every 1,000 residents.<sup>66</sup>

Average Sworn Officers/1,000:  
FY2007 to FY2011  
Table V/I; Source Napa LAFCO

Calistoga	2.0
St. Helena	2.0
County Sheriff	1.5
American Canyon	1.3
Napa	0.9

The composite range among the five affected agencies Napa County over the last five years has been relatively stagnant from a low of 1.34 to a high of 1.42 sworn officers for every 1,000 residents. Within the individual local agencies, Calistoga and St. Helena have both averaged the highest number of sworn officers for every 1,000 residents over the last five years at 2.0. County Sheriff, American Canyon, and Napa follow with an average number of sworn officers for every 1,000 residents of 1.5, 1.3, and 0.9, respectively.

*The ratio of sworn officers per 1,000 residents in Napa County falls within the bottom one-third of the entire Bay Area region.*

<sup>66</sup> The composite average for law enforcement agencies in the western United States showing 1.84 sworn officers per 1,000 residents derived from the Department of Justice's Uniform Crime Report for 2010, Table 71.

The overall ratio of sworn officers for every 1,000 residents among the five affected agencies in Napa County is currently 1.35. This amount falls within the bottom one-third of the entire nine county Bay Area region and ahead of only Alameda and Solano.

<b>Current Sworn Officers / 1,000 Residents Among Bay Area Counties</b>	
Table V/J; Source: FBI 2010 Uniform Crime Reports / Napa LAFCO	
<b>County</b>	<b>Ratio</b>
San Francisco	3.80
Sonoma	1.68
Marin	1.62
Contra Costa	1.52
San Mateo	1.51
Santa Clara	1.46
Napa	1.35
Solano	1.22
Alameda	1.14

### ***1.3 Facilities and Equipment***

This subsection will be prepared as part of the complete draft report.

## **2.0 Demands**

Demands on law enforcement continue to serve as important indicators with respect to assessing the capacity of affected agencies in protecting and serving their respective communities. Most notably, although not an exclusive connection, an underlying principle in considering demands and its informative relationship to capacities is the tenet that law enforcement in and of itself serves as a deterrent to criminal activity. This section examines the range of demands on local law enforcement agencies through three distinct and interrelated categories: (a) service calls; (b) reported crimes; and (c) types of reported crimes. This includes assessing these demand categories relative to recent and current conditions as well as regional comparisons as appropriate.

### ***2.1 Service Calls***

#### ***Countywide Service Calls***

The five affected local agencies providing law enforcement services in Napa County collectively tallied 119,507 service calls in 2009-2010. This amount represents a slight reduction in annual service calls over the preceding five year period of less than two percent or 1,956. Nearly all of the decrease is attributed to service call declines reported by County Sheriff and Napa. Two distinct factors appear to underlie the decline in annual service calls within these two agencies: the former involving the closure of the Lake Berryessa resorts and the latter tied to the implementation of an online crime reporting system. Decreases with County Sheriff and Napa, markedly, also helped to absorb a sizeable increase in annual service calls from American Canyon and, to a lesser degree, St. Helena.

*Service calls overall have decreased by more than 2% over the last five years.*

### Service Calls Among Local Law Enforcement Agencies

Table V/K; Source: Affected Local Agencies / Napa LAFCO

Agency	2005-06	2006-07	2007-08	2008-09	2009-10	Average	Trend
American Canyon	15,511	19,047	17,544	16,883	16,716	17,140	+7.8%
Calistoga	7,187	6,728	7,439	7,261	6,767	7,076	-5.8%
Napa	64,394	61,996	55,786	56,600	62,945	60,344	-2.3%
St. Helena	8,965	9,655	12,355	11,441	9,188	10,320	+2.5%
County Sheriff	25,406	26,058	27,913	26,789	23,891	25,748	-6.0%
Totals	121,463	123,484	121,037	118,974	119,507	120,893	-1.6%

### Individual Agency Service Calls

The five year average among the affected agencies produces a ratio of 878 service calls for every 1,000 residents in Napa County. This ratio translates to nearly nine out of ten residents generating one annual service call to law enforcement. The two north valley cities – St. Helena and Calistoga – both averaged more than one service call per resident during the five year period with their five year average ratio (calls per 1,000) totaling 1,764 and 1,364, respectively. The remaining three affected agencies – County Sheriff, American Canyon, and Napa – averaged less than one call per resident during the five year period with respective ratios totaling 874, 870, and 779.

*Calistoga and St. Helena have averaged more than one service call for every resident over the last five years.*

### Five-Year Average Service Calls Per 1,000 Residents

Among Local Law Enforcement Agencies

Table V/L; Source: Affected Local Agencies / Napa LAFCO

Agency	Average Annual Calls 2005-06 to 2009-10	Current Population	Service Calls Per 1,000 Residents
American Canyon	17,140	19,693	870.4
Calistoga	7,076	5,188	1,364.0
Napa	60,344	77,464	779.0
St. Helena	10,320	5,849	1,764.4
County	25,748	29,445	874.4
Totals	120,893	137,639	878.3

\* County population includes the unincorporated area and the Town of Yountville

## 2.2 Reported Crimes

Reported crime totals among all local law enforcement agencies are annually collected and cataloged by the United States Department of Justice. Reported crimes represent actual criminal offenses that have been tallied by law enforcement agencies in response to service calls and/or self-reporting. The phrase “reported” denotes the crime has not been adjudicated by the courts or cleared by other means.

### Countywide Trends in Reported Crimes

The five local law enforcement agencies in Napa County have collectively averaged 4,681 reported crimes between 2005-2006 and 2009-2010. Average totals have experienced a sizable reduction in reported crimes over the preceding five year period of nearly nine percent or 404. All of the affected agencies with the exception of American Canyon have experienced declines in reported crimes during this period. St. Helena experienced the largest percentage decline in reported crimes at 40.0 percent followed by Napa, County Sheriff, and Calistoga at 13.2, 12.8, and 8.3 percent, respectively. American Canyon, conversely, experienced nearly a 40 percent increase in reported crimes with the most recent years marking peak totals.

Average crime totals overall in Napa County have declined by nearly 10 percent over the preceding five year period.

#### Reported Crimes Among Local Law Enforcement Agencies

Table V/M; Source: CA Department of Justice/ Napa LAFCO

Agency	2005-06	2006-07	2007-08	2008-09	2009-10	Average	Trend
American Canyon	471	370	588	647	647	544.6	+37.4%
Calistoga	157	154	179	166	144	160.0	-8.3%
Napa	3,202	3,348	3,509	2,896	2,779	3,146.8	-13.2%
St. Helena	145	102	112	102	87	109.6	-40.0%
County	670	714	886	744	584	719.6	-12.8%
Totals	4,645	4,688	5,274	4,555	4,241	4,680.6	-8.7%

### Individual Agency Relationship Between Service Calls and Reported Crimes

The relationship between service calls and reported crimes serves as an effective measurement in assessing the actual value of calls. More specifically, the ratio of service calls to reported crimes serves as a reasonable indication on how efficient law enforcement resources are being utilized. While there is no national standard, a lower ratio is preferred given it indicates a more direct relationship between calls and crimes. A higher ratio, conversely, suggests a higher proportion of unwarranted calls to law enforcement agencies.

Napa has the lowest ratio among the five affected local agencies with 19 service calls for every one reported crime over the last five years. American Canyon, County, and Calistoga follow relatively close to Napa with respective ratios of 32, 36, and 44 service calls for every one reported crime in their respective jurisdictions. St. Helena, on the other hand, has a relatively high ratio of 94 service calls for every one reported crime; an amount that is more than double the next highest total.

#### Average Call to Crime Ratio: FY2006 to FY2010

Table V/N; Source Napa LAFCO

Napa	19 to 1
American Canyon	32 to 1
County	36 to 1
Calistoga	44 to 1
St. Helena	94 to 1

### *Individual Agency Relationship Between Crimes and Population*

The relationship between crimes and resident population helps to contextualize demands on law enforcement agencies relative to their respective constituent base. An accepted method in assessing this relationship is to quantify crime totals in more manageable amounts with the most common measurement being in 1,000 person increments. A lower ratio is inherently preferred given it indicates crime levels within the affected community are presumably manageable. A higher ratio, in contrast, suggests crime levels within the affected community are more pervasive and require additional resources to address.

Average reported crime totals among the five local law enforcement agencies between 2005-2006 and 2009-2010 generally correspond with population totals with the larger communities producing more crime on average than smaller communities. Towards this end, St. Helena has averaged the lowest crime totals of the five affected agencies over the last five years by tallying 18.7 reported crimes for every 1,000 residents. Conversely, Napa has averaged the highest crime totals by tallying 40.6 reported crimes for every 1,000 residents. A notable outlier involves Calistoga, which along with St. Helena have the two smallest resident populations of the five affected agencies, but finished with the second highest average crime totals by tallying 30.8 reported crimes for every 1,000 residents.

*St. Helena has averaged the lowest proportional crime totals of the five affected agencies over the last five years by tallying 18.7 reported crimes for every 1,000 residents. Conversely, Napa has averaged the highest proportional crime totals by tallying 40.6 reported crimes for every 1,000 residents.*

**Five-Year Average Reported Crimes Per 1,000 Residents  
Among Local Law Enforcement Agencies in Napa County**  
Table V/O; Source: Affected Local Agencies / Napa LAFCO

Agency	Average Reported Crimes 2005-06 to 2009-10	Current Population	Reported Crimes Per 1,000 Residents
St. Helena	109.6	5,849	18.7
County	719.6	29,445	24.4
American Canyon	544.6	19,693	27.7
Calistoga	160.0	5,188	30.8
Napa	3,146.8	77,464	40.6

\* County population includes the unincorporated area and the Town of Yountville

### **2.3 Types of Reported Crimes**

Not all crimes are equal and there is value in distinguishing the types of criminal offenses in terms of assessing severity. The most serious types of crimes are uniformly categorized by law enforcement as violent and involve force or threat of force. Violent crimes are subdivided to include murder, rape, aggravated assault, and robbery. Simple assault crimes follow violent in terms of severity and are generally characterized by the lack of intent and are subdivided to include inadvertent physical harm, unwelcome physical contact, and threats of violence. Property crimes are relatively the least serious offenses and generally involve inanimate objects, such as theft of property with no force or threat of force against the victims. Examples include burglary, larceny-theft, motor vehicle theft, and arson.

### Countywide Trends in Types of Reported Crimes

The breakdown of reported crime types has remained relatively consistent in Napa County between 2005-2006 and 2009-2010. Property crimes on average represented more than two-thirds of all reported incidents among the five local law enforcement agencies during this period followed by simple assault (one-fifth) and violent (one-tenth) offenses. Markedly, during this period, the percentage of property crimes in one year never fell below 66.7 percent while the percentage of violent crimes never exceeded 10.2 percent.

#### Reported Crime Types in Napa County

Table V/P; Source: CA Department of Justice/ Napa LAFCO

Year	2005-06	2006-07	2007-08	2008-09	2009-10	% of Total
Violent	475	438	454	378	386	9.1
Simple Assault	1,006	1,122	1,180	980	821	21.8
Property	3,174	3,128	3,640	3,197	3,034	69.1
<i>Totals</i>	4,655	4,688	5,274	4,555	4,241	

In terms of trends, consistent with overall volume, crime within each of the three category types has declined over the last five years with the sharpest decreases occurring most recently. The largest percentage decline involved violent crimes, which has decreased by 18.7 percent and underlined by over a one-third decrease in countywide aggravated assault totals. Further, murder totals countywide have remained relatively minimal with the notable exception in which one-half of the 12 homicides reported during the period occurred during 2005-2006. Simple assaults have also experienced a sizeable decrease during the period at 18.4 percent followed by property crimes at 4.4 percent.

*Crime within each of the three category types has declined over the last five years with the sharpest decreases occurring most recently.*

#### Trends in Reported Crime Types in Napa County

Table V/Q; Source: CA Department of Justice/ Napa LAFCO

Year	2005-06	2006-07	2007-08	2008-09	2009-10	Trend
Violent	475	438	454	378	386	-18.7%
Simple Assault	1,006	1,122	1,180	980	821	-18.4%
Property	3,174	3,128	3,640	3,197	3,034	-4.4%
<i>Totals</i>	4,655	4,688	5,274	4,555	4,241	-8.9%

## Individual Agency Trends in Types of Reported Crimes

### Violent Crimes

American Canyon experienced the largest percentage change in violent crime totals during the last five years with an increase of 84.4 percent, which is attributed to an over two-third increase in robberies.<sup>67</sup> Napa experienced the largest percentage decrease in violent crimes by declining 29.2 percent; a change attributed to an over two-fifths drop in aggravated assaults.<sup>68</sup> St. Helena and Calistoga also experienced percentage decreases in violent crimes at 20.0 and 25.0 percent, respectively, while County remained relatively stagnant.

Agency Trends in Violent Crimes: FY2006 to FY2010 Table V/R; Source Napa LAFCO	
American Canyon	+84.4%
County	+2.6%
St. Helena	-20.0%
Calistoga	-25.0%
Napa	-29.2%

### Simple Assaults

St. Helena experienced the largest percentage change in simple assaults during the last five years with a decrease of 45.5 percent. The other four affected local agencies also experienced decreases in simple assaults ranging from 8.9 to 33.3 percent during the time period.

Agency Trends in Simple Assaults: FY2006 to FY2010 Table V/S; Source Napa LAFCO	
County	-8.9%
Napa	-18.3%
American Canyon	-25.5%
Calistoga	-33.3%
St. Helena	-45.5%

### Property Crimes

American Canyon experienced the largest percentage change in property crimes by increasing 50.1 percent over the last five years. This change is primarily attributed to nearly a four-fifths increase in larceny and thefts followed by a one-tenth increase in motor vehicle thefts. St. Helena has experienced the largest percentage decrease in property crimes during the period underlined by a two-fifths reduction in larceny and thefts. County, Napa, and Calistoga also experienced moderate to small decreases in property crimes at 15.2, 8.5, and 6.8 percent, respectively.

Agency Trends in Property Crimes: FY2006 to FY2010 Table V/T; Source Napa LAFCO	
American Canyon	+50.1%
Calistoga	-6.8%
Napa	-8.5%
County	-15.2%
St. Helena	-40.3%

<sup>67</sup> Robberies in American Canyon increased by 71% rising from nine to 31 between 2005-06 and 2009-10.

<sup>68</sup> Aggravated assaults in Napa have declined by 42.3% over the five-year period by decreasing from 331 to 191 incidents.

### 3.0 Performance

Assigning appropriate performance measures for law enforcement agencies is challenging given the number of external and changing variables influencing the level and range of service delivery. This includes, most notably, local conditions that are unique to individual communities and difficult to quantify relative to creating an “apple to apple” comparison among multiple service providers. It appears reasonable, accordingly, to focus performance measures to those factors that are less impressionable to external factors and easier to quantify in terms of cross-agency comparisons. With this in mind, this section focuses on two types of performance measures for law enforcement: (a) clearance rates and (b) public complaint filings. The former measurement includes assessing the portion of reported crimes that have been successfully adjudicated or determined to be unfounded while the latter involves the number of citizen complaints filed by and/or on behalf of the public.

#### 3.1 Clearance Rates

##### *Trends in Clearance Rates: Overall Reported Crimes*

The five local law enforcement agencies in Napa County have collectively cleared 1,553 of the 4,681 total reported crimes between 2005-2006 and 2009-2010. This results in an average overall clearance rate of 33.2 percent. Total annual clearance rates have fluctuated considerably during this period from a low of 28.8 percent to a high of 37.7 percent.

*Countywide clearance rates have fluctuated between 2005-06 and 2009-10 from a low of 28.8% and a high of 37.7%.*

The five year trend, nevertheless, shows clearance rates have remained relatively consistent as measured by the beginning and ending points by only decreasing by one-twentieth.

The total number of clearances during this period has experienced a sizeable reduction of nearly 14 percent or 241; a reduction that contrasts with the overall nine percent decline in crime during the five year span. The percentage of cleared crimes during this period has also declined from 37.7 to 35.7 percent. Significantly, this decline is largely attributed to a sharp and pervasive decrease in clearance rates between 2005-2006 and 2006-2007; a period in which countywide crimes increased by only 33, but the number of cleared crimes decreased by 405, or 10 percent. This sharp decrease in clearance rates during the two-year period parallels the timing of the housing market collapse and suggests law enforcement capacities were overtaxed and their response to this “stress test” resulted in a dramatic one-year decline in clearance rates; rates that have gradually been improving since 2006-2007.

*The housing market collapse and economic downturn appear to have significantly effected crime clearance rates beginning in 2006-2007.*

##### Trends in Clearance Rates: Overall Reported Crimes in Napa County

Table V/U; Source: CA Department of Justice/ Napa LAFCO

Category	2005-06	2006-07	2007-08	2008-09	2009-10	Trend
Reported Crimes	4,655	4,688	5,274	4,555	4,241	-8.9%
Clearances	1,755	1,350	1,593	1,553	1,514	-13.7%
% Cleared	37.7	28.8	30.2	34.1	35.7	-5.3%

### *Trends in Clearance Rates: Individual Reported Crime Types*

The breakdown of types of reported crime clearance rates in Napa County between 2005-2006 and 2009-2010 highlight two distinct and opposite patterns with respect to the probability of certain offenses being adjudicated or deemed unfounded by one of the five local law enforcement agencies. Violent and simple assault crimes, specifically, have been collectively cleared on average more than two-thirds of the time at 70.5 percent despite percentage declines in respective clearance rates over the corresponding period. Property crimes, contrarily, have been collectively cleared on average less than one-fifth of the time at 16.5 percent despite a percentage increase in clearance rates. It appears a reasonable explanation underlying the distinction in which local law enforcement agencies are far more successful in clearing violent and simple assault crimes compared to property crimes is that the former (i.e., violent and simple assault offenses) are more likely to produce eye-witnesses.

*Countywide clearance rates show two distinct and opposite patterns in crime solving: violent and simple assault offenses have been cleared on average 75% while property offenses are cleared on average 16.5%.*

#### **Trends in Clearance Rates: Individual Reported Crime Types in Napa County**

Table V/V; Source: CA Department of Justice/ Napa LAFCO

Year	2005-06	2006-07	2007-08	2008-09	2009-10	Average	Trend
Violent	70.1	58.7	62.1	67.2	65.3	64.7	-6.8%
Simple Assault	87.2	61.9	67.8	76.6	73.4	72.9	-15.8%
Property	17.2	12.8	14.0	17.1	21.7	16.5	+26.2%

### *Trends in Clearance Rates: Individual Agencies*

All of the individual affected agencies with the exception of the County have experienced improvement in their respective clearance rates between 2005-2006 and 2009-2010. St. Helena experienced the largest percentage improvement in its clearance rate rising by nearly one-fifth during this period. Calistoga and American Canyon also experienced approximate one-tenth improvements in their clearance rates followed by Napa which finished the period with a slight percentage increase. The County's clearance rate declined precipitously by three-fifths and highlighted by sharp decreases occurring in 2006-2007 and 2009-2010.

*All five local affected agencies with the exception of the County have improved their respective clearance rates between 2005-06 and 2009-10.*

#### **Average and Trends in Clearance Rates: Individual Agencies in Napa County**

Table V/W; Source: CA Department of Justice/ Napa LAFCO

Category	2005-06	2006-07	2007-08	2008-09	2009-10	Average	Trend
American Canyon	40.1	30.3	27.2	38.6	43.3	36.4	+8.0%
Calistoga	31.8	31.8	25.1	31.3	35.4	31.1	+11.3%
Napa	37.4	30.9	31.1	34.3	38.3	34.4	+2.4%
St. Helena	16.6	34.3	26.8	16.7	19.5	22.8	+17.5%
County	43.9	16.7	30.0	32.5	17.5	28.1	-60.1%

## *Trends in Clearance Rates: Types of Reported Crimes*

### *Violent Crimes*

The overall clearance rate for violent crimes is 64.7 percent among the five affected local law enforcement agencies between 2005-2006 and 2009-2010. Calistoga has averaged the highest clearance rate for violent crimes during the period at 82.8 percent. The remaining four agencies' clearance rates for violent crimes have averaged from a low of 58.2 to a high of 66.7 percent.

Agency Average Clearance Rates for Violent Crime: FY2006 to FY2010 Table V/X; Source Napa LAFCO	
Calistoga	82.8%
County	66.7%
Napa	63.4%
St. Helena	63.1%
American Canyon	58.2%

The overall trend in clearance rates for violent crimes has been a 6.8 percent decline between 2005-2006 and 2009-2010. This overall decline is attributed to Napa and its 13.1 percent decrease in clearance rate for violent crimes during this period.<sup>69</sup> The remaining four affected agencies all experienced improvements in their clearance rates for violent crimes led by St. Helena at 87.5 percent and followed by Calistoga, American Canyon, and the County at 33.3, 24.5, and 9.5 percent, respectively.

Agency Trends in Clearance Rates for Violent Crime: FY2006 to FY2010 Table V/Y; Source Napa LAFCO	
St. Helena	+87.5%
Calistoga	+33.3%
American Canyon	+24.5%
County	+9.5%
Napa	-13.1%

### *Simple Assault Crimes*

The overall clearance rate for simple assault crimes is 72.9 percent among the five affected local law enforcement agencies between 2005-2006 and 2009-2010. St. Helena, American Canyon, and Napa have averaged the highest clearance rates for simple assault crimes during the period at 78.2, 77.0, and 76.0 percent, respectively. Calistoga and the County's clearance rates for simple assault crimes have averaged 65.7 and 37.5 percent, respectively.

Agency Average Clearance Rates for Simple Assault Crime: FY2006 to FY2010 Table V/Z; Source Napa LAFCO	
St. Helena	78.2%
American Canyon	77.0%
Napa	76.0%
Calistoga	65.7%
County	37.5%

The overall trend in clearance rates for simple assault crimes has been a 15.8 percent decline between 2005-2006 and 2009-2010. This overall decline is attributed to Napa and its 8.2 percent decrease in clearance rate for simple assault crimes during this period.<sup>70</sup> The remaining four affected agencies all experienced improvements in their clearance rates for simple assault crimes led by St. Helena at 52.8 percent and followed by American Canyon, the County, and Calistoga at 10.7, 9.5, and 3.9 percent, respectively.

Agency Trends in Clearance Rates for Simple Assault Crime: FY2006 to FY2010 Table V/AA; Source Napa LAFCO	
St. Helena	+52.8%
American Canyon	+10.7%
County	+9.5%
Calistoga	+3.9%
Napa	-8.2%

<sup>69</sup> In 2005-06, Napa cleared 279 of the 384 violent crimes in its jurisdiction, resulting in a percentage of 72.7%. Comparatively, Napa cleared only 172 of the 272 violent crimes in 2009-10, resulting in a percentage of 63.2%.

<sup>70</sup> In 2005-06, Napa cleared 654 of the 722 simple assault crimes in its jurisdiction, resulting in a percentage of 90.6%. Comparatively, Napa cleared only 491 of the 590 simple assault crimes in 2009-10, resulting in a percentage of 83.2%.

### *Property Crimes*

The overall clearance rate for property crimes is 16.5 percent among the five affected local law enforcement agencies between 2005-2006 and 2009-2010. American Canyon has averaged the highest clearance rates for simple assault crimes during the period at 25.9 percent. The remaining four agencies' clearance rates for property crimes have averaged from a low of 13.1 to a high of 16.2 percent.

**Agency Average Clearance Rates  
for Property Crime:  
FY2006 to FY2010**  
Table V/BB; Source Napa LAFCO

American Canyon	25.9%
County	16.2%
Napa	15.0%
Calistoga	14.6%
St. Helena	13.1%

The overall trend in clearance rates for property crimes has been a 26.2 percent increase between 2005-2006 and 2009-2010. This overall rise is attributed to Napa, Calistoga, and American Canyon with their respective 65.9, 60.3, and 22.2 percent increases in clearance rate for property crimes during this period. St. Helena and the County experienced decreases in their clearance rate for property crimes at 5.6 and 64.7 percent, respectively.

**Agency Trends in Clearance Rates  
for Property Crime:  
FY2006 to FY2010**  
Table V/CC; Source Napa LAFCO

Napa	+65.9%
Calistoga	+60.3%
American Canyon	+22.2%
St. Helena	-5.6%
County	-64.7%

### **3.2 Public Compliant Filings**

This subsection will be prepared as part of a complete draft report.

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## **VI. SOURCES**

This section will be prepared as part of a complete draft report.

California Government Code Section 56430

(a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the subregion, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:

- (1) Infrastructure needs or deficiencies.
- (2) Growth and population projections for the affected area.
- (3) Financing constraints and opportunities.
- (4) Cost avoidance opportunities.
- (5) Opportunities for rate restructuring.
- (6) Opportunities for shared facilities.
- (7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.
- (8) Evaluation of management efficiencies.
- (9) Local accountability and governance.

(b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area.

(c) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or Section 56426.5 or to update a sphere of influence pursuant to Section 56425.

(d) Not later than July 1, 2001, the Office of Planning and Research, in consultation with commissions, the California Association of Local Agency Formation Commissions, and other local governments; shall prepare guidelines for the service reviews to be conducted by commissions pursuant to this section.



## LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

### *Policy on Municipal Service Reviews*

Adopted: November 3, 2008

#### **I. Background**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Commission to prepare municipal service reviews in conjunction with its mandate to review and update each local agency's sphere of influence every five years as necessary. The legislative intent of the municipal service review process is to inform the Commission with regard to the availability, capacity, and efficiency of governmental services provided within its jurisdiction prior to making sphere of influence determinations. Municipal service reviews must designate the geographic area in which the governmental service or services are under evaluation. Municipal service reviews must also include determinations addressing the governance factors prescribed under Government Code Section 56430 and any other matters relating to service provision as required by Commission policy.

#### **II. Purpose**

The purpose of these policies is to guide the Commission in conducting municipal service reviews. This includes establishing consistency with respect to the Commission's approach in the (a) scheduling, (b) preparation, and (c) adoption of municipal service reviews.

#### **III. Objective**

The objective of the Commission in conducting municipal service reviews is to proactively and comprehensively evaluate the level, range, and structure of governmental services necessary to support orderly growth and development in Napa County. Underlying this objective is to develop and expand the Commission's knowledge and understanding of the current and planned provision of local governmental services in relationship to the present and future needs of the community. The Commission will use the municipal service reviews not only to inform subsequent sphere of influence determinations but also to identify opportunities for greater coordination and cooperation between providers as well as possible government structure changes.

#### **IV. Municipal Service Review Policies**

##### **A. Scheduling**

Beginning in 2008, and every five years thereafter, the Commission will hold a public hearing to adopt a study schedule calendaring municipal service reviews over the next five year period. Public hearing notices will be circulated 21 days in advance to all local agencies as well as posted on the Commission website. The Commission will generally schedule municipal service reviews in conjunction with sphere of influence updates. The Commission, however, may schedule municipal service reviews independent of sphere of influence updates. The Commission may also amend the study schedule to add, modify, or eliminate calendared municipal service reviews to address changes in circumstances, priorities, and available resources.

In adopting a study schedule, the Commission will calendar three types of municipal service reviews. These three types of municipal service reviews are 1) service-specific, 2) region-specific, and 3) agency-specific and are summarized below.

- A service-specific municipal service review will examine particular governmental services across multiple local agencies on a countywide basis.
- A region-specific municipal service review will examine the range of governmental services provided by local agencies within a particular area.
- An agency-specific municipal service review will examine the breadth of governmental services provided by a particular local agency.

## **B. Preparation**

The Commission will encourage input among affected local agencies in designing the municipal service reviews to enhance the value of the process among stakeholders and capture unique local conditions and circumstances effecting service provision. This includes identifying appropriate performance measures as well as regional growth and service issues transcending political boundaries. The Commission will also seek input from the affected local agencies in determining final geographic area boundaries for the municipal service reviews. Factors the Commission may consider in determining final geographic area boundaries include, but are not limited to, spheres of influence, jurisdictional boundaries, urban growth boundaries, general plan designations, and topography.

The Commission will prepare the municipal service reviews but may contract with outside consultants to assist staff as needed. Data collection is an integral component of the municipal service review process and requires cooperation from local agencies. The Commission will strive to reduce the demands on local agencies in the data collection process by using existing information resources when available and adequate. All service related information compiled by local agencies will be independently reviewed and verified by the Commission.

Each municipal service review will generally be prepared in three distinct phases. The first phase will involve the preparation of an administrative report and will include a basic outline of service information collected and analyzed by staff. The administrative report will be made available to each affected local agency for their review and comment to identify any technical corrections. The second phase will involve the preparation of a draft report that will be presented to the Commission for discussion at a public meeting. The draft report will incorporate any technical corrections identified during the administrative review and include determinations. The draft report will be made available to the public for review and comment for a period of no less than 21 days. The third phase will involve the preparation of a final report and will address any new information or comments generated during the public review period and will be presented to the Commission as part of a public hearing.

As noted, each municipal service review will include one or more determinations addressing each of the following governance factors required under Government Code Section 56430 and by Commission policy:

1. Growth and population projections for the affected area. (§56340(a)(1)).
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies. (§56340(a)(2))
3. Financial ability of agencies to provide services. (§56340(a)(3))
4. The status of, and opportunities for, shared facilities. (§56340(a)(4))
5. Accountability for community service needs, including governmental structure and operational efficiencies. (§56340(a)(5))
6. Relationship with regional growth goals and policies. (Commission)

### **C. Adoption**

The Commission will complete each scheduled municipal service review by formally receiving a final report and adopting a resolution codifying its determinations as part of public hearing.

# Appendix C

Jurisdiction	Name	2005 Rooms	2013 Rooms	% of Overall	% Change	
City of American Canyon	Fairfield Inn and Suites		80			
	Double Tree		132			
	Holiday Inn and Express		101			
	<b>Total</b>	<b>80</b>	<b>313</b>	<b>7.1%</b>	<b>291.3%</b>	
	City of Napa	1801 First Inn		8		
		Arbor Guest House		5		
		Auia		141		
		Beazley House		11		
		Bell Abri		15		
		Best Western Elm House Inn		22		
Best Western Plus			69			
Black Bird Inn			8			
Brookside Vineyard			3			
Candlelight Inn			10			
Cedar Gables Inn			9			
Chablis Inn			34			
Chardonnay Lodge			20			
Churchill Manor			10			
Cottages of Napa Valley			8			
Embassy Suites			205			
Hawthorn Inn			60			
Hennessey House			10			
Hilton Garden Inn			80			
Inn on the First			10			
Inn on Randolph			10			
by Hotel			115			
John Muir Inn			60			
LaBelle Epoque			9			
La Residence			26			
Napa Valley Marriott			275			
McClintock Priest Bed			5			
Meritage Resort		158				
Napa Inn		14				
Napa River Inn		66				
Napa Valley Redwood Inn		58				
Napa Valley Travel Lodge		40				
Old World Inn		9				
River Point Resort		5				
River Terrace Inn		106				
Vino Bello Resort		116				
Western Verasa		180				
Whitehouse Inn		17				
<b>Total</b>	<b>1,489</b>	<b>2,007</b>	<b>46.3%</b>	<b>34.8%</b>		
County of Napa	Carneros Inn		86			
	Hillview Country Inn		3			
	Milliken Creek Inn		12			
	Oak Knoll Inn		4			
	Silverado Resort and Spa		435			
	Springhill Suites Marriott		100			
	Stahlecker House		5			
	Auberge		50			
	Ink House		7			
	Rancho Caymus		26			
	Meadowood		85			
	Mayacamas Conference Center		50			
	Trailside Inn		3			
	Rustridge Ranch		3			
	Shady Oaks Country Inn		4			
	Wine Country Inn		24			
	Zinfandel Inn		3			
	Calistoga Ranch		48			
	Chateau de Vie		5			
	Oleander House		5			
<b>Total</b>	<b>846</b>	<b>958</b>	<b>22.1%</b>	<b>13.2%</b>		
Town of Yountville	Bardessono		62			
	Hotel Luca		20			
	Hotel Yountville		80			
	Napa Valley Lodge		55			
	Napa Valley Railway Inn		9			
	Petit Logis		5			
	Village Inn		112			
Vintage Inn		80				
<b>Total</b>	<b>347</b>	<b>423</b>	<b>9.8%</b>	<b>21.9%</b>		
City of St. Helena	Adagio Inn		3			
	Ambrose Bierce		4			
	Byland House		2			
	El Borgia		41			
	Harvest Inn		74			
	Hotel St. Helena		18			
	Inn at Southbridge		21			
	Aidy's		1			
	Red Door Inn		3			
	Sunny Acres		2			
	Vineyard Country Inn		20			
Wydrown Hotel		20				
<b>Total</b>	<b>202</b>	<b>209</b>	<b>4.8%</b>	<b>3.5%</b>		
City of Calistoga	Aurora Park		6			
	Best Western Stevenson Manor Inn		34			
	Brannan Cottage Inn		6			
	Calistoga Inn		18			
	Calistoga Spa Hot Springs		57			
	Carlin Country Cottages		15			
	Casa Lana		2			
	Chanrick Inn		6			
	Chelsea Garden Inn		5			
	Chien Blanc		3			
	Cottage Grove Inn		16			
	Doctor Wilkinson's Hot Springs Resort		42			
	Golden Haven Hot Springs		28			
	Hotel di-Amici		4			
	Indian Springs Resort		42			
	Mount View Hotel and Spa		31			
	Pink Mansion		6			
Roman Spa and Resort		60				
Silver Rose Inn		20				
Solage		89				
<b>Total</b>	<b>618</b>	<b>490</b>	<b>11.3%</b>	<b>-20.7%</b>		
<b>Countywide Total</b>	<b>3,582</b>	<b>4,400</b>	<b>100.0%</b>	<b>22.8%</b>		