



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

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

Agenda Item 9a (Public Hearing)

TO: Local Agency Formation Commission

PREPARED BY: Brendon Freeman, Executive Officer *BF*

MEETING DATE: June 2, 2025

SUBJECT: Final Budget for Fiscal Year 2025-26, Amendment to the Schedule of Fees and Deposits, and Work Program for Fiscal Year 2025-26

RECOMMENDATION

It is recommended the Commission take the following actions:

- 1) Open the public hearing and take testimony;
- 2) Close the public hearing;
- 3) Adopt the Resolution of the Local Agency Formation Commission of Napa County Adopting a Final Budget for Fiscal Year 2025-26 (Attachment 1);
- 4) Adopt the Resolution of the Local Agency Formation Commission of Napa County Amendment to Adopted Schedule of Fees and Deposits (Attachment 2); and
- 5) Adopt the Resolution of the Local Agency Formation Commission of Napa County Adopting a Work Program for Fiscal Year 2025-26 (Attachment 3).

BACKGROUND AND SUMMARY

LAFCOs are responsible for annually adopting a proposed budget by May 1st and a final budget by June 15th pursuant to California Government Code section 56381.

On April 7, 2025, staff presented a proposed budget and a draft work program to the Commission. The Commission adopted the proposed budget, which was immediately circulated to each of the county, city, and town managers, as well as the general public, for review and comment. No comments were received.

Beth Painter, Vice Chair
Councilmember, City of Napa

Paul Dohring, Commissioner
Councilmember, City of St. Helena

David Oro, Alternate Commissioner
Councilmember, City of American Canyon

Anne Cottrell, Commissioner
County of Napa Supervisor, 3rd District

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

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

Kenneth Leary, Chair
Representative of the General Public

Eve Kahn, Alternate Commissioner
Representative of the General Public

Brendon Freeman
Executive Officer

Prescriptive Funding Sources

The Commission's annual operating expenses are primarily funded by the County of Napa and the Cities of American Canyon, Calistoga, Napa, St. Helena, and Town of Yountville.

State law specifies the County is responsible for one-half of the Commission's operating expenses while the remaining amount is to be apportioned among the cities and town.

The current formula for allocating the cities' and town's shares of the Commission's budget was adopted by the municipalities in 2003 and is based on a weighted calculation of population (60%) and general tax revenues (40%). Additional funding – typically less than 10% of total revenues – is budgeted from anticipated application fees and interest earnings.

Budgeting Policies

Consistent with the Commission's *Budget Policy* ("the Policy"), included as Attachment 4, the Commission established an ad hoc Budget Committee ("the Committee") and appointed Chair Leary and Vice Chair Painter to inform the Commission's decision-making process in adopting an annual operating budget. The Policy directs the Committee to also consider the Commission's work program and fee schedule.

The Commission is directed to control operating expenses by utilizing its available undesignated/unreserved fund balance ("reserves") whenever possible and appropriate. Local policy directs the Commission to retain reserves equal to 10% of budgeted expenses. The Commission's reserves totaled \$424,359 on July 1, 2024 and are projected to total \$432,651 at the end of the current fiscal year.

The Budget Committee agreed to recommend the Commission utilize its reserves by contracting with more consultants and minimize annual increases in agency contributions over an approximate five-year period to gradually reach the 10% target under the Policy.

Final Budget Overview

The Commission will consider approving a final budget for fiscal year 2025-26 with operating expenses totaling \$859,655 and operating revenues totaling \$773,950. This results in an intentional deficit/shortfall of \$85,705 and positions the Commission to finish the fiscal year with reserves totaling \$346,946 or 40% of operating expenses.

A summary of significant operating expenses and revenues follows.

Expenses:

Salaries and Benefits Unit

This budget unit is proposed to total \$8,150 and is primarily associated with Commissioner stipends for attendance at meetings. Staff salaries and benefits are categorized under Administration Services (Account No. 52100) within the Services and Supplies budget unit as summarized below.

Services and Supplies Unit

This budget unit is proposed to total \$851,505. The majority of this amount is tied to staffing expenses categorized under Administration Services (Account No. 52100), which are proposed to total \$630,571 and reflect the following:

- Staffing at 3.0 full-time equivalent employees including one Executive Officer, one Assistant Executive Officer, and one Clerk/Jr. Analyst
- 3.5% cost of living adjustments for all staff
- Executive Officer management leave cash out (80 hours)
- Executive Officer vacation leave cash out (40 hours)
- \$3,600 for the Executive Officer and Assistant Executive Officer to participate in the County of Napa's 401(a) retirement savings plan and agree to the maximum matching contribution
- Increase in cell phone allowance to \$1,680 to reflect recent changes following labor negotiations with Napa County

In addition, Consulting Services (Account No. 52310) expenses are proposed to total \$75,000 to reflect the Commission's active consultant contract with RSG to prepare a municipal service review on the City of St. Helena. In addition, the Budget Committee recommends the Commission anticipate consulting expenses associated with the scheduled Napa Sanitation District Sphere of Influence Update.

Insurance: Liability (Account No. 52700) expenses are proposed to total \$12,157, which is an increase from \$922 over the current fiscal year and reflects an accounting error in which two general liability claims were inadvertently ignored and thus not factored into LAFCO's annual general liability charge from Napa County. The two referenced claims will be dropped within the next three years, which will reduce the Commission's annual general liability expenses back to historical amounts.

Revenues:

Total intergovernmental agency contributions are proposed to remain equal to the current fiscal year total of \$737,950 in an effort to reduce the burden on the six funding agencies.

Service charges for applications are proposed to total \$26,000 based on projected proposal activity.

Investments on reserves are proposed to be reduced to \$10,000 based on interest rate trends coupled with the Committee's recommendation to gradually draw down reserves over a five-year period.

Fee Schedule Amendment & Fully Burdened Hourly Rate

A proposed amendment to the Commission's fee schedule is included as Exhibit A to Attachment 2. The amendment would be effective July 1, 2025, and is limited to updating the Commission's fully burdened hourly rate to \$196.44 based on a calculation that incorporates all of the Commission's operational expenses and is based on the proportional amount of time that each staff member is expected to dedicate to each project.

Work Program for Fiscal Year 2025-26

A proposed Work Program for adoption is included as Exhibit A to Attachment 3. The Commission annually adopts a work program that aligns with the budget and includes approximate schedules for the preparation of studies such as municipal service reviews and sphere of influence updates along with a listing of other key administrative activities.

Assembly Bill (AB) 2561 Requirements

AB 2561 took effect January 1, 2025 and requires public agencies – including LAFCO – to present the status of job vacancies and recruitment and retention efforts at a public meeting at least once per fiscal year before the budget is adopted. The Commission has contracted with Napa County for necessary personnel to carry out and effect its functions and responsibilities. LAFCO does not perform recruitment and retention activities because it does not recruit personnel or have control over the retention of specific personnel. LAFCO personnel are paid by and receive benefits from Napa County. LAFCO does not have hiring processes since it contracts with Napa County for personnel, so there are no changes to policies, procedures, and recruitment activities that may lead to obstacles in LAFCO's hiring process. LAFCO does not have recognized bargaining units. Currently the County provides LAFCO with three positions: Executive Officer, Assistant Executive Officer, and Clerk/Jr. Analyst. Currently the Assistant Executive Officer position is vacant.

ATTACHMENTS

- 1) Draft Resolution Adopting a Final Budget for Fiscal Year 2025-26
- 2) Draft Resolution Amending the Schedule of Fees and Deposits
- 3) Draft Resolution Adopting a Work Program for Fiscal Year 2025-26
- 4) Budget Policy

RESOLUTION NO. ____

**RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
ADOPTING A FINAL BUDGET FOR FISCAL YEAR 2025-26**

WHEREAS, the Local Agency Formation Commission of Napa County (hereinafter referred to as “Commission”) is required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) to annually adopt a budget for the next fiscal year; and

WHEREAS, Government Code Section 56381 requires the Commission to adopt a proposed budget by May 1 and a final budget by June 15; and

WHEREAS, the Commission appoints and utilizes an ad hoc subcommittee (“Budget Committee”) to help inform and make decisions regarding the agency’s funding requirements; and

WHEREAS, the Commission adopted a proposed budget prepared by the Budget Committee at a noticed public hearing on April 7, 2025; and

WHEREAS, at the direction of the Commission, the Budget Committee circulated the adopted proposed budget for review and comment to the administrative and financial officers of each of the six local agencies that contribute to the Commission budget as well as to all local special districts; and

WHEREAS, no comments were received concerning the adopted proposed budget; and

WHEREAS, the Executive Officer prepared a report concerning the Budget Committee’s recommended final budget; and

WHEREAS, the Executive Officer’s report on a final budget has been presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at its public hearing on the final budget held on June 2, 2025; and

WHEREAS, the Commission determined the final budget projects the staffing and program costs of the Commission as accurately and appropriately as is possible.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The final budget as outlined in Exhibit "A" is adopted.
2. The final budget provides the Commission sufficient resources to fulfill its regulatory and planning responsibilities in accordance with Government Code Section 56381(a).

The foregoing resolution was duly and regularly adopted by the Commission at a public meeting held on June 2, 2025, after a motion by Commissioner _____, seconded by Commissioner _____, by the following vote:

AYES: Commissioners _____

NOES: Commissioners _____

ABSENT: Commissioners _____

ABSTAIN: Commissioners _____

 Kenneth Leary
 Commission Chair

ATTEST: _____
 Brendon Freeman
 Executive Officer

Recorded by: Stephanie Pratt
 Clerk/Jr. Analyst

Napa LAFCO Fiscal Year 2025-26 Final Budget

Adopted on June 2, 2025

Expenses

Salaries and Benefits

<u>Account</u>	<u>Description</u>	FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26
		Final Budget	Actual	Final Budget	Actual	Final Budget	Estimate	Final Budget
51210	Commissioner Per Diems	15,200	12,690	16,000	15,750	18,000	9,450	7,200
51300	Medicare - Commissioners	250	181	250	228	300	250	250
51305	FICA - Commissioners	500	583	1,100	967	700	650	700
Total Salaries & Benefits		15,950	13,454	17,350	16,946	19,000	10,350	8,150

Services and Supplies

<u>Account</u>	<u>Description</u>	FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26
		Final Budget	Actual	Final Budget	Actual	Final Budget	Estimate	Final Budget
52100	Administration Services	509,844	429,510	559,015	572,978	614,588	508,787	630,571
	<i>Salaries and Wages</i>	360,698	271,335	395,246	391,561	421,018	342,500	440,306
	<i>401A Employer Contribution</i>	1,000	1,000	3,200	1,590	3,600	2,850	3,600
	<i>Cell Phone Allowance</i>	420	420	455	420	455	1,680	1,680
	<i>Medicare - Staff</i>	5,201	5,164	5,731	5,483	5,872	4,870	6,145
	<i>Employee Insurance-Premiums</i>	54,703	52,679	67,054	64,567	63,684	60,500	55,538
	<i>Worker's Compensation</i>	595	595	692	692	876	876	889
	<i>PER'S Retirement</i>	73,599	84,690	79,226	101,254	107,232	83,660	110,706
	<i>OPEB</i>	13,627	13,627	7,411	7,411	11,851	11,851	11,707
52125	Accounting/Auditing Services	7,500	7,742	7,500	8,039	7,500	7,387	7,500
52130	Information Technology Services	23,974	23,974	34,309	30,875	27,746	27,746	31,635
52131	ITS Communication Charges	1,685	1,692	2,000	2,000	2,757	2,757	2,908
52140	Legal Services	35,000	32,402	35,000	36,195	35,000	50,000	35,000
52310	Consulting Services	10,000	-	105,000	20,662	127,754	127,754	75,000
52345	Janitorial Services	300	150	300	-	300	225	300
52515	Maintenance-Software	1,930	629	3,062	1,762	1,512	1,512	2,892
52600	Rents and Leases: Equipment	4,000	2,740	3,500	2,994	3,000	2,700	3,000
52605	Rents and Leases: Building/Land	25,995	25,995	26,775	26,775	27,570	27,570	28,200
52700	Insurance: Liability	638	638	716	-	922	922	12,157
52800	Communications/Telephone	3,000	1,667	5,000	4,397	3,000	2,750	3,000
52830	Publications and Notices	1,000	1,282	750	1,133	1,000	950	1,000
52835	Filing Fees	200	-	150	100	200	200	200
52900	Training/Conference	15,000	8,937	12,500	11,183	20,000	10,500	10,000
52905	Business Travel/Mileage	1,000	-	2,000	201	1,000	250	500
53100	Office Supplies	1,000	1,282	2,000	1,192	2,500	600	1,000
53110	Freight/Postage	150	-	100	-	100	-	100
53115	Books/Media/Subscriptions	119	119	119	-	119	119	119
53120	Memberships/Certifications	3,078	3,078	3,332	3,332	3,411	3,411	3,523
53205	Utilities: Electric	2,000	1,540	2,400	1,837	2,500	1,800	2,500
53410	Computer Equipment/Accessories	-	-	571	1,140	-	-	-
53415	Computer Software/License	225	-	225	-	225	-	-
53650	Business Related Meal/Supplies	-	316	760	594	1,000	260	400
Total Services & Supplies		647,638	543,693	807,084	727,389	883,704	778,200	851,505
EXPENSE TOTALS		663,588	557,147	824,434	744,335	902,704	788,550	859,655

Revenues

		FY 2022-23		FY 2023-24		FY 2024-25		FY 2025-26
		Final Budget	Actual	Final Budget	Actual	Final Budget	Estimate	Final Budget
Intergovernmental								
<u>Account</u>	<u>Description</u>							
43910	County of Napa	313,794	313,794	339,738	339,738	368,975	368,975	368,975
43950	Other Governmental Agencies	313,794	313,794	339,738	339,738	368,975	368,975	368,975
----	<i>City of Napa</i>	207,969	207,969	222,680	222,680	241,028	241,028	243,896
----	<i>City of American Canyon</i>	56,307	56,307	61,235	61,235	64,258	64,258	65,730
----	<i>City of St. Helena</i>	20,381	20,381	22,609	22,609	25,171	25,171	22,090
----	<i>City of Calistoga</i>	16,885	16,885	20,342	20,342	22,963	22,963	22,971
----	<i>Town of Yountville</i>	12,252	12,252	12,872	12,872	15,554	15,554	14,289
	Total Intergovernmental	627,588	627,588	679,476	679,476	737,950	737,950	737,950
Service Charges								
<u>Account</u>	<u>Description</u>							
42690	Application/Permit Fees	25,000	30,110	22,950	40,170	25,000	32,615	25,000
46800	Charges for Services	1,000	2,667	510	4,150	1,000	4,000	1,000
47900	Miscellaneous	4,000	-	-	-	4,000	-	-
	Total Service Charges	30,000	32,777	23,460	44,320	30,000	36,615	26,000
Investments								
<u>Account</u>	<u>Description</u>							
45100	Interest	6,000	7,243	6,500	18,168	6,500	22,277	10,000
	Total Investments	6,000	7,243	6,500	18,168	6,500	22,277	10,000
	REVENUE TOTALS	663,588	667,608	709,436	741,964	774,450	796,842	773,950
OPERATING DIFFERENCE		0	110,461	(114,998)	(2,371)	(128,254)	8,292	(85,705)

Reserves

	2022-23	2023-24	2024-25	2025-26
Undesignated/Unreserved Fund Balance ("Reserves")				
Beginning:	296,702	407,163	424,359	432,651
Ending:	407,163	404,792	432,651	346,946

RESOLUTION NO. ____

**RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
AMENDMENT TO ADOPTED SCHEDULE OF FEES AND DEPOSITS**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) authorizes the Local Agency Formation Commission of Napa County (hereinafter referred to as “Commission”) to adopt a fee schedule; and

WHEREAS, the Commission established and adopted by resolution a “Schedule of Fees and Deposits” on December 1, 2001, in a manner provided by law; and

WHEREAS, the Commission has amended the adopted Schedule of Fees and Deposits as appropriate since its establishment on several occasions; and

WHEREAS, the Commission appoints and utilizes an ad hoc subcommittee (“Budget Committee”) to help inform and make decisions regarding the agency’s funding requirements including the adopted Schedule of Fees and Deposits; and

WHEREAS, the Commission considered a proposed amendment to the adopted Schedule of Fees and Deposits prepared by the Budget Committee at a noticed public hearing on June 2, 2025.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER the Schedule of Fees and Deposits shall be amended in the manner set forth in Exhibit “A” and become effective July 1, 2025.

The foregoing resolution was duly and regularly adopted by the Commission at a public meeting held on June 2, 2025, after a motion by Commissioner _____, seconded by Commissioner _____, by the following vote:

AYES:	Commissioners	_____
NOES:	Commissioners	_____
ABSENT:	Commissioners	_____
ABSTAIN:	Commissioners	_____

Kenneth Leary
Commission Chair

ATTEST: _____
Brendon Freeman
Executive Officer

Recorded by: Stephanie Pratt
Clerk/Jr. Analyst



Local Agency Formation Commission of Napa County

Subdivision of the State of California

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

Schedule of Fees and Deposits

Effective Date: July 1, 2025

These are the policies of the Local Agency Formation Commission (LAFCO) of Napa County with respect to setting fees and deposits in fulfilling LAFCO's regulatory and planning duties prescribed under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

1. This schedule shall be administered in accordance with the provisions of [Government Code \(G.C.\) §56383](#).
2. This schedule includes both "fixed" and "at-cost" fees. Fixed fees represent reasonable cost estimates for processing routine applications and based on a number of predetermined staff hours. At-cost fees apply to less routine applications and based on the number of actual staff hours. Staff time is charged at a fully burdened hourly rate of \$196.44.
3. Applications submitted to LAFCO shall be accompanied by the appropriate fees as detailed in this schedule. Staff shall identify which fees are due at the time the application is submitted and the timing when other fees are required. Any required fees that have not been received at the time LAFCO action on an application shall be made a condition of approval.
4. Staff may stop work on any application until the applicant submits a requested deposit or fee.
5. All deposit amounts for at-cost applications shall be determined by the Executive Officer. The Executive Officer shall provide a written accounting of all staff time and related expenses billed against the deposit. If the cost in processing an application begins to approach or exceed the deposited amount, the Executive Officer shall request additional monies from the applicant.
6. Upon completion of an at-cost application, staff shall issue to the applicant a statement detailing all billable expenditures from a deposit. Staff shall refund the applicant for any monies remaining from the deposit less one-half hour of staff time to process the return as provided in this schedule.
7. In the course of processing applications, staff is required to collect fees on behalf of other government agencies such as the State Board of Equalization. LAFCO recognizes these are "pass through" fees that are not within LAFCO's discretion and therefore no formal action is required to update those fees in this schedule.

8. All fees payable to LAFCO shall be submitted by check and made payable to “LAFCO”. All fees payable to other government agencies as identified in this schedule shall be submitted by check and made payable to the applicable agency.
9. Applicants are responsible for any fees or charges incurred by LAFCO and/or required by other governmental agencies in the course of the processing of an application.
10. Applicants are responsible for any extraordinary administrative costs as determined by the Executive Officer and detailed for the applicant in a written statement.
11. Initial application fees shall not be charged by LAFCO for city annexations involving unincorporated islands subject to [G.C. §56375.3](#) and LAFCO’s [Policy on Unincorporated Islands](#), unless otherwise determined by the Executive Officer based on extraordinary circumstances.
12. If the processing of an application requires LAFCO to contract with another agency, firm, or individual for services beyond the normal scope of staff work, such as preparing an Environmental Impact Report or Comprehensive Fiscal Analysis, the applicant shall be responsible for all costs associated with that contract. The applicant will provide LAFCO with a deposit sufficient to cover the cost of the contract.
13. With respect to instances where LAFCO approves an outside service agreement under [G.C. §56133\(b\)](#), the fee for a subsequent annexation involving the affected territory and affected agency will be reduced by 50% if the annexation application is filed within one calendar year of LAFCO approval.
14. Requests for research on any particular subject will be provided at no cost for the first two hours. This includes, but is not limited to, archival retrieval, identifying properties relative to agency boundaries, and discussing potential applications. Any additional research time will be billed at the fully burdened hourly rate provided in this schedule.
15. Annexation and/or detachment applications involving concurrent boundary changes for two or more agencies qualify as reorganizations and will incur an additional fee of \$982.20. Annexation applications involving cities that require concurrent detachment from County Service Area No. 4, and no other boundary changes are proposed, will only incur an additional fee of \$196.44.
16. LAFCO’s ad hoc Budget Committee shall annually review this schedule and recommend updates to help LAFCO maintain an appropriate level of cost-recovery.

INITIAL APPLICATION FEES

The following fees must be submitted to LAFCO as part of the application filing. The Executive Officer will identify the specific deposits, fees, and amounts that apply to the application.

Change of Organization or Reorganization: Annexations and Detachments	
<ul style="list-style-type: none"> Exempt from California Environmental Quality Act 	
100% Consent from Landowners and Agencies where LAFCO is Responsible or Lead Agency	\$5,893.20
Without 100% Consent from Landowners and Agencies where LAFCO is Responsible or Lead Agency	\$7,857.60
<ul style="list-style-type: none"> Not Exempt from California Environmental Quality Act / Negative Declaration 	
100% Consent from Landowners and Agencies where LAFCO is Responsible Agency	\$6,875.40
100% Consent from Landowners and Agencies where LAFCO is Lead Agency	\$9,822.00 plus consultant contract
Without 100% Consent from Landowners and Agencies where LAFCO is Responsible Agency	\$8,839.80
Without 100% Consent from Landowners and Agencies where LAFCO is Lead Agency	\$11,786.40 plus consultant contract
<ul style="list-style-type: none"> Not Exempt from California Environmental Quality / Environmental Impact Report 	
100% Consent from Landowners and Agencies where LAFCO is Responsible Agency	\$7,857.60
100% Consent from Landowners and Agencies where LAFCO is Lead Agency	\$9,822.00 plus consultant contract
Without 100% Consent from Landowners and Agencies where LAFCO is Responsible Agency	\$9,822.00
Without 100% Consent from Landowners and Agencies where LAFCO is Lead Agency	\$11,786.40 plus consultant contract
Change of Organization or Reorganization: Other	
<ul style="list-style-type: none"> City Incorporations and Disincorporations Special District Formations, Consolidations, Mergers, and Dissolutions Special District Requests to Activate or Deactivate Powers 	at-cost
Other Applications	
<ul style="list-style-type: none"> Request for Outside Service Agreement Request for Reconsideration Request for Time Extension to Complete Proceedings Request for Municipal Service Review Request for Sphere of Influence Amendment 	\$3,928.80 \$3,928.80 \$982.20 at-cost at-cost
Miscellaneous	
<ul style="list-style-type: none"> Special Meeting Alternate Legal Counsel 	\$1,200 at-cost

OTHER APPLICATION FEES

The following fees may apply to applications and records requests. The Executive Officer will identify all applicable fee amounts and the timing for payment submittal.

Fees Made Payable to the County of Napa	
• Assessor’s Annexation Mapping Fee	\$162
• County Surveyor’s Review Fee	\$332.18
• Clerk-Recorder’s Environmental Filing Fee	\$50
• Elections’ Registered Voter List Fee	\$75 hourly
• Elections’ Signature Verification Fee	\$75 hourly
• Clerk-Recorder’s Environmental Document Fee	
.....Environmental Impact Report	\$4,123.50
.....Mitigated Negative Declaration	\$2,968.75
.....Negative Declaration	\$2,968.75

Fees Made Payable to LAFCO	
• Geographic Information System Update	\$196.44
• Public Hearing Notice Newspaper Publishing	at-cost
• Photocopying	\$0.10 (black) / \$0.40 (color)
• Mailing	at-cost
• Audio Recording of Meeting	at-cost
• Research/Archive Retrieval	\$196.44 hourly

Fees Made Payable to the State Board of Equalization to Record Boundary Changes			
Acre	Fee	Acre	Fee
0.00-0.99	\$300	51.00-100.99	\$1,500
1.00-5.99	\$350	101.00-500.99	\$2,000
6.00-10.99	\$500	501.00-1,000.99	\$2,500
11.00-20.99	\$800	1,001.00-2,000.99	\$3,000
21.00-50.99	\$1,200	2,001.00+	\$3,500

RESOLUTION NO. _____

**RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
ADOPTING A WORK PROGRAM FOR FISCAL YEAR 2025-26**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) directs the Local Agency Formation Commission of Napa County (hereinafter “the Commission”) to prepare Municipal Service Reviews in order to prepare and to update spheres of influence; and

WHEREAS, local policy directs the Commission to annually adopt a Work Program; and

WHEREAS, the Commission’s annual Work Program establishes a schedule for the preparation of Municipal Service Reviews, Sphere of Influence Updates, and other agency activities; and

WHEREAS, at its June 2, 2025 meeting, the Commission considered adopting a Work Program for fiscal year 2025-26 prepared by staff.

NOW, THEREFORE, BE IT RESOLVED that the Local Agency Formation Commission of Napa County hereby adopts the Work Program for fiscal year 2025-26, included as Exhibit “A” to this resolution.

This Resolution shall take effect immediately.

The foregoing resolution was duly and regularly adopted by the Commission at a public meeting held on June 2, 2025, after a motion by Commissioner _____, seconded by Commissioner _____, by the following vote:

AYES:	Commissioners	_____
NOES:	Commissioners	_____
ABSENT:	Commissioners	_____
ABSTAIN:	Commissioners	_____

Kenneth Leary
Commission Chair

ATTEST: _____
Brendon Freeman
Executive Officer

Recorded by: Stephanie Pratt
Clerk/Jr. Analyst

Napa LAFCO Work Program for Fiscal Year 2025-26			
		Timeline	Comments
STUDIES	Napa Sanitation District SOI (In-House)	Draft report in August or October 2025	Previous MSR completed in 2014 (Central County Region MSR). Previous SOI completed in 2015.
	Countywide Fire & EMS MSR (Consultant)	Draft report in August or October 2025	Previous Countywide Fire MSR completed in 2006. Contracting with AP Triton to prepare the report.
	City of St. Helena MSR & SOI (Consultant)	Draft report in October or December 2025	Previous MSR & SOI completed in 2008.
ADMINISTRATION	Audit	Annual	Presented by the County Auditor-Controller annually in December.
	Budget	Annual	Ad hoc Budget Committee appointed annually in December to assist staff in preparing budget and work program. Staff presents quarterly budget reports.
	Legislation	Annual	Ad hoc Legislative Committee appointed annually in December to review state legislation and recommend formal positions.
	New Commissioner Orientation	Ongoing	In-person orientation process for new commissioners.
	Policies	Ongoing	Ad hoc Policy Committee is reviewing all local policies and recommending amendments as needed.
	Proposals	Ongoing	See "Current and Future Proposals" staff report on each meeting agenda for a status update.
	Staff Training	Ongoing	Clerk/Jr. Analyst requires ongoing training on LAFCO's administrative functions and application processing.
	Website/Document Management	Ongoing	Staff continuously updates information on website including agendas, minutes, meeting recordings, audits, budgets, etc.
OTHER	Special Projects & Studies	TBD	To be determined in budget cycle and strategic planning. Typically involves a contract with a consultant to be funded with reserves. See Countywide Fire & EMS MSR in "Studies".
	Education & Outreach to Stakeholders & Public	Ongoing	Proactive engagement with local agencies. Conduct regular presentations. Leverage website whenever possible.
	Climate Resiliency in LAFCO's Work	Ongoing	Research policies & best practices of other LAFCOs. Consider adopting additional local policies.
	Coordination & Provision of Broadband Services	Ongoing	Participate in the North Bay Broadband Consortium. Coordinate with other LAFCOs.
	2025 CALAFCO Annual Conference	October 22-24, 2025	Commissioners and staff invited to attend. Scheduled to be held in San Diego at the Wyndham San Diego Bayside.
	2026 CALAFCO Staff Workshop	TBD	Staff only. Location and dates to be determined.



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Budget Policy

(Adopted: August 9, 2001; Last Amended: February 3, 2025)

I. Background

The Cortese-Knox-Hertzberg Local Government Reorganization (CKH) Act of 2000 includes provisions for establishing a budget and for the receipt of funds. [Government Code \(G.C.\) §56381](#) establishes that the Commission shall annually adopt a budget for the purpose of fulfilling its duties under CKH.

II. Purpose

It is the intent of the Commission to adopt a policy for budget purposes which establishes procedures for compiling, adopting and administering the budget. The Commission is committed to providing transparency of its operations including its fiscal activities. The Commission follows recognized accounting principles and best practices in recognition of its responsibility to the public.

III. Preparation of Annual Budget

- A) An annual budget shall be prepared, adopted and administered in accordance with [\(G.C.\) §56381](#).
- B) The Commission should annually consider the Fee Schedule, including any anticipated changes, and Work Program in conjunction with the budget process.
- C) The Commission is committed to ensuring the agency is appropriately funded each fiscal year to effectively meet its prescribed regulatory and planning responsibilities. The Commission is also committed to controlling operating expenses to reduce the financial obligations on the County of Napa, the cities and town, hereafter referred to as the “funding agencies,” whenever possible and appropriate.
- D) The budget shall include an undesignated/unreserved fund balance equal to 10% of annually budgeted operating expenses.
- E) The Commission shall establish an ad-hoc budget committee at the last meeting of each calendar year comprising of two Commissioners which will terminate with the adoption of the final budget. Commissioners appointed to a budget committee shall receive a regular per diem payment for each meeting attended.
- F) The adopted final budget should be posted on the Commission’s website for public viewing for a minimum of five years.
- G) The Executive Officer shall provide quarterly budget reports to the Commission for informational purposes.

IV. Budget Contributions and Collection of Funds

[G.C. §56381](#) establishes that the Commission shall adopt annually a budget for the purpose of fulfilling its duties under CKH. It further establishes that the County Auditor shall apportion the operating expenses from this budget in the manner prescribed by [G.C. §56381\(b\)](#), or in a manner mutually agreed upon by the agencies responsible for the funding of the Commission's budget [G.C. §56381\(c\)](#) states that:

After apportioning the costs as required in subdivision (b), the auditor shall request payment from the Board of Supervisors and from each city no later than July 1 of each year for the amount that entity owes and the actual administrative costs incurred by the auditor in apportioning costs and requesting payment from each entity. If the County or a city does not remit its required payment within 60 days, the Commission may determine an appropriate method of collecting the required payment, including a request to the auditor to collect an equivalent amount from the property tax, or any fee or eligible revenue owed to the County or city. The auditor shall provide written notice to the County or city prior to appropriating a share of the property tax or other revenue to the Commission for the payment due the Commission pursuant to this section.

It is the intent of the Commission that all agencies provide the costs apportioned to them from the LAFCO budget. Pursuant to [G.C. §56381\(c\)](#), the policy of the Commission is:

- A) If the County or a city or a town does not remit its required payment within 45 days of the July 1 deadline, the County Auditor shall send written notice to the agency in question that pursuant to [G.C. §56381\(c\)](#) and this policy, the Auditor has the authority to collect the amount of the Commission's operating expenses apportioned to that agency after 60 days from the July 1 deadline.
- B) If the County or a city or a town does not remit its required payment within 60 days of the July 1 deadline, the County Auditor shall collect an amount equivalent to the cost apportioned to that agency from the property tax owed to that agency, or some other eligible revenue deemed appropriate or necessary by the County Auditor. The County Auditor shall send written notice of the action taken to the agency and to the Commission.

V. Executive Officer Purchasing and Budget Adjustment Authority

Pursuant to [G.C. §56380](#), the Commission shall make its own provision for necessary quarters, equipment, supplies, and services. The associated operating costs are provided for through the Commission's adoption of its annual budget in the manner prescribed in [G.C. §56381](#).

It is the intent of the Commission to charge the LAFCO Executive Officer with the responsibility and authority for coordinating and managing the procurement of necessary quarters, equipment, supplies, and services, and to adjust the annual budget as necessary under certain circumstances. The policy of the Commission is:

- A) The Executive Officer is charged with the responsibility and authority for coordinating and managing the procurement of necessary quarters, equipment, supplies, and services in accordance with applicable laws, regulations and policies.
- B) The Executive Officer is authorized to act as the agent for LAFCO in procuring necessary quarters, equipment, supplies, and services.
- C) Only the Commission itself or the Executive Officer may commit LAFCO funds for the purchase of any necessary quarters, equipment, supplies, or services for LAFCO use.
- D) The Executive Officer is delegated purchasing authority on behalf of LAFCO for necessary quarters, equipment, supplies, and services not to exceed \$5,000 per transaction. The Commission must approve any purchase of necessary quarters, equipment, supplies, and services that exceed the monetary limits set forth in this policy.
- E) Following review and approval by the Chair, the Executive Officer is authorized to make adjustments and administrative corrections to the budget without Commission action provided the adjustments and corrections are within the total budget allocations adopted by the Commission and within the same budget category pursuant to [Revenue and Taxation Code §29125](#).
- F) Following review and approval by the Chair, the Executive Officer is authorized to adjust the budget for purposes of carrying over to the new fiscal year any encumbered funds that have been approved by the Commission in a prior fiscal year and involve unspent balances. Said funds include committed contracts for services that were not completed in the prior fiscal year and must be re-encumbered by way of a budget adjustment in the new fiscal year.