



Agenda Date: 5/2/2018

Agenda Placement: 8A

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors

FROM: Jeff Tucker - Director of Administrative Services/CFO
NS-Administration

REPORT BY: Jeff Tucker, Director of Administrative Services/CFO - 707-258-6000

SUBJECT: Receive a Presentation on the Proposed FY 2018/19 Operating Budget

RECOMMENDATION

Receive a presentation on the proposed FY 2018/19 Operating Budget. Consideration for adoption scheduled for June 6, 2018.

EXECUTIVE SUMMARY

Attached is the proposed operating budget for Fiscal Year 2018/19. A preliminary version of this Budget was reviewed by the Finance Committee on April 2, 2018, with the Committee's recommendations included in the proposed operating budget.

The packet includes the following components of the Proposed Operating Budget:

- | Overview of NapaSan, its policies and its strategic plan
- | Budget summary
- | Position Control Roster
- | Detailed Tables of Revenues and Expenditures
- | Expenditure Budgets by Division

The operating budget (salaries, benefits, services and supplies) is proposed to be 1.45% higher in FY 2018/19 than in FY 2017/18. Salary and benefit expenses are proposed to increase 4.0%, the services and supplies budget is proposed to decrease 2.5%, and the debt service budget is proposed to decrease 3.8%. The salaries & benefits budget includes an additional \$135,000 payment toward NapaSan's pension Unfunded Actuarial Liability.

The 10-Year Capital Improvement Plan and 10-Year Financial Forecast will be presented to and discussed with

the Board on May 16, 2018. The combined operating budget and capital improvement plan will be presented to the Board for consideration and adoption on June 6, 2018.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Operating revenues are primarily from sewer service charges, charges for recycled water, wastehauler discharge fees, property leases, and interest earnings.
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	The budget established the expenditure authorization for FY 2018/19.
Consequences if not approved:	The Board of Directors is required to adopt an annual appropriation NapaSan prior to any expenditures being authorized.
Additional Information:	None.

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

None.

SUPPORTING DOCUMENTS

- A . Presentation on FY 18/19 Operating Budget
- B . NapaSan Overview
- C . Position Control Roster
- D . Budget Summary
- E . Tables of Revenues and Expenditures
- F . Expenditures by Division

Napa Sanitation District: Approve

Reviewed By: Jeff Tucker