



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 3/23/2021

Agenda Placement: 11B

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: REBECCA CRAIG for Minh Tran - County Executive Officer
County Executive Office
REPORT BY: Ben Guerrieri, SENIOR MANAGEMENT ANALYST - 707-253-4197
SUBJECT: FY 2020-21 mid-year fiscal review

RECOMMENDATION

County Executive Officer requests that the Board:

1. Review and accept the Fiscal Year 2020-21 Mid-year Fiscal Review; and
2. Approve Budget Transfer No. CEO021 making budget adjustments in a number of departments as outlined in Attachment A of this Board item, to provide sufficient appropriation authority for expenditures through the end of the fiscal year (4/5 vote required).

EXECUTIVE SUMMARY

The FY 2020-21 Fiscal Review projects that the General Fund will end the fiscal year with an unassigned ending fund balance of approximately \$13.9 million. Estimates are based on actual revenue/expenditure data through the first 6-months of the fiscal year. This fund balance is used to refill reserves and assignment requirements, as well as balance the following fiscal year's budget according to board policy.

The attached memo gives an overview of the midyear review, and the exhibits to this memo detail the budget adjustments. A number of budget adjustments are necessary at this time to ensure there is sufficient appropriation authority to cover projected expenditures through the end of the fiscal year. These budget adjustments increase the General Fund revenue by \$435,050, associated with increased property tax revenue, state funding, as well as increased revenue from Special Revenue Funds. Additionally, the adjustments increase the General Fund expenditures by \$557,978 to cover various increases in staffing and services and supplies costs. The net impact to the General Fund is \$122,928 in use of Fund Balance.

The County Executive Office staff, in collaboration with department staff, will continue to monitor the departments.

PROCEDURAL REQUIREMENTS

1. Staff reports.
2. Public comments.
3. Motion, second, discussion and vote on the item.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	See Attachment A.
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	See Attachment A.
Consequences if not approved:	See Attachment A.
County Strategic Plan pillar addressed:	Effective and Open Government
Additional Information:	

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

An important part of the County's continuous fiscal monitoring process is a review of the County's budget status throughout the fiscal year, focusing particularly on the General Fund. The County Executive Office (CEO) staff works with the Auditor-Controller's Office and department staff to forecast year end revenues, expenses, Net County Cost, and use of Fund Balance for both General Fund and non-General Fund departments. This fiscal review will enable staff to address any current-year budget concerns in a timely manner. The details are included in Attachment A.

SUPPORTING DOCUMENTS

- A . Attachment A - Mid-Year Fiscal Review - Fiscal Year 2020-21
- B . Exhibit A - Mid-Year Budget Adjustments

CEO Recommendation: Approve

Reviewed By: Samuel Ross