



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 6/18/2019
Agenda Placement: 9B
Set Time: 9:00 AM
Estimated Report Time: 5 Minutes

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Tracy Schulze - Auditor-Controller
Auditor - Controller

REPORT BY: Poh Khuan (Jobina) Toh, Accountant-Auditor Manager - 253-4555

SUBJECT: Fiscal Year 2019-20 Budget Adjustment for Continued Capital Improvement and Affordable Housing Projects and Related Contract encumbrances

RECOMMENDATION

Auditor-Controller requests authorization to carry forward estimated Fiscal Year 2018-19 remaining budget and related contract encumbrances for Public Works Capital Improvement, Affordable Housing Fund, and Napa County Fire projects not completed as of June 30, 2019. (4/5 vote required)

EXECUTIVE SUMMARY

The Auditor-Controller requests authorization to carry forward estimated Fiscal Year 2018-19 remaining budget and related contract encumbrances for Capital Improvement, Affordable Housing Fund, and Napa County Fire projects not completed as of June 30, 2019. This request will allow for an increase in appropriations to be ratified by a subsequent action by the Board in August.

PROCEDURAL REQUIREMENTS

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

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it currently budgeted?	No
What is the revenue source?	Revenue sources for Public Works Capital Improvement Projects are listed for each project as stated in Attachment A. In many cases, the project has been fully funded and will use fund balance from Fiscal Year 2018-19. Other sources include Measure A funding, FHWA Reimbursements, Grants or Insurance Settlements. Affordable Housing Loan Projects, in Attachment B, are using fund balance that has been assigned (set aside) at the time each loan is approved. Napa County Fire painting projects, listed on Attachment C, will use budget that was approved in Fiscal year 2018-19.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Approval of these entries will enable Public Works, County Executive Office and Napa County Fire to continue work on the Capital Improvement, Affordable Housing Fund, and Napa County Fire projects respectively in Fiscal Year 2019-20.
Is the general fund affected?	Yes
Future fiscal impact:	Carry forward budgets and appropriations are needed for encumbrances and commitments entered into during the current fiscal year or prior year that have not been completed or fulfilled by June 30, 2019. These projects have not been re-budgeted as part of the 2019-20 adopted budget.
Consequences if not approved:	Failure to approve the carry forward budgets will impede the smooth operation of continuing active projects in Public Works, Affordable Housing Fund, and Napa County Fire and cause a delay in getting contractors/vendors/borrowers paid timely.
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

Due to the size of the projects and timing of construction, Capital Improvement and Affordable Housing projects are often started in one fiscal year yet completed in a future year. The attachments provide a listing of projects with estimated remaining revenues and appropriations for each project as well as the current balances of any approved contracts that would need to be re-encumbered in the next fiscal year. Once all June invoices are paid, these amounts will be adjusted and final carry forward budgets will be determined.

- | Attachment A provides a full listing of current Public Works Capital Improvement Projects and related contracts to be rolled over to the new fiscal year.
- | Attachment B provides a full listing of current Affordable Housing Loans authorized in Fiscal Year 2018-19, but have not been fully paid as of June 30, 2019.
- | Attachment C provides a full listing of current Napa County Fire stations painting projects authorized in

Fiscal Year 2018-19 and rolled over to the new fiscal year.

The requested action authorizes the Auditor-Controller to work with Public Works, the County Executive Officer, and Napa County Fire to determine the final amounts and carry forward the balances of both the projects and the related contracts, increasing the appropriations in the Fiscal Year 2019-20 budget for the projects to continue without delay. The Auditor-Controller will provide the final adjustment as part of the year-end letter in August for final ratification of the increased appropriations.

SUPPORTING DOCUMENTS

- A . Attachment A - Rollover Public Works Capital Improvement Programs
- B . Attachment B - Rollover Affordable Housing Loan Projects
- C . Attachment C - Rollover Fire Projects

CEO Recommendation: Approve

Reviewed By: Helene Franchi