



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 8/14/2018

Agenda Placement: 10C

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors

**FROM:** Tracy Schulze - Auditor-Controller  
Auditor - Controller

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

**SUBJECT:** Authorization to prepare necessary accounting entries to close financial books for the fiscal year ended June 30, 2018

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### **RECOMMENDATION**

Auditor-Controller requests authorization to prepare the necessary accounting entries to close the financial books for the fiscal year ended June 30, 2018. (4/5 vote required)

### **EXECUTIVE SUMMARY**

The Auditor-Controller anticipates completing all the necessary accounting entries to close the financial books for the fiscal year ended June 30, 2018 by Friday, September 28, 2018. Completing this process requires approval by the Board of Supervisors of numerous entries affecting various funds. The requested action includes all funds under the control of the Board of Supervisors and requires a 4/5 vote.

### **PROCEDURAL REQUIREMENTS**

1. Staff Report
2. Public Comment
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?	The requested adjustments will be funded by either increased program revenue or decreased appropriations in other budget units. Sources are identified with each requested item in the attached letter.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Approval of these entries will enable the books to be properly closed in compliance with Generally Accepted Accounting Principles (GAAP) and with State accounting and budgeting practices.
Is the general fund affected?	Yes
Future fiscal impact:	Included in this item is a budget adjustment to carry-forward budget appropriations from fiscal year 2017-18 to 2018-19. Carry-forward amounts are encumbrances for commitments entered into during fiscal year 2017-18 that have not been completed or fulfilled by June 30, 2018 and have not been re-budgeted as part of the 2018-19 Adopted Budget. Detailed listings of carry-forward amounts are included as attachments to this item.
Consequences if not approved:	The County would not be in compliance with Generally Accepted Accounting Principles (GAAP) or State accounting and budgeting practices.
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**

The Auditor-Controller anticipates completing all the necessary accounting entries to close the fiscal year ended June 30, 2018 by Friday, September 28, 2018. Completing this process requires approval by the Board of Supervisors of numerous entries affecting various funds. The requested action includes all funds under the control of the Board of Supervisors.

The actions include:

- | Increasing, decreasing and establishing fund balance assignments, restrictions or commitments;
- | Approving budgetary adjustments to increase appropriations offset by use of contingency, increased revenue sources received during the year or use of fund balance;
- | Authorizing temporary cash advances to funds in a negative cash position due to timing of receiving State reimbursements after June 30;
- | Approving an increase in the Fiscal Year 2018-19 budget for Fiscal Year 2017-18 commitments that were not fulfilled during the year and not re-budgeted for in the following year, including ratification of amounts for capital projects;
- | Accepting a report of cash shortages throughout the year from various departments;
- | Authorizing the Auditor-Controller the ability to continue to make additional accounting and budgetary entries as necessary to close the books.

Please see the attached letter from the Auditor-Controller for the detailed transactions necessary to be authorized.

In addition to the above actions, the letter contains information on Excess Education Revenue Augmentation Fund (ERAF) for the year as well as a reconciliation of the County's prepaid employer's contribution related to employee pension.

**SUPPORTING DOCUMENTS**

- A . Year End Letter from Auditor-Controller
- B . Attachment A - Encumbrances
- C . Attachment B - Capital Improvement Projects
- D . Attachment C - PERS Reconciliation

CEO Recommendation: Approve

Reviewed By: Leigh Sharp