



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 8/9/2016

Agenda Placement: 6R

## 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:** Robert Minahen, Assistant Auditor-Controller - 707.253.4579

**SUBJECT:** Community Facilities District No. 2013-1 Increase in Appropriations

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### **RECOMMENDATION**

Auditor-Controller requests approval of Budget Transfer No. ACO001 increasing appropriations by \$87,400 in the Community Facilities District No. 2013-1 Devlin Road (CFD) budget with offsetting revenues of \$96,600 from increased special tax collections to repay advances provided to the CFD by the Accumulated Capital Outlay subdivision and increasing revenues in the Accumulated Capital Outlay subdivision by \$802,200 for the full repayment of the advances.

(4/5 vote required)

### **EXECUTIVE SUMMARY**

On June 4, 2013, the Board adopted Napa County Ordinance 2013-1 which authorized the levying of a special tax on the two parcels contained within the Community Facilities District No. 2013-1 (CFD). The special tax was to be paid over a five year term with the proceeds being used to repay the Accumulated Capital Outlay subdivision and the Airport Mitigation District for capital advances made to finance the Segment C extension of Devlin Road.

In connection with the recent sale of one of the original parcels, the property owner has elected to make payment of that parcel's remaining portion of the CFD taxes. The budget transfer requested will allow the CFD to repay the Accumulated Capital Outlay fund the amount of taxes collected.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No

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What is the revenue source?	Increased special tax collections.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The increased appropriation will allow for the early repayment of a significant portion of the advance currently outstanding.
Is the general fund affected?	No
Future fiscal impact:	Tax revenues anticipated in the CFD for fiscal year 2017-18 will be reduced by the early payment.
Consequences if not approved:	Fund will remain in the CFD and the CFD will continue to incur interest.
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**

On June 4, 2013, the Board adopted Napa County Ordinance 2013-1 which authorized the levying of a special tax on the two parcels contained within the CFD. The special tax was to be paid over a five year term with the proceeds being used to repay the Accumulated Capital Outlay subdivision and the Airport Mitigation District for capital advances made to finance the Segment C extension of Devlin Road.

In early July 2016, one of the CFD parcels was sold. As a result of that transaction payment was made on the entire remaining special tax due to be charged to that parcel over the final two fiscal years of the special tax.

In order to facilitate the CFD's repayment to the Accumulated Capital Outlay subdivision, a net increase in appropriations of \$87,400 is required consisting of a \$96,600 increase in principal repayment slightly decreased by a \$9,200 decrease in interest expenditures. The increased principal repayment is offset by additional tax revenues collected.

The 2016-17 repayment from the CFD was not budgeted in the Accumulated Capital Outlay subdivision, as a result, an increase in budgeted revenues of \$802,200 is needed. The Accumulated Capital Outlay subdivision will be completely repaid by the end of the current fiscal year.

**SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Molly Rattigan