



Agenda Date: 9/19/2006  
Agenda Placement: 6H

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Kim Henderson for Robert Peterson - Director  
Public Works  
**REPORT BY:** Kim Henderson, Staff Services Manager, 259-8382  
**SUBJECT:** Approval of Budget Transfer No. 9

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### **RECOMMENDATION**

Director of Public Works requests approval of Budget Transfer No. 9 establishing and adjusting appropriation authority for seven non-General Fund budgets and one General Fund budget. (4/5 vote required)

### **EXECUTIVE SUMMARY**

On June 20, 2006 the Board adopted the Fiscal Year 2006-07 Final Budget. As part of the budget process, Capital Improvement Project (CIP) budgets were developed prior to fiscal year-end, and were prepared using an estimated amount of anticipated project expenditures for Fiscal Year (FY) 2005-06. The FY 2005-06 books have now been closed and staff is requesting adjustments to the approved FY 2006-07 Final Budget to account for the difference between the *estimated* final project balances and the *actual* final project balances. In addition to these adjustments, there is one Airport project added to reflect \$120,000 in appropriation authority for the emergency flap gate repairs required to prevent flooding at the Airport, and an adjustment to one General Fund budget unit (Parks), which reduces the Net County Cost by \$7,012.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Various budgets are affected. The requested adjustments to the Fiscal Year 2006-07 Final Budgets are detailed in the Background section of this item.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The justifications for the various adjustments are included in the Background section of the agenda item.

Is the general fund affected? No

Future fiscal impact: The requested adjustments directly affect the FY 2006-07 budget. All increased expenditures are offset by dedicated revenue.

Consequences if not approved: There will not be sufficient appropriation authority to complete projects.

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**

On June 20, 2006 the Board adopted the Fiscal Year 2006-07 Final Budget. Because the budget was developed prior to fiscal year-end, it was prepared using an estimated amount of how much would be spent on certain projects during Fiscal Year (FY) 2006-07. The FY 2005-06 books have now been closed and the project balances have been determined and as such a revision is needed. As discussed during Final Budget hearings, staff is returning to the Board for approval to revise the non-General Fund budgets and one General Fund budget (Parks) as detailed below. These changes reflect final project balances along with other necessary changes which have occurred since the adoption of the Final Budget.

#### Certificates of Participation (COP) Construction: \$120,000

This adjustment will appropriate \$120,000 from the approximate \$2.3 million COP unreserved, undesignated balance for final payout on the Juvenile Justice Center project. Once this is appropriated the money will be released immediately to the contractor and the final drawdown from the COP will take place.

#### Courthouse Temporary Construction: \$13,507

This adjustment will add \$13,507 from the Trial Court Facility Trust Fund for final payment related to the Courts Historic Courthouse renovation project.

#### Roads: \$406,300

This action will increase revenue by \$406,300 due to the receipt of additional Proposition 42 monies. This unanticipated revenue will be used to offset the \$105,259 increase in cost for the Silverado Trail Rubberized Road project due to increased oil prices. The balance of \$301,041 will be appropriated to repay a portion of the General Fund loan made to the Roads budget in FY 2005-06. Additionally, the budget transfer document reallocates \$845,000 in previously approved funding, to two high priority flood projects related to the Redwood Road and Circle Oaks Slide Repairs consistent with recent Board direction. The funds will be moved into specific account lines to more accurately track the costs associated with those projects.

#### County Library CIP: \$10,000

This adjustment will appropriate \$10,000 of the unreserved undesignated Library Fund balance in the Library's CIP budget. This \$10,000 represents the final costs of the Library's Heating, Ventilation and Air Conditioning (HVAC) project for maintenance related issues on the outdated fire alarms. It was estimated this project would be completed by the end of the FY 2005-06 and all money would be spent. Because the project is not fully completed this action will appropriate the balance for final payment.

Parking Structure: \$12,035

This adjustment will appropriate \$12,035 from additional unreserved undesignated fund balance for the Parking Structure budget. The \$12,035 will pay the remaining invoices related to the demolition and cleanup of the structures which were located on the Sullivan Building super block.

Parks: (\$7,012)

This adjustment reappropriates \$20,520 in the Connolly Ranch project which was not completed as estimated in FY 2005-06; and reappropriates \$628 in the Bothe Park project which was not completed as estimated in FY 2005-06 and reduces Proposition 12 appropriations in the amount of \$28,160 to reflect actual expenditures in FY 2005-06. The net effect is a reduction to the Net County Cost of \$7,012

County Airport Capital Improvement Fund: \$434,606

This adjustment will establish the appropriate budget for existing projects based on the final actual project expenditures for FY 2005-06 and also provide \$120,000 in appropriation authority for the emergency flap gate repairs required to prevent flooding at the Airport. The net change resulting from the approval of the requested budget transfer is an increase in appropriations of \$434,606 with an offsetting increase in revenues of \$434,606. Revenues sources include \$143,150 from the Airport Enterprise Account, \$110,008 in State Construction revenue and \$181,448 in Federal Construction revenue.

Airport Enterprise Fund: \$92,664

This adjustment will establish \$90,664 as the appropriate budget for anticipated flood disaster relief related to December 31 flood event, and a minor adjustment of \$2,000 in appropriation authority for a "Gator" vehicle already approved as a fixed asset in FY 2006-07 budget. Revenue sources include \$90,664 in disaster relief revenue and \$2,000 from the Airport Enterprise retained earnings.

**SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Andrew Carey