



Agenda Date: 6/3/2020
Agenda Placement: 8A

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors

FROM: Timothy Healy - General Manager
NS-Administration

REPORT BY: Cyndi Bolden, Senior Accountant - 258-6001

SUBJECT: Adoption of FY 2020/21 Operating and Capital Budgets, and Directing Preparation and Filing of a Written Report to Collect Sewer Service Charges on the Tax Roll for FY 2020/21

RECOMMENDATION

- 1) Adopt attached resolution approving the FY 2020/21 Operating and Capital Budget.
- 2) Adopt attached resolution directing preparation and filing of written report to collect sewer service charges on the tax roll for FY 2020/21.

EXECUTIVE SUMMARY

The proposed FY 2020/21 Operating and Capital Budget, as presented, funds NapaSan's operational requirements and continues funding Capital Improvement Projects in accordance with the Ten-Year Capital Improvement Plan. The draft versions of the proposed Operating Budget and Capital Budget were reviewed by the Finance Committee and the Long Term Planning Committee, respectively. The FY 2020/21 Proposed Operating Budget was presented to the Board on May 6, 2020, and again on May 20, 2020, after the Board gave staff direction to revise the budget assumptions. The Proposed Ten-Year Capital Improvement Program and Ten-Year Financial Forecast was also presented on May 20, 2020, which also included the revised budget assumptions. The attached Budget incorporates direction received by the Board members at these meetings, as well as direction provided through the Strategic Planning process, the Proposition 218 planning process, and facility master plans.

The Budget Document represents and communicates the policy choice set in place by the Board. It identifies the specific goals that each department within NapaSan will achieve this next fiscal year, and it outlines NapaSan's projected financial health for the next ten years.

The budget document, when published, will contain several appendices, including the 2019 Performance Measurement Report. This 104-page document has been excluded from this packet for brevity, as the Board has

already seen and approved this document. Statistics on NapaSan's operations and the overall community are also provided as an appendix to provide additional context and history for the reader.

The Letter of Transmittal for the budget, starting on Page 5 of the proposed budget, provides a financial overview and specific details about the proposed budget.

In addition, each fiscal year it is necessary to adopt a resolution directing staff to prepare and file a written report to allow the collection of sewer service charges on the County tax roll. The Public Hearing for FY 2020/21 sewer service charges is scheduled for July 15, 2020.

Staff recommendation is for the Board of Directors to adopt the attached resolution for the FY 2020/21 Operating and Capital Budget and to adopt the resolution Directing the Preparation and Filing of a Written Report to Collect Sewer Service Charges on the Tax Roll for FY 2020/21.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	This is the Proposed Operating and Capital Budget for FY 2020/21.
Is it Mandatory or Discretionary?	Mandatory
Is the general fund affected?	Yes
Future fiscal impact:	None. The Board adopts a new budget each fiscal year.
Consequences if not approved:	The organization would not be authorized to pay any of its FY 2020/21 financial obligations.
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

None.

SUPPORTING DOCUMENTS

- A . Presentation
- B . Budget Resolution
- C . Tax Roll Resolution

D . Budget Document

Napa Sanitation District: Approve

Reviewed By: Timothy Healy