



Staff Report

Agenda Item #: {{section.number}}A

Yountville Town Council Staff Report

DATE: February 18, 2025

TO: Mayor and Town Council

FROM: Kyle Batista, Financial Analyst; Celia King, Administrative Services Director

PREPARED BY: Kyle Batista, Financial Analyst

RECOMMENDATION

Adopt Resolution Number 25-4342 approving mid-year budget adjustments for Fiscal Year 2024/2025.

DISCUSSION/BACKGROUND

Town staff have conducted a review of the status of the Town's Fiscal Year (FY) 2024/2025 budget as of December 31, 2024. This report is presented to recommend budget adjustments to ensure proper budget management considering unexpected revenue and expense activity after budget adoption on May 21, 2024.

All proposed changes are summarized at the end of this staff report.

General Fund Revenue

Town staff recommend budget adjustments for the following General Fund revenue accounts.

- Risk Management Refunds and Reimbursements - Increase budget by \$34,517. Staff will be requesting a draw from available California Intergovernmental Risk Authority (CIRA) Flexible Spending Funds to cover higher than expected workers' compensation, liability, and property insurance premiums.
- Parks and Recreation Community Events Donations and Contributions - Increase budget amount by \$25,000 for the Napa Valley Tourism Improvement District (NVTID) contribution of funds to the Town for upcoming community events.
- Other State Revenues - Decrease budget by \$40,000 as the Town will not receive grant funding to cover the costs of SolarAPP+ software because it was free to implement.

The net amount of these General Fund revenue budget adjustments is an increase of \$19,517.

General Fund Expenditures

Town staff recommend budget adjustments for the following General Fund expenditure accounts.

- Workers' Compensation and Liability Insurance - Increase budget by \$22,770 total across multiple departments to cover the higher-than-expected annual insurance premiums.

- Public Works Government Buildings Property Insurance - Increase budget by \$11,748 to cover the higher-than-expected annual property insurance premiums.
- Town Manager's Salaries and Benefits - Increase salary, employer pension contributions, and employer deferred compensation budget amounts by \$56,980 to cover costs related to the Town Manager employment agreement amendment per Resolution No. 24-4306 approved by Town Council on September 17, 2024.
- Public Works Maintenance Worker Salaries and Benefits - Increase budget by \$47,398 to backfill the Maintenance Worker position that was left vacant due to staff internal promotion to Public Works Manager.
- Public Works Park Maintenance Utilities - Increase Water Utilities budget by \$27,000 for expenditures incurred at Yountville Commons.
- Public Works Government Buildings Utilities - Increase Gas and Electric budget by \$22,000 and Water and Sewer budget by \$24,000 for expenditures incurred at Yountville Commons.
- Public Works Government Buildings Equipment Maintenance - Increase budget by \$31,000 to cover unexpected geothermal piping repair at Community Center and generator repair at multiple Town buildings.
- Parks & Recreation Camp Program Contract Services - Increase budget by \$10,000 to cover camp field trip and transportation costs.
- Parks & Recreation Camp Program Part-Time Salaries - Increase budget by \$32,295 to cover revised part-time salary costs per Resolution No. 24-4326 approved by the Town Council on December 3, 2024, and accommodate anticipated costs.
- Parks & Recreation Community Events - Increase Contract Services budget by \$20,000 and Supplies budget by \$5,000. These budget adjustments utilize Napa Valley Tourism Improvement District funds contributed to upcoming community events.
- Planning Contract Services - Decrease budget by \$40,000 due to SolarAPP+ software being available to jurisdictions at no cost.

The total amount of the General Fund expenditure budget adjustments is \$270,191.

The net result of increased expenditures less increased revenues is **\$250,674**. The current General Fund assigned for Budget Contingency Fund Balance is \$557,793. Staff are recommending use of these funds to cover the \$250,674 of additional expenditures. The remaining balance after approval of this utilization would be \$307,119.

Other Funds

Town staff recommend budget adjustments for the following budgets applicable to other funds.

- Fund 61 Water Utility - Increase Refunds and Reimbursement revenue budget and Insurance Premium expenditure budgets by \$3,395. Staff will be requesting a draw from available California Intergovernmental Risk Authority (CIRA) Flexible Spending Funds to cover higher than expected workers' compensation, liability, and property insurance premiums. The net effect of these adjustments to the fund is zero.
- Fund 62 Wastewater Utility - Increase Refunds and Reimbursement revenue budget and Insurance Premium expenditure budgets by \$7,947. Staff will be requesting a draw from available California Intergovernmental Risk Authority (CIRA) Flexible Spending Funds to cover higher than expected workers' compensation, liability, and property insurance premiums.

- Fund 62 Wastewater Treatment Contract Services - Increase budget by \$29,000 to cover additional regulatory consulting costs for the Treatment Plant permit renewal process.
- Fund 21 Public Education & Government TV (P.E.G.) - Increase Contract Services budget by \$13,000 and Equipment budget by \$7,000 for purchasing and installation of display monitors to modernize the noticing of Town meetings.
- Fund 25 Measure T Infrastructure - Increase budget by \$904,011 for the Measure T portion of the Washington Street Corridor Project.

Finance staff confirmed that the funds listed above have sufficient fund balance to cover the budget adjustments requested.

Additional Information

- The current balance of the General Fund Assigned for Leave Buyout is \$160,000. Staff recommend utilization of this general fund balance allocation in the amount of \$27,415 for expenditures incurred in the current fiscal year. Remaining balance after approval of this utilization is \$132,585.
- All proposed changes are summarized at the end of this staff report and included with Resolution No. 25-4342 as Exhibit A.

ENVIRONMENTAL REVIEW

Exempt per California Environmental Act (CEQA) Guideline, Section 15061(b)(3).

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it Currently Budgeted? Yes

Where is it Budgeted? Various Departments

Is it Mandatory or Discretionary? Discretionary

Is there a Staff Resource Impact? Nominal

STRATEGIC PLAN GOAL

Is item Identified in Strategic Plan? Yes

If yes, Identify Strategic Goal and Objective. **Responsible Fiscal Policy:** The Town maintains its fiscal health through policies designed to maximize economic opportunities, manage expenses, and ensure prudent reserves.

Briefly Explain Relationship to Strategic Plan Goal and Objective. Presenting the Town Council with recommended budget adjustments based on a mid-year review of revenue and expenditures ensures proper budget management.

ATTACHMENTS

1. Resolution No. 25-4342 with Exhibit A (Budget Adjustment Summary)

Exhibit A - Budget Adjustment Summary

General Fund Revenues	Original Budget	Increase/ (Decrease)	Amended Budget
General Fund Refunds & Reimbursements	10,620	34,517	45,137
Parks & Recreation Community Events Donations and Contributions	13,000	25,000	38,000
Other State Revenues (SolarAPP+ grant)	40,000	(40,000)	-
Total General Fund Revenue Adjustments		19,517	
General Fund Expenditures	Original Budget	Increase/ (Decrease)	Amended Budget
General Fund Worker's Compensation & Liability Insurance	345,646	22,770	368,416
Public Works Government Buildings Property Insurance	98,016	11,748	109,764
Town Manager's Salary & Benefit Cost	271,478	56,980	328,458
Public Works Maintenance Worker (partial year)	442,980	47,398	490,378
Public Works Parks Utilities Water and Sewer	125,000	27,000	152,000
Public Works Government Buildings Utilities Gas and Electric	50,000	22,000	72,000
Public Works Government Buildings Utilities Water and Sewer	60,000	24,000	84,000
Public Works Government Buildings Equipment Maintenance	23,330	31,000	54,330
Parks & Recreation Camp Contract Services	25,220	10,000	35,220
Parks & Recreation Camp Part-Time Salaries	105,200	32,295	137,495
Parks & Recreation Community Events Contract Services	49,850	20,000	69,850
Parks & Recreation Community Events Other Supplies &	30,250	5,000	35,250
Planning Department Contract Services (SolarAPP+ Software)	234,600	(40,000)	194,600
Total General Fund Expenditure Adjustments		270,191	
	Original Balance	Utilization*	Remaining Balance
General Fund Assigned for Budget Contingency Fund	557,793	250,674	307,119

**net result of increased expenditures less increased revenues*

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Exhibit A - Budget Adjustment Summary (cont.)

Enterprise Funds	Original Budget	Increase	Amended Budget
Fund 61 Water Refunds and Reimbursements	-	3,395	3,395
Fund 62 Wastewater Refunds and Reimbursements	-	7,947	7,947
Total Increase to Enterprise Fund Revenues		11,342	
Fund 61 Water Liability Insurance	28,673	2,108	30,781
Fund 61 Water Property Insurance	6,126	734	6,860
Fund 61 Water Workers Comp Insurance	11,643	553	12,196
Total Increase to Water Fund Expenditures		3,395	
Fund 62 Wastewater Liability Insurance	61,979	4,550	66,529
Fund 62 Wastewater Property Insurance	18,378	2,203	20,581
Fund 62 Wastewater Workers Comp Insurance	25,167	1,194	26,361
Fund 62 Wastewater Treatment Contract Services	277,550	29,000	306,550
Total Increase to Wastewater Fund Expenditures		36,947	

Other Funds	Original Budget	Increase	Amended Budget
Fund 21 Public Education & Gov't TV (PEG) Contract Services	-	13,000	13,000
Fund 21 Public Education & Gov't TV (PEG) Equipment	5,000	7,000	12,000
Fund 25 Measure T Infrastructure	550,000	904,011	1,454,011
Total Increase to Other Fund Expenditures		924,011	