



County of Monterey

Item No.10

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: BC 24-028

February 28, 2024

Introduced: 2/22/2024

Current Status: Agenda Ready

Version: 1

Matter Type: Budget Committee

- a. Receive the Monterey County Financial Forecast, which assesses the County's fiscal condition for the current year and three forecast years (FY 2024-25 through FY 2026-27);
- b. Receive the annual update to the County's General Financial Policies including technical corrections; and
- c. Provide direction to staff.

RECOMMENDATION:

It is recommended that the Budget Committee:

- a. Receive the Monterey County Financial Forecast, which assesses the County's fiscal condition for the current year and three forecast years (FY 2024-25 through FY 2026-27);
- b. Receive the annual update to the County's General Financial Policies including technical corrections; and
- c. Provide direction to staff.

SUMMARY/DISCUSSION:

The County's financial forecast is the first step of the annual budget development cycle. Staff conducts a comprehensive mid-year review of planned spending and anticipated revenues for the current year, budget year, and two additional out years. The result of this review is an assessment of the County's financial condition, emerging needs, and the capacity to fund those needs as well as current levels of service and operations for the remainder of the fiscal year and beyond. Please see the attached Monterey County Financial Forecast for details.

The Board first adopted formal financial policies in February 2003, establishing a framework for overall fiscal planning and management. In the ensuing years, the Board and County management have continuously refined these policies to employ sound financial practices and strategies. The financial policies require annual update. This year's version includes two new sections, one on procurement and one on enhanced infrastructure financing districts.

OTHER AGENCY INVOLVEMENT:

Development of this forecast is a cooperative effort between all departments and the County Administrative Office.

FINANCING:

There are no fiscal impacts related to receipt of this report. The revised General Financial Policies provide the framework for building and administering the annual budget and are reviewed by the GFOA in determining the County's eligibility for the Distinguished Budget Presentation Award.

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Attachments: Attachment 1: March 2024 Monterey County Financial Forecast; Attachment 2: Monterey County FY 2024-25 General Financial Policies Revision; Attachment 3: Monterey County FY 2024-25 General Financial Policies Revision [Redline Version]