



Monterey County

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

Board Report

Legistar File Number: RES 19-047

April 30, 2019

Introduced: 4/24/2019

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Resolution

Adopt a Resolution:

Authorizing and directing the Auditor-Controller to amend the FY 2018-19 Adopted Budget by increasing appropriations in the County Administrative Office, Contributions to Other Agencies (CAO007-001-1050-8029) by \$200,000 for a one-time investment in the Salinas Valley Promise Scholarship Program, financed from a release of \$200,000 from the cannabis assignment (BSA 3132). (4/5ths vote required)

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt a Resolution authorizing and directing the Auditor-Controller to amend the FY 2018-19 Adopted Budget by increasing appropriations in the County Administrative Office, Contributions to Other Agencies (CAO007-001-1050-8029) by \$200,000 for a one-time investment in the Salinas Valley Promise Scholarship Program, financed from a release of \$200,000 from the cannabis assignment (BSA 3132). (4/5ths vote required)

SUMMARY:

On March 19, 2019, representatives for the Salinas Valley Promise Scholarship Program presented a funding proposal to the Board of Supervisors (Board) to improve student success and foster positive economic outcomes. The funding proposal requested a two-year commitment of \$300,000 annually from the County to be matched by \$300,000 from area cities. The Board directed County staff to report back on options to fund the County's contribution.

DISCUSSION:

On April 23, 2019, staff reported options for funding the requested County contribution to the Salinas Valley Promise Scholarship Program. Staff cited over \$40 million in requested augmentations for next fiscal year to continue current staffing, fund the Juvenile Hall cost over-run, staff the expanded jail, keep up with infrastructure, fund homeless services, expand First Five Early Childhood Education, buy library books and many other worthwhile causes including this program. Beyond the \$40 million in requested augmentations is to-be-determined financing for labor contracts currently under re-negotiation. To fund these needs, staff pointed to two potential financing sources: growth in discretionary revenue estimated at \$11.3 million and the cannabis assignment with an estimated year-end balance of \$15.7 million.

After considering public testimony from program representatives and students, the Board agreed to fund the program on a one-time basis with an investment of \$200,000 from the cannabis assignment. The Board directed staff to follow-up with a "consent" report for its April 30, 2019 meeting to

authorize the \$200,000 payment from the current year budget to ensure the program has the capital to launch operations on July 1, 2019, with the understanding program representatives can provide the County with acceptable program documentation for use and control of these public funds.

OTHER AGENCY INVOLVEMENT:

The County Administrative Office prepared this report at the request of the Board of Supervisor's during the April 23, 2019 meeting.

FINANCING:

Funding the Salinas Valley Promise Scholarship Program will increase general fund appropriations by \$200,000 in FY 2018-19 and utilize \$200,000 from the cannabis assignment, thereby lowering the estimated June 30, 2019 assignment balance to \$15,575,597 based on commitments made through April 23, 2019.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Through collaboration between the Salinas Valley Promise Scholarship Program, the County and cities, this program seeks to improve student success and economic outcomes, thereby contributing to a diversified and healthy economy.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Paul Lewis, County Budget Director, ext. 3078

Approved by: Dewayne Woods, Assistant County Administrative Officer, ext. 5309

Attachments: Resolution (Attachments on file with the Clerk of the Board)