



County of Monterey
Board of Supervisors Meeting
December 17, 2013



Financial Policies – *The County Administrative Office (CAO) annually recommends updates to the County’s existing financial policies, principles, and strategies in order to provide an enhanced framework for administering the current Budget and developing the Recommended Budget.*



Financial Policies – *Specific areas of focus include the following:*

Roles and Functions

Operating Budget Policies

General Financial Policies

Revenue and Expenditure Policies

Structurally Balanced Budget Policy

Fund Balance and Reserve Policy

Strategic Planning Policy



Financial Policies – *Specific areas of focus include the following:*

County-wide Contingency and Reserve Policy

User Fees Fair Share Policy

Outside Agency Contributions Policy

Other Post Employment Benefits Policy

Enterprise Fund Policy

Internal Service Fund Policy

Capital Facilities and Improvement Policy

Recommendation



The Board and County management have continuously made significant progress in developing and implementing sound fiscal policies, principals and strategies.

As a result, in preparation for the development of the Fiscal Year (FY) 2014-15 Recommended Budget, it is recommended the Financial Policies (*see Attachment 1*) remain for the most part, unchanged from those adopted for FY 2013-14.

Recommendation - Overview



The recommended changes for the Recommended Financial Policies are summarized in *Attachment 2*.

The majority of changes are primarily clarification of the intent of a particular policy or updating policy based on Board action during the course of the fiscal year.

Recommendation-Road Fund TOT Contribution



“In June 2013, the Board in recognition of the contributing value well maintained roads provide for the overall economic vitality of the County and the County Transient Occupancy Taxes, the Board approved including the Road Fund in the County Transient Occupancy Tax contribution formula for FY 2013-14. The contribution is based on a shared percentage of the total Transient Occupancy Tax from the previously audited fiscal year. The Road Fund will receive a contribution percentage that starts in FY 2013-14 equal to 20%.”

Recommendation-Road Fund TOT Contribution



The Road Fund TOT Contribution is in Section 7.10 Outside Organization Contributions under the Transient Occupancy Tax Revenue Contributions section.

The contribution does not impact other TOT annual contributions, such as the Monterey County Convention and Visitors Bureau, Film Commission and Arts Council.

January 2014, the Board will receive a recommended policy on reaching a 25% contribution rate.

Recommendation-Capital Project Reports



The Capital Project Reports is in Section 11.6, part of Section 11 Capital Facilities and Improvement Policies.

The section was updated to include applicable Natividad Medical Center capital projects; and

Updated to current Capital Improvement Committee and Budget Committee direction to provide quarterly, instead of monthly reporting on implemented capital projects.



Q&A