Attachment 1

COUNTY OF MONTEREY

GENERAL FINANCIAL

POLICIES

FY 2014-15

Revision

Page 14-15: Transient Occupancy Tax Revenue

 In June 2013, tThe Board in recognizestion of the contributing value that well maintained roads provide for the overall economic vitality of the County and contributes to the County Transient Occupancy Taxes (TOT)., In response, in June 2013 the Board approved including the Road Fund as a beneficiary in the County Transient Occupancy Tax Revenue contribution formula at which time 20% was established for FY 2012-13. Infor FY 2013-14,. Tthe TOT contribution percentage for the Road Fund is established at 20%. Per annum, the is based on a sharedcontribution shall increase by 1% until it reaches 25%, which, at that time, the contribution percentage shall cap and remain at 25%. The contribution percentage per annum shall be as follows: FY 2014-15 (21%); FY 2015-16 (22%): FY 2016-17 (23%); FY 2017-18 (24%); FY 2018-19 (25%); and thereafter remain at 25%. Going forward, tThe contribution amount replaces, and is not in addition to, the $2.0 million the County previously provided per annum to the Road Fund from the General Fund. 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%.

A ten (10) member Road Fund Advisory Committee (Advisory Committee) shall be responsible per annum to review the recommendation from the Monterey County Public Works Department (MCPWD) on the use of the funds. When the MCPWD provides a plan for the use of this funding to the Board of Supervisors and their respective committees, minutes from the Advisory Committee shall be included for consideration. There shall be two (2) members appointed by each Supervisor for their respective Districts; these members shall be residents of that Supervisor's unincorporated area of the County. The Advisory Committee does not replace the functions and responsibilities of both the Capital Improvement and Budget Committees.