



Monterey County

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Board Report

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Matter Type: General Agenda Item

Receive report from the Board of Supervisors Cannabis Committee regarding proposed FY2018-19 resource allocations to Departments from commercial cannabis general tax revenue; and
Provide direction to staff CAO-IGLA.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Receive report from the Board of Supervisors Cannabis Committee regarding proposed FY2018-19 resource allocations to Departments from commercial cannabis general tax revenue; and
Provide direction to staff CAO-IGLA.

SUMMARY/DISCUSSION:

In 2017, the various County departments involved in the commercial cannabis program were requested to provide an estimate of their funding needs for program operation in FY18-19. The original request from the 10 involved departments totaled in excess of \$10M. Cannabis tax revenue, at the current tax rate, is estimated to be approximately \$7.0M to \$7.5M in FY18-19. CAO staff, along with Supervisor Phillips representing the Board Cannabis Committee, met with representatives of various departments to review their requests in detail. Ultimately, CAO staff developed a recommended funding level for program operation in FY18-19 of \$3.6M. The allocation recommended by staff and reviewed/modified by the Board Cannabis Committee on March 26, 2018 is shown as Attachment "A". A brief description of the functions of the various positions is shown in Attachment "B".

OTHER AGENCY INVOLVEMENT:

The following have been involved in reviewing this matter:

Board of Supervisors Cannabis Committee, CAO-IGLA, Auditor/Controller,
Appraiser/Clerk/Recorder, Agricultural Commissions, County Counsel, District Attorney,
Environmental Health, Public Health, RMA, Sheriff and Treasurer/Tax Collector.

FINANCING:

If ultimately approved by the Board of Supervisor, funding for proposed FY18-19 cannabis program operations would total \$3,556,891. This funding would be provided by the County Commercial cannabis tax revenue. Given the constrained nature of funding resources for FY18-19, it is unclear at this time the extent of funding which may be available for cannabis program operations.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The County commercial cannabis program is a major new industry which has the capability of

generating much needed revenue which could potentially fund County programs.

Mark a check to the related Board of Supervisors Strategic Initiatives

X Economic Development
X Administration
X Health and Human Services
X Infrastructure
X Public Safety

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Date

Attachments:

Attachment "A"

Attachment "B"

Attachments are on file with the Clerk of the Board