



Monterey County

Monterey Room
168 W. Alisal St., 2nd Floor
Salinas, CA 93901

Budget Committee Report

Legistar File Number: BC 20-022

January 29, 2020

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Current Status: Agenda Ready

Matter Type: Budget Committee

Support authorizing the Auditor-Controller and the County Administrative Office to amend the FY 2019-20 Adopted Budget to incorporate three position additions, one (1) FTE Senior Account Clerk, one (1) FTE Accountant II, and one (1) FTE Management Analyst III, to the CAO budget (001-1050-CAO001-8045), financed by inter-departmental reimbursements from Laguna Seca Track (001-1050-CAO029-8441), in the prorated amount of \$120,623 effective March 1, 2020.

RECOMMENDATION:

It is recommended that the Budget Committee support authorizing the Auditor-Controller and the County Administrative Office to amend the FY 2019-20 Adopted Budget to incorporate three position additions, one (1) FTE Senior Account Clerk, one (1) FTE Accountant II, and one (1) FTE Management Analyst III, to the CAO budget (001-1050-CAO001-8045), financed by inter-departmental reimbursements from Laguna Seca Track (001-1050-CAO029-8441), in the prorated amount of \$120,623 effective March 1, 2020.

SUMMARY/DISCUSSION:

On November 19, 2019, the Board of Supervisors passed a motion to execute a new management agreement with A&D Narigi Consulting for management services at Laguna Seca Recreation Area effective January 1, 2020. Under the new management, the County is assuming responsibility and control of all finance and accounting activities at the Raceway as of January 1, 2020. The Raceway is a critical economic driver for the County in sales taxes and transient occupancy taxes and has a regional economic impact on hundreds of businesses that benefit from the events.

The former management company operated the accounting and finance department with temporary agency workers that maxed out every 720 hours per fiscal year. The 5-month employee turnaround hampered effectiveness and efficiency. The transition from the former management company exposed issues related to the lack of timely payments to vendors. Approval of this resolution would deploy County staff to perform the day to day activities required for success.

The three FTE positions submitted for consideration include: one (1) Senior Account Clerk, one (1) Accountant II, and one (1) Management Analyst III, with an annualized cost of \$85,610, \$119,985, and \$156,273, respectively.

The three FTE positions combined have an annualized cost of \$361,868 and a prorated cost of \$120,623 in FY 2019-20, effective March 1, 2020.

If approved, the staff will work on-site at Laguna Seca Recreational Area. Laguna Seca budget will reimburse CAO by \$120,623 for current year costs. Staff will transfer to the Laguna Seca budget

during the next budget process in FY 2020-21.

OTHER AGENCY INVOLVEMENT:

The Human Resources Department has reviewed and approved the proposed actions.

FINANCING:

No appropriation increase is needed for the County Administrative Office or Laguna Track. The recommended action is financed in the current fiscal year by an inter-departmental transfer of \$120,623 from Laguna Seca to County Administrative Office. Laguna Seca Track can fund the inter-departmental transfer with its current appropriations budget. The positions will be moved to the Laguna Seca budget during the FY 2020-21 budget process.

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