



Legislation Details (With Board Report)

File #: 17-0592 **Name:** Increase FY16-17 Appropriations by \$228,491 in Treasurer-Tax Collector Tax Budget

Type: General Agenda Item **Status:** Passed

File created: 6/5/2017 **In control:** Board of Supervisors

On agenda: 6/27/2017 **Final action:** 6/27/2017

Title: Adopt a Resolution to:

a. Increase FY 2016-17 appropriations by \$228,491 in Treasurer-Tax Collector - Property Tax budget 1170-TRE001-8263, funded by a matching increase in use of general fund, to support previously approved cost of new positions and expenses related to current year implementation, administration, and enforcement of new business license and commercial cannabis business tax functions (4/5th vote required);

b. Authorize the Auditor-Controller to increase appropriations by \$228,491 in Treasurer-Tax Collector - Property Tax budget 1170-TRE001-8263, to be offset by a matching increase in year-end use of general fund.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Attachment A - Approved Board Order (File ID 16-1387), 3. Attachment B - Resolution, 4. Attachment B - Resolution, 5. Completed Board Order & Resolution

Date	Ver.	Action By	Action	Result
6/27/2017	1	Board of Supervisors	approved	Pass

Adopt a Resolution to:

a. Increase FY 2016-17 appropriations by \$228,491 in Treasurer-Tax Collector - Property Tax budget 1170-TRE001-8263, funded by a matching increase in use of general fund, to support previously approved cost of new positions and expenses related to current year implementation, administration, and enforcement of new business license and commercial cannabis business tax functions (4/5th vote required);

b. Authorize the Auditor-Controller to increase appropriations by \$228,491 in Treasurer-Tax Collector - Property Tax budget 1170-TRE001-8263, to be offset by a matching increase in year-end use of general fund.

RECOMMENDATION:

Adopt a Resolution to:

a. Increase FY 2016-17 appropriations by \$228,491 in Treasurer-Tax Collector - Property Tax budget 1170-TRE001-8263, funded by a matching increase in use of general fund, to support previously approved cost of new positions and expenses related to current year implementation, administration, and enforcement of new business license and commercial cannabis business tax functions (4/5th vote required);

b. Authorize the Auditor-Controller to increase appropriations by \$228,491 in Treasurer-Tax Collector - Property Tax budget 1170-TRE001-8263, to be offset by a matching increase in year-end use of general fund.

SUMMARY:

On December 13, 2016, the Board of Supervisors approved amendments to the Treasurer-Tax Collector’s (TTC) Fiscal Year 2016-17 budget to support new County functions for issuance of business licenses and collection of taxes for commercial cannabis businesses operating in unincorporated Monterey County.

Subsequently, it has been identified that approval language did not appropriately authorize the Auditor-Controller to recognize an increase in contributions from the general fund as the offsetting funding source for the appropriations increase of \$228,491. The recommended actions will adequately authorize the previously approved actions. A copy of the December 13, 2016 originally approved Board Order is included as Attachment A.

OTHER AGENCY INVOLVEMENT:

The Auditor-Controller's Office has reviewed and confirmed that the revised action appropriately authorizes the requested budget modification. County Counsel has reviewed this report as to form.

FINANCING:

In December 2016, the TTC worked with the Assistant CAO-Budget and Analysis to identify an appropriate funding source to offset increased expenses for administration of new business license and commercial cannabis tax requirements. It was determined that increased appropriations of \$228,491 would be offset by a portion of the current year collection of new funds from commercial cannabis business tax. Tax revenue collected is deposited to CAO Non-Program Revenue account 001-1050-8041, Commercial Cannabis Tax revenue account 4130. Commercial cannabis business tax revenue collected for the January through March quarter of the current year is more than adequate to cover the increased appropriations previously approved by the Board. Approval of the corrected Board Order has no additional impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Requested actions provide resources for implementation, administration, and enforcement of Board policies, and facilitate collection of new County discretionary funds that assist with achieving a countywide balanced budget that sustains core services and allocation of resources to address local priorities.

Prepared by: Mari Beraz, Assistant Treasurer-Tax Collector, x5112

Approved by: Mary A. Zeeb, Treasurer - Tax Collector, x5474

All attachments are on file with the Clerk of the Board:
Attachment A - Approved Board Order (File ID 16-1387)
Attachment B - Resolution