



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 14-885, **Version:** 1

Receive a report on the Governor's FY 2014-15 Enacted Budget.

RECOMMENDATION:

It is recommended that the Board of Supervisors receive a report on the Governor's FY 2014-15 Enacted Budget.

SUMMARY:

The Governor signed the (Fiscal Year) FY 2014-15 Budget on June 20, 2014. This staff report provides an overview of the signed budget and highlights potential impacts to the County of Monterey.

DISCUSSION:

The Governor's enacted budget reflects a modest surplus resulting from the increased revenue from capital gains tax, it also reflects the net change in the national and State economic outlook, the corresponding effects on revenues, the State's obligations, and increased costs for implementing Federal health care reform and other spending adjustments. The signed budget is a \$156.3 billion budget, a \$200 million increase over Governor Brown's proposed May revision. The signed budget maintains the Governor's core Budget principles of paying down long-term debt and reducing long-term liabilities, the Budget reduces more than \$10 billion off the Wall of Debt by paying down the deferral of payments to schools, and repaying various special fund loans, and funding \$100 million in mandate claims that have been owed to local governments since 2004 outlined in Attachment 2. This represents about \$2.1 million in repayment for Monterey County, and other local government agencies. The 2014 Budget continues the reinvestment in schools; it provides more than \$10 billion this year alone in new Proposition 98 funding. More details are covered in Attachment 1.

OTHER AGENCY INVOLVEMENT:

This report incorporates staff's analysis and pertinent information of the Governor's FY 2014-15 Enacted Budget. The Budget Committee received this report on July 30, 2014.

FINANCING:

Acceptance of this report has no direct impact on the County budget.

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Attachment: Attachment 1 - Analysis of the Governor's FY 2014-15 Enacted Budget
Attachment 2 - Revised Budget Detail and Pre-2004 Mandates