



County of Monterey

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

Board Report

File #: 21-527, Version: 1

- a. Approve and authorize the Auditor-Controller to increase FY 2020-21 revenues and appropriations in the Agricultural Commissioner's Office Budget (001-2810-AGR001-8001) by \$573,045, financed by Mill Tax revenue; (4/5ths Vote Required) and;
- b. Approve and authorize the transfer of up to \$673,045 from the Agricultural Commissioner's Budget (001-2810-AGR001-8001), to the Capital Projects (402-3000-RMA014-8468) for the Agricultural Commissioner Facility Development Project Number 28101 (4/5ths Vote Required).

RECOMMENDATION:

It is recommended that the Board of Supervisors Adopt a Resolution to:

- a. Approve and authorize the Auditor-Controller to increase FY 2020-21 revenues and appropriations in the Agricultural Commissioner's Office Budget (001-2810-AGR001-8001) by \$573,045, financed by Mill Tax revenue; (4/5ths Vote Required) and;
- b. Approve and authorize the transfer of up to \$673,045 from the Agricultural Commissioner's Budget (001-2810-AGR001-8001), to the Capital Projects (402-3000-RMA014-8468) for the Agricultural Commissioner Facility Development Project Number 28101 (4/5ths Vote Required).

SUMMARY:

The Agricultural Commissioner realized unanticipated revenue of \$573,045 in FY 2020-21 and salary savings of \$100,000. The unanticipated revenue was \$573,045 unbudgeted revenue from Pesticide Mill Tax. The department experienced an unexpected number of vacancies in FY 2020-21 resulting in \$100,000 in salary savings. Recommended actions authorize transfer out of up to \$673,045 to capital projects funds expenditures in the current year that otherwise would not be possible for County infrastructure. Support for the Agricultural Commissioner's request utilizes available resources for critical building repairs and other agriculture-related projects that are beneficial to the County and will insure reimbursement revenue next year in FY 2021-22 from Unclaimed Gas Tax (UGT). The department will work closely with the County Administrative Office Budget and Analysis Division to review the final transfer amount based on actual revenues and expenditures prior to processing the transaction.

DISCUSSION:

The recommended actions comply with Board guidelines, facilitating projects that will result in improvements that provide far-reaching or long-term benefits that might otherwise be delayed or not occur at all. The recommended use of funds benefits the Agricultural Commissioner's maintenance of effort requirement, ensuring the continued receipt of Unclaimed Gas Tax revenue which totaled \$2.6 million in this fiscal year.

This Report requests up to \$673,045, be dedicated to the Agricultural Commissioner Facility Development Project if a year-end reconciliation indicated the transfer is necessary. The fund currently has approximately \$3.1 million. The Department is currently evaluating long term needs with the potential to divest from the property we currently occupy in King City. The Project will now consider alternative locations for the Agricultural Commissioner's South County operations. Any future expenditure will be brought to the Board for consideration.

OTHER AGENCY INVOLVEMENT:

The Agricultural Commissioner's Office has been working closely with the Department of Public Works Facilities and Parks for options. The Budget Committee approved this request by consensus on May 26, 2021.

FINANCING:

The proposed action utilizes available resources in the Agricultural Commissioner's Budget for appropriate State reimbursable expenditures. Fiscal year 2020-21 General Fund Contribution (GFC) will be used in calculating the County's average five-year contribution to the County's agricultural commissioner services. The five-year average contribution is the basis of the UGT distribution. Failure to expend the funds in the current year will result in loss of State revenue from UGT in FY 2021-22. Failure to meet the required Maintenance of Effort will result in requests from the Agricultural Commissioner for increased Net County Contribution in future years.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

- ✓ Economic Development
- Administration
- Health & Human Services
- ✓ Infrastructure
- Public Safety

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