



## CALAVERAS COUNTY BOARD OF SUPERVISORS AGENDA SUBMITTAL

<b>Short Name/Subject</b> Adjust FY 18-19 budget to cover refunds	<b>Board Meeting Date</b> October 9, 2018	<b>Agenda Number</b> <b>9</b>
<b>Dept:</b> Administrative Office <b>Contact:</b> Tim Lutz <b>Phone:</b> 209/754-6025	<b>Supervisory District Number</b> Countywide	Consent Agenda
<b>Published Notice Required?</b> No <b>Public Hearing Required?</b> No		<b>Estimated Time:</b> 0 Minutes
<b>Type of Document?</b> Action Item <b>PowerPoint Presentation Included?</b> No <b>Budget Transfer Included (Must be signed by Auditor)?</b> No <b>Complete Agreement Required?</b> No <b>Position Allocation Change?</b> No		

### **RECOMMENDATION:**

Adjust the FY 18-19 budget to cover refunds from the MCCR Designated Fund in the amount of \$940,043. This budget adjustment requires a 4/5th vote of the Board.

### **DISCUSSION/SUMMARY:**

On January 10, 2018, the Board of Supervisors adopted a ban ordinance on commercial cannabis cultivation in the County. This ban ended the commercial cannabis registration program that was in place with the previous urgency ordinance. The current fund balance in the registration fee fund (fund 5600) that was established for the collection of the \$5,000 grower registration fee is \$940,043. Those funds are comprised of both grower renewal fees (for those growers that passed inspections and were registered by the program and they were paying the registration for the second year) and the remaining funds from the uncompleted application reviews in the program.

In an effort to close out the regulatory program, the County Administrative Office is requesting to transfer the fund balance in the 5600 fund from budgeted contingencies to the refund budget line. Government Code §29125(a)(2) requires a 4/5<sup>th</sup> vote of the Board of Supervisors to move funds from an appropriation contingency to another appropriation category. The County Administrative Office recommends that the Board of Supervisors approve the attached budget transfer in the amount of \$940,043 (4/5<sup>th</sup> required) to cover cannabis permit refunds.

### **FINANCING:**

The funds will be moved within the MCCR designated fund from the contingency line item (56000000-5990) into the refunds line item (56000000-5612). This is a special revenue fund, which is comprised of commercial cannabis grower registration fee monies; there are no General Funds included in the 5600 fund.

### **ALTERNATIVES:**

The Board could choose not to approve the budget transfer. This is not recommended, as the fees were paid for a program that no longer exists. The funds cannot be used for another purpose than costs associated with the administration, implementation and/or enforcement of the regulatory program.

Adjust FY 18-19 budget to cover refunds  
October 9, 2018

---

**APPROVED BY:**



Tim Lutz, County Administrative Officer

9/26/2018



Rebecca Callen, Auditor/Controller

9/26/2018



Tim Lutz, County Administrative Officer

10/1/2018



Diane Severud, Deputy Clerk of the Board of Supervisors

10/1/2018



Megan Stedfeld, County Counsel

10/3/2018