

Public Comment.



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August 11, 2019

TO: Santa Barbara County Board of Supervisors

FROM: Coalition for Responsible Cannabis

SUBJECT: Item D 3: 8/13/19 proposed Use of projected "Cannabis tax revenue" for Libraries

The above-referenced item on your Tuesday August 13, 2019 Departmental Agenda asks that your Board authorize \$68,500 to fund deficits in three branch libraries- Montecito, Orcutt and Vandenberg Village. Setting aside the policy question of whether it is "fair" for those libraries to be granted additional funds, when others are not, our concern is the specific use of the fund balance projected for the "cannabis tax money" fund to fill this gap. There is no explanation in the Board letter of why other, more robust general fund designations that have been utilized in the past for such unanticipated needs or issues are not being utilized.

A review of the Fund Balance Accounts on page C-49 of the 2019-20 Budget Book (attached) reveals that over:

- **\$4.0 million exists in the Contingency fund;**
- **\$4.2 million in Program Stabilization fund;**
- **\$2.9 million in the Emerging Issues" fund.**

Those are just a few of the fund balances listed. It should be noted that none of the above funds is a "reserve" fund, and the Strategic Reserve is separate from the above, and is currently funded at \$36 million, according to the numbers on page C-49. The overall County Budget for 2019-20 was projected to be \$1,141,000,000 or over one BILLION dollars. The projected revenue from *all* discretionary taxes is noted to be \$276 million, with \$5.5m of that derived from cannabis taxes. [pg. B-14 COSB 19-20 Budget]

The Prop 64 or Cannabis revenue Fund balance was **\$323,525** at the end of last fiscal year, with an additional \$566,100 fund balance *projected* by the end of the 2019-20 FY. While we are pleased to see that the County has such strong and healthy (and multiple) discretionary general fund balances, it makes it all the more difficult to understand why one of the smallest discretionary general funds available is being tapped for this relatively small amount of money. This also can mistakenly lead the public to believe, incorrectly, that the County would otherwise not be able to fund libraries. As noted above, that is not the case.

We realize that the Cannabis Tax revenue is general fund and can be utilized for other programs. However, we are also painfully aware that resources are needed *now* to help mitigate the impacts of the existing, unpermitted operations, along with processing the staggering number of pending applications, at last glance approximately 150.

Thank you.

Summary Schedules

Fund Balance Accounts – General Fund Only (cont'd)

	Balance 7/1/2018	Estimated Balance 6/30/2019	Change From 6/30/2019	Recommended Balance 6/30/2020
Fund Balance Committed				
Strategic Reserve	23,716,144	34,116,144	2,265,000	36,381,144
New Jail Operations	13,054,059	16,125,359	(3,192,000)	12,933,359
Litigation	4,439,294	6,550,294	22,000	6,572,294
Program Stabilization	1,875,000	4,250,000	671,800	4,921,800
Mental Health	923,838	2,923,838	1,900,000	4,823,838
Contingencies	2,005,144	4,005,144	-	4,005,144
Accumulated Capital Outlay	700,000	700,000	2,650,000	3,350,000
Disaster Recovery	-	3,496,100	(166,000)	3,330,100
Emerging Issues	3,276,356	2,994,656	(120,000)	2,874,656
Tech Replacement & Investment	-	-	2,000,000	2,000,000
Auditor Systems Maint/Develop	1,765,231	1,765,231	-	1,765,231
Facilities Maintenance	505,996	505,996	1,000,000	1,505,996
County Executive Programs	1,299,259	1,269,259	(32,400)	1,236,859
General Services Projects	1,301,114	1,301,114	(300,000)	1,001,114
Props 215/64 - Cannabis	-	323,525	566,100	889,625
P&D Land Use System	904,998	886,698	(32,800)	853,898
Parks Projects	1,353,487	1,121,487	(378,000)	743,487
Purpose of Fund	1,482,719	1,498,519	(813,000)	685,519
Planning/Development Projects	1,289,787	1,378,787	(741,000)	637,787
Tobacco Settlement	634,250	634,250	-	634,250
General County Programs	593,023	620,023	-	620,023
Human Resources Programs	774,192	719,692	(207,400)	512,292
District Attorney Programs	492,500	492,500	-	492,500
Assessment Appeals Support	714,591	406,091	-	406,091
Sheriff Projects	431,295	407,895	(23,100)	384,795
North County Jail Contingency	302,000	302,000	-	302,000
Public Defender Programs	220,060	220,060	-	220,060
Treas Tax Collector Projects	808,867	370,367	(200,000)	170,367
Rental Maintenance	151,197	151,197	-	151,197
Housing Programs	281,904	191,904	(77,500)	114,404
Clerk Record Assessor Projects	1,795,184	1,795,184	(1,684,200)	110,984
Probation Programs	93,601	93,601	-	93,601
Elections Voting Equipment	915,748	743,248	(682,200)	61,048
Building & Safety Permitting	40,000	40,000	-	40,000
Imprest Cash	21,780	21,780	-	21,780
Maintenance-Montecito Com Hall	52	52	5,000	5,052
Ag Commissioner Projects	805	805	-	805
Assr Prop Sys Maint/Develop	1,135,000	-	-	-
Maintenance Policy 18%	7,000	-	-	-
Committed Total	69,305,472	92,422,797	2,430,300	94,853,097
Fund Balance Residual				
Fund Balance-Residual	7,589,303	9,665,828	-	9,665,828
Residual Fund Balance-Inc/Dec	-	(7,589,300)	-	(7,589,300)
Unassigned Fund Balance	2,980,732	7,416,832	(6,791,800)	625,032
Residual Total	10,570,035	9,493,360	(6,791,800)	2,701,560
Fund Balance Total	\$ 129,876,123	\$ 154,805,673	\$ (9,039,300)	\$ 145,766,373