

STAFF REPORT

BOARD MEETING DATE: May 13, 2025

CATEGORY: Consent Calendar 2

SUBJECT: Approve a budget amendment which increases appropriations and revenue by \$168,375 in the Ag Comm & Sealer of Wts Budget (BU 280).

DEPARTMENT: Agricultural Commissioner/Sealer of Weights and Measures

SUPERVISORIAL DISTRICT #: All

DEPARTMENT CONTACT: John Ingram, Agricultural Commissioner/Sealer of Weights and Measures, (530) 224-4949

STAFF REPORT APPROVED BY: John Ingram, Agricultural Commissioner/Sealer of Weights and Measures

<u>Vote Required?</u>	<u>General Fund Impact?</u>
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4/5 Vote

<u>Vote Required?</u>	<u>General Fund Impact?</u>
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No Additional General Fund Impact

RECOMMENDATION

Approve a budget amendment which increases appropriations and revenue by \$168,375 in the Ag Comm & Sealer of Wts Budget (BU 280).

DISCUSSION

The Department's largest source of revenue outside of the County's General Fund is Unclaimed Gas Tax. Each year county agriculture departments throughout the state receive unclaimed gas tax revenues from the California Department of Food and Agriculture (CDFA) as partial reimbursement for the local agricultural program's costs incurred by counties. CDFA distributes these funds to counties for the purpose of funding specified programs of mutual state and county responsibility as defined in the California Food and Agriculture Code.

The allocation formula is based on the size of the pool of funds available and each county's previous year's costs for the specified agricultural programs. Based on this distribution methodology, counties having the high net county costs for these programs compared to all other counties receive the greatest reimbursement. Both the CDFA and the Department of Pesticide Regulation (DPR) determines the distribution of their portions based on annual financial reports prepared by each county agriculture department and counties do not know the exact amount they will receive until late in the third or fourth quarter of each fiscal year. Because of this timing issue it is very difficult to accurately estimate this revenue source. This year Shasta County's portion of unclaimed gas tax is \$928,250 or \$328,250 more than the anticipated \$600,000 that was included in this year's budget and is the largest amount ever received by the County.

The Department has recently increased the Weights and Measures fees to match the max allowed stated in the Business and Professions Code 12240. Most all businesses have paid these increased fees, resulting in an increase in the amount of device registration fees paid to the department. This increase also includes numerous late fees that were paid by a few businesses that had not paid their device registration for some time. Adopted budget for FY 24/25 was \$180,000 and will now read \$247,266, a \$67,266 increase.

The Department is also recognizing an increase in revenue received by CDFA for the state detection program. The budgeted amount for this year's budget was \$88,000. As of today, the department has received \$110,120, an increase of \$22,120 due to increased invoiced hours in the pest detection program.

While increases in revenue are always good, the department also needs to recognize any decreases. Due to changing work plan language in the Federal Glassy Wing Sharpshooter agreement, the department is projecting a decrease in revenue in the amount of

\$9,896, taking this year's budget amount of \$57,896 down to a more realistic amount of \$48,000.

The last notable decrease pertains to the revenue received by the Department of Pesticide Regulation (DPR) for work done in the pesticide enforcement program. Shasta County is witnessing a consolidation of businesses, which equates to less pest control businesses registering and submitting pesticide use reports. With this decrease, revenue available to Shasta County also decreases. The original budget amount for Fiscal Year 2024-25 in the amount of \$120,000, was estimated off previous years' amounts received. Now that Shasta County is considered a small county, with regards to the pesticide enforcement program, Shasta County now gets a flat rate amount of \$95,000. With other revenues received for this program, the overall decrease for the Pesticide Inspection program is \$19,399, bringing the new pesticide inspection amount to \$100,635.

The additional appropriations will go to fund expenditures for the Department's new location including the purchase of previously foregone capital assets needed for Department operations and project costs including the construction of a metal building, conference room renovations, and a roof replacement project.

ALTERNATIVES

The Board may choose not to approve the budget amendment. Revenues would come in over budget and the Department would not be able to utilize the additional revenue to cover program costs.

OTHER AGENCY INVOLVEMENT

The budget amendment has been reviewed by the Auditor-Controller. The County Administrative Office approved the recommended actions.

FISCAL IMPACT

There is no additional General Fund impact as a result of the recommended actions.

ATTACHMENTS:

1: Budget Amendment - Ag Comm