COUNTY OF SONOMA

575 ADMINISTRATION DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 7/14/2026

To: Board of Supervisors
Department or Agency Name(s): Auditor-Controller\-Treasurer-Tax Collector
Staff Name and Phone Number: Erick Roeser 707-565-3285, Jennifer Calderon 707-565-3289
Vote Requirement: Majority
Supervisorial District(s): Fourth and Fifth

Title:
Gold Ridge Resource Conservation District Fund Transfer

Recommended Action:
Adopt a Resolution authorizing the Auditor-Controller-Treasurer-Tax Collector to establish a temporary fund transfer for Gold Ridge Resource Conservation District in an amount up to $300,000.

Executive Summary:
The Gold Ridge Resource Conservation District ("the District"), in conjunction with the Auditor-Controller-Treasurer-Tax Collector, is requesting the Board adopt a resolution authorizing a temporary fund transfer in an amount not to exceed $300,000 to meet cash flow needs associated with reimbursement-based grant and contract funding (Attachment A). This temporary transfer does not exceed 85% of the estimated revenues accruing to the District and will be repaid by April 26, 2027, the last Monday in April, as required by law.

Discussion:
The California Constitution authorizes the County Treasurer to make temporary fund transfers from County Treasury to any political subdivision whose funds are held solely in County Treasury. Such transfers may not exceed 85% of the anticipated revenues accruing to the political subdivision, may only be made between the first day of the fiscal year and the last Monday in April of the current fiscal year, and must be repaid from the subdivision's revenues before those revenues are used to satisfy any other obligations.

The District was established in 1941 as one of the original resource conservation districts in Sonoma County. Its work supports strong, productive, and viable agricultural endeavors in Western Sonoma County by improving soil and water quality and supporting an economically and ecologically healthy agricultural community.

The District, whose funds are held solely in County Treasury, has received several federal, state, and local awards for various projects. The following is a brief summary of the major awards and amounts remaining to be billed for reimbursement or payment:

Funding Agency	Award Amount
Caltrans Gleason	$749,801
U.S. Department of Agriculture	410,733
Sonoma Water	387,687

CA State Coastal Conservancy	246,281
CA State Parks	237,563
Grand Total	**$2,032,065**

Because the District must incur project costs before receiving reimbursement from awarding agencies, it does not have adequate cash to cover these upfront expenditures.

The District has estimated revenues of $7,047,770, as set forth in the District adopted Resolution requesting this fund transfer (Attachment B). The major awards listed have been verified by the Auditor-Controller-Treasurer-Tax Collector's office. Because the requested temporary fund transfer is well below the constitutional limit of 85% of anticipated revenues, not all estimated revenues accruing to the District were reviewed. This temporary fund transfer acts as a line of credit, authorizing the District to operate with a deficit cash position of up to $300,000 during FY 2026-27, a decrease from the $500,000 line of credit authorized in the prior fiscal year. Any funds used will be repaid in full by April 26, 2027, the last Monday in April, as required by law. The line of credit is necessary to maintain operations and ensure timely payments to vendors and contractors while awaiting reimbursement from awarded grants and contracts. It represents a low risk to the County because verified grant and contract revenues substantially exceed the amount requested.

In 1991, the Board adopted Resolution No. 91-0271, delegating authority to the Auditor-Controller-Treasurer-Tax Collector to approve temporary fund transfers secured entirely by property tax revenues. The District received less than $43,000 in property tax revenues in FY 2024-25, and this amount is not expected to increase substantially in FY 2026-27. Because property tax revenues are insufficient to support the requested transfer, Board approval is required.

As shown in Attachment C, the District eliminated its accumulated deficit as of FY 2016-17 and has maintained a positive equity position since that time. The District estimates revenues will continue to exceed expenditures through FY 2027-28, resulting in modest growth in net assets. Despite its positive financial position, most District revenues are received on a reimbursement basis, requiring project expenditures to be incurred before reimbursement is received. Accordingly, temporary fund transfers are expected to remain necessary for cash-flow purposes into the foreseeable future, with annual needs driven by project activity and reimbursement timing.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?
No

Prior Board Actions:
07/22/2025: Board approved transfer of $500,000 by Resolution No. 25-0336
08/13/2024: Board approved transfer of $1,500,000 by Resolution No. 24-0674

FISCAL SUMMARY

Expenditures	**FY25-26 Adopted**	**FY26-27 Projected**	**FY27-28 Projected**
Budgeted Expenses			

Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:
The recommended temporary fund transfer has no financial impact for the County. Rather than a physical transfer of cash to the District, this action provides authority for the District to operate with a deficit cash position up to the approved amount and the District will receive negative quarterly interest apportionments based on its average daily balance and the Treasury Pooled interest rate.

Staffing Impacts:			
Position Title (Payroll Classification)	**Monthly Salary Range (A-I Step)**	**Additions (Number)**	**Deletions (Number)**

Narrative Explanation of Staffing Impacts (If Required):
None

Attachments:
1) Attachment A: Resolution
2) Attachment B: Gold Ridge Resource Conservation District Resolution
3) Attachment C: Audited and Projected Financial Data

Related Items "On File" with the Clerk of the Board:
None