



COUNTY OF SAN MATEO

SUPERINTENDENT OF SCHOOLS OFFICE CORRESPONDENCE
CONTROLLER'S OFFICE CORRESPONDENCE
TREASURER'S OFFICE CORRESPONDENCE

Date: May 30, 2001
Hearing Date: June 19, 2001

TO: The Honorable Board of Supervisors

FROM: Floyd Gonella, Superintendent of Schools 
Tom Huening, Controller
Lee Buffington, Treasurer 

SUBJECT: Resolution Authorizing Temporary Transfer of Funds

RECOMMENDATION

Adopt resolution to provide for the temporary transfer of available funds to the County operating funds, the County Superintendent of Schools, and the school districts.

BACKGROUND

Each year after July 1, certain funds experience a cash-flow problem pending the receipt of real property taxes. Pursuant to Resolution No. 63686 passed and adopted June 20, 2000, a resolution is necessary to allow the flexibility needed to finance the needs of the County, the Superintendent of Schools, and the school districts for 2001-02.

DISCUSSION

FISCAL IMPACT

It is important to have the resolution adopted to allow sufficient latitude internally to cover the financing needs with funds available in the County Treasury that can be legally used for this purpose.

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

RESOLUTION AUTHORIZING TEMPORARY TRANSFER OF AVAILABLE
FUNDS TO COUNTY OPERATING FUNDS AND SCHOOL
DISTRICT OPERATION FUNDS

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, this County, the County Superintendent of Schools and County Board of Education, and the school districts within the County experience a cash-flow problem subsequent to July 1, of each year; and

WHEREAS, unless funds are made available to County operating funds, school service funds and school district operating funds, said funds will realize a deficit and the ability of the County, the County Superintendent of Schools and County Board of Education, and school districts to meet their obligations in these areas would be impaired; and

WHEREAS, during the year there will be on deposit in other legally available funds amounts in excess of the needs of the County, the County Superintendent of Schools and County Board of Education, and the school districts which amounts are not immediately needed for other purposes; and

WHEREAS, Education Code Section 42620 provides that if a school district, or a county school service fund, prior to its receipt of funds, lacks sufficient money to meet its current expenses of maintenance, the board of supervisors shall order the temporary transfer of county funds to the school districts and the county school service fund in the amount needed, not to exceed 85 percent of the amount of money which will accrue to the school district or the county school service fund during the fiscal year; and

WHEREAS, this Board finds it necessary and desirable that there be temporarily transferred from available funds to the other funds above described, such amounts as needed until June 18, 2002.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED as follows:

1. That the County Controller be, and he is hereby, authorized until June 18, 2002, to temporarily transfer from said available funds to the other funds above described such amounts as needed.

2. That on or before June 18, 2002, the County Controller shall return to the appropriate funds any and all principal amounts transferred therefrom to the other funds above described.

3. That in addition to returning to the appropriate funds the principal amounts transferred therefrom pursuant to this resolution, the County shall also deposit in the appropriate funds amounts equivalent to the interest that would otherwise have been credited to the appropriate funds had the temporary transfers not been made.