



Agenda Submittal

Agenda #:	4	Status:	Consent Calendar
Type:	Resolution	Department:	Treasurer-Tax Collector-County Clerk
File #:	20-342	Contact:	Charles Lomeli, 784-3419
Agenda date:	5/5/2020	Final action:	5/5/2020
Title:	Approve a resolution directing the County Treasurer to transfer of up to 85% of FY2020/21 anticipated property tax revenues from the Treasury Pool funds to local school districts when requested by a district, as authorized under Article XVI Section 6 of the California Constitution		
Governing body:	Board of Supervisors		
District:	All		
Attachments:	1. A - Resolution, 2. B - Benicia USD Resolution, 3. C - Dixon USD Resolution, 4. D - Fairfield Suisun USD Resolution, 5. E - Travis USD Resolution, 6. F - Vacaville USD Resolution, 7. G - Vallejo USD Resolution, 8. Adopted Resolution, 9. Minute Order		

Date	Ver.	Action By	Action	Result
5/5/2020	1	Board of Supervisors		

Published Notice Required? Yes ☐ No ☒
Public Hearing Required? Yes ☐ No ☒

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board of Supervisors approve a resolution directing the County Treasurer to transfer up to 85% of FY2020/21 anticipated tax revenues from the Treasury Pool funds to local school districts, when requested by a district, under Article XVI Section 6 of the California Constitution from July 1, 2020 to April 26, 2021.

SUMMARY

In accordance with Article XVI, Section 6 of the California Constitution, the County Treasurer will make mandatory advances of up to 85% of anticipated property tax revenues accruing to the local school districts during FY2020/21 as needed by them to cover any cash deficits they may experience in meeting their operational requirements. All advances will be repaid prior to April 26, 2021 as required by law.

The attached resolution will enable the various local school districts to fulfill their educational mandates by providing them with a stable source of required operational cash from July 1, 2020 to the last Monday in April of 2021, while keeping the County in compliance with all applicable mandatory statutes. Transfers will be payable with interest at the rate the County applies to funds of the districts on deposit with the County.

The anticipated amount of property tax revenues for each local district is determined by the Auditor Controller. At the request of a district by resolution, the Treasurer will advance up to 85% of the anticipated property tax revenues accruing to the requesting district.

FINANCIAL IMPACT:

The Constitutional transfers of funds will be made using cash available in the Treasury Pool. The Treasurer has determined that the temporary transfers of funds will not adversely affect the County Treasury Pool. There is sufficient liquidity in the Treasury Pool to fund these advances. The advances will be repaid from the first

available revenues accruing to the districts.

The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2019/20 Adopted Budget.

ALTERNATIVES:

The Board of Supervisors could elect not to direct the transfer of funds to the school districts; however, this is not recommended as the failure to direct that a transfer be made as requested by the school districts could cause those school districts to be unable to meet their functional mandates and place the County in noncompliance with State mandates.

OTHER AGENCY INVOLVEMENT:

The Auditor-Controller, County Counsel, County Administrator, Solano County Office of Education, and the respective requesting districts have been directly involved in this request. Formal transfer request resolutions received so far from school districts are attached.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION