

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

November 4, 2025

FROM

ENSEN MASON, Auditor-Controller/Treasurer/Tax Collector

SUBJECT

Temporary Transfer of Funds – Needles Unified School District

RECOMMENDATION(S)

1. Approve the recommendation of the Auditor-Controller/Treasurer/Tax Collector for temporary transfer of funds to the Needles Unified School District, in the total amount of \$751,417, as listed on Attachment A.
2. Adopt **Resolution No. 2025-219** pertaining to the temporary transfer of funds in the custody of the San Bernardino County Treasurer, and the necessity for providing such funds for meeting the obligations of the Needles Unified School District, as listed on Attachment A.
(Presenter: Ensen Mason, Auditor-Controller/Treasurer/Tax Collector, 382-7000)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). San Bernardino County (County) interest earnings will be reduced when the Needles Unified School District (District) utilizes the temporary transfer of funds (TTF). The District TTF is non-interest bearing and potentially reduces the amount of the County funds available for County use until repayment is completed. Approval of this item will increase the existing line of credit by \$751,417, from \$1,274,347 to \$2,025,764. All funds must be repaid by April 27, 2026.

BACKGROUND INFORMATION

The Auditor-Controller/Treasurer/Tax Collector (ATC) has received a supplemental request from the District for an additional TTF, in accordance with the provisions of Article XVI, Section 6 of the California Constitution and Section 42620 of the California Education Code. These provisions require the Board of Supervisors (Board) to order the County Treasurer to make a TTF to the District from any funds of the County not immediately needed to pay County claims, if the District has established a need for the funds.

On August 5, 2025 (Item No. 27), the Board approved a TTF for the District in the amount of \$1,274,347 to support the District's cash flow needs in anticipation of delayed property tax revenues. Since that approval, the District has experienced an additional and unanticipated financial shortfall due to the ongoing federal government shutdown. As a result, the District has

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not received expected federal Impact Aid payments, which are a critical source of operational funding.

The District has submitted a request for an additional TTF in the amount of \$751,417. ATC considered multiple factors in evaluating the request, including the District's revised cash flow projections, its deepest projected cash deficit, and anticipated property tax revenues. The requested TTF is intended to address temporary cash flow issues resulting from the delay in federal funding.

In accordance with statutory guidelines, ATC recommends TTFs in amounts that are the lesser of the District's request, 85% of its anticipated property tax revenue, or 125% of its deepest projected cash deficit. Upon review, ATC finds that the District has demonstrated a continued reasonable need for temporary cash assistance and recommends approval of an additional TTF in the amount of \$751,417. When combined with the previously approved \$1,274,347, the total TTF amount available to the District for 2025-26 will be \$2,025,764. The recommended amount remains within statutory limits and reflects approximately 84% of the District's anticipated property tax revenue for 2025-26, as shown in Attachment A.

The TTF will be made by increasing the existing "line-of-credit" established for the District within the County's financial management system. TTFs are repaid from property tax collections before these funds are used to satisfy any other District obligations. Repayment will begin with the first full property tax apportionment occurring after November 1, 2025, and must be completed no later than April 27, 2026.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Kristina Robb, Deputy County Counsel, 387-5455) on October 17, 2025; and County Finance and Administration (Jenny Yang, Administrative Analyst, 387-4884) on October 17, 2025.

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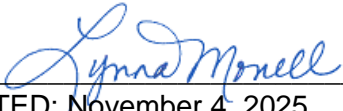
Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman

Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: November 4, 2025



cc: File - Auditor-Controller/Treasurer/Tax Collector w/attach
MBA 11/5/2025