

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

June 9, 2026

**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 a temporary transfer of funds to the Needles Unified School District, in the total amount of \$2,025,764, as listed on Attachment A.
2. Adopt **Resolution No. 2026-60** 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.**

**Foster Sustainable Development Through Strategic Partnerships.**

**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 establish a "line of credit" in the amount of \$2,025,764 for the District to draw on, as needed. All funds must be repaid by April 26, 2027.

**BACKGROUND INFORMATION**

The Auditor-Controller/Treasurer/Tax Collector (ATC) has received a request from the District for a 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.

The TTF must not exceed 85% of the anticipated property tax revenue that will accrue to the District and shall be repaid from property tax collections before these collections are used to pay any other obligation of the District.

**Temporary Transfer of Funds - Needles Unified School District  
June 9, 2026**

The District has requested a TTF for \$2,025,764. ATC considered several factors, including the District's deepest projected cash deficit and the anticipated tax revenue that will accrue to the District in arriving at its recommendation. A TTF is generally requested to cover temporary cash flow issues prior to property tax distributions in December. The District has previously requested and received a TTF in the amount of \$1,274,347 for 2025-26. This request was approved by the Board on August 5, 2025 (Item No. 27).

In addition to the TTF previously approved in the amount of \$1,274,347, the District requested and received an additional TTF totaling \$751,417 for the 2025-26 fiscal year due to an unanticipated financial shortfall resulting from the ongoing federal government shutdown. This shortfall occurred because the District did not receive expected federal Impact Aid payments, which serve as a critical source of operational funding. The additional TTF request was approved by the Board on November 4, 2025 (Item No. 7), and the repayment was made in full on April 27, 2026.

ATC recommends TTFs in amounts that are the lesser of the District's request, 85% of its anticipated tax revenue, or 125% of its deepest projected cash deficit. Upon review of the District's cash needs, ATC finds that the District has satisfactorily demonstrated a reasonable need for a TTF and recommends a TTF totaling \$2,025,764. The recommended TTF amount is based upon the District's deepest cash deficit and represents approximately 83% of the District's anticipated property tax revenue for 2026-27, as outlined in Attachment A.

The TTF will be made by establishing a "line-of-credit" for the District within the County's financial management system. TTFs are terminated and funds are re-transferred beginning with the first full property tax apportionment occurring after November 1, 2026, and ending no later than April 26, 2027.

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Kristina Robb, Deputy County Counsel, 387-5455) on May 8, 2026; and County Finance and Administration (Garrett Baker, Administrative Analyst, 387-3077) on May 19, 2026.

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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: June 9, 2026



cc: File - Auditor-Controller/Treasurer/Tax Collector/Temporary  
Transfer of Funds w/attach  
CCM 06/10/2026