

**COUNTY OF SONOMA  
AGENDA ITEM  
SUMMARY REPORT**

**Clerk of the Board Use Only**  
**Meeting Date**                      **Held Until**  
 /     /                                      /     /  
**Agenda Item No:**                      **Agenda Item No:**  
 \_\_\_\_\_                                      \_\_\_\_\_

**Department:** Auditor-Controller-Treasurer-Tax Collector

( ) **4/5 Vote Required**

**Contact:**  
Betsy Howze

**Phone:**  
(707) 565-3289

**Board Date:**  
08/25/09

**Deadline for Board Action:**  
08/25/09

**AGENDA SHORT TITLE:**

Gold Ridge Resource Conservation District Fund Transfer

**REQUESTED BOARD ACTION:**

Approve 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 \$2,000,000.

**CURRENT FISCAL YEAR FINANCIAL IMPACT**

**EXPENDITURES**

**Estimated Cost**                      \$

**Amount Budgeted**

**Other Avail Approp.**  
(Explain below)

**Additional Requested:**              \$

**Explanation (if required):**

**ADD'L FUNDS REQUIRING BOARD**

**Contingencies**  
(Fund Name:)

**Unanticipated Revenue**  
(Source:)

**Other Transfer(s)**  
(Source:)

**Add'l Funds Requested:**              \$                                0

**Prior Board Action(s):**

8/26/08 – Resolution No. 08-0725 approving temporary fund transfer in the amount of \$800,000.

**Alternatives - Results of Non-Approval:**

The Gold Ridge Resource Conservation District will not have enough working cash to meet their obligations.

**Background:**

The Gold Ridge Resource Conservation District (District) was established in 1941 as one of the original resource conservation districts, and the first in Sonoma County. The 134,000 acre district is located in West Sonoma County and is bordered by Marin County to the south, the Russian River to the north, the Pacific coastline to the west, and the Laguna de Santa Rosa to the east. The diverse resources of the region include rangeland, woodland, wildlife habitat, vineyards, dairies, orchards, cropland, streams, coastal areas, as well as rural and urban areas.

The District was established to ensure the continuation of strong, productive, and viable agricultural endeavors in Western Sonoma County by improving the soil and water quality in order to provide an economically and ecologically viable and healthy agricultural community.

To that end, the District has applied for and been awarded several state and federal grants for specific ongoing projects, to be continued in FY 2009-10. The following is a brief summary of these various federal & state grants:

Agency	Grant/Contract Amount	Project
Federal-ARRA/DFG/USFWS/NFWF	\$1,373,551	Estero/Dutch Bill Fish Removal
State Coastal Conservancy	885,591	GV Planning/Dutch Bill/Estero
State Water RCB/Wildlife Conserv. Bd.	362,870	Estero/Salmon Crk/Ebabias Crk
Dept. Fish & Game/Dept. Food & Ag.	44,367	Fay Crk/Sonoma & Marin Rapid
SCWA/SCAPOS	87,933	RR Progrm/Poff Ranch Mgt Plan
<b>Total:</b>	<b>\$2,754,312</b>	

The grant and contract agreements require the District to expend funds prior to receiving reimbursements and the District does not have sufficient cash available to cover these upfront expenditures. The District has estimated its cash flow needs at a maximum of \$2,000,000. As a result, the District has passed a resolution (attached) requesting a fund transfer as allowed under Article XVI, Section 6 of the State Constitution. This fund transfer takes form of a line of credit that will be set at a maximum of up to \$2,000,000 based on the formula that allows a line of credit for up to 85% of current year revenues. The line of credit must be renewed annually. In FY 08-09 the Board of Supervisors authorized a line of credit up to \$800,000 based on FY 08-09 revenues. Typically, the District repays any sum borrowed against the line of credit within 2 to 3 weeks. The interest rate charged on the borrowed sum is the pool rate in effect at the time of the borrowing and is currently approximately 1.5%.

In February 1991 (Resolution 91-0271) the Board authorized the County Treasurer, now the Auditor-Controller Treasurer-Tax Collector to approve fund transfers for agencies with lines of credit secured by property taxes; however, the District does not receive sufficient tax support to meet its cash flow needs. Therefore, we are requesting the Board approve 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 \$2,000,000.

**Attachments:** 1) Resolution establishing temporary fund transfer 2) Gold Ridge RCD Resolution

**On File With Clerk:** None.

**CLERK OF THE BOARD USE ONLY**

**Board Action** (If other than "Requested")

**Vote:**