



# County of Monterey

**Item No.**

## Board Report

Board of Supervisors  
Chambers

168 W. Alisal St., 1st Floor  
Salinas, CA 93901

**Legistar File Number: 25-552**

**August 05, 2025**

**Introduced:** 7/24/2025

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** General Agenda Item

- a. Approve a request for a County General Fund cash flow advance for Gonzales Unified School District School Facilities Improvement District Debt Service Fund.
- b. Authorize and direct the Auditor-Controller to amend the FY 2025-26 Adopted Budget for the Auditor-Controller's Office (001-1110-AUD001-8372 Disbursements), to increase appropriations by \$1,087,814.23, financed by a decrease in appropriations in General Fund Contingencies (001-1050-CAO020-8034) (4/5th Vote Required).
- c. Authorize the Auditor-Controller to execute a transfer of \$1,087,814.23 from General Fund 001, Appropriation Unit AUD001, to Gonzales Unified SFID No. 1, Fund 810 (4/5th Vote Required).

### RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution to:

- a. Approve a request for a County General Fund cash flow advance for Gonzales Unified School District School Facilities Improvement District Debt Service Fund.
- b. Authorize and direct the Auditor-Controller to amend the FY 2025-26 Adopted Budget for the Auditor-Controller's Office (001-1110-AUD001-8372 Disbursements), to increase appropriations by \$1,087,814.23, financed by a decrease in appropriations in General Fund Contingencies (001-1050-CAO020-8034) (4/5th Vote Required).
- c. Authorize the Auditor-Controller to execute a transfer of \$1,087,814.23 from General Fund 001, Appropriation Unit AUD001, to Gonzales Unified SFID No. 1, Fund 810 (4/5th Vote Required).

### SUMMARY/DISCUSSION:

The Gonzales Unified School District (GUSD) has two areas for issuance and repayment of bond indebtedness: a districtwide area and a School Facilities Improvement District (SFID) area within the larger districtwide area. An administrative error in the bond repayment tax rate calculation caused the GUSD bond tax rate to not be levied in the districtwide area, and the SFID area was over-levied from Fiscal Year 2021-2022 through 2024-25. It has been estimated that approximately 2,100 parcels in the SFID were overcharged and approximately 850 parcels in the greater GUSD were undercharged.

A corrective action plan of issuing bills to undercharged parcels and refunds to overcharged parcels

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has been developed to rectify this error.

A cash flow advance of \$1,087,814.23 from the County General Fund Contingencies to GUSD SFID Debt Service Fund is requested to secure funds to facilitate refund issuance to over levied parcels while tax recovery from under levied parcels is pending.

Refund checks for the full amount of overpaid taxes, including interest, for the three fiscal years 2021-22, 2022-23, 2023-24, will be mailed by the Auditor-Controller's Office (ACO) to affected taxpayers in the SFID area by September 1, 2025. The details of the estimated refunds are provided in the attached Appendix A.

Taxes from under levied parcels are expected to be recovered through corrected property tax bills, with payments due on December 10, 2025, and April 10, 2026. Repayment to the County General Fund, covering the amount advanced from Contingencies, will be processed through ACO's Property Tax Apportionment based on actual collections received at the end of December 2025 and May 2026.

#### OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has advised to use the cash advance option for execution of refunds issuance.

#### FINANCING:

The recommended cash flow advance from the County General Fund Contingencies will be reimbursed via the property tax apportionment process, as tax recovery occurs from the rebilling of under levied parcels. To the extent that repayments are collected in FY 2025-26, those funds may be utilized to replenish the contingencies appropriation through a future board modification.

Full repayment of the cash advance is estimated to occur within five years considering some taxpayers may opt for a four-year payment plan option with the first payment due April 10, 2026, and concluding April 10, 2030.

#### BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The general fund cash flow advance aligns with the Board of Supervisors' Strategic Initiatives for Administration. The advance will facilitate the refunding of overpayment for the GUSD SFID area.

Mark a check to the related Board of Supervisors Strategic Initiatives

- ☐ Economic Development
- ☒ Administration
- ☐ Health & Human Services
- ☐ Infrastructure
- ☐ Public Safety

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Prepared by: Jennifer Forsyth, Auditor-Controller Analyst II, 755-5286

Approved by: Enedina Garcia, Assistant Auditor-Controller, 755-5084

Signed by:



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7/28/2025 | 2:45 PM PDT

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Attachments:

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Appendix A - Summary of Refund for Impacted Parcels