



Legislation Details (With Board Report)

File #: RES 24-070 **Name:** SAWD Funds to Strategic Reserves
Type: BoS Resolution **Status:** Passed
File created: 4/9/2024 **In control:** Board of Supervisors
On agenda: 5/14/2024 **Final action:** 5/14/2024

Title: Adopt Resolution to:
 Authorize and Direct the Auditor Controller’s Office to decrease the Department of Emergency Management (DEM) appropriations budget (001-1040-8588-DEM001) by \$1,187,500 for the San Ardo Water District Advance and return \$487,500 to the Strategic Reserve (BSA 001-3111) (4/5 vote required). Upon reimbursement from SAWD, the remaining amount advanced of \$700,000 will also be returned to the Strategic Reserve (BSA 001-3111).

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Attachment A Resolution, 3. Attachment B Advance Funding Agreement, 4. Attachment C Advance Funding Agreement Amendment No. 1, 5. Completed Board Order Item No. 28, 6. Completed Resolution Item No. 28

Date	Ver.	Action By	Action	Result
5/14/2024	1	Board of Supervisors		

Adopt Resolution to:
 Authorize and Direct the Auditor Controller’s Office to decrease the Department of Emergency Management (DEM) appropriations budget (001-1040-8588-DEM001) by \$1,187,500 for the San Ardo Water District Advance and return \$487,500 to the Strategic Reserve (BSA 001-3111) (4/5 vote required). Upon reimbursement from SAWD, the remaining amount advanced of \$700,000 will also be returned to the Strategic Reserve (BSA 001-3111).

RECOMMENDATION:

It is recommended that the Board of Supervisors:
 Authorize and Direct the Auditor Controller’s Office to decrease the Department of Emergency Management (DEM) appropriations budget (001-1040-8588-DEM001) by \$1,187,500 for the San Ardo Water District Advance and return \$487,500 to the Strategic Reserve (BSA 00-3111) (4/5 vote required). Upon reimbursement from SAWD, the remaining amount advanced of \$700,000 will also be returned to the Strategic Reserve (BSA 001-3111).

SUMMARY/DISCUSSION:

In March 2023 the Board of Supervisors approved an Advance Funding Agreement between San Ardo Water District (“The District”) and the County of Monterey Department of Emergency Management (“DEM”) for \$1,187,500 to assist with emergency repairs of the San Ardo Wastewater Treatment Facility damaged during the January/February 2023 atmospheric river storms. San Ardo is a small, disadvantaged community that could not fund the storm repairs; this Agreement was established to provide an advance to fund the emergency repairs, mitigating the environmental risk associated with the damaged facility. Due to further storm events and other complicating factors, the project was delayed, resulting in the need for Amendment No.1 to the Advance Funding Agreement. Amendment No. 1 was approved by the Board of Supervisors on July 11, 2023. The

District intends to seek reimbursement from FEMA, CDAA, and/or other State of California financial resources to repay the County in accordance with the amended Advance Funding Agreement.

After further consideration and to ensure fiscal compliance, the Auditor Controller's General Accounting division requested DEM reclassify the expense transaction of \$700,000 into an Accounts Receivable Balance Sheet Account and remove the expenditure transfers to accurately reflect DEM's budget. Therefore, DEM is requesting to have their appropriations decreased by \$1,187,500 and funds returned to the Strategic Reserve (BSA 001-3111).

OTHER AGENCY INVOLVEMENT:

The County Administrative Office, the Office of the County Counsel, the Auditor Controller's Office, and the County of Monterey Department of Emergency Management have collaborated to ensure fiscal accountability with the District and to ensure the residents of San Ardo have a functioning Wastewater Treatment Facility. The Budget Committee supported the recommendation at their May 03, 2024, meeting.

FINANCING:

This resolution will remove the advance of \$1,187,500 from DEM's Appropriations (001-1040-8588-DEM001) and return funds to the Strategic Reserve (BSA 01-3111). DEM will work with the County Administrative Office to mitigate any impacts to their appropriations and ensure fiscal responsibility.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Economic Development

Administration

X Health and Human Services

X Infrastructure

X Public Safety

Prepared by: Bonnie Perez, Finance Manager I, x1974

Approved by: Kelsey Scanlon, Director of Department of Emergency Management, x1902.

Approved by: Nick Chiulos, Chief Assistant County Administrative Officer, x5145.

Attachments:

Attachment A: Resolution

Attachment B: San Ardo Advance Funding Agreement

Attachment C: San Ardo Advance Funding Amendment No. 1