



County of Yolo

www.yolocounty.org

DEPARTMENT OF FINANCIAL SERVICES

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CHAD D. RINDE, CPA

Chief Financial Officer

TOM HAYNES

Assistant Chief Financial Officer

- Financial Leadership
- Budget & Financial Planning
- Treasury & Finance
- Tax & Revenue Collection
- Financial Systems Oversight
- Accounting & Financial Reporting
- Internal Audit
- Procurement

May 9, 2019

Beth Gabor
Manager of Operations and Strategy
County Administrator's Office
County of Yolo
625 Court Street, Room 202
Woodland, CA 95695

RE: North Davis Meadows unauthorized borrowing from County Treasury

The County Board of Supervisors authorized on April 23, 2019 the impounding of \$394,096 of Special Assessments for the North Davis Meadows (NDM) County Service Area (CSA) Water Connection project due to ongoing unresolved litigation. As a result, these funds are now set aside and are not available to pay ongoing operational costs of the CSA.

The NDM CSA previously received borrowing authority to borrow up to \$430,000 from other County funds at the June 27, 2017 Board meeting which was to pay for planning costs related to the North Davis Meadows Water Consolidation project.

After impounding the required funds, the North Davis Meadows Water Fund (Fund 1962) no longer has sufficient unrestricted cash to pay operational expenses and has exceeded their borrowing authority from other County funds.

The County Treasurer (part of Chief Financial Officer duties) is required by Government Code 29806 not to pay warrants (checks) if funds are insufficient to pay the warrants.

As the NDM CSA water fund has exceeded their borrowing authority and in order to comply with the government code, I have instructed staff from my department to immediately hold all payments related to NDM CSA's water fund until either of the following has occurred:

1. Additional deposits are made into the NDM fund to have sufficient funds prior to the payment of obligations; or
2. Additional borrowing capacity has been authorized by the County Board of Supervisors sufficient to allow payment of obligations of the fund.

If you have any questions, please do not hesitate to contact me at 530-666-8050 or at chad.rinde@yolocounty.org.

Sincerely,



Chad Rinde, CPA
Chief Financial Officer
County of Yolo

CC:

Patrick Blacklock, County Administrator
Mindi Nunes, Assistant County Administrator
Tom Haynes, Assistant Chief Financial Officer
Don Saylor, Chair of Board of Supervisors

Attachments:

Attachment A – Board authorization to impound NDM CSA Water Connection
Assessment
Attachment B – Fund 1962 Trial Balance at April 30, 2019

FILED

APR 25 2019

RESOLUTION NO. 19-53

BY *Aurita Ramirez*
DEPUTY CLERK OF THE BOARD

(Resolution authorizing County Chief Financial Officer to impound North Davis Meadows Water Consolidation Revenues)

WHEREAS, the North Davis Meadows (NDM) County Service Area conducted a Proposition 218 proceeding for fees for a water consolidation project with the City of Davis that was adopted by the Board of Supervisors at the March 20, 2018 board meeting; and

WHEREAS, the CSA Administrative Support team enrolled charges in August, 2018 on the 2018-19 property tax bills in the amount of \$4,157 per developed parcel and \$3,338 on the NDM CSA secured property; and

WHEREAS, the CSA Administrative Support team enrolled charges on the 2018-19 property tax bills in the amount of \$4,157 per developed parcel and \$3,338 on the NDM CSA secured property; and

WHEREAS, a group of NDM CSA residents file a lawsuit "Wolstoncroft vs. County of Yolo" in October, 2018 at the Yolo Superior Court contesting the Proposition 218 process and seeking to invalidate the water consolidation project charges; and

WHEREAS, the lawsuit does not appear that it will be resolved in an expeditious manner; and

WHEREAS, Government Code Section 26906.1 provides that the County Auditor with approval of the Board of Supervisors may impound disputed revenues upon secured or unsecured property, levied and collected by the County for the County or a revenue district when a claim or action is fixed for the return of the revenues, and the County Auditor should impound the revenues until the final disposition of the claim or action; and

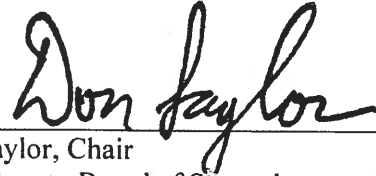
WHEREAS, the Yolo County Chief Financial Officer (whose role includes responsibilities of the County Auditor) believes it prudent to impound the revenues associated with the NDM CSA Water Consolidation project until resolution of the lawsuit; and

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Supervisors of the County of Yolo as follows:

1. Authorized and directs the County Chief Financial Officer to impound the revenues of North Davis Meadows County Service Area charged for the water consolidation project until resolution of the claim in accordance with Government Code 26906.1.

PASSED AND ADOPTED by the Board of Supervisors of the County of Yolo this 23rd
of April, 2019, by the following vote:

AYES: Sandy, Provenza, Chamberlain, Villegas, Saylor
NOES: None
ABSTENTIONS: None
ABSENT: None

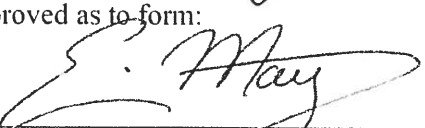


Don Saylor, Chair
Yolo County Board of Supervisors

Attest
Julia Daehler, Deputy Clerk
Board of Supervisors

By: 
Deputy (Seal)

Approved as to form:

By: 
Eric May, Senior Deputy County Counsel

Trial Balance

GL291 - Date 05/09/19
Time 08:44

Company 1000 - YOLO COUNTY
Trial Balance
For Period 1 Through 10 Ending April 30, 2019

USD

Base Currency
Amounts

Page 1

Fiscal Year 2019

1962

NORTH DAVIS MEADOWS CSA

Account Nbr	Description	Beginning Balance	Debit Activity	Credit Activity	Ending Balance
100000-0000	CASH IN TREASURY	16,288.24	542,664.00	678,972.16	152,596.40
101000-0000	RESTRICTED CASH	0.00	394,096.00		394,096.00
111010-0000	PROP TAX REC-CURR SEC	0.00	571,176.00		28,558.80
200001-0000	ACCOUNTS PAYABLE-JE	6,004.66	6,004.66	542,617.20	0.00
201000-0000	CONTRACT RETENTION PAYABLE	24,783.53	24,783.53		0.00
203000-0000	INTEREST PAYABLE	5,721.80		4,483.17	10,204.97
210700-0000	AMOUNTS HELD FOR OTHR-NON INT	0.00		394,096.00	394,096.00
211600-0000	INTERFUND LOANS PAYABLE	430,000.00			430,000.00
300600-0000	FD BAL-ASSIGNED	56,620.00			56,620.00
300999-0000	UNASSIGNED	539,418.23			539,418.23
400700-0000	INVESTMENT EARNINGS-POOL	0.00	709.08	46.80	662.28
403030-0000	SPECIAL ASSESSMENT	0.00	394,096.00		177,080.00
501071-0000	MAINTENANCE-BLDG IMPROVEMENT	0.00	14,818.35	571,176.00	14,818.35
501151-0000	PROF & SPEC SVC-AUDITG & ACCTG	0.00	14,818.35		14,818.35
501156-0000	PROF & SPEC SVC-LEGAL SVC	0.00	31,573.55	31,573.55	31,573.55
501165-0000	PROF & SPEC SVC-OTHER	0.00	38,052.90	38,052.90	38,052.90
501205-0000	TRAINING	0.00	89.00	89.00	89.00
501250-0000	TRANSPORTATION AND TRAVEL	0.00	62.16		62.16
501260-0000	UTILITIES	0.00	136,755.12		136,755.12
502045-0000	INTEREST LTD-LOANS PAYABLE	0.00	4,483.17		4,483.17
502080-0000	TAXES AND ASSESSMENTS	0.00	4,483.17		4,483.17
503020-0000	BUILDINGS & IMPROVEMENTS	0.00	31,216.81		31,216.81
*** Totals		0.00	2,191,391.33	2,191,391.33	0.00

