

COUNTY OF SAN MATEO APPROPRIATION TRANSFER REQUEST				REQUEST NO. ATR26-B0085	
DEPARTMENT: PUBLIC WORKS				DATE: 06/11/2026	
1. REQUEST TRANSFER OF APPROPRIATION AS LISTED BELOW:					
	CODES			AMOUNT	DESCRIPTION
	FUND or ORG	ACCOUNT	JL ORG CODE Measure K only		
FROM	48466	2546		\$130,000	Loan Proceeds – Other Funds
	48468	2546		\$150,000	Loan Proceeds – Other Funds
TO	48466	5456		\$ 40,000	Water Systems Maintenance
	48466	5861		\$ 90,000	PW – Engineering Services
	48468	5456		\$ 15,000	Water Systems Maintenance
	48468	5861		\$136,000	PW – Engineering Services
Justification (Attach Memo if Necessary): Approve an Appropriation Transfer Request to transfer loan proceeds from General Fund to County Service Areas 7 and 11 to cover projected year-end negative fund balances in both areas due to unanticipated one-time capital projects and increasing operating costs that are not fully recovered by water service revenues at current rates.					
DEPARTMENT HEAD <i>Tony Newman</i> <small>1E5E5B59D17A42B</small>				DATE 6/11/2026	
2. <input type="checkbox"/> Board Action Required <input checked="" type="checkbox"/> Four-Fifths Vote Required <input type="checkbox"/> Board Action Not Required Remarks:					
COUNTY CONTROLLER <i>Ngoe Nguyen</i> <small>311A76FBA8404C2</small>				DATE 6/11/2026	
3. <input checked="" type="checkbox"/> Approve as Requested <input type="checkbox"/> Approve as Revised <input type="checkbox"/> Disapproved Remarks:					
COUNTY EXECUTIVE <i>Roberto Mandula</i> <small>5178A926843D471</small>				DATE 6/11/2026	
DO NOT WRITE BELOW THIS LINE – FOR BOARD OF SUPERVISORS USE ONLY					

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA
RESOLUTION TRANSFERRING FUNDS

RESOLUTION NO. _____

RESOLVED, by the Board of Supervisors of the County of San Mateo, that

WHEREAS, the Department hereinabove named in the Request for Appropriation, Allotment or Transfer of Funds has requested the transfer of certain funds as described in said Request; and

WHEREAS, the County Controller has approved said Request as to accounting and available balances, and the County Executive has recommended the transfer of funds as set forth hereinabove:

NOW, THEREFORE, IT IS HEREBY ORDERED AND DETERMINED that the recommendations of the County Executive be approved and that the transfer of funds as set forth in said Request be effected.

Regularly passed and adopted this _____ day of _____ 20 ____

AYES and in favor of said resolution:

NOES and against said resolution:

Supervisors: _____

Supervisors: _____
 Absent _____
 Supervisors: _____

 PRESIDENT, BOARD OF SUPERVISORS
 COUNTY OF SAN MATEO

ATTEST: _____
 Clerk of Said Board

COUNTY OF SAN MATEO APPROPRIATION TRANSFER REQUEST				REQUEST NO.	
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	48466	5861		90,000	PW – Engineering Services
	48468	5456		15,000	Water Systems Maintenance
	48468	5861		135,000	PW – Engineering Services
Justification (Attach Memo if Necessary): Approve an Appropriation Transfer Request to transfer loan proceeds from General Fund to County Service Areas 7 and 11 to cover projected year-end negative fund balances in both areas due to unanticipated one-time repair projects and increasing operating costs that are not fully recovered by water service revenues at current rates.					
DEPARTMENT HEAD				DATE	
2. <input type="checkbox"/> Board Action Required <input checked="" type="checkbox"/> Four-Fifths Vote Required <input type="checkbox"/> Board Action Not Required Remarks:					
COUNTY CONTROLLER				DATE	
3. <input type="checkbox"/> Approve as Requested <input type="checkbox"/> Approve as Revised <input type="checkbox"/> Disapproved Remarks:					
COUNTY MANAGER				DATE	
DO NOT WRITE BELOW THIS LINE – FOR BOARD OF SUPERVISORS USE ONLY					

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA
RESOLUTION TRANSFERRING FUNDS

RESOLUTION NO. _____

RESOLVED, by the Board of Supervisors of the County of San Mateo, that

WHEREAS, the Department hereinabove named in the Request for Appropriation, Allotment or Transfer of Funds has requested the transfer of certain funds as described in said Request; and

WHEREAS, the County Controller has approved said Request as to accounting and available balances, and the County Manager has recommended the transfer of funds as set forth hereinabove:

NOW, THEREFORE, IT IS HEREBY ORDERED AND DETERMINED that the recommendations of the County Manager be approved and that the transfer of funds as set forth in said Request be effected.

Regularly passed and adopted this _____ day of _____ 20 ____

AYES and in favor of said resolution:

NOES and against said resolution:

Supervisors: _____

Supervisors: _____

 Absent _____
 Supervisors: _____

 PRESIDENT, BOARD OF SUPERVISORS
 COUNTY OF SAN MATEO

ATTEST: _____
Clerk of Said Board



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

Public Works

DATE: June 10, 2026

BOARD MEETING DATE: June 23, 2026

TO: Robert Manchia, Chief Financial Officer

FROM: Tory A. Newman, Director of Public Works

SUBJECT: Countywide Year-End ATR
Appropriation Transfer Request for Year-End Transfer of Loan Proceeds to CSA 7
and CSA 11

Recommendation

Approve an Appropriation Transfer Requests to transfer loan proceeds from the General Fund to County Service Area 7 (\$130,000) and County Service Area 11 (\$150,000) to cover projected year-end negative fund balances in these districts.

Background/Discussion

County Service Area 7 (La Honda) and County Service Area 11 (Pescadero) operate and maintain small public water systems that serve rural communities in the Coastal region of San Mateo County. Both systems consist of aging water infrastructure that requires ongoing maintenance, repair, regulatory compliance activities, and engineering support to maintain reliable water service and meet State drinking water requirements.

During Fiscal Year 2025-26, both service areas experienced operating expenses that exceeded available revenues due to a combination of increasing operating costs, necessary maintenance and repair activities, and professional engineering and regulatory support services.

For CSA 7, increased operational, maintenance, and engineering support costs associated with aging infrastructure and system reliability needs continue to contribute to high expenditures. For CSA 11, operating costs continue to exceed revenues generated under the current rate structure, creating an ongoing structural funding gap.

As a result, both CSA 7 and CSA 11 are projected to end Fiscal Year 2025-26 with negative fund balances unless additional funding is provided. The proposed transfers will allow the service areas to remain financially solvent while the Department of Public Works continues evaluating long-term measures to improve the financial sustainability of these water systems, including infrastructure planning, operational efficiencies, future rate adjustments, and identification of additional funding opportunities.

Fiscal Impact

Funding for these transfers will come from a loan from the General Fund to allow CSA 7 and CSA 11 to maintain a positive fund balance at year-end. The Department will continue to evaluate long-term financial and operational strategies, including rate adjustments and cost reduction measures, to improve the sustainability of CSA 7 and CSA 11 in the future.

CSA 7

Fund Balance 6/30/25	\$	39,820
FY 25-26 Revenue as of 6/10/26		122,665
FY 25-26 Expense as of 6/10/26		164,870
Fund Balance 6/10/26	\$	(2,385)
Estimated Revenue 6/11-6/30/26		36,079
Estimated Expenses 6/11-6/30/26		131,237
Estimated FY 25-26 YE Fund Balance	\$	(97,543)

Estimated Remaining FY 25-26 Expenses

Water main break repairs	\$	40,000	per Neli
5456 Water Systems Maintenance		30,859	Bracewell 3 months
5516 Other Special Rental Expense		786	Cal Water 2 months
5631 Electric and Gas Utilities		774	PG&E 1 month
5861 PW - Engineering Services		56,089	CS001 & CS004; unreimbursed costs of \$38,912.34 plus 2 months of estimated costs
5974 Div Allocation Expense		2,729	Org 48411 variance allocation, 3 months
		<u>131,237</u>	

Estimated Year-End Costs FY 25-26	296,107
Total Costs FY 24-25	163,022
Increase	133,085
	Bracewell \$23,043
	Chargeback \$64,629

4% Reserves	11,844
Required transfer/loan	109,387

CSA 11

Fund Balance 6/30/25	\$	23,723
FY 25-26 Revenue as of 6/10/26		79,991
FY 25-26 Expense as of 6/10/26		163,510
Fund Balance 6/10/26	\$	(59,796)
Estimated Revenue 5/1-6/30/26		11,504
Estimated Expenses 5/1-6/30/26		76,122
Estimated FY 25-26 YE Fund Balance	\$	(124,414)

Estimated Remaining FY 25-26 Expenses

5456 Water Systems Maintenance	\$	10,164	Bracewell 2 months
5631 Electric and Gas Utilities		403	PG&E 1 month
5861 PW - Engineering Services		49,404	CH001 & CH005; unreimbursed costs of \$26,495.38 plus 2 months of estimated costs
5974 Div Allocation Expense		6,302	Org 48411 variance allocation, 3 months
6322 Retirement of Long Term Debt		9,000	Cable TV loan
6332 Interest on Long Term Debt		850	Cable TV loan
	\$	76,122	

Estimated Year-End Costs FY 25-26	239,632	
Total Costs FY 24-25	94,378	excludes depreciation
Increase	145,254	Bracewell \$22,846 Chargeback \$98,740

4% Reserves	9,585
Required transfer/loan	133,999