Kern County Superintendent of Schools
Office of John G. Mendiburu, Ed.D. — Advocates for Children

bulletin
No. 09

November 10, 2026

TO: School District Administrators

FROM: Division of Fiscal Support

SUBJECT: Contingent Tax Liability

*** * * ACTION ITEM * * ***

The Auditor-Controller's office has posted the contingent tax liability statements as of 6/30/26 on their web site at (https://www.auditor.co.kern.ca.us/Contingent/Search.aspx). A summary copy of these balances is attached to this bulletin.

Districts that have excess liability balances, noted in the final column in bracketed numbers, are required to release these excess impounds. The Auditor-Controller will report the amount of excess to the CDE on the P-1 J29B report of property taxes to be collected and will be an offset to state aid at the P-1 apportionment in February.

Should the district have unfunded liability, reflected by a positive amount listed in the final column of the liability statement, plans should be undertaken to impound taxes. A resolution authorizing impounds must be adopted by the district board followed by a letter written to the Auditor-Controller's office. The letter should contain three pieces of information: 1) how much tax to impound; 2) when to impound; 3) what to do with the interest earned.

This office recommends that you instruct the Auditor-Controller to impound 50% of the required taxes from the April collections and 50% from the May collections. This will minimize the negative cash flow effect of the impound. We also recommend that you request interest earned on the impound account to be deposited to your general fund. The letter to impound should be written before March so that reduced tax collections can be reflected in the P-2 J29B. Sample resolutions to impound or release are attached to this bulletin. Please contact your District Fiscal Advisor should you have any questions.

MG:mwh
Attachments

**KERN COUNTY**
**AUDITOR-CONTROLLER-COUNTY CLERK**
**ESTIMATE OF CONTINGENT LIABILITY**
**AS OF 6/30/2026**

| AGENCY | FUND | APPEALS TAXES | APPEALS INTEREST* | TOTAL | IMPOUNDS | NET CONTINGENT LIABILITY |
|---|---|---|---|---|---|---|
| Arvin Union | 80004 | 2,964,639.24 | 72,491.36 | 3,037,130.60 | 1,132,274.98 | 1,904,855.62 |
| Bakersfield City | 80006 | 702,585.92 | 17,179.63 | 719,765.55 | 628,030.70 | 91,734.85 |
| Beardsley | 80008 | 595,708.06 | 14,566.25 | 610,274.31 | 271,791.44 | 338,482.87 |
| Blake | 80010 | 395.97 | 9.68 | 405.65 | 288.01 | 117.64 |
| Buttonwillow Union | 80013 | 9,361.71 | 228.91 | 9,590.62 | 14,183.76 | (4,593.14) |
| Caliente Union | 80014 | 801.89 | 19.61 | 821.49 | 930.59 | (109.10) |
| Delano Union | 80018 | 102,593.55 | 2,508.62 | 105,102.17 | 82,815.81 | 22,286.36 |
| Di Giorgio | 80020 | 1,678.79 | 41.05 | 1,719.84 | 290,425.16 | (288,705.32) |
| Edison | 80022 | 140,219.52 | 3,428.65 | 143,648.17 | 16,041.88 | 127,606.29 |
| Elk Hills | 80024 | 744.56 | 18.21 | 762.77 | 1,021.35 | (258.58) |
| Fairfax | 80026 | 2,174,184.22 | 53,163.15 | 2,227,347.37 | 1,947,484.33 | 279,863.04 |
| Fruitvale | 80028 | 342,786.72 | 8,381.82 | 351,168.55 | 188,823.48 | 162,345.07 |
| General Shafter | 80030 | 34,927.20 | 854.04 | 35,781.24 | 123,636.67 | (87,855.43) |
| Greenfield Union | 80033 | 36,033.14 | 881.08 | 36,914.22 | 51,083.40 | (14,169.18) |
| Kernville Union | 80040 | 13,749.90 | 336.21 | 14,086.11 | 19,663.80 | (5,577.69) |
| Lakeside Union | 80042 | 90,544.15 | 2,213.99 | 92,758.13 | 34,796.70 | 57,961.43 |
| Lamont | 80044 | 618,143.87 | 15,114.85 | 633,258.72 | 642,423.21 | (9,164.49) |
| Linns Valley-Poso Flat Union | 80048 | 69,911.13 | 1,709.47 | 71,620.59 | 1,061.59 | 70,559.00 |
| Lost Hills Union | 80050 | 425,497.85 | 10,404.27 | 435,902.12 | 663,169.19 | (227,267.07) |
| Maple | 80054 | 7,074.42 | 172.98 | 7,247.40 | 8,106.89 | (859.49) |
| Mckittrick | 80056 | 876,860.34 | 21,440.99 | 898,301.33 | - | 898,301.33 |
| Midway | 80058 | 303,158.93 | 7,412.84 | 310,571.77 | 115,241.57 | 195,330.20 |
| Norris | 80064 | 69,134.75 | 1,690.48 | 70,825.23 | 62,785.74 | 8,039.49 |
| Panama-Buena Vista | 80066 | 662,129.70 | 16,190.40 | 678,320.09 | 491,019.33 | 187,300.76 |
| Pond Union | 80068 | 2,160.83 | 52.84 | 2,213.66 | 2,912.92 | (699.26) |
| Richland Lerdo | 80072 | 624,479.25 | 15,269.77 | 639,749.01 | 265,805.33 | 373,943.68 |
| Rio-Bravo - Greeley Union | 80074 | 1,110,274.43 | 27,148.43 | 1,137,422.86 | 1,246,676.83 | (109,253.97) |
| Rosedale Union | 80076 | 29,196.69 | 713.92 | 29,910.60 | 47,142.45 | (17,231.85) |
| Semitropic | 80078 | 45,139.59 | 1,103.75 | 46,243.35 | 1,447.30 | 44,796.05 |
| South Fork Union | 80084 | 1,661.43 | 40.63 | 1,702.05 | 2,593.28 | (891.23) |
| Standard | 80086 | 145,313.88 | 3,553.22 | 148,867.10 | 97,142.55 | 51,724.55 |
| Taft City | 80088 | 600,085.80 | 14,673.30 | 614,759.10 | 304,839.82 | 309,919.28 |
| Vineland | 80092 | 1,621,227.41 | 39,642.25 | 1,660,869.66 | 1,668,880.02 | (8,010.36) |
| Wasco Union | 80094 | 175,265.15 | 4,285.58 | 179,550.74 | 160,202.37 | 19,348.37 |
| Delano Joint Union High | 81018 | 96,224.15 | 2,352.87 | 98,577.03 | 116,039.58 | (17,462.55) |
| Kern Joint Union High | 81038 | 13,572,173.09 | 331,866.78 | 13,904,039.87 | 10,249,886.58 | 3,654,153.29 |
| Taft Union High | 81088 | 8,333,802.84 | 203,778.15 | 8,537,580.99 | 10,246,328.19 | (1,708,747.20) |
| Wasco Union High | 81094 | 1,000,292.40 | 24,459.15 | 1,024,751.55 | 444,875.81 | 579,875.74 |
| El Tejon Unified | 82050 | 23,248.11 | 568.46 | 23,816.57 | 16,286.00 | 7,530.57 |
| Maricopa Unified | 82052 | 277,278.98 | 6,780.03 | 284,059.01 | 60,477.91 | 223,581.10 |
| Mcfarland Unified | 82055 | 1,052,195.30 | 25,728.28 | 1,077,923.58 | 541,803.98 | 536,119.60 |
| Mojave Unified | 82060 | 33,052,960.52 | 808,210.99 | 33,861,171.52 | 28,771,517.33 | 5,089,654.19 |
| Muroc Unified | 82062 | 16,729,577.24 | 409,071.62 | 17,138,648.86 | 14,828,068.69 | 2,310,580.17 |
| Southern Kern Unified | 82080 | 7,964,325.48 | 194,743.69 | 8,159,069.17 | 7,098,687.99 | 1,060,381.18 |
| Sierra Sands Unified | 82082 | 56,423.80 | 1,379.67 | 57,803.48 | 32,384.10 | 25,419.38 |
| Tehachapi Unified | 82090 | 10,949,668.61 | 267,741.30 | 11,217,409.90 | 8,754,375.28 | 2,463,034.62 |
| Kern Joint Community College | 84038 | 18,601,259.38 | 454,837.99 | 19,056,097.38 | 9,967,120.05 | 9,088,977.33 |
| West Kern Joint Comm College | 84096 | 1,040,295.32 | 25,437.30 | 1,065,732.62 | 779,801.83 | 285,930.79 |
| Education | 86010 | 7,241,314.04 | 177,064.61 | 7,418,378.65 | 6,526,355.22 | 892,023.43 |
| | TOTAL | **134,588,709.25** | **3,290,963.12** | **137,879,672.37** | **109,018,750.99** | **28,860,921.38** |

November xx, 2026

Aimee X. Espinoza, CPA
Kern County Auditor-Controller's Office
1115 Truxtun Ave.
Bakersfield, CA 93301-4637

**RE: CONTINGENT LIABILITY**

Dear Ms. Espinoza:

Pending a resolution from the (District Name) School District authorizing the County-Auditor to impound local tax revenues to anticipate pending assessment appeals and Superior Court cases, please impound $_____ into the (District Name) School District Impound Fund (5-digit County fund number: _____). This amount should be impounded from the April and May collections.

Please deposit any interest earned by this impounded amount into our General Fund.

If you have any questions, or if I may be of further assistance, please contact me at (phone#).

Sincerely,

_____

Authorized District Representative

Enc.

November xx, 2026

Aimee X. Espinoza, CPA
Kern County Auditor-Controller's Office
1115 Truxtun Ave.
Bakersfield, CA 93301-4637

**RE: RELEASE IMPOUNDS**

Dear Ms. Espinoza:

Enclosed you will find a copy of the resolution from the (District Name) School District regarding the release of excess Impounded Local Tax Revenues.

Please release $_____ to the (District Name) School District General Fund immediately.

If you have any questions, or if I may be of further assistance, please contact me at (phone#).

Sincerely,

_____

Authorized District Representative

Enc.

**BEFORE THE GOVERNING BOARD**
**OF THE _____ SCHOOL DISTRICT**
**OF KERN COUNTY, STATE OF CALIFORNIA**

In the Matter of:

**AUTHORIZATION TO SUPERINTENDENT TO DETERMINE AMOUNT AND REQUEST RELEASE OF IMPOUNDED MONIES IN SETTLEMENT OF PENDING LITIGATION**

**RESOLUTION NO. _____**

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WHEREAS, by prior resolution of this Board, certain monies due to this District from the County as local tax revenues have been impounded against contingent tax liabilities in litigation or tax appeal cases; and

WHEREAS, by recent letters the County Counsel has notified the District of an excess of local tax revenues in the impound fund due to recent settlements.

NOW, THEREFORE, the Board resolves as follows:

A. All of the above recitals are found to be true and correct.

B. The Board hereby orders the Superintendent to:

1. Determine the exact amount of impound monies which should be released to the District General Fund to meet and articulate with all pending fiscal needs of the District.

2. Notify, on behalf of this Board, the County Auditor's Office in writing of the amount to be so released and the effective date for such release.

C. A copy of this resolution shall be delivered to the County Auditor-Controller and Kern County Superintendent of Schools office forthwith.

The foregoing resolution, on motion of _____, and seconded by _____, was duly passed and adopted this _____ day of _____, 20____, by the following vote:

AYES: _____ NOES: _____ ABSENT: _____ ABSTENTIONS: _____

**BOARD OF TRUSTEES OF THE**
**_____ SCHOOL DISTRICT**

By: _____
Authorized Agent

_____ Member

_____ Member

_____ Member

_____ Member

_____ Member

I HEREBY CERTIFY that the foregoing is a full, true, and correct excerpt from the Journal of the Board of Trustees of the _____ School District pertaining to the adoption of the foregoing Resolution at a regular meeting held on _____, 20____.

_____
Authorized Agent of the Board of Trustees
of the _____ School District,
County of Kern, State of California

**BEFORE THE GOVERNING BOARD**
**OF THE _____ SCHOOL DISTRICT**
**OF KERN COUNTY, STATE OF CALIFORNIA**

In the Matter of:

**IMPOUNDMENT OF LOCAL TAX REVENUES TO ANTICIPATE PENDING CLAIMS AND/OR LITIGATION**

**RESOLUTION NO. _____**

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WHEREAS, the Auditor-Controller of the County of Kern has recently informed the District of potential adverse consequences to local tax and general fund monies of the District attributable to pending court action; and

WHEREAS, several claims are now pending before the Assessment Appeals Board which, if determined favorably to the taxpayer will substantially impact revenues of the District through a forced refund; and

WHEREAS, counsel has advised the Board that a school board may not defer repayment of a tax refund over an installment period of up to ten (10) years pursuant to Education Code section 35201 due to hardship or any other factor; and

WHEREAS, Education Code section 14240 authorizes this Board to direct the County Auditor to impound local tax revenues pending determination of court action or administrative tax protests is that such money remains outside the scope of further Board action pending resolution of the dispute.

NOW, THEREFORE, the Board resolves as follows:

1. The Superintendent is authorized and directed to develop a projection of the appropriate amount of money to be impounded in light of the above tax protests and court litigation.

2. The Superintendent shall report that amount to the Board and notify the County-Auditor-Controller of the exact dollar amount to be impounded and the day on which such impound is to be made.

3. The amount so impounded shall be derived entirely from anticipated local tax revenues. No part of the impounded funds shall come from the general reserve or current operating year monies of the district.

The foregoing resolution, on motion of _____, and seconded by _____, was duly passed and adopted this _____ day of _____, 20____, by the following vote:

AYES: _____ NOES: _____ ABSENT: _____ ABSTENTIONS: _____

**BOARD OF TRUSTEES OF THE**

_____ **SCHOOL DISTRICT**

By: _____

Authorized Agent

_____ Member

_____ Member

_____ Member

_____ Member

_____ Member

I HEREBY CERTIFY that the foregoing is a full, true, and correct excerpt from the Journal of the Board of Trustees of the _____ School District pertaining to the adoption of the foregoing Resolution at a regular meeting held on _____, 20____.

_____

Authorized Agent of the Board of Trustees
of the _____ School District,
County of Kern, State of California