

**EL DORADO COUNTY BOARD OF SUPERVISORS**  
**AGENDA ITEM TRANSMITTAL**  
**Meeting of December 5, 2006**

**AGENDA TITLE: Request for Cash Advances to Erosion Control, South Lake Tahoe Transit and Road Funds**

**DEPARTMENT:** Transportation

**DEPT SIGNOFF:**

**CAO USE ONLY:**

**CONTACT:** Richard Shepard

**DATE:** 11/7/06

**PHONE:** X5981

*[Handwritten Signature]*

*[Handwritten Signature]* 11/21/06

**DEPARTMENT SUMMARY AND REQUESTED BOARD ACTION:**

The Department of Transportation (DOT) recommends that the Board of Supervisors authorize the County Auditor to make cash advances from the General Fund to the Erosion Control, South Lake Tahoe Transit and Road Funds on an as needed basis to prevent negative cash balances in these funds. The advance funds are to be reimbursed with interest as determined by the Auditor Controller.

**CAO RECOMMENDATIONS:**

*Recommend approval. Laura S. Gill 11/22/06*

Financial impact? ( ) Yes (X) No

Funding Source: ( ) Gen Fund ( ) Other

**BUDGET SUMMARY:**

Other:

Total Est. Cost	\$0.00
<b>Funding</b>	
Budgeted	_____
New Funding	_____
Savings	_____
Other	_____
<b>Total Funding</b>	\$0.00
<b>Change in Net County Cost</b>	

**CAO Office Use Only:**

4/5's Vote Required ( ) Yes (X) No

Change in Policy ( ) Yes (X) No

New Personnel ( ) Yes (X) No

**CONCURRENCES:**

Risk Management \_\_\_\_\_

County Counsel \_\_\_\_\_

Other \_\_\_\_\_

**\*Explain**

**BOARD ACTIONS:**

**Vote:** Unanimous \_\_\_\_\_ Or

**Ayes:**

**Noes:**

**Abstentions:**

**Absent:**

Rev. 04/05

**I hereby certify that this is a true and correct copy of an action taken and entered into the minutes of the Board of Supervisors**

**Date:** \_\_\_\_\_

**Attest:** Cindy Keck, Board of Supervisors Clerk

**By:** \_\_\_\_\_

**MAINTENANCE DIVISION:**

2441 Headington Road  
Placerville CA 95667  
Phone: (530) 642-4909  
Fax: (530) 642-9238

**RICHARD W. SHEPARD, P.E.**

Director of Transportation

Internet Web Site:

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2850 Fairlane Court  
Placerville CA 95667  
Phone: (530) 621-5900  
Fax: (530) 626-0387



November 15, 2006

Board of Supervisors  
330 Fair Lane  
Placerville, California 95667

**Title: Request for Cash Advances to Erosion Control, South Lake Tahoe Transit and Road Funds**

**Meeting Date: December 5, 2006**

**District/Supervisor: All**

Dear Members of the Board:

**Recommendation:**

The Department of Transportation (DOT) recommends that the Board of Supervisors authorize the County Auditor to make cash advances from the General Fund to the Erosion Control, South Lake Tahoe Transit and Road Funds on an as needed basis to prevent negative cash balances in these funds. The advance funds are to be reimbursed with interest as determined by the Auditor Controller.

**Reasons for Recommendation:**

The Department has routinely requested authorization from your Board for cash advances as a precautionary measure to prevent negative cash balances since December 2001. The Road Fund has consistently maintained a positive cash balance over the five-year period. Moving forward the Department does not anticipate requiring an advance, however the possibility does exist. The Road Fund is experiencing demands on cash due to the Department's continually expanding construction program. These capital projects are fully funded through restricted funding sources, typically on a reimbursement basis. This situation could potentially cause a temporary cash shortfall where General Fund advances would be required to carry the fund until reimbursements or discretionary funds are received.

The Erosion Control Fund is experiencing high demands on cash due to the Department's continually expanding program. These capital projects are fully funded through restricted funding sources on a reimbursement basis. The funding agencies provide reimbursement after a period of as much as 90 days. This situation causes temporary cash shortfalls in the fund until reimbursements are received. The Erosion

Control Fund has experienced cash shortages periodically during the prior five-year period. Revenues are received on a reimbursement basis from various grant sources. Staff continues to work with the funding agencies to improve processing time of cash payments. Advances from the California Tahoe Conservancy (CTC) and Tahoe Regional Planning Agency have been pursued, and an express electronic payment process has been established with the U.S. Forest Service.

The South Lake Tahoe Transit Fund is fully funded through Transportation Development Act (TDA) Funds and Federal Grants. Cash receipts are not available in the early months of the fiscal year, while cash outlay to the service provider begins July 1 of each year, causing cash shortages. The grant funds are received on a reimbursement basis and TDA funds are received monthly after approval of a claim by the Tahoe Regional Planning Agency. There are no discretionary funds or fund balance available for use by this program.

**Fiscal Impact:**

Expenditures incurred in the Erosion Control, South Lake Tahoe Transit and Road Funds are fully funded through restricted funds. A General Fund advance would provide temporary operating cash only and is therefore not considered an expenditure to the General Fund, requiring no appropriation. Additionally, as stated above, a General Fund advance will be repaid with interest as determined by the Auditor Controller.

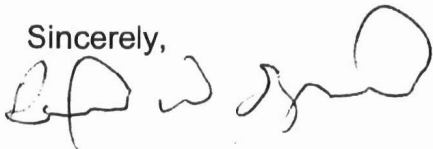
**Net County Cost:**

There is no net County cost associated with this item.

**Action to be Taken Following Approval:**

Upon approval of the recommendation, the Auditor will have the authorization to make cash advances from the General Fund to the Erosion Control, South Lake Tahoe Transit and Road Funds as needed to cover negative cash balances in the funds.

Sincerely,



Richard W. Shepard, P. E.  
Director of Transportation

c: Joe Harn, County Auditor