



Legislation Details (With Text)

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Type: Agenda Item **Status:** Department Matters

File created: 1/20/2009 **In control:** Board Of Supervisors

On agenda: 2/10/2009 **Final action:**

Title: Chief Administrative Office recommending adoption of Resolution 14-2009 repealing Resolution 436-74, and setting new guidelines for special district loan requests. (Cont'd 1/27/09, Item 32)

FUNDING: None.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution-repealing-436-74.PDF, 2. Resolution-436-74.PDF, 3. Government-Code-23010.PDF, 4. Letter from the Fire Chiefs Association att'd 1-22-09.pdf, 5. 2A Request for Continuance

Date	Ver.	Action By	Action	Result
2/25/2014	1	Board Of Supervisors	Continued	Pass
1/27/2009	1	Board Of Supervisors	Continued	Pass

Chief Administrative Office recommending adoption of Resolution **14-2009** repealing Resolution 436-74, and setting new guidelines for special district loan requests. (Cont'd 1/27/09, Item 32)

FUNDING: None.

Background: On September 3, 1974, the Board of Supervisors adopted resolution 436-74 authorizing loans not to exceed 85% of anticipated revenues to any special district located in El Dorado County where said districts funds were in the custody of El Dorado County and authorized the County Auditor to make such loans. Recently the Board directed the Chief Administrative Office to bring back a new resolution for Board approval repealing the County Auditor's authority to make these loans.

Government Code §23010 states that pursuant to a resolution adopted by its board of supervisors, a county may loan any of its available funds to a special district, in order to enable the district to perform its functions and meet its obligations. The loan shall not exceed 85% of the special district's anticipated property tax revenue projected to be generated for the fiscal year in which it is made or for the next ensuing fiscal year within that portion of the district's territory which is located within the county. The loan shall be repaid out of any available revenue of the special district prior to the payment of any other obligation of the district.

Reason for Recommendation: The County is projecting current and future year budget deficits based on economic uncertainty and declining revenues. The County is also experiencing reduced cash flow based on lower total revenues and deferred State revenues. Therefore, loans to special districts need to be evaluated on a case by case basis and reviewed against the current financial situation of the County.

The attached resolution requires special districts to provide loan requests to the Chief Administrative Office for review and recommendation to the Board of Supervisors for action. The proposed effective date of this change is March 15, 2009. This will allow sufficient time for the Chief Administrative Office to create and distribute guidelines to the special districts regarding these changes.

Action to be taken following Board approval: Board Chairman to sign attached resolution and Chief Administrative office to create and distribute guidelines to all special districts.

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Concurrences: County Counsel