



## Legislation Details (With Text)

**File #:** 11-0665      **Version:** 2

**Type:** Agenda Item      **Status:** Approved

**File created:** 6/7/2011      **In control:** Board of Supervisors

**On agenda:** 3/5/2013      **Final action:** 3/5/2013

**Title:** County Counsel recommending the Board indicate that it will not authorize the issuance of Tax and Revenue Anticipation Notes (TRANS) on behalf of the Lake Tahoe Community College District, thus freeing the College District to issue TRANS in their own name.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. 2A Letter Stradling Yocca Carlson & Rauth 2-26-13.pdf, 2. 2B Lake Tahoe Community College District Resolution 2-26-13.pdf, 3. A - Staff Report 11-0665-A.PDF, 4. B - Letter Stradling Yocca Carlson and Rauth 6-14-11.pdf, 5. C - Lake Tahoe Community College District Resolution.pdf

Date	Ver.	Action By	Action	Result
3/5/2013	2	Board of Supervisors	Approved	Pass
6/14/2011	1	Board of Supervisors	Approved	Pass

County Counsel recommending the Board indicate that it will not authorize the issuance of Tax and Revenue Anticipation Notes (TRANS) on behalf of the Lake Tahoe Community College District, thus freeing the College District to issue TRANS in their own name.

**Fiscal Impact/Change to Net County Cost**

None

**Reason for Recommendation**

The County has received a request from the Lake Tahoe Community College District for the County to issue TRANS on its behalf, or decline to do so so that they are free to do so in their own name. The Board of Supervisors is familiar with TRANS. It is a form of short term borrowing, to be paid back within the fiscal year, to even out cash flow during the year. School districts that have not been accorded fiscal accountability status, are required to ask the County to issue TRANS on their behalf. If the County fails to do so within 45 days, or advises the school districts that it will not authorize the issuance of the TRANS within the 45 days, the school districts are free to issue the TRANS themselves, in their own name. The Lake Tahoe Community College District has asked for the Board to decline to authorize the issuance of the TRANS so that they don't have to wait for the 45 days to expire.

This is a similar process we go through with the issuance of bonds by the school districts, except that it is not necessary to adopt a resolution. The Clerk of the Board will simply send the school district a notice that the Board refuses to issue the TRANS. Although the County does not assume fiduciary responsibility for the bonds, we see no reason for the County to get involved in the process, potentially exposing itself to litigation arising out of the issuance of the TRANS. The County Auditor and Treasurer/Tax Collector concur.

The maximum authorized amount of borrowing is \$4,000,000.00.

**Action(s) to be taken following Board approval**

The Board Clerk will send a notice to the Lake Tahoe Community College District advising them of the Board's action.

**Contact**

Judith Kerr