



Legislation Text

File #: 18-0961, **Version:** 1

Community Development Services, Department of Transportation and Chief Administrative Office, recommending the Board approve and authorize the Chair to sign a budget transfer adjusting the budget for Fiscal Year (FY) 2017/18 to allow for a general fund contribution to the Road Fund in the amount of \$68,000 to reimburse the Road Fund for negative interest charged during FY 2017/2018.

FUNDING: General Fund.

DEPARTMENT RECOMMENDATION

Community Development Services, Department of Transportation and Chief Administrative Office, recommending the Board approve and authorize the Chair to sign a budget transfer adjusting the budget for Fiscal Year (FY) 2017/18 to allow for a general fund contribution to the Road Fund in the amount of \$68,000 to reimburse the Road Fund for negative interest charged during FY 2017/2018.

DISCUSSION / BACKGROUND

Community Development Services Budget Transfers

Community Development Services (CDS) Department of Transportation

Budgeted revenue for the Road Fund needs to be increased for Operating Transfers In by \$68,000, offset by Interest Revenue in the amount of \$68,000. Transportation requests a general fund contribution to the Road Fund to reimburse negative interest that was charged during FY 2017/2018. The Road Fund was charged negative interest due to having a negative cash balance in the pooled treasury for a period of time during FY 2017-18. The Streets and Highways Code Sections 2101 and 2150 state that Road Fund money can be expended only for road or road-related purposes. The negative cash balance in the Road Fund is mainly attributed to projects funded initially by local discretionary funds in excess of \$24 million dollars for damage to El Dorado County roadway infrastructure that was caused by four major storm systems beginning January 3, 2017.

Transportation staff are currently working with Federal Emergency Management Agency (FEMA), Federal Highway Administration (FHWA), and the Governor's Office of Emergency Services (Cal OES) to obtain emergency reimbursement.

Chief Administrative Office

Budgeted appropriations for General Fund Other Operations (Chief Administrative Office) need to be increased in Operating Transfers Out by \$68,000, offset by a decrease to the Appropriation for Contingency in the amount of \$68,000.

ALTERNATIVES

The Board may elect not to approve the budget transfer as proposed, although proper accounting for the Road Fund would be jeopardized.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION

It is recommended that the Board approve this item.

FINANCIAL IMPACT

The proposed budget transfer results in an increase in cost of \$68,000 to the General Fund, due to the use of Contingency funds.

CLERK OF THE BOARD FOLLOW UP ACTIONS

The Clerk of the Board will obtain the Chair's signature on the original budget transfer and will forward the budget transfer to the Auditor/Controller for processing.

STRATEGIC PLAN COMPONENT

Good Governance, Infrastructure

CONTACT

Rafael Martinez, Director
Community Development Services, Department of Transportation