COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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J. TYLER McCAULEY
AUDITOR-CONTROLLER

May 31, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

REQUEST FOR TEMPORARY TRANSFERS FROM AVAILABLE FUNDS TO MEET FINANCIAL OBLIGATIONS
ALL DISTRICTS
(3-VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt attached resolution authorizing temporary transfers from available funds to meet financial obligations which will be incurred between July 1, 2007 and the last Monday in April, 2008.

PURPOSE OF RECOMMENDED ACTION

This letter requests the Board to authorize temporary transfers of available funds to meet the financial obligations of special districts and other entities which will be incurred between July 1, 2007 and the last Monday in April, 2008.

JUSTIFICATION

Various public entities maintain funds on deposit with the County Treasurer throughout the year. The cash flow requirements of these entities may be insufficient to meet obligations incurred between July 1, 2007 and the last Monday in April, 2008.

The attached resolution authorizes the Treasurer, as directed by the Auditor-Controller, to make temporary cash transfers to the various entities in the event of a cash deficiency. Such transfers shall not exceed 85% of the anticipated revenues accruing to each public entity.

Implementation of Strategic Plan Goals

Approval of this action is consistent with the Strategic Plan Goal of Fiscal Responsibility.

FISCAL IMPACT

None.

FINANCING

Not applicable.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The resolution is required to be renewed each year and has been approved as to form by County Counsel. The resolution authorizes transfers which are permitted by the California Constitution for the period specified.

IMPACT ON CURRENT SERVICES

Approval of the resolution will enable the various entities to meet their cash flow needs and provide uninterrupted services to the public.

Respectfully submitted,

J. Tyler McCauley
Auditor-Controller

JTM:JN
Temptrf07.doc

Attachment

c: David E. Janssen, Chief Administrative Officer
Raymond G. Fortner, County Counsel
Mark Saladino, Treasurer-Tax Collector
Sachi A. Hamai, Executive Officer

RESOLUTION

WHEREAS, the 2007-2008 anticipated revenues accruing to the General Fund of Los Angeles County, to the General Fund of the Los Angeles County Public Library, to the Special County Road Funds, to the General Funds of the various Special Districts under the control of the Board of Supervisors of Los Angeles County, to the General Fund of the Los Angeles County Flood Control District, and to the General Funds of school districts, other districts, and political subdivisions in the County, will not become available until such revenues are collected; and

WHEREAS, the cash in the funds of said public entities, districts, and political subdivisions, may be insufficient to meet the obligations which will be incurred between July 1, 2007 and the last Monday in April, 2008; and

WHEREAS, the Board of Supervisors intends to respond to any such cash insufficiency in the County's General Fund through intrafund transfers and the issuance and sale of Tax and Revenue Anticipation Notes as authorized by Government Code Section 53850, et seq., and does not presently intend to make temporary transfers of funds to the County's General Fund as authorized by Article XVI, Section 6 of the California Constitution, but nonetheless desires to provide for such eventuality;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles as follows:

Section 1. The Board of Supervisors of the County of Los Angeles, hereby authorizes and directs the County Treasurer of the County of Los Angeles, to make temporary transfers of funds between July 1, 2007 and the last Monday in April, 2008 from available funds in his custody to the General Fund of Los Angeles County, to the General Fund of the Los Angeles County Public Library, to the Special County Road Funds, to the General Funds of the various Special Districts under the control of the Board of Supervisors of Los Angeles County, to the General Fund of the Los Angeles County Flood Control District, and to the General Funds of school districts, other districts, and political subdivisions in the County in such amounts as may be directed by the Auditor-Controller of Los Angeles County, in accordance with the provisions contained in Article XVI, Section 6, of the California Constitution.

Such temporary transfer of funds shall not exceed 85% of the anticipated revenues accruing to each such public entity, district, and political subdivision and shall be replaced from revenues first accruing to each such public entity, district, and political subdivision before any other obligations of said public entity, district, or political subdivision are met from such revenues.

The foregoing resolution was on the ____day of_____, 20____, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

SACHI A. HAMAI, Executive Officer-
Clerk of the Board of Supervisors of
the County of Los Angeles

By_____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By_____
CAMMY C. DUPONT
Principal Deputy County Counsel