COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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JOHN NAIMO
ACTING AUDITOR-CONTROLLER

June 10, 2014

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)

SUBJECT

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 incur between July 1, 2014 and April 27, 2015.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the attached resolution authorizing temporary transfers from available funds to meet financial obligations which will incur between July 1, 2014 and April 27, 2015.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Various public entities maintain funds on deposit with the County Treasurer throughout the fiscal year. The attached annual resolution authorizes the County 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 and are only available, by law, from July 1, 2014 through the last Monday in April, which is April 27, 2015.

Both the California Constitution (the "Constitution") and the California Government Code, at Article XVI, Section 6 and Section 53850 et seq. (the "Code"), respectively, allow for the proposed actions. The attached resolution renews the authorization that was in effect for Fiscal Year 2013-14 and provides a cash flow option for the eligible public entities that maintain funds on deposit with the County Treasurer.

Implementation of Strategic Plan Goals

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

FISCAL IMPACT/FINANCING

Approval of the resolution will enable the various entities to meet their respective cash flow needs.

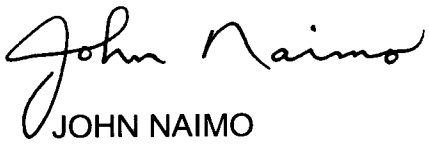
FACTS AND PROVISIONS/LEGAL REQUIREMENTS

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 under the Constitution and the Code for the period herein specified.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Not applicable.

Respectfully submitted,



JOHN NAIMO
Acting Auditor-Controller

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Attachment

c: William T Fujioka, Chief Executive Officer
John F. Krattli, County Counsel
Mark J. Saladino, Treasurer and Tax Collector
Sachi A. Hamai, Executive Officer, Board of Supervisors
Audit Committee
Public Information Office

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES PROVIDING FOR THE TEMPORARY TRANSFER OF FUNDS TO MEET FINANCIAL OBLIGATIONS OF SPECIAL DISTRICTS AND OTHER ENTITIES

WHEREAS, the 2014-2015 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 (collectively, the "Public Entities"), will not become available until such revenues are collected; and

WHEREAS, the cash in the funds of these Public Entities, may be insufficient to meet their respective obligations that will be incurred between July 1, 2014 and the last Monday in April, which is April 27, 2015; and

WHEREAS, the Board of Supervisors of the County of Los Angeles (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

WHEREAS, the Board of Supervisors 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 (the "Constitution"), but nonetheless desires to provide for such eventuality should it become necessary;

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

Section 1. The Board of Supervisors, hereby authorizes and directs the Treasurer and Tax Collector of the County of Los Angeles (the "Treasurer"), to make temporary transfers of funds between July 1, 2014 and the last Monday in April, which is April 27, 2015, from available funds in the Treasurer's custody to the General Fund of the Public Entities, in such amounts appropriately directed by the Auditor-Controller of Los Angeles County, in accordance with the provisions contained in the Constitution.

Such temporary transfer of funds shall not exceed 85% of the anticipated revenues accruing to each such Public Entity and shall be replaced from revenues first accruing to each such Public Entity before any other obligations of said Public Entity are met from such revenues.

The foregoing resolution was on the ____day of_____, 2014 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:

John F. Krattli
County Counsel

By_____
CAMMY C. DUPONT
Principal Deputy County Counsel