

**EL DORADO COUNTY BOARD OF EDUCATION**  
**RESOLUTION No. 2009-16**  
**CASH FLOW LOANS**

WHEREAS, the State of California Enacted Budget passed on July 28, 2009, closed a state budget shortfall of \$60 billion dollars in reductions, taxes, federal stimulus, borrowing and deferrals; and

WHEREAS, the State of California is deferring \$1.0 billion dollars of the July 2009 school apportionment to December 2009; and

WHEREAS, the State of California is deferring \$1.5 billion dollars of the August 2009 school apportionment to October 2009; and

WHEREAS, the State of California is deferring \$1.0 billion dollars of the November 2009 school apportionment to January 2010; and

WHEREAS, the State of California is deferring \$2.0 billion dollars of the February 2010 school apportionment to July 2010; and

WHEREAS, the State of California is deferring \$679 million dollars of the April 2010 school apportionment to August 2010; and

WHEREAS, the State of California is deferring \$1.0 billion dollars of the May, 2010 school apportionment to August 2010; and

WHEREAS, the State of California is deferring 100% or approximately \$1.4 billion dollars of the June 2010 school apportionment to July 2010; and

WHEREAS, Education Code section 42621 and 85221 provide that the County Superintendent of Schools of each county with the approval of the County Board of Education, may make temporary transfers to any school district/community college which does not have sufficient money to its credit to meet current operating expenses from the county school service fund, in such amounts and at such times as he/she deems necessary. Such transfers shall not exceed 85 percent of the amount of money accruing to the school district at the time of transfer. The amounts so transferred shall be repaid to the county school service fund prior to June 30 of the current year from any funds subsequently received by the school district or community college.

WHEREAS, Education Code section 42622 and 85222 allows the county superintendent of schools, with the approval of the county board of education, to make an apportionment to a school district from the county school service fund conditional upon the repayment to the fund during the next succeeding fiscal year of the amount apportioned to the district and shall, during the next succeeding fiscal year, transfer the amount of such apportionment from the general fund of the district to the county school service fund.

WHEREAS, school districts and community colleges in our county are dealing with cash flow

challenges as a result of apportionment deferrals and revised apportionment schedules included in the Enacted Budgets of SBX3 4 and ABX4 16 of 2009.

IT IS THEREFORE RESOLVED AND ORDERED pursuant to the provisions of Education Code section 42621, 42622, 85221 and 85222 as follows:

- 1) The Treasurer of the County of El Dorado shall provide for temporary transfers from County Office funds to the school districts and the Lake Tahoe Community College.
- 2) Such transfer shall be accomplished by allowing district/college overall fund cash balance to go negative up to the limit of 85% of combined taxes and revenue limit, to the extent possible. Districts shall be charged interest based on negative cash balances.
- 3) The county superintendent of schools, with the approval of the county board of education, may make an apportionment to a school district from the county school service fund conditional upon the repayment to the fund during the next succeeding fiscal year of the amount apportioned to the district and shall, during the next succeeding fiscal year, transfer the amount of such apportionment from the general fund of the district to the county school service fund.
- 4) Interest charged shall be the pooled rate of interest earned on funds in the county treasury. This calculation will not impact interest earnings for the county Office of Education.
- 5) A district or community college needing to take advantage of this provision, must take board action authorizing the transfer and setting the maximum line of credit.

The Clerk/Secretary of this Board is directed to file a copy of this resolution with the County Superintendent of Schools, the County Auditor and Controller, and the County Treasurer-Tax Collector.

PASSED AND ADOPTED by the Governing Board of the El Dorado County Office of Education this 13<sup>th</sup> day of August, 2009 by the following vote:

AYES:

NOES:

ABSENT:

STATE OF CALIFORNIA  
COUNTY OF EL DORADO

I, \_\_\_\_\_, Clerk/Secretary of the Governing Board of the El Dorado County Office of Education, State of California, do hereby certify that the foregoing is a true copy of a resolution adopted by said Board at a meeting thereof, at the time and by the vote therein stated, which original resolution is on file in the office of said Board.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Vicki L. Barber, Ed.D., County Superintendent and  
Executive Officer, El Dorado County Board of  
Education