RESOLUTION OF THE BOARD OF SUPERVISORS OF

ORANGE COUNTY, CALIFORNIA AUTHORIZING TEMPORARY

TRANSFER FROM FUNDS 400 AND 404

TO COUNTY GENERAL FUND

June 22, 2021

WHEREAS, the County General Fund may experience cash shortfalls or deficits during County fiscal year 2021-2022 due to timing of receipt of revenues such as property taxes and State revenues; and

WHEREAS, the cash in the County General Fund may be insufficient to meet obligations that will be incurred between July 1, 2021 and the last Monday in April 2022; and

WHEREAS, the County General Fund may experience cash shortfall when tax and revenue anticipation notes (TRANS) are delayed or not issued during fiscal year 2021-2022; and

WHEREAS, the Orange County Flood Control District is a special district that is legally separate from the County of Orange, and whose funds are maintained in the custody of the County Treasurer; and

WHEREAS, monies are available from Orange County Flood Control District Fund 400 and Orange County Flood Control District-Capital Fund 404; and

WHEREAS, the Board of Supervisors intends to respond to any cash insufficiency in the County’s General Fund through intrafund transfers and the issuance of TRANs 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; and

WHEREAS, Article XVI, Section 6 of the California Constitution provides that the County Treasurer shall have the power and the duty to make such temporary transfers of monies, as further specified therein, upon resolution adopted by this Board of Supervisors authorizing such temporary transfers; and

WHEREAS, this Board of Supervisors desires to authorize the County Treasurer to make transfers from Funds 400 and 404 to the County General Fund, make such findings and determinations, and provide for the repayment of the transfers, all in accordance with the California Constitution and other applicable law.

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby:

1. Authorize and direct the Treasurer of the County of Orange to make temporary transfers of funds between July 1, 2021 and the last Monday in April 2021 from available funds in her custody, which are maintained in Orange County Flood Control District Fund 400 and Orange County Flood Control District-Capital Fund 404, to the County General Fund in such amounts as may be directed by the Auditor-Controller of the County of Orange, in accordance with Article XVI, Section 6, of the California Constitution.
2. Direct that such temporary transfer shall not exceed the lesser of (i) the sum of $121.7M or (ii) 85% of anticipated revenues accruing to the County, as determined by the Auditor-Controller. Such transfers shall be used to provide funds for meeting the obligations incurred by the County for maintenance purposes.
3. Direct that repayment of such temporary transfers shall be made from the revenues accruing to the County before any other obligation of the County is met from such revenue. Such repayment shall be made with interest equal to the rate earned by the County Treasurer on similar investments by the County on the date this Resolution is adopted, as determined by the County Treasurer.

4. Direct that such temporary transfer shall be repaid no later than June 30, 2022.

5. This Resolution shall take effect on July 1, 2021.