

No. 35-16

**Resolution of the
Tuolumne County Transit Agency**
Authorizing the Auditor-Controller to
Execute and Administer an Internal Borrowing Program

Whereas, the Tuolumne County Transit Agency desires to cover dry period cash requirements; and

Whereas, the responsible use of internal borrowing between various Tuolumne County Transit Agency (TCTA) and Tuolumne County Transportation Council (TCTC) funds can help achieve this goal; and

Whereas, the Auditor-Controller is willing to administer such internal borrowing provided the TCTA adopts policy guidelines within which such borrowing would be conducted.

Now, Therefore, Be It Resolved that the Tuolumne County Transit Agency hereby authorizes the Auditor-Controller to execute and administer an internal borrowing program for the purpose specified above.

Be It Further Resolved that said program must be conducted within the following policy parameters:

1. All funds administered by the TCTA may be used as sources for short-term cash loans to any other TCTA or TCTC fund;
2. Short-term cash loan activity, origination through repayment, must be limited to the fiscal year period. Loans can not originate sooner than July 1st and must be repaid by the following June 30th;
3. Cash loans must be repaid to source funds as soon as practical. Regular installment payments may be established to accomplish this;
4. Internal cash loans can only be extended to those funds which are clearly experiencing temporary cash flow problems as opposed to basic budget shortfalls;
5. Simple interest will be paid to source funds on a monthly basis at a rate equal to the average rate earned during the month by the County Treasurer on "daily cash" pooled investments; and
6. An annual report summarizing internal cash loan activity must be prepared and disseminated to each member of the TCTA Board and the Executive Director.

Passed and Adopted by the Tuolumne County Transit Agency, the Transit Authority for the Tuolumne County Region, State of California, at a regular meeting of the TCTA held on the 14th day of September 2016 by the following vote:

Ayes:

Noes:

Absent:

Attest:

Michael Ayala, Chair

Darin Grossi, Executive Director