No. ___433-11___

Resolution of the
Tuolumne County Transportation Council
Setting Policies for Minimum Restricted Fund Balances in the TCTC and
Public Transportation Funds and Maintenance of the TCTC Employee Leave Liability Fund

WHEREAS, the Tuolumne County Transportation Council and Public Transportation Enterprise Funds may experience cash flow problems from time to time when there are delays in State or Federal budget adoptions, unanticipated revenue reductions, delays in expenditure reimbursements from the State, and other unanticipated events that effect the timely receipt of revenue into those funds to offset expenditures; and

WHEREAS, the Tuolumne County Transportation Council desires to set minimum fund balances in each budget unit to provide funding under those circumstances to avoid interruptions in the day to day operations of the TCTC and Public Transportation System, and avoid the need to pursue loans at those times; and

WHEREAS, the Tuolumne County Transportation Council desires to allocate available Local Transportation Funds to the Public Transportation Enterprise Fund to provide for a minimum restricted fund balance that will equal the 90-day cash flow need within that fund as calculated by the TCTC Auditor-Controller; and

WHEREAS, the Tuolumne County Transportation Council desires to allocate available Regional Surface Transportation Program Exchange Fund Reserves to the TCTC Budget Fund to provide for a minimum restricted fund balance that will equal the 90-day cash flow need within that fund as calculated by the TCTC Auditor-Controller; and

WHEREAS, the Transportation Development Act (TDA), Article 19 of the State Constitution and the Governmental Accounting Standards Board (GASB) Pronouncement Number 54, which govern those funds, allow the designation of funds toward such a reserve; and

WHEREAS, upon the TCTC's separation from the County on July 1, 2010 the TCTC Employee Leave Liability Fund was established and funds were deposited into that fund that equaled one hundred percent (100%) of the TCTC's liability to employees as of June 30, 2010; and

WHEREAS, the Tuolumne County Transportation Council desires to maintain their Employee Leave Liability Fund to cover one hundred percent (100%) of their current employee liability obligation.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Tuolumne County Transportation Council does hereby set a policy that the TCTC and Public Transportation Enterprise Budget Units will maintain a minimum restricted fund balance that equals the 90-day cash flow need, which will be recalculated by the TCTC Auditor-Controller at the beginning of each fiscal year; and

That the TCTC will allocate available Local Transportation Funds to the Public Transportation Enterprise Fund up to the amount that will equal the 90-day cash flow need within that fund as calculated by the TCTC Auditor-Controller; and

That the TCTC will allocate available Regional Surface Transportation Program Exchange Funds Reserves to the TCTC Budget Fund up to the amount that will equal the 90-day cash flow need within that fund as calculated by the TCTC Auditor-Controller; and
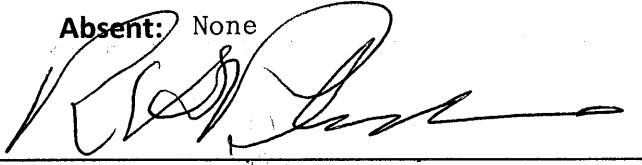
That the TCTC Employee Leave liability fund balance will remain as received from the County on July 1, 2010 and maintain one hundred percent (100%) of the obligation as calculated by the TCTC Auditor-Controller at the beginning of each fiscal year. The increase or decrease in liability will be included in the adopted budget each year and added to or subtracted from the TCTC Employee Leave Liability Fund to cover the current obligation.

Passed and Adopted by the Tuolumne County Transportation Council, the Regional Transportation Planning Agency for the Tuolumne County Region, State of California, at a regular meeting of the TCTC held on the 23rd day of February 2011 by the following vote:

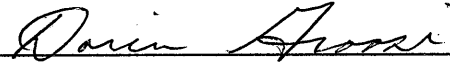   **Ayes:**   John Gray, Bill Canning, Dick Pland, Ron Stearn

    Noes: None

    Absent: None

_____, Chair

Attest:

_____
Darin C. Grossi, Executive Director

No.   __433-11__

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