



*County of Nevada ~
Office of the Treasurer & Tax Collector*

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NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: February 9, 2021

TO: Honorable Board of Supervisors

FROM: **Tina M. Vernon, Treasurer & Tax Collector**

SUBJECT: Notice from Dale Scott & Company. announcing that one Nevada County School District has elected to participate in the Mid-Year Tax and Revenue Anticipation Notes (TRAN) allowable by GC 53853 requesting response from the Nevada County Board of Supervisors of their participation intent. The school district is shown below with the amount of TRAN borrowing.

Grass Valley Elementary School District **\$4,500,000.00**

RECOMMENDATION:

Authorize the Clerk of The Board to sign the attached Notice, notifying the California School Cash Reserve Program Authority that the County of Nevada will not be issuing a Tax and Revenue Anticipation Note (TRAN) in the name of Grass Valley School District and that the district can issue a TRAN on its own behalf.

FUNDING: None

BACKGROUND:

On January 16, 2021, the Treasurer & Tax Collector was notified by Dale Scott and Company (letter enclosed) that one school district subject to the jurisdiction of the Superintendent of Schools of the County of Nevada, Grass Valley Elementary, was expected to participate in a cash flow borrowing program sponsored through the California School Boards Association Finance Corporation and whereby the district would issue tax and revenue anticipation note borrowings issued by the California Schools Cash Reserve Program to provide liquidity until the State disburses the Deferred Revenues in fiscal year 2021-2022. In order for the district to participate under Government Code Section 53853, the County Board of Supervisors must indicate, by signing the attached Notice within a 45-day period, that the County will not issue a TRAN on behalf of the District and that the district may issue financing in its own name.

This type of cash flow borrowing often occurs in economic down periods and, throughout the years, school districts have issued TRANS as an offset to their cash flow deficiencies. The Board of Supervisors of Nevada County was last requested to sign a notice stating that it will not authorize the issuance of the TRAN on behalf of the named District in July 2020.

Item Initiated and Approved by: Tina M. Vernon

Submittal Date: January 26, 2021