



# RESOLUTION No. 17-282

## OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

### RESOLUTION TO RESCIND RESOLUTIONS 96-472 AND 97-026 AND ESTABLISH A GENERAL FUND ALLOCATION FOR ROADS MAINTENANCE

WHEREAS, in March of 1996, the voters of the County of Nevada approved Measure F, dedicating half of discretionary Motor Vehicle License Fee (MVLFF) revenue to road maintenance activities, with the express intent of increasing the funding available for County-maintained roadways, including road maintenance, repair, enhancement, safety, and fire access; and

WHEREAS, on October 8<sup>th</sup>, 1996, the Board of Supervisors adopted Resolution 96-472 establishing the Motor Vehicle License Fee trust fund and directing the transfer thereto of half of all revenues received from the Motor Vehicle License Fee and Vehicle License Collection accounts of the State Local Revenue Fund to be used toward road maintenance and improvements consistent with Measure F; and

WHEREAS, on January 21<sup>st</sup>, 1997 the Board of Supervisors adopted Resolution 97-026 establishing a methodology for calculating the amount of MVLFF Revenue obligated for road maintenance activities under Measure F; and

WHEREAS, since the passage of Measure F, changes to state law that increased MVLFF for specific uses and affected the calculation of the Measure F obligation under resolutions 96-472 and 97-026 forced the County to seek state legislation on two occasions (SB636 in 2009 and AB1352 in 2011) in order to allocate funds as intended by Measure F; and

WHEREAS, in 2014, the State adopted Assembly Bill 85 ("AB85") which made changes to the realignment structure related to implementation of the Affordable Care Act; and

WHEREAS, AB85 resulted in a sales tax/MVLFF swap, which was intended to hold counties harmless, but which had the consequence of impacting the Nevada County's calculation of revenue available for Measure F Road Maintenance and improvement; and

WHEREAS, in 2015, the State adopted Senate Bill 79 ("SB 79") which made changes to the Welfare and Institutions Code and the Revenue and Taxation Code to remove the local flexibility of MVLFF funds that had necessitated the AB85 swap; and

WHEREAS, SB79 requires that all MVLFF revenues be designated for specific uses which are inconsistent with Measure F and which create a conflict between State Law and the methodology established in Resolutions 96-472 and 97-026, leaving no MVLFF revenue available for Measure F; and

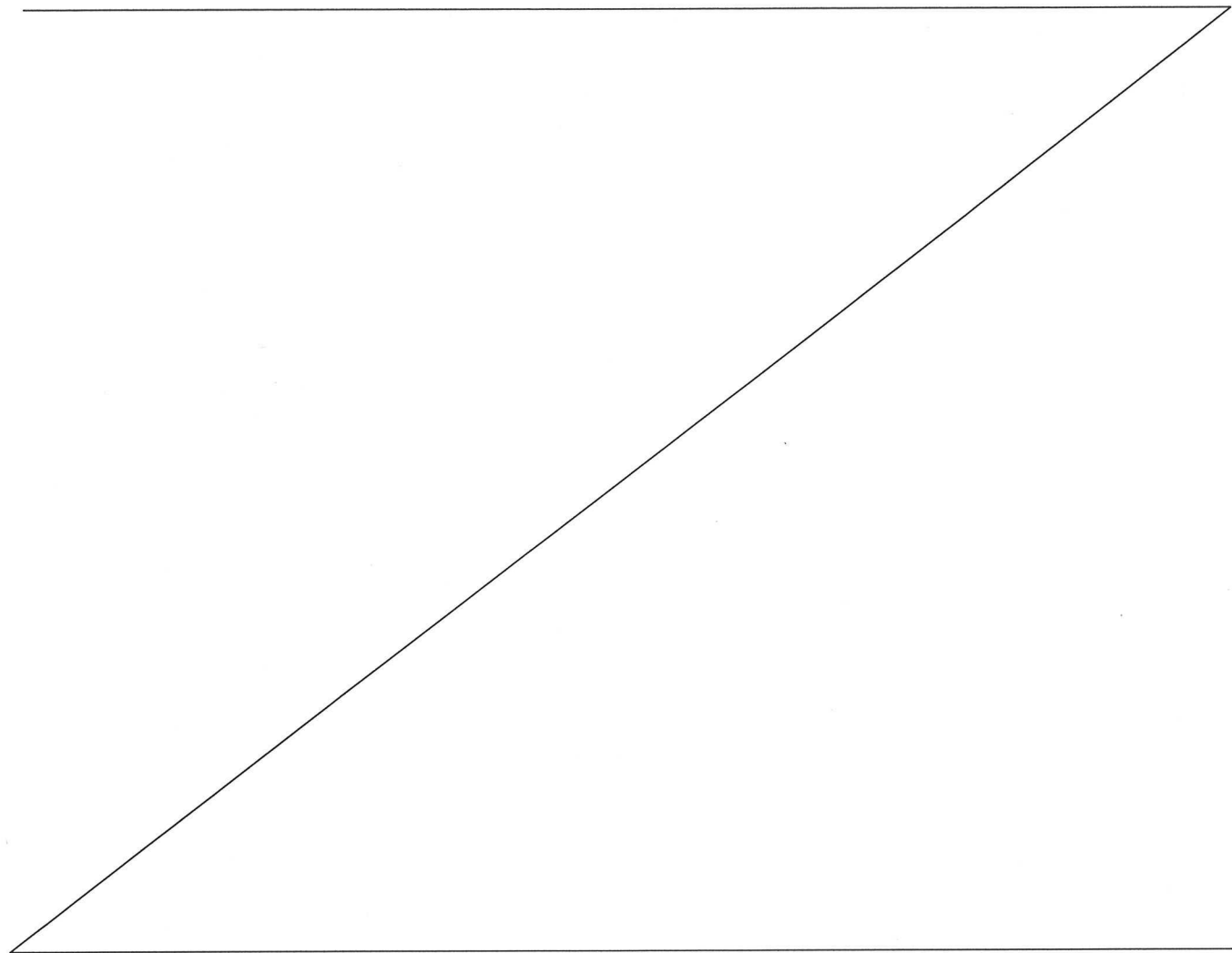
WHEREAS, it is the desire of the Board of Supervisors to clarify, consistent with the intent of Measure F, a predictable and stable source of funding for County road maintenance and improvement that is not subject to machinations at the State level, nor fluctuations in the sales and values of motor vehicles; and

WHEREAS, the average Measure F funding available over the past five years was approximately \$1,650,000, with \$1,650,075 budgeted for Fiscal Year 2016/17; and

WHEREAS, in Fiscal Year 2017/18 the budgeted amount of Measure F funding available for road maintenance is \$1,691,250, a 2.5% increase over 2016/17 funding, which is sufficient to meet the road maintenance and improvement objectives, consistent with the intent of Measure F.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Nevada, State of California that:

1. The Board of Supervisors finds and determines as follows:
  - a. The intent of Measure F was to increase funding available for road maintenance, repair, enhancement, safety, and fire access on County maintained roads.
  - b. Consistent funding through an established General Fund allocation meets the intent of Measure F and ensures predictability and sustainability of funds available for local road maintenance and road projects, while protecting funding specific to Measure F purposes from potential conflicts with state law.
  - c. The General Fund allocation included in the 17/18 budget is consistent with allocations in previous years and with the intent of Measure F.
2. The Board of Supervisors hereby adopts the following roads maintenance funding policy:
  - a. Commencing with fiscal year 18/19, the budget subcommittee shall annually recommend a General Fund allocation for the purposes set forth in Measure F, to be approved by the full Board through the normal budget process.
  - b. An inflation factor will be recommended to the Board unless departmental budgets are being adjusted based on reductions in available discretionary revenues, in which case no inflation factor will be recommended. If applicable, the recommended inflation factor will be the lesser of the following:
    - i. 2%
    - ii. The Consumer Price Index for urban wage earners and clerical workers in the State of California for the previous twelve months ending in December as published by the California Department of Industrial Relations.
  - c. A quarter of the approved General Fund allocation shall be transferred at the end of each fiscal quarter directly from the General Fund Other Sources and Uses budget to the Roads Maintenance budget.
3. The Board of Supervisors hereby rescinds Resolutions 96-472 and 97-026 in their entirety.
4. The Auditor Controller is hereby directed to close the MVLFF fund and transfer any residual funds to the General Fund.



PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a special meeting of said Board, held on the 20th day of June, 2017, by the following vote of said Board:

Ayes: Supervisors Heidi Hall, Edward Scofield, Dan Miller, Hank Weston and Richard Anderson.

Noes: None.

Absent: None.

Abstain: None.

ATTEST:

JULIE PATTERSON HUNTER  
Clerk of the Board of Supervisors

By:  \_\_\_\_\_

  
\_\_\_\_\_  
Hank Weston, Chair

6/20/2017 cc: CEO\*  
DPW\*  
AC\*