



RESOLUTION No. _____

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION APPROVING AN INTERFUND LOAN FROM THE GENERAL FUND BALANCE TO ROAD FUND 1114 FOR ACQUISITION OF A SNOW BLOWER AND APPROVING A CORRESPONDING BUDGET AMENDMENT (4/5 AFFIRMATIVE VOTE REQUIRED)

WHEREAS, due to changes in state regulations, rapidly increasing costs and the lack of available snow removal contractors, the Nevada County Public Works Department has determined that it will be necessary and most cost effective to assume certain snow removal operations in eastern Nevada County; and

WHEREAS, there is an immediate need to acquire suitable equipment to ensure adequate snow removal services will be ready and available for the coming winter; and

WHEREAS, due to the high annual snow load in eastern Nevada County, the County has determined that acquisition of a Snow Blower is necessary to adequately remove snow in this area and has identified a Rolba 3000 Self-Propelled Snow Blower to meet the County's snow removal needs; and

WHEREAS, due to the lead time required to deliver the Snow Blower and the proximity of snow season, the Department is required to immediately purchase this capital asset; and

WHEREAS, in order to ensure cash flow for ongoing road construction and maintenance projects, the County desires to provide an interest-bearing loan from the General Fund to the Road Fund in order to purchase the Snow Blower, with the loan to be repaid over a multi-year period as set forth below; and

WHEREAS, financing the Snow Blower through an interest-bearing loan from the General Fund rather than using traditional third-party loan financing reduces financing and administrative costs to the Road Fund with no net loss in revenue for the General Fund; and

WHEREAS, interest on the loan shall be paid solely from General Fund MOE monies provided annually to the Road Fund.

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

1. Approves a Loan of \$595,300 from the General Fund to Road Fund 1114 for the purchase of a Rolba 3000 Self-Propelled Snow Blower.
2. The Loan shall bear interest at the Treasurer's pooled rate commencing as of October 1, 2018.

3. Beginning with Fiscal Year 2019-20, Road Fund 1114 shall make seven annual loan payments to the General Fund. Each annual payment shall include a payment toward principal in the amount of \$85,042.86, together with any accrued interest on the unpaid loan balance as of the payment date.
4. All installment payments from Road Fund 1114 to the General Fund shall be made on or before September 30th of each fiscal year with said Loan to be repaid in full no later than September 30, 2025.
5. Directs the Auditor-Controller to release Fund Balance from the Road Fund Balance in the amount of \$595,300 and amend the Fiscal Year 2018-19 budget as follows:

Increase:

1114-30107-703-1000	540600	\$595,300
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