

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM  
3.5  
(ID # 7260)

MEETING DATE:  
Tuesday, June 19, 2018


FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Adopt Resolution No. 2018-123, Authorizing the Advance of Property Tax Revenue to the Palo Verde Valley Library District; District 4; [\$200,000]; Property Tax Revenue

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and adopt Resolution No. 2018-123, authorizing the advance of property tax revenue to the Palo Verde Valley Library District; and,
2. Approve the Agreement for Advancement of Funds between the County of Riverside and Palo Verde Valley Library District and authorize the Chairman to execute the attached agreement for repayment terms of said funds to the County of Riverside.

ACTION: Policy

  
Melissa Noone, Associate Management Analyst

6/4/2018


---

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley  
Nays: None  
Absent: None  
Date: June 19, 2018  
xc: EO, Treasurer, Auditor

Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$200,000	\$	\$200,000	\$
<b>NET COUNTY COST</b>	\$	\$	\$	\$
<b>SOURCE OF FUNDS: Property Tax Revenue</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	18/19

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

Article 16, Section 6, of the California Constitution authorizes a county to lend available funds to a special district, not to exceed 85% of the district's anticipated yearly tax revenue. The loan shall be repaid from that revenue source before the district pays any other obligation.

The Palo Verde Valley Library District (District) reports limited funds and revenues available for the payment of ongoing expenditures, which include payroll and health insurance during July 1, 2018 to December 31, 2018. Therefore, the District is requesting an advance of \$200,000 of its FY 2017/2018 property tax revenue. Repayment with interest is required in the same fiscal year the advancement is made. The estimated interest is \$3,025. If the District requires advancement in future fiscal years, a separate request will need to be considered by the Board of Supervisors.

The Agreement and Resolution No. 2018-123 have been reviewed and approved as to form by County Counsel.

**Impact on Residents and Businesses**

The advancement of property taxes does not have a direct impact on citizens and businesses; however, the District's request for advancement may contribute towards the District's ability to provide services to the residents and businesses in their service area.

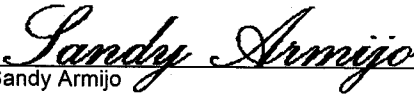
**Additional Fiscal Information**

The District is obligated to pay interest on the advancement, which is estimated to be \$3,025.

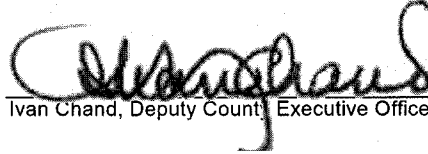
**ATTACHMENTS:**

- ATTACHMENT A. Agreement for Advancement of Funds to Maintain Essential Services
- ATTACHMENT B. Resolution No. 2018-123; Authorizing the Advance of Property Tax Revenue to the Palo Verde Valley Library District
- ATTACHMENT C. Palo Verde Valley Library District Resolution No. 01-2018

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA

  
Sandy Armijo

6/6/2018

  
Ivan Chand, Deputy County Executive Officer

6/12/2018

  
Gregory F. Priapos, Director County Counsel

6/12/2018

# *Palo Verde Valley District Library*

125 W. Chanslorway  
Blythe, California, 92225  
(760) 922-5371  
(760) 922-5334 Fax

## **RESOLUTION #01-2018**

### **RESOLUTION OF THE BOARD OF TRUSTEES OF THE PALO VERDE VALLEY LIBRARY DISTRICT AUTHORIZING THE ADVANCEMENT OF FUNDS FROM RIVERSIDE COUNTY**

WHEREAS, the Palo Verde Valley Library District has limited funds and revenues available for the payment of ongoing expenditures, which include payroll and health insurance during July 1, 2018 to June 30, 2019;

WHEREAS, the District is permitted to request from the County an advancement on the funds collected during the fiscal year on behalf of the District;

NOW, THEREFORE, BE IT RESOLVED that we, the Board of the Palo Verde Valley Library District, do and hereby, request an advancement of District funds in the amount of \$200,000.00 from Riverside County.

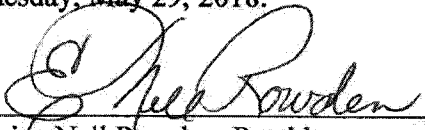
The Palo Verde Valley Library District hereby authorizes any Authorized Representative to enter into on behalf of the District, or to instruct the County to enter into, any amendments or supplements or terminations of the agreement, as the Authorized Representative executing and delivering such document may require or approve, such requirement or approval to be conclusively evidenced by the execution and delivery thereof.

The Authorized Representatives are, and each of them acting alone is, authorized and directed to take any and all actions, and to execute any and all documents, as may be necessary or desirable to effectuate the purposes of this Resolution.

The following Representatives are authorized to execute any and all documents for purposes of this Resolution:

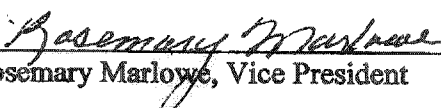
Elaine Nell Rowden, President and Rosemary Marlowe, Vice President.

PASSED AND ADOPTED at the regular meeting of the Palo Verde Valley Library District held Tuesday, May 29, 2018.

  
\_\_\_\_\_  
Elaine Nell Rowden, President

5-31-18  
Date

I HERBY CERTIFY that the foregoing is a full, true, and correct copy of Resolution #01-2018 adopted by the Board of Trustees of the Palo Verde Valley Library District at a duly-noticed regular meeting held on May 29, 2018.

  
\_\_\_\_\_  
Rosemary Marlowe, Vice President

5/29/18  
Date

2  
3 RESOLUTION NO. 2018-123

4  
5 A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
6 THE COUNTY OF RIVERSIDE AUTHORIZING THE ADVANCEMENT  
7 OF FUNDS TO PALO VERDE VALLEY LIBRARY DISTRICT

8  
9 **WHEREAS**, the Palo Verde Valley Library District (the "District") was established in 1960  
10 and provides the community of Blythe and surrounding areas with access to information, resources,  
11 programs and services in a safe, accessible environment; and

12 **WHEREAS**, the District has limited funds and revenues available for the payment of  
13 ongoing expenditures, which include payroll and health insurance during July 1, 2018 to December 31,  
14 2018; and

15 **WHEREAS**, California Constitution Article 16, Section 6 allows the County of Riverside  
16 ("County") to temporarily advance and transfer funds to the District, up to 85% of the anticipated revenues  
17 accruing to the District in the current fiscal year, to solve the District's cash flow problems and enable it to  
18 perform its functions and meet its obligations; and

19 **WHEREAS**, such temporary advance and transfer of funds shall only be made upon  
20 resolution adopted by the Board of Supervisors of the County of Riverside and upon the County directing  
21 the Treasurer to make such temporary advance and transfer; now, therefore,

22 **BE IT RESOLVED, DETERMINED AND ORDERED** by the Board of Supervisors of  
23 the County of Riverside, State of California, ("Board") assembled in regular session on June 19, 2018, at  
24 9:00 a.m. or soon thereafter, in the meeting room of the Board of Supervisors, located on the first floor of  
25 the County Administrative Center, 4080 Lemon Street, Riverside, California, that:

- 26 1. The Board finds that the recitals set forth above are true and correct.  
27 2. The Board of Supervisors agrees and authorizes the County Treasurer to advance  
28 \$200,000 to the District, an amount less than 85% of the anticipated revenues accruing

FORM APPROVED COUNTY COUNSEL  
BY: *Synthia M. Gunzel* 6-19-18  
DATE: SYNTHIA M. GUNZEL

1 to the District in the current fiscal year, pursuant to a written agreement between the  
2 County and the District (the "Agreement").

- 3 3. The advance is to be repaid with interest pursuant to the Agreement which is to be  
4 administered by the County Executive Office or his designee.
- 5 4. The Agreement, a copy of which is on file with the Clerk of the Board, is approved  
6 substantially as to form with such changes, additions, and omissions as the County  
7 Executive Officer or his designee shall approve.
- 8 5. The Chairman of the Board is authorized to sign and execute the Agreement in final  
9 form.
- 10 6. The Executive Office is authorized and directed to advance said amount, and within the  
11 same fiscal year, the Auditor Controller is authorized to collect repayment with interest,  
12 consistent with the Agreement.
- 13 7. This Resolution shall take effect immediately upon its adoption.

14 ROLL CALL:

15 Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley  
16 Nays: None  
17 Absent: None

18 The foregoing is certified to be a true copy of a resolution duly  
19 adopted by said Board of Supervisors on the date therein set forth.

20 KECIA HARPER-IHEM, Clerk of said Board

21 By 

22 Deputy

CLERK'S COPY

to Riverside County Clerk of the Board, Stop 1010  
Post Office Box 1147, Riverside, Ca 92502-1147  
Thank you.

AGREEMENT FOR  
ADVANCEMENT OF FUNDS TO MAINTAIN ESSENTIAL SERVICES  
(County of Riverside and Palo Verde Valley Library District)

This Agreement for Advancement of Funds to Maintain Essential Services ("Agreement") is made and entered by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, ("COUNTY"), and the Palo Verde Valley Library District, a special district, ("DISTRICT") with the respect to the following facts:

A. The California Constitution Article 16, Section 6 allows the County of Riverside ("County") to temporarily advance and transfer funds to the District, up to 85% of the anticipated revenues accruing to the District in the current fiscal year, to solve the District's cash flow problems and enable it to perform its functions and meet its obligations; provided the Board of Supervisors of the County of Riverside adopts a resolution authorizing such temporary advance and transfer and directs the County Treasurer to make such temporary advance and transfer to the DISTRICT.

B. COUNTY and DISTRICT now wish to enter into this Agreement to provide the terms and conditions for the COUNTY to advance \$200,000 to DISTRICT and the repayment of such advancement of funds pursuant to California Constitution Article XVI, Section 6.

C. Under this Agreement, DISTRICT will use the funds to continue to provide essential services to the local community, to perform its functions, and to meet its financial obligations. Said funds may be used for any normal operating expense of the DISTRICT included in the district's fiscal year 2018-19 budget.

D. Upon adoption of Resolution No. 2018-123, the Treasurer has the authority under the California Constitution Article XVI, Section 6 and this Agreement both to transfer and replace funds, Treasurer shall coordinate with the County Executive Officer, who will be the administrator on behalf of the COUNTY for this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. TERM: The term of this Agreement shall be July 1, 2018 to June 30, 2018.
2. ADVANCEMENT: The advancement is generally described as a short term advancement provided by COUNTY to DISTRICT and repaid with interest within the same fiscal year.

JUN 19 2018 3.5



- a. COUNTY will transfer the sum of \$200,000, by and through its Treasurer, to the DISTRICT within one week of the full execution of this Agreement;
- b. Both parties will consider the transfer to be an advance of the DISTRICT'S anticipated property tax revenue by withholding any or all of subsequent tax distributions until the loan is repaid in full;
- c. DISTRICT agrees that COUNTY shall collect repayment(s) toward the advancement by withholding any or all of subsequent tax distributions until the loan is repaid in full;
- d. DISTRICT agrees to compensate COUNTY for the loss of investment earning by paying interest at the same rate that COUNTY applies to funds of the DISTRICT on deposit with the COUNTY, estimated at \$3,025.

3. PAYMENT: Payment or payments will be made at the time of normal distribution of tax revenue to special districts within the County of Riverside, typically in January, May and July of each year. DISTRICT agrees to pay interest on the borrowed funds as follows:

- a. Interest expense will begin to accrue on the date that the transfer of funds occurs.
- b. Interest expense will be accrued monthly at the published county pool rate on any unpaid balance owed to COUNTY.
- c. Interest and principal will be paid in full from the January distribution. Should the January distribution be less than the borrowed amount and interest, the remaining balance will be repaid from the May distribution. Should the January and May distributions be less than the borrowed amount and interest, the remaining balance will be paid by DISTRICT no later than June 30, 2018.

4. MUTUAL HOLD HARMLESS. The parties agree to hold each other, their elected officials, employees, contractors and agents mutually harmless from any and all claims, demands and liability, including attorney's fees, arising from each party's performance of this Agreement except to the extent that such liability is caused by the negligence of the other party.

5. ENTIRE AGREEMENT. This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof and all prior negotiations and dealings pertaining to the subject matter hereof shall be deemed merged herein.

6. AMENDMENT. This Agreement shall not be modified except by written consent of the parties.

7. ADMINISTRATION. The County Executive Officer, or his designee, shall administer this Agreement on behalf of COUNTY.

8. SEVERABILITY. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

9. TERMINATION. After repayment of any advanced amount with interest, this Agreement will be of no further force or effect, with the exception of Section 4, above.

10. ASSIGNMENT. Neither this Agreement nor the duties or obligations under this Agreement shall be assigned by either party without prior written consent of the other party. This does not prohibit COUNTY however from performing its duties or obligations hereunder by way of subcontract.

11. NONDISCRIMINATION. Except as provided in Section 12940 of the California Government Code, during DISTRICT'S performance of the contract, DISTRICT shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical handicap, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related hereto, marital status, sex or sexual orientation in the selection and retention of employees and subcontractors and the procurement of materials and equipment.

12. NOTICES. All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted one (1) day after their deposit in the United States Mail, postage prepaid:

PALO VERDE VALLEY LIBRARY DISTRICT  
125 W. Chanslorway  
Blythe, CA 92225  
Attn: Sally Martin-Rodriguez, Board President

COUNTY OF RIVERSIDE  
4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501  
Attn: Melissa Noone

(Signature Provisions on Following Page)

IN WITNESS WHEREOF, COUNTY and DISTRICT have caused this Agreement to be duly executed on the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

PALO VERDE VALLEY LIBRARY DISTRICT

COUNTY OF RIVERSIDE

By \_\_\_\_\_  
Sally Martin-Rodriguez, President

By Chuck Washington  
Chuck Washington  
Chairperson, Board of Supervisors

By \_\_\_\_\_  
Joyce Anderson, Vice President

ATTEST:  
Kecia Harper-Ihem, Clerk of the Board

By Kecia Harper-Ihem, Deputy  
Clerk of the Board

APPROVED AS TO FORM  
County Counsel  
Gregory P. Priamos

By Synthia M. Gunzel  
Synthia M. Gunzel  
Chief Deputy County Counsel