



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** June 16, 2022

Staff Contact: Sheri Russell, Chief Financial Officer

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed resolution for temporary interfund loans from the General Fund or the Regional Transportation Fund to the Carson Area Metropolitan Planning Organization ("CAMPO") Fund for an amount not to exceed \$675,000, and from the General Fund to the Transit Fund for an amount not to exceed \$875,000. (Sheri Russell, srussell@carson.org)

Staff Summary: The CAMPO Fund and the Transit Fund may incur temporary cash shortages on June 30, 2022. Both funds are awaiting grant reimbursements. The inter-fund loan would enable the City to cover any temporary cash shortages in these funds if necessary for financial reporting purposes. The Governmental Accounting Standards Board requires cash balances to be positive at year-end. NRS requires a hearing to ensure cash is available for the temporary funding. No interest rate will be charged, as it is anticipated that the Grant Reimbursements will be received no later than 60 days after June 30, 2022, the fiscal year-end.

Agenda Action: Resolution **Time Requested:** 5 minutes

Proposed Motion

I move to adopt Resolution No. _____.

Board's Strategic Goal

Efficient Government

Previous Action

N/A

Background/Issues & Analysis

The CAMPO Fund may incur a cash shortage at June 30, 2022, due to reimbursement-type federal grants related to the CAMPO program. Labor and supplies for the CAMPO program are paid from the Regional Transportation Fund; once a reimbursement request is submitted, those expenses are moved to the CAMPO Fund in anticipation of federal reimbursement. It may take up to two months to receive reimbursement revenue from the federal program. In prior years, the State had agreed to allow CAMPO to file April and May reimbursement requests early, so the cash flow shortage was minimal at year-end. However, they are only accepting quarterly reimbursement requests from now on, so this larger loan is due to an entire quarter of anticipated activity. Staff is requesting a loan to the CAMPO Fund from the Regional Transportation Fund; but because the Regional Transportation Fund is also waiting on large reimbursement-type federal grants, staff is also requesting authorization for a loan from the General Fund in case there is not enough cash in the Regional Transportation Fund.

The Transit Fund may incur a cash shortage at June 30, 2022, due to reimbursement-type federal grants for the Federal Transit Administration program. The loan amounts are an estimate of the payroll and expense costs through June 30, 2022. In addition, there are vehicles that the Transit Fund is anticipating receiving on June 20th. If there is a delay in receipt of the vehicle, the City may not need the large loan.

Historically, the City only loans amounts necessary to bring cash to zero at June 30, 2022, and repays the funds promptly upon receipt of the revenue.

Applicable Statute, Code, Policy, Rule or Regulation

NRS 354.6118

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: Regional Transportation Fund - Cash 250-101000, Regional Transportation Fund - Due From Other Funds account 250-130450, CAMPO Fund - Cash 245-101000, CAMPO Fund - Due To Other Funds General Fund 245-208230, General Fund - Cash 101-101000, Due From Transit Fund 101-130740, Transit Fund - Cash 225-101000 Transit Fund - Due To Other Funds 225-208010

Is it currently budgeted? No

Explanation of Fiscal Impact: The transactions do not affect budget accounts (Revenues and Expenses). They only affect Cash, an Asset Account, and Due To or Due From accounts, which are Asset or Liability Accounts.

Cash available for loan as of June 3, 2022:
Regional Transportation Fund Cash Balance = \$3,824,924.06
General Fund Cash Balance = \$14,622,495.59

Alternatives

Do not approve the loans.

Attachments:

[Resolution_for_interfund_loans_2022.docx](#)

Board Action Taken:

| | | |
|---------------|----------|---------|
| Motion: _____ | 1) _____ | Aye/Nay |
| | 2) _____ | _____ |
| | | _____ |
| | | _____ |
| | | _____ |

(Vote Recorded By)

RESOLUTION NO. 2022-R _____

RESOLUTION FOR INTERFUND LOANS FROM THE GENERAL FUND OR THE REGIONAL TRANSPORTATION FUND TO THE CARSON AREA METROPOLITAN PLANNING ORGANIZATION FUND, AND FROM THE GENERAL FUND TO THE TRANSIT FUND.

WHEREAS, the Carson Area Metropolitan Planning Organization (“CAMPO”) Fund and the Transit Fund may incur a temporary cash shortage on June 30, 2022; and

WHEREAS, the interfund loans will enable the City to cover the temporary cash shortages in these Funds; and

WHEREAS, the lending of this money will in no way adversely affect the General Fund nor the Regional Transportation Fund, and these loans are in accordance with NRS 354.6118.

NOW, THEREFORE, be it resolved, the General Fund or the Regional Transportation Fund shall lend the CAMPO Fund an amount not to exceed \$675,000; the General Fund shall lend the Transit Fund an amount not to exceed \$875,000 for the purpose of covering temporary cash shortages in the Funds only as necessary. Further, these loans shall be at a zero percent interest rate for a period not to exceed six (6) months.

ADOPTED this ____ day of _____, 2022.

AYES: Supervisors _____

NAYES: Supervisors _____

ABSENT: Supervisors _____

LORI BAGWELL, Mayor

ATTEST: _____

AUBREY ROWLATT, Clerk-Recorder