

RESOLUTION NO. 2016 - 8 - 1

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SALTON
COMMUNITY SERVICES DISTRICT AUTHORIZING A TEMPORARY
ADVANCE OF CASH TO THE GENERAL FUND FROM THE SEWER FUND**

WHEREAS, the District's current financial statements reveal a General Fund deficit; and

WHEREAS, generally accepted accounting principles do not allow Funds to show negative cash balances in governmental fund financial statements; and

WHEREAS, the District's General Fund requires an immediate one year cash advance in the amount of \$125,000.00 in order for the District to meet its financial obligations; and

WHEREAS, there is deemed little to no risk that the General Fund will not repay funds advanced for its cash deficit to the Sewer Fund.

NOW, THEREFORE, BE IT RESOLVED by District Board of the Salton Community Services District as follows:

SECTION 1. Recitals. All the above recitals are true and correct, and this Board so finds, determines and represents.

SECTION 2. Authorization of Loan. This District hereby authorizes the \$125,000.00 advance to the District's General Fund from the District's Sewer Fund that will be repaid by May 01, 2017.

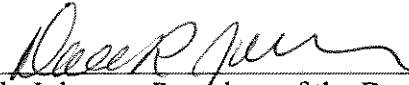
SECTION 3. Deposit of Loan Proceeds. The Loan proceeds shall be recorded in the financial statements as additions to cash in the General Fund with a liability in the Sewer Fund recorded to show that the Sewer Fund is to be repaid.

SECTION 4. Payment of Loan. The repayments will be made with General Fund cash generated from property tax revenue and other available sources of revenue.

SECTION 5. Effective Date. This resolution shall take effect immediately upon passage.


PASSED AND ADOPTED BY the Board of Directors of the Salton Community Services District, Imperial County, California, held on the 10th August, 2016, by the following vote:

	YES	NO
Fran Aldridge	<u>X</u>	_____
Dale Johnson	<u>X</u>	_____
Bryon Pickrell	<u>X</u>	_____
Forrest Kerr	<u>X</u>	_____
Chris Klontz	<u>X</u>	_____



Dale Johnson, President of the Board of Directors

ATTEST:



Chrissy Gallegos, Secretary of the Board of Directors