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April 20, 2010

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Subject: Authorize Issuance, Sale, and Delivery of Tax and Revenue Anticipation Notes by Ventura County, in an Amount not to Exceed \$160,000,000 for Fiscal Year 2010-11.

Recommendation:

Pursuant to the Government Code of the State of California, Sections 53850 – 53858, it is recommended that your Board:

1. Authorize the issuance, sale, and delivery of Tax and Revenue Anticipation Notes (TRANS) by Ventura County, in an amount not to exceed \$160,000,000 for fiscal year 2010-11.
2. Authorize the following expenditures relating to this borrowing, estimated as follows:
 - A. Fulbright & Jaworski - Bond Counsel - \$40,000 for legal services.
 - B. Fieldman, Rolapp & Associates - Financial Advisor - \$30,000 for marketing and financial services.
 - C. Other County Expenses - \$60,000 including, but not limited to, rating agencies' fees and printing charges.
 - D. Interest and Underwriter Expenses - to be determined at the time of sale.

Fiscal Impact:

Mandatory:	No
Source of funding:	General Fund
Impact on other departments:	Auditor-Controller, County Counsel and Treasury

Summary of Revenue & Total Costs:

Total cost of issuance is estimated to be \$130,000 plus interest and underwriter expenses. However, exact costs will not be known until the size of the issue is determined and market conditions at the time of issue are known. Sufficient appropriations are available in the County Executive Office budget to cover any expenses incurred this fiscal year.

Historically, interest earnings on TRANS funds have exceeded borrowing and interest costs for the TRANS issuance.

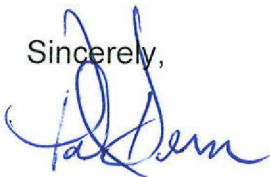
Discussion:

The County's cash requirements for fiscal year 2010-11 are projected to exceed cash receipts until the first property tax installment is received in early December. Funds obtained from the TRANS will bridge this shortfall. We have utilized this type of short-term financing since 1979. In past years, the County has issued the TRANS on a negotiated basis due to the flexibility it offered in selecting the most favorable date in terms of interest rates. This year, the TRANS offering will be issued on a competitive bid basis. In a competitive bid, the issue is sold through a public auction which is considered a more transparent process. In addition, competition among underwriters and market forces should effectively keep interest costs at their lowest.

The County Executive Office recommends issuing a maximum of \$160,000,000 in TRANS. The issued amount will cover the County's cash requirements and be within the limits of arbitrage as prescribed in Internal Revenue Code section 148 and the related Treasury Regulations.

The above item has been reviewed and approved by County Financial Planning Committee. If you have any questions, please feel free to contact me at 662-6792.

Sincerely,



PAUL DERSE
Chief Financial Officer

cc: Financial Planning Committee