

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS

Larry Beryl

ACTION AGENDA SUMMARY

DEPT: Auditor-Controller

BOARD AGENDA # *B-1

Urgent

Routine

AGENDA DATE June 16, 2009

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Authorize the Auditor-Controller to Advance Funds to Stanislaus Consolidated Fire Protection District for Operational Expenses Under Government Code 23010 in an Amount Not to Exceed \$6,997,582 - Auditor-Controller

STAFF RECOMMENDATIONS:

Authorize the Auditor-Controller to advance funds to Stanislaus Consolidated Fire Protection District for operational expenses under Government Code 23010 in an amount not to exceed \$6,997,582.

FISCAL IMPACT:

Government Code Section 23010 permits the County to lend available funds to fire protection districts in order to enable fire protection districts to perform their functions and meet their obligations, in an amount not to exceed 85% of the fire district's anticipated revenue for the fiscal year in which the loan is made or the ensuing fiscal year with funding to be repaid out of the district's revenue prior to the payment of any other obligation of the district. Government Code Section 23010 would permit a maximum advance of 85% of all the District's anticipated revenue.

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BOARD ACTION AS FOLLOWS:

No. 2009-399

On motion of Supervisor Chiesa, Seconded by Supervisor Grover

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Grover, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No. DF-20-A-9

Approval to Authorize the Auditor-Controller to Advance Funds to Stanislaus Consolidated Fire Protection District for Operational Expenses Under Government Code 23010 in an Amount Not to Exceed \$6,997,582 - Auditor-Controller

FISCAL IMPACT (continued):

The District is requesting a maximum of 85% of revenues, \$6,997,582, to be advanced for the fiscal year of 2009/2010 financing. A general tax was approved on June 14, 2005 to ensure the continued support of fire services to the residents within district boundaries.

DISCUSSION:

The County has received a request from Stanislaus Consolidated Fire Protection District dated May 14, 2009, for a temporary advance of funds for the 2009-2010 Fiscal Year. This advance of funds is intended to address the District's cash needs for the 2009-2010 Fiscal Year. The request is made under the provisions of Government Code Section 23010. One of the provisions under this code section requires district funds to be in the custody of the county. If at anytime it is determined that the district is not in compliance with this provision, the advance of funds will be suspended.

The funds being requested will ensure continuation of critical public safety services to District residents. Funds advanced may only be used to meet maintenance and operational expenses. The amount advanced will be repaid with interest at a rate equivalent to the average rate of return currently earned on deposits in the County Treasury. Based on the historical receipt of revenues and revenue projections by the district, \$8,232,449, the requested amount of \$6,997,582 appears reasonable for the 2009/2010 Fiscal Year.

POLICY ISSUES:

Government Code Section 23010 requires Board approval to advance funds to fire districts. In evaluating this request the Board may consider whether it enhances the stated goal of ensuring a safe community, healthy community and achieving multi-jurisdictional cooperation.

STAFFING IMPACT:

If approved, monitoring of the advance would be performed with existing staff in the Auditor-Controller's Office.



Stanislaus Consolidated Fire Protection District
3324 Topeka Street
Riverbank, California 95367
Phone (209) 869-7470
Fax (209) 869-7475

BOARD OF SUPERVISORS

2009 MAY 20 P 2:32

May 14, 2009

Board of Supervisors
Stanislaus County
1010 10th Street, Suite 6500
Modesto, CA 95354

Re: Dry Period Funding FY 2009-2010

Dear Supervisors:

At a meeting of the Board of Directors of the Stanislaus Consolidated Fire Protection District held on May 14, 2009, the District Board authorized a request to be forwarded to Stanislaus County requesting dry period funding for FY 2009-10. The following is an estimate:

Property Taxes	\$2,119,248.57
Assessments	<u>\$6,113,200.38</u>
Total	\$8,232,448.95
85%	\$6,997,581.60

Our agency has continued to improve over the last year and has worked hard in accomplishing the following goals:

- ▶ Maintain a balanced budget.
- ▶ Established and contributed into Contingency Funds for four years.
- ▶ Continued to evaluate and update internal controls regarding District expenditures.
- ▶ Continued to research and implement options to become financially self reliant.
- ▶ Established and implemented a long-term plan to fund Unfunded Liabilities. (California Public Employees Retirement System).
- ▶ Retired a significant portion of our long-term debt. (Paid off four fire engines).

We respectfully request under the provisions of Government Code Sections 23010 and 23010.1 that dry period funding be approved for FY 2009-10 in the amount of \$6,997,581.60.

Thank you for your time and consideration.

Sincerely,

Charles Turner,
Vice-President of the Board of Directors
Stanislaus Consolidated Fire Protection District

CT:sfm