

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Auditor-Controller

BOARD AGENDA # *B-2

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 Oakdale Rural Fire District for Operational Expenses Under Government Code 23010 in an Amount Not to Exceed \$1,445,000 - Auditor-Controller

STAFF RECOMMENDATIONS:

Authorize the Auditor-Controller to advance funds to Oakdale Rural Fire District for operational expenses under Government Code 23010 in an amount not to exceed \$1,445,000.

FISCAL IMPACT:

Government Code Section 23010 permits the County to advance funds to fire protection districts in order for them to perform their functions and meet their obligations, in an amount not to exceed 85% of the fire district's anticipated revenue for the ensuing fiscal year.

continued on Page 2

BOARD ACTION AS FOLLOWS:

No. 2009-400

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-8-B-20

Approval to Authorize the Auditor-Controller to Advance Funds to Oakdale Rural Fire District for Operational Expenses Under Government Code 23010 in an Amount Not to Exceed \$1,445,000 - Auditor-Controller

FISCAL IMPACT (continued):

Government Code Section 23010 would permit and the District is requesting a maximum advance of 85% of the District's anticipated revenue of \$1,700,000. The District's request totals \$1,445,000 to be used for dry period financing. A general tax was approved by voters on June 14, 2005, to ensure the continued support of fire services to the residents within district boundaries. Districts requesting an advance must maintain their funds in the custody of the county or with an officer of the county.

The Auditor Controller's Office is requesting authority to make adjustments to the advance during the 2009-2010 fiscal year. The District may receive additional revenue and incur additional expenditures as the result of providing unanticipated services, such as, responding to mutual aid requests. To address these fiscal needs, authority to make limited adjustments consistent with Government Code Section 23010 is requested.

DISCUSSION:

The County received a request from Oakdale Rural Fire District for a temporary advance of funds dated May 26, 2009, for the 2009-2010 fiscal year. This advance of funds is intended to address the District's cash needs for the fiscal period and corresponds to the payment of property taxes and direct assessments. The request is made under the provisions of Government Code Section 23010.

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.

The Oakdale Rural Fire District must adopt a preliminary budget on or before June 30, 2009. Under Health & Safety Code 13892, if the district board determines that the anticipated revenue for the coming fiscal year is not adequate to meet the expenditures needed to protect life and property, then the preliminary budget shall propose methods of raising adequate revenues or reducing services.

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, 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.

"To Save Life & Property"

OAKDALE FIRE PROTECTION DISTRICT



1398 EAST "F" STREET
OAKDALE, CALIFORNIA 95361
PHONE (209) 847-6898
FAX (209) 847-1520

Board Members Elizabeth Brichetto *Chairperson* Kevin Shatswell Kennan Beard Sherry Schlegel Travis Hawkins

May 26, 2009

The County of Stanislaus
1010 Tenth St, Suite 6500
Modesto, CA 95354

Re: Dry-Period Funding for Fiscal Year 2009-2010

Dear Board of Supervisors,

The Oakdale Fire Protection District ("District") strives to provide the maximum service level to the taxpayers in the North East portion of the County, as this represents over 30% of the populated unincorporated land in the County. The District has been able to balance the budget each of the last seven years without fail, even with the uncertainty of projected revenues. Given our record of balance between revenues and expenditures we are confident that the District will once again attain our projected revenues for the 2009-2010 fiscal year.

Our anticipated revenue for the 2009-2010 year is \$ 1,700,000.00. The District has always depended on the dry-period financing, allowed by the County wherein we were able to operate on funds "loaned" by the County until our property taxes were apportioned to us in December. Therefore, we respectfully request consistent with Government Code §23010 that the County advance the District funds to perform its functions and meet its obligations. Our funds are deposited and held by the County, and the County would be repaid with tax apportionments prior to any other obligations. The District would also request that the advance be at the 85 percent of projected District revenues as allowed by the Government Code. It should be noted that direct assessments are applied to the property tax rolls and represent approximately 75 percent of our budget.

We appreciate your consideration of this request as soon as possible as the District's ability to continue operations and plan for the future is dependant on consistent cash flow.

Respectfully,

Elizabeth M. Brichetto
Elizabeth Brichetto

Chairperson, Oakdale Fire Protection District Board

Cc: Sherry Schlegel, Director
Travis Hawkins, Director
Kevin Shatswell, Director
Robert A. Hoyer, Interim Fire Chief