

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS

ACTION AGENDA SUMMARY

DEPT: Auditor-Controller *Larry J. Lauryl*

BOARD AGENDA # *B-1

Urgent

Routine

AGENDA DATE June 8, 2010

CEO Concurs with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

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 \$6,652,662

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 \$6,652,662.

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. 2010-344

On motion of Supervisor DeMartini, Seconded by Supervisor Monteith

and approved by the following vote,

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

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No. DF-20-A-10

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 \$6,652,662

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FISCAL IMPACT (Continued):

The District is requesting a maximum of 85% of revenues, \$6,652,662, to be advanced for the fiscal year of 2010-2011 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 13, 2010, for a temporary advance of funds for the 2010-2011 Fiscal Year. This advance of funds is intended to address the District's cash needs for the 2010-2011 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, \$7,826,662, the requested amount of \$6,652,662 appears reasonable for the 2010-2011 Fiscal Year.

POLICY ISSUES:

Government Code Section 23010 requires Board approval to advance funds to fire districts. Adoption of this agenda item supports the Board of Supervisors priority of Efficient Delivery of Public Services.

STAFFING IMPACT:

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

CONTACT PERSON:

Theresa Borrelli, Accountant II Telephone: 525-5786



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

May 13, 2010

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

Re: Dry Period Funding FY 2010-2011

Dear Supervisors:

At a meeting of the Board of Directors of the Stanislaus Consolidated Fire Protection District held on May 13, 2010, the District Board authorized a request to be forwarded to Stanislaus County requesting dry period funding for FY 2010-11. The following is an estimate:

Property Taxes	\$2,017,835.96
Assessments	<u>\$5,808,826.11</u>
Total	\$7,826,662.07
85%	\$6,652,662.76

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/Reserve Funds for five 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. (Funded our accrued absences).

We respectfully request under the provisions of Government Code Sections 23010 and 23010.1 that dry period funding be approved for FY 2010-11 in the amount of \$6,652,662.76.

Thank you for your time and consideration.

Sincerely,

RaeLene Brown
President of the Board of Directors
Stanislaus Consolidated Fire Protection District

RB:sfm

BOARD OF SUPERVISORS
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