

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
OF THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT
AND RECORD OF ACTION**

June 22, 2021

FROM

ENSEN MASON, Auditor-Controller/Treasurer/Tax Collector

DAN MUNSEY, Fire Chief/Fire Warden, San Bernardino County Fire Protection District

SUBJECT

Temporary Transfer of Funds – San Bernardino County Fire Protection District

RECOMMENDATION(S)

1. Acting as the governing body of the County of San Bernardino:
 - a. Approve and adopt the recommendation of the Auditor-Controller/Treasurer/Tax Collector for temporary transfer of funds to the San Bernardino County Fire Protection District in the total amount of \$47,670,259, as listed on Attachment A.
 - b. Adopt **Resolution No. 2021-112** pertaining to the temporary transfer of funds to the San Bernardino County Fire Protection District, as listed on Attachment A.
2. Acting as the governing body of the San Bernardino County Fire Protection District:
 - a. Adopt **Resolution No. 2021-113** approving request for the temporary transfer of funds to the San Bernardino County Fire Protection District in the total amount of \$47,670,259, as listed on Attachment A.
 - b. Adopt **Resolution No. 2021-114** authorizing temporary borrowing between funds of the San Bernardino County Fire Protection District.
 - c. Adopt **Resolution No. 2021-115** stating that all San Bernardino County Fire Protection District funds are solely in the custody of the San Bernardino County Treasurer.

(Presenter: Tori Roberts, Assistant Auditor-Controller/Treasurer/Tax Collector, 382-7005)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Pursue County Goals and Objectives by Working with Other Agencies.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). Approval of the temporary transfer of funds (TTF) to the San Bernardino County Fire Protection District (District) will result in \$47,670,259 of pooled funds of the San Bernardino County (County) Treasury being unavailable for County use. The funds will begin to be repaid after the first property tax apportionment in November 2021, with full repayment by April 25, 2022.

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BACKGROUND INFORMATION

The District and its four regional service zones depend on property tax revenues as a major source of revenue and cash flow. Receipt of these revenues does not begin until late November or early December of each fiscal year. In order to meet the cash flow requirements of payroll and other operating expenses, the District's regional service zones require a TTF in anticipation of the receipt of property tax revenues.

The Auditor-Controller/Treasurer/Tax Collector (ATC) has received a request from the District for a TTF, in accordance with the provisions of Article XVI, Section 6, of the California Constitution and Section 23010 of the California Government Code. These provisions authorize the County Treasurer, upon approval by the Board of Supervisors, to execute a TTF to allow a district to meet its obligations. The provisions require the district to pay interest on all funds borrowed at the same rate that the County applies to funds of the district on deposit with the County, and to maintain all district funds in the County's custody.

The District has requested TTFs to be distributed among its four regional services zones totaling \$48,236,187, as detailed on Attachment A. ATC has considered several factors including each zone's deepest projected cash deficit and the anticipated property tax revenue that will accrue to each zone in arriving at its recommendation. Upon review of the District's cash needs, ATC finds the District to have satisfactorily demonstrated a reasonable need for TTFs totaling \$47,670,259, representing approximately 60% of the District's total property tax revenue anticipated among its zones for 2021-22.

As required by Government Code Section 23010, the TTFs do not exceed 85% of the District's anticipated property tax revenue for the fiscal year and shall be repaid before any other obligations for the zones are paid. Full repayment shall be made no later than April 25, 2022, from property tax apportionments, unless the District initiates payment from another revenue source earlier.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Robert F. Messinger, Chief Assistant County Counsel, and Scott Runyan, Supervising Deputy County Counsel; 387-5455) on May 24, 2021, and May 25, 2021, respectively; County Fire (Katrina Turturro, Deputy Fire Chief of Business Operations, 387-9605) on May 27, 2021; Finance (Carl Lofton, 387-5404, and Tom Forster, 387-4635; Administrative Analysts) on June 3, 2021, and June 2, 2021, respectively; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on June 3, 2021.

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Record of Action of the Board of Supervisors
County of San Bernardino

Record of Action of the Board of Directors
San Bernardino County Fire Protection District

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Dawn Rowe
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD/SECRETARY

BY 
DATED: June 22, 2021



cc: W/RESOLUTION
File- Auditor-Controller/Treasurer/Tax Collector w/attach
File- SDD/San Bernardino County Fire Protection District
w/attach
LA 06/23/2021