



San Bernardino County

Legislation Text

File #: 2377, Agenda Item #: 106

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

June 23, 2020

FROM

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

SUBJECT

Temporary Transfer of Funds

RECOMMENDATION(S)

Acting as the governing body of the San Bernardino County Fire Protection District (SBCFPD), adopt the following resolutions pertaining to the 2020-21 temporary transfer of funds:

1. Resolution approving request for the temporary transfer of funds totaling \$57,404,641, as detailed in the Financial Impact Section, from the County of San Bernardino to SBCFPD.
2. Resolution authorizing temporary borrowing between funds of SBCFPD.
3. Resolution stating that all SBCFPD funds are solely in the custody of the San Bernardino County Treasurer.

(Presenter: Dan Munsey, Fire Chief/Fire Warden, 387-5779)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

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

FINANCIAL IMPACT

Approval of this item will not result in the need for additional Discretionary General Funding (Net County Cost). Based on calculations from the Auditor-Controller/Treasurer/Tax Collector (ATC), the \$57,404,641 temporary transfer of funds (TTF) for 2020-21 will be distributed to SBCFPD and its four regional service zones as follows:

Fund Name	Amount
SBCFPD - Administration	\$ 8,902,620
Mountain Regional Service Zone	\$ 4,414,204
North Desert Regional Service Zone	\$ 9,183,431
South Desert Regional Service Zone	\$ 5,666,911
Valley Regional Service Zone	\$29,237,475
Total:	\$57,404,641

Interest on the TTF shall be charged to SBCFPD at the County Treasurer's Investment Pool rate. The TTF will

reduce the amount of funds available for use by the County from July 1, 2020 until repayment is completed by April 26, 2021.

BACKGROUND INFORMATION

SBCFPD 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 payroll and other operating expenses, the cash flow for SBCFPD and each regional service zone require a temporary transfer of funds in anticipation of the receipt of these property tax revenues.

In accordance with the provisions of Article XVI, Section 6 of the California Constitution, as well as Government Code sections 23010 and 23010.1, ATC, upon approval by the Board of Supervisors (Board), can execute a TTF to allow a district to meet its obligations from any funds of the County not immediately needed to pay claims of the County. Consequently, in a separate item on today's agenda, the ATC is requesting approval by the County of San Bernardino Board of Supervisors of a TTF to SBCFPD. In order to meet the requirements of ATC and the aforementioned Government Code provisions, resolutions are required to proceed with this TTF.

Government Code section 23010 requires SBCFPD to pay interest on all funds borrowed at the same rate that the County applies to SBCFPD funds on deposit with the County, and that all SBCFPD funds are, or will be when available, in the County's custody. In addition, the loan cannot exceed 85% of SBCFPD's anticipated property tax revenue for the fiscal year in which it is made or for the next ensuing fiscal year and shall be repaid out of that revenue prior to the payment of any other obligation of SBCFPD.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Scott Runyan, Deputy County Counsel, 387-5455) on June 5, 2020; Auditor-Controller/Treasurer/Tax Collector (Erika Gomez, General Accounting Manager, 382-3196) on June 5, 2020; Finance (Tom Forster, Administrative Analyst, 387-4635) on June 5, 2020; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on June 8, 2020.