



## **Staff Report**

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### RESOLUTION AMENDING FY 2007 BUDGET FOR SUPPLEMENTAL APPROPRIATION NEEDED TO FUND BELMONT-SAN CARLOS FIRE DEPARTMENT.

Honorable President and Board Members:

#### **Summary**

Approval of the attached resolution will amend the FY 2007 Budget and authorize a supplemental appropriation needed to fund liability reserves of the Belmont-San Carlos Fire Department (the "Fire Department").

#### **Background**

Until July 1<sup>st</sup>, the Belmont Fire Protection District provides fifty percent of the funding for the operations and capital requirements of the Authority. The Authority recently concluded an analysis of its mid year operating results and recommended funding of a liability reserve of \$800,000 by requesting each agency contribute \$400,000 each.

#### **Discussion**

As part of the Mid Year Review, the Fire Commission reviewed the operating results for the six months ended December 31, 2006. The Commissioners were advised an analysis of claims indicates a prudent liability reserve for \$800K should be established and that an adjustment to the Department's budget would be required.

Based on the report, the Fire Commission then recommended that both agencies (Belmont Fire Protection District and City of San Carlos City Council) appropriate an additional \$400,000 each for this purpose before fiscal year end. The Commission agreed the liability reserve will be reviewed periodically to verify appropriateness.

Approval of the attached resolution will amend the FY 2007 Appropriation Budget for the Belmont Fire Protection District and authorize the disbursement of the additional funds to the Fire Department.

#### **Fiscal Impact**

The Belmont Fire Protection District's contribution to Fire Department for FY 2007 is authorized at \$5,267,467. Approval of this action will increase that amount to \$5,657,467 and

authorize a supplemental appropriation of \$400,000. There are sufficient fund balance reserves available for this purpose.

**Public Contact**

The City of San Carlos has been notified.

**Recommendation**

Staff recommends adoption of the attached resolution.

**Alternatives**

1. No reasonable alternative.

**Attachments**

- A. Resolution Amending FY 2007 Budget for Supplemental Appropriation Needed to Fund Belmont-San Carlos Fire Department.

Respectfully submitted,

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Thomas Fil  
Finance Director

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Jack R. Crist  
Executive Director

**Staff Contact:**

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**BELMONT FIRE PROTECTION DISTRICT RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BELMONT FIRE PROTECTION DISTRICT AMENDING FY 2007 BUDGET FOR SUPPLEMENTAL APPROPRIATION NEEDED TO FUND BELMONT-SAN CARLOS FIRE DEPARTMENT.**

**WHEREAS**, Until July 1, 2007, the Belmont Fire Protection District funds fifty percent of the operating and capital costs of the Belmont – San Carlos (Fire Department), and

**WHEREAS**, the Fire Department desires to establish a reserve for claims liabilities, and

**WHEREAS**, the Fire Department requests the respective funding agencies (San Carlos and Belmont Fire Protection District) each contribute \$400,000 toward the liability reserve, and

**WHEREAS**, the following adjustments are required to implement the amendments to the FY 2007 Budget:

- Increase 223-4228-8501 by \$400,000 for additional service charges

**NOW, THEREFORE, BE IT RESOLVED**, that the Belmont Fire Protection District Directors of the Belmont Fire Protection District hereby amend the Fiscal Year 2007 Budget in the amount identified above.

\* \* \* \* \*

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Belmont Fire Protection District at a special meeting thereof held on April 10, 2007 by the following vote:

AYES, DIRECTORS: \_\_\_\_\_

NOES, DIRECTORS: \_\_\_\_\_

ABSTAIN, DIRECTORS: \_\_\_\_\_

ABSENT, DIRECTORS: \_\_\_\_\_

\_\_\_\_\_  
Secretary, Belmont Fire Protection District

APPROVED:

\_\_\_\_\_  
President, Belmont Fire Protection District