



## **Staff Report**

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### **PUBLIC HEARING TO CONSIDER PROPOSED BUDGET FOR FISCAL YEAR 2009**

Honorable President and Board Members:

#### **Summary**

At the close of the Public Hearing, and after consideration of testimony given, it is recommended that the Board of Directors approve the attached resolutions implementing the FY 2009 Budget and establishing the FY 2009 appropriations limit for the Belmont Fire Protection District.

#### **Background**

This is a companion report to the FY 2009 Budget implementing action item included in the City Council agenda for June 10, 2008.

#### **Discussion**

##### **Board Direction**

On May 27th, the Board of Directors received a report introducing the FY 2009 Budget.

##### **Gann Limit**

Proposition 4, approved by California voters in 1979, requires special districts to calculate and establish an appropriations limit every year. The limit is based on actual appropriations in the 1978-79 fiscal year, and is allowed to increase each year to the extent of population growth and inflation.

The Belmont Fire Protection District's FY 2009 Appropriations Limit is \$7,917,921. The FY 2009 budget is within the stated limit. The calculations are attached to this report.

##### **Implementing Resolution**

Attached for the Board's review and approval is a resolution implementing the FY 2009 Budget. The resolution establishes the revenue and appropriation (expenditure) budgets for the year. There is also a resolution adopting the Gann Limit.

##### **Recommended Process**

A process has been outlined by staff in the companion report in the City Council agenda packet.

**Fiscal Impact**

Establish the Belmont Fire Protection District’s revenue budget at \$7,586,054 (includes proceeds of Tax Revenues Anticipation Notes for \$1,030,000), appropriation budget at \$6,692,606 (includes repayment of prior year Notes for \$1,245,000) for FY 2009. The FY 2009 Budget contemplates the use of \$0 in fund balance.

As a result of the revised funding formula for the Belmont-San Carlos Fire Department and continued property tax growth, for the first time in years, the FY 2009 Budget begins to aggregate reserves which will offset the District’s \$1,030,000 cash operating deficit through establishment of a prudent cash balance.

However, beginning in FY 2009, the District will face additional pressures as pre-funding of GASB 45 Post Employment Benefits begins and the establishment of an operating reserve occurs in the Fire Department.

**Public Contact**

Public hearing was legally noticed.

**Recommendation**

Approve resolutions implementing the Fiscal Year 2009 Revenue and Appropriations Budget and establishing the Appropriations Limit for FY 2009.

**Alternatives**

1. Amend the resolution and adopt an alternative budget.
2. With direction, refer the budget back to staff for further consideration.

**Attachments**

- A. Resolution adopting FY 2009 Budget
- B. Resolution approving Appropriations Limit

Respectfully submitted,

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Thomas Fil, Finance Director

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Jack Crist, District Manager

**Staff Contact:**

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**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BELMONT FIRE PROTECTION DISTRICT ADOPTING THE PROPOSED FY 2009 REVENUE AND APPROPRIATIONS BUDGETS FOR THE BELMONT FIRE PROTECTION DISTRICT**

**WHEREAS**, the Board of Directors desire to have a fiscal plan for the Belmont Fire Protection District in order to plan for anticipated revenues and control expenditures; and

**WHEREAS**, the fiscal year revenue and appropriation plan for the Belmont Fire Protection District is expressed in the budget documents entitled “City of Belmont FY 2009 Budget”; and

**WHEREAS**, the Board of Directors and Finance Commission reviewed the proposed budgets for compliance with the goals and objectives of the community; and

**WHEREAS**, the Board of Directors has held a Public Hearing on the programs and fiscal policies to obtain public comments regarding the Proposed Budget document.

**NOW, THEREFORE, BE IT RESOLVED** that the Belmont Fire Protection District Board of Directors that the Revenue and Appropriations budgets for Fiscal Year 2009 shall be adopted as follows:

<b>Fund</b>	<b>Fund Title</b>	<b>Revenue</b>	<b>Appropriation</b>
223	Belmont Fire Protection District	\$7,586,054	\$6,692,606
	TOTALS	\$7,586,054	\$6,692,606

\* \* \* \* \*

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Belmont Fire Protection District at a regular meeting thereof held on June 10, 2008 by the following vote:

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

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

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

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

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

APPROVED:

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

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BELMONT FIRE PROTECTION DISTRICT APPROVING THE ARTICLE XIII B APPROPRIATIONS LIMIT FOR THE FISCAL YEAR 2009**

**WHEREAS**, the voters of California on November 6, 1979 added Article XIII B to the State Constitution placing various limitations on the appropriations of the State and local governments; and

**WHEREAS**, Proposition 111 adopted by the California voters on June 5, 1990, amended Article XIII B to provide that the Appropriations Limit for each fiscal year be calculated by adjusting the base year appropriations of fiscal year 1986-87 for changes in the cost of living and populations; and

**WHEREAS**, Article XIII B requires public entities in the State of California to set an annual appropriations limit; and

**WHEREAS**, the appropriations limit is based on factors which include the appropriations limit for the prior fiscal year; and

**WHEREAS**, the League of California Cities issued in March, 1991, uniform guidelines for the implementation of the provisions of Article XIII B; and

**WHEREAS**, Article XIII B requires the Board of Directors to select the population and inflation factors for each year's appropriations limit calculation; and

**WHEREAS**, information for making this limit calculation for the Belmont Fire Protection District has been available for public inspection in the City offices for the 15 days prior to the scheduled adoption of this resolution, in accordance with Government Code Section 7910 requirements; and

**WHEREAS**, the information necessary for making these adjustments is attached; and

**WHEREAS**, Exhibit 1 attached hereto is provided in support of the Gann Limit calculation.

**NOW, THEREFORE, BE IT RESOLVED** that the Belmont Fire Protection District Board of Directors adopts as follows:

Section 1. The Appropriations Limit for the Belmont Fire Protection District for the FY 2009 shall be \$7,917,921.

Section 2. The inflation factor being utilized to calculate the FY 2009 appropriations limit is the California per capita income.

Section 3. The population factor being utilized to calculate the FY 2009 appropriations limit is the City of Belmont's population growth provided by the County of San Mateo.

\* \* \* \* \*

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Belmont Fire Protection District at a regular meeting thereof held on June 10, 2008 by the following vote:

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

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

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

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

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

APPROVED:

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

**BELMONT FIRE PROTECTION DISTRICT**  
**Gann Appropriation Limit**

<b>Years/Factors</b>	<b>Amount</b>	<b>% Change</b>	<b>Years/Factors</b>	<b>Amount</b>	<b>% Change</b>
<b>FY 1995/96</b>			<b>FY 2004/05</b>		
POPULATION CHANGE		1.31%	POPULATION CHANGE		0.44%
CPI/PERSONAL INCOME		4.72%	CPI/PERSONAL INCOME		3.28%
COMBINED PERCENTAGE	\$240,618	6.09%	COMBINED PERCENTAGE	\$230,358	3.73%
GANN LIMIT-95/96	\$4,191,351		GANN LIMIT-04/05	\$6,406,170	
<b>FY 1996/97</b>			<b>FY 2005/06</b>		
POPULATION CHANGE		0.90%	POPULATION CHANGE		0.62%
CPI/PERSONAL INCOME		4.67%	CPI/PERSONAL INCOME		5.26%
COMBINED PERCENTAGE	\$235,152	5.61%	COMBINED PERCENTAGE	\$378,605	5.91%
GANN LIMIT-96/97	\$4,426,503		GANN LIMIT-05/06	\$6,784,775	
<b>FY 1997/98</b>			<b>FY 2006/07</b>		
POPULATION CHANGE		1.05%	POPULATION CHANGE		1.12%
CPI/PERSONAL INCOME		4.67%	CPI/PERSONAL INCOME		3.96%
COMBINED PERCENTAGE	\$255,426	5.77%	COMBINED PERCENTAGE	\$347,380	5.12%
GANN LIMIT-97/98	\$4,681,929		GANN LIMIT-06/07	\$7,132,155	
<b>FY 1998/99</b>			<b>FY 2007/08</b>		
POPULATION CHANGE		2.23%	POPULATION CHANGE		0.67%
CPI/PERSONAL INCOME		4.15%	CPI/PERSONAL INCOME		4.42%
COMBINED PERCENTAGE	\$302,921	6.47%	COMBINED PERCENTAGE	\$365,166	5.12%
GANN LIMIT-98/99	\$4,984,850		GANN LIMIT-07/08	\$7,497,322	
<b>FY 1999/00</b>			<b>FY 2008/09</b>		
POPULATION CHANGE		0.45%	POPULATION CHANGE		1.27%
CPI/PERSONAL INCOME		4.53%	CPI/PERSONAL INCOME		4.29%
COMBINED PERCENTAGE	\$249,242	5.00%	COMBINED PERCENTAGE	\$420,600	5.61%
GANN LIMIT-99/00	\$5,234,092		GANN LIMIT-08/09	\$7,917,921	
<b>FY 2000/01</b>					
POPULATION CHANGE		0.78%			
CPI/PERSONAL INCOME		4.91%			
COMBINED PERCENTAGE	\$299,913	5.73%			
GANN LIMIT-00/01	\$5,534,006				
<b>FY 2001/02</b>					
POPULATION CHANGE		0.88%			
CPI/PERSONAL INCOME		7.82%			
COMBINED PERCENTAGE	\$485,332	8.77%			
GANN LIMIT-01/02	\$6,019,338				
<b>FY 2002/03</b>					
POPULATION CHANGE		0.65%			
CPI/PERSONAL INCOME		-1.27%			
COMBINED PERCENTAGE	(\$37,922)	-0.63%			
GANN LIMIT-02/03	\$5,981,416				
<b>FY 2003/04</b>					
POPULATION CHANGE		0.92%			
CPI/PERSONAL INCOME		2.31%			
COMBINED PERCENTAGE	\$194,396	3.25%			
GANN LIMIT-03/04	\$6,175,812				