

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

273



FROM: Executive Office

SUBMITTAL DATE:
May 29, 2012

SUBJECT: Resolution No. 2012-114, Authorizing a Temporary Transfer of Waste Management Department Enterprise Funds to the County General Fund

RECOMMENDED MOTION: That the Board:

1. Adopt Resolution No. 2012-114, authorizing a temporary loan from the Waste Management Enterprise Fund; and
2. Authorize and direct the Auditor-Controller to make the budget adjustment in Attachment "A".

BACKGROUND: On December 13, 2011, the Board of Supervisors authorized a \$5,000,000 loan from the County General Fund to the Western Riverside County Regional Conservation Authority (RCA) in order to assist in the acquisition of property for inclusion in the MSHCP conservation area. In order to maintain County General Fund contingency levels, it was anticipated at that time that the County General Fund would receive a temporary loan from the Waste Management Department Enterprise Fund in the amount of \$5,000,000 to off-set the RCA loan. As outlined in Resolution 2012-114, the temporary transfer will be repaid in full, with interest, within ten years.

Christopher Hans

Hans Kernkamp

Christopher Hans, Chief Deputy CEO
Executive Office

Hans Kernkamp, General Manager-Chief Engineer
Waste Management Department

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	11/12

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *George A. Johnson*
George A. Johnson

County Executive Office Signature

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Samuel Wong* 6/12/12
 SAMUEL WONG
 Departmental Concurrence
 FORM APPROVED COUNTY COUNSEL
 BY: *Dale A. Gardner* 6/12/12
 DALE A. GARDNER
 DATE: 6/12/12
 Departmental Concurrence
 Policy Policy
 Consent Consent
 Dep't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: 16.2 (12/13/11)

District: All

Agenda Number:

3.4

**SUBJECT: Resolution No. 2012-114, Authorizing a Temporary Transfer of Waste Management
Department Enterprise Funds to the County General Fund
Page 2**

BACKGROUND (continued):

The Funding Agreement between the Western Riverside County Regional Conservation Authority (RCA) and the County, dated December 20, 2011, stipulate that the \$5,000,000 loan to the RCA will be repaid with interest over a ten year period from tipping fee revenue or other available funds. Although it is anticipated that the RCA loan repayment will provide the funds back to the Waste Management Enterprise Fund, the general fund is ultimately responsible for repayment.

2
3 RESOLUTION NO. 2012-114

4 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
5 AUTHORIZING AND APPROVING A TEMPORARY TRANSFER OF WASTE MANAGEMENT
6 DEPARTMENT ENTERPRISE FUNDS TO THE COUNTY GENERAL FUND

7
8 WHEREAS, on December 13, 2011, in accordance with agenda item 16.2, the Board of
9 Supervisors authorized a Five Million Dollar (\$5,000,000) loan from the County General Fund to the
10 Western Riverside County Regional Conservation Authority ("RCA") pursuant to Joint Powers Authority
11 Law (California Government Code Section 6500 et seq.) and that certain Agreement for Funding the
12 Acquisition of Property for Inclusion in the MSHCP Conservation Area Between Western Riverside
13 County Regional Conservation Authority and the County of Riverside (the "Loan Agreement"); and

14
15 WHEREAS, it was anticipated at that time that the County General Fund would receive a
16 temporary loan from the Waste Management Department Enterprise Fund in the amount of Five Million
17 Dollars (\$5,000,000) to off-set the RCA loan amount; and

18
19 WHEREAS, California Government Code Section 25252 authorizes the Board of
20 Supervisors to establish and abolish those funds necessary for the proper transaction of the business of the
21 County and further provides that the Board of Supervisors may authorize the County Auditor to perform
22 this function; and

23
24 WHEREAS, California Government Code Sections 25252 and 25261 authorize the Board of
25 Supervisors to make transfers from one fund to another as the public interest requires and further provides
26 that the Board may by resolution authorize the County Auditor to make such transfers from one fund to
27 another when the Board of Supervisors has authority over each fund; and

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]*
DATE: *12/13/11*
BY: *[Signature]*
DATE: *12/13/11*
BY: *[Signature]*
DATE: *12/13/11*

1 WHEREAS, the Board of Supervisors has authority over the Waste Disposal Enterprise
2 Fund and the County General Fund and the public interest requires a temporary transfer to be made from
3 the Waste Disposal Enterprise Fund to the County General Fund in the amount of Five Million Dollars
4 (\$5,000,000); and

5 WHEREAS, California case law (*Auerbach v. Board of Supervisors of County of Los*
6 *Angeles*, 71 Cal. App. 4th 1427 (1999)) establishes the right of counties to temporarily transfer and loan
7 money between funds until said moneys are needed to be spent for their original, intended purpose; and

8 WHEREAS, the Five Million Dollars (\$5,000,000) to be transferred from the Waste
9 Disposal Enterprise Fund to the County General Fund is not intended to be spent for its original, intended
10 purpose for at least ten (10) years and the temporary transfer is to be repaid, with interest at the rate and
11 times specified in the Loan Agreement, to the Waste Disposal Enterprise Fund from the County General
12 Fund before said Five Million Dollars (\$5,000,000) is needed to be spent for its original, intended purpose;
13 and
14

15
16 NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of
17 Riverside assembled in regular session as follows:

- 18 1. The above recitals are true and correct.
- 19 2. The Auditor/Controller of the County is hereby authorized and directed to make a
20 temporary transfer of Five Million Dollars (\$5,000,000) from the Waste Disposal Enterprise Fund (sub-
21 fund 40200) to the County General Fund. In addition, the Auditor/Controller of the County is hereby
22 authorized and directed to make the necessary journal entries and to take such further acts as are necessary
23 or convenient to effect the temporary transfer and repayment as set-forth here-in.
- 24 3. The Auditor/Controller of the County is hereby authorized and directed to repay the
25 transferred amount as payments and interest are received from RCA under the Loan Agreement which is
26 set-forth in Exhibit A.
- 27 4. The Auditor/Controller of the County shall ensure that the entire amount of the
28 temporary transfer authorized by this resolution is repaid to the Waste Disposal Enterprise Fund (sub-fund

1 40200) by the County General Fund no later than ten (10) years from the date of the transfer. To the extent
2 that insufficient amounts have been received from RCA to repay the entire amount of the temporary
3 transfer in ten (10) years, the repayment of any remaining, unpaid balance and interest shall come from
4 such other unencumbered County General Fund monies as are lawfully available to make the repayment.

5 5. The Auditor/Controller of the County and any other County Officers are hereby
6 authorized to take such additional actions as are necessary or convenient to carry out the effect of this
7 resolution.

8 6. This resolution shall take effect from and after its date of adoption.

9 Passed and adopted by the Riverside County Board of Supervisors on this ___ day of
10 _____, 2012.

11
12 _____
13 John Tavaglione, Chairman
14 Riverside County Board of Supervisors

15
16 (SEAL)

17 ATTEST:

18
19
20 _____
21 Clerk of the Board of Supervisors
22
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Attachment A

Increase Appropriations:

40200-4500100000-551000	Operating Transfer-Out	\$5,000,000
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Use of Unrestricted Net Assets:

40200-4500100000-380100	Unrestricted Net Assets	\$5,000,000
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Increase Estimated Revenue:

10000-1102900000-790500	Operating Transfers In	\$5,000,000
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Increase Appropriations:

10000-1109000000-581000	Approp for Contingencies	\$5,000,000
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