

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

311



FROM: Executive Office

SUBMITTAL DATE:
June 26, 2012

SUBJECT: Cash Advance for Capital Finance Administration and Pension Obligation Bond Debt Service

RECOMMENDED MOTION: Authorize the Auditor-Controller to provide: 1) the Capital Finance Admin Debt Service Fund (35900) a cash advance as required for debt service not to exceed \$40.3 million; and 2) The Pension Obligation Bond debt service fund (35000) a cash advance as required for debt service not to exceed \$28.1 million.

BACKGROUND: The Capital Finance Admin and the Pension Obligation Bond debt service funds both require cash advances from the general fund. These funds make debt service payments in July of each year and then recover the cost from county departments and other entities during the year.

(continued on next page)

Departmental Concurrence



Lani Sioson
Senior Management Analyst

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	NO
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012-13

SOURCE OF FUNDS: Repayment of cash advance to come from departmental budgets, filing fees and redevelopment pass-through agreements.	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY _____

County Executive Office Signature: Christopher M. Hans

- Consent
- Policy
- Consent
- Policy

Dept' Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: | **District:** | **Agenda Number:**

3.1

SUBJECT: Cash Advance for Capital Finance Administration and Pension
Obligation Bond Debt Service
June 26, 2012
Page 2

BACKGROUND CONTINUED:

The Capital Finance Admin debt service fund makes the debt service payment on CORAL and Palm Desert Financing facilities including the Riverside County Regional Medical Center, Larson Justice Center, Indio Juvenile Hall, Historic Courthouse and others. CORAL recovers this cost through lease payments from county departments, filing fees, and Palm Desert Financing Authority recovers this cost from redevelopment pass through agreements for the use of these facilities. Since the fund's revenue comes in during the course of the year - after the debt service payment is due - it needs a cash advance of up to \$40.3 million. The full amount advanced will be recovered from the entities that lease facilities and the debt service fund will repay the full amount borrowed.

The Pension Obligation Bond (POB) debt service fund makes the debt service payment on the county's pension bonds. The fund will recover this cost through department payroll charges during the course of the year. Since the fund's revenue comes in during the year - after the debt service payment is due - it needs a cash advance of up to \$28.1 million. The full amount advanced will be recovered from department charges and will repay the general fund the full amount borrowed.