

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

130



FROM: Executive Office

SUBMITTAL DATE:
June 17, 2014

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

RECOMMENDED MOTION: That the Board of Supervisors: 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 \$47.8 million; and 2) The Pension Obligation Bond debt service fund (35000) a cash advance as required for debt service not to exceed \$30.4 million.

BACKGROUND:

Summary

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

Lani Sioson
Senior Management Analyst

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: Repayment of cash advance to come from departmental budgets (lease payments) and redevelopment pass-through agreements.

Budget Adjustment: No
For Fiscal Year: FY 14/15

C.E.O. RECOMMENDATION:

APPROVE

BY: *Ivan M. Chand*
Ivan M. Chand 6/19/2014

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

Positions Added

Change Order

A-30

4/5 Vote

Prev. Agn. Ref.:

District: All

Agenda Number:

3-6

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Cash Advance for Capital Finance Administration and Pension Obligation Bond Debt
Service

DATE: June 17, 2014

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BACKGROUND:

Summary (continued)

The Capital Finance Admin debt service fund makes the debt service payment on County of Riverside Asset Leasing (CORAL), and Palm Desert Financing facilities including the Riverside County Regional Medical Center, Larson Justice Center, Indio Juvenile Hall, CAC Annex and others. CORAL recovers this cost through lease payments from county departments 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 \$47.8 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 \$30.4 million. The full amount advanced will be recovered from department charges and will repay the general fund the full amount borrowed.