

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



907

SUBMITTAL DATE:
September 6, 2011

FROM: Executive Office

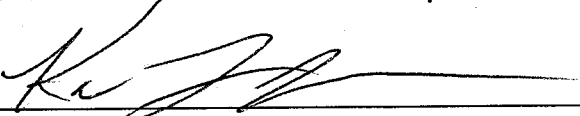
SUBJECT: Fiscal Year 2010/11 General Year-end Cleanup

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and direct the Auditor-Controller to make the budget adjustments applicable to Fiscal Year 2010/11 as listed in Attachment A;
2. Approve and direct the Auditor Controller to commit unassigned general fund balance as reflected in Attachment B; and


BACKGROUND: After the end of each fiscal year, the Executive Office reviews the position of all county departments/agencies and recommends action to the Board as appropriate. Typically, adjustments are required to balance a department's budget to its actual revenue and expenses. Increases to reserves are also advisable to position departments to successfully fulfill Board priorities in the new year. The review of department year-end budget positions found most department heads were successful in meeting the Board's net county cost targets; total savings returned to the general fund was about \$14 million before encumbrance requests.

(continued on the next page)


Karen L. Johnson, Management Analyst

Departmental Concurrence

FISCAL PROCEDURES APPROVED
BY  9/7/11
SAMUEL WONG
PAUL ANGULO, CPA, AUDITOR-CONTROLLER

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 9,449,154	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 6,108,877	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	10/11
SOURCE OF FUNDS: general fund equity (64.5%), non-general fund equity (<1%), general fund revenue (35%)				Positions To Be Deleted Per A-30 <input type="checkbox"/>
				Requires 4/5 Vote <input checked="" type="checkbox"/>
C.E.O. RECOMMENDATION: APPROVE				
BY:  Christopher M. Hans				
County Executive Office Signature				

Policy

Consent

Dept's Recomm.:
Per Exec. Ofc.:

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Benoit and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Benoit and Ashley
Nays: None
Absent: Stone
Date: September 13, 2011
xc: E.O., Auditor(2)

SEP 13 2011 3:58

Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

Budget Adjustments to Balance Budget to Actual Results

The recommended adjustments (see attachment A) correct instances where expenses exceed approved appropriations. In some cases, surplus revenue received by the department may be used to balance the budgeted amounts with actuals. More frequently, the adjustment is made by use of available general fund balance.

For Fiscal Year 2010/11, it is recommended that about \$6.1 million of available fund balance and \$3.3 million of new departmental revenue be used to correct expenditures that exceed budgeted appropriations within the general fund.

Increases to Committed Fund Balance

In addition to the corrections described about, several other increases are recommended (see attachment B) to the following committed fund balance accounts:

- On April 26, 2011 (item 3.50) the Board approved in principle the demolition of the Eleventh Street jail annex building. Initial planning and design is nearly complete, and the preliminary cost estimate remains at \$500,000. As the Economic Development Agency will soon be ready to bring a contract to the Board for consideration, it is appropriate at this time to allocate funding from old year savings. Unbudgeted savings exceeds the recommended amount. It is recommended that the Board commit \$500,000 for the purpose of jail demolition in a new account titled "CFB - Historic Courthouse Remodel".
- To optimize the use of the ninth floor of the County Administrative Center (CAC), it should be vacated so that necessary tenant improvements can be accomplished. This approach will free up one full floor in the CAC. The only department currently on the ninth floor is Environmental Health; one-time costs of the move were estimated at \$500,000. To prepare for the costs of moving into lease space, the department took actions that led to savings in the old year greater than \$500,000. As the Economic Development Agency is now ready to bring a contract to the Board for consideration, it is appropriate at this time to allocate funding from old year savings. Unbudgeted savings exceeds the recommended amount. It is recommended that the Board commit \$500,000 in a new account titled "CFB - CAC Remodel".
- The Auditor-Controller has initiated a project that will result in an operational review of its Internal Audits Division and a countywide risk assessment. The Auditor-Controller estimates that the project will have a return on investment several times in excess of the cost of completing the project. The estimated cost of the project will be \$110,000 and will be performed by an external consultant. To prepare for the cost of the

project, the department took actions that led to savings in the old year greater than \$110,000. It is recommended that the Board commit \$110,000 of the department's budget surplus for FY 10/11 in a new account titled "CFB – ACO Internal Audit". The Auditor-Controller will return to the Board for approval of the consultant and associated agreement at a later date.

- Board direction for several years has been to designate savings in the offices of the Auditor-Controller, Treasurer-Tax Collector, and Assessor-Clerk-Recorder for the planned replacement property tax system. It is recommended that this continue. It is recommended that the Board commit \$1,600,000 in "CFB – Property Tax System".

Attachment A

FISCAL YEAR 2010/11 YEAR-END CLEANUP ADJUSTMENTS

Fund	DeptID	Name	Acct	Account Description	Amount	Note
Adjustments - General Fund						
10000	1000200000	Assessment Appeals Board	510040	Regular Salaries	2,906	Increase appropriations
10000	1000200000	Assessment Appeals Board	770030	Prop Tax Colln Fees R&T 95.2	(2,906)	Increase Estimated Revenue
10000	1105000000	NPDES	510040	Regular Salaries	1,643	Increase appropriations
10000	1105000000	NPDES	370100	Unassigned Fund Balance	(1,643)	Expected Offset
10000	2200100000	District Attorney: Criminal	510040	Regular Salaries	5,306,287	Increase appropriations
10000	2200100000	District Attorney: Criminal	370100	Unassigned Fund Balance	(5,306,287)	Expected Offset
10000	2400100000	Public Defender	510040	Regular Salaries	176,497	Increase appropriations
10000	2400100000	Public Defender	523760	Postage-Mailing	4,110	Increase appropriations
10000	2400100000	Public Defender	370100	Unassigned Fund Balance	(180,607)	Expected Offset
10000	2500100000	Sheriff: Administration	525020	Legal Services	584,000	Increase appropriations
10000	2500100000	Sheriff: Administration	370100	Unassigned Fund Balance	(584,000)	Expected Offset
10000	2500400000	Sheriff: Correction	510040	Regular Salaries	740,780	Increase Appropriations
10000	2500400000	Sheriff: Correction	752420	CA-Parolee Detention Holds	(740,780)	Increase Estimated Revenue
10000	2500900000	Sheriff: ADA Grant	523230	Miscellaneous Expense	36,339	Increase appropriations
10000	2500900000	Sheriff: ADA Grant	370100	Unassigned Fund Balance	(36,339)	Expected Offset
10000	2700200000	Fire Protection: Forest	523230	Miscellaneous Expense	2,570,592	Increase appropriations
10000	2700200000	Fire Protection: Forest	779050	Fire Protection	(2,570,592)	Increase Estimated Revenue
Adjustments - Other Funds						
22350	1910200000	EDA: Thermal Construction & Land	542040	Buildings - Capital Projects	26,000	Increase appropriations
22350	1910200000	EDA: Thermal Construction & Land	321101	Restricted Program Money	(26,000)	Expected Offset

Attachment B

Commitments of Unassigned General Fund Balance

Increase Committed Fund Balance

10000-1000100000-330152	CFB-ACO Internal Audit	110,000
10000-1000100000-330100	CFB-Historic Courthouse Remodel	500,000
10000-1000100000-330100	CFB-CAC Remodel	500,000
10000-1000100000-330141	CFB-Property Tax System	1,600,000

Use of Unassigned Fund Balance

10000-1100100000-370100	Unassigned Fund Balance	2,710,000
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