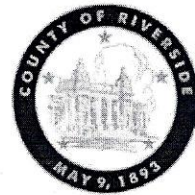


SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM
3.5
(ID # 7979)

MEETING DATE:

Tuesday, October 2, 2018

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: FY 17/18 Year-end Designation of Fund Balance, FY 18/19 Appropriations for Encumbrance, and FY 17/18 Budget Adjustments, All Districts. [\$15,482,510 - General Fund 81%, Other Funds 19%] (4/5ths Vote)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and direct the Auditor-Controller to make the FY 17/18 budget adjustments contained in Attachment A and Attachment B; and,
2. Approve and direct the Auditor-Controller to commit, assign, or restrict FY 17/18 fund balances and increase FY 18/19 appropriations for encumbrances as contained in Attachment C.


ACTION: (4/5 Vote Required) Policy


Denise Harden, EO Principal Budget Analyst 9/25/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: October 2, 2018
xc: EO, Auditor

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 15,482,510	\$0	\$ 15,482,510	\$0
NET COUNTY COST	\$ 12,463,534	\$0	\$ 12,463,534	\$0
SOURCE OF FUNDS: General Fund departmental resources 81%; Other funds departmental resources 19%			Budget Adjustment: Yes	
			For Fiscal Years: 17/18 & 18/19	

C.E.O. RECOMMENDATION: APPROVE

BACKGROUND:

Summary

On August 28, 2018, the Board approved year-end adjustments to department budgets. The action now recommended, as shown in Attachment A, includes approving two additional budget adjustments that could not be included in the first year-end board item.

Flood Control and Water Conservation District - Subdivision Operations

The requested budget adjustment will increase salaries and benefits within the Flood Control and Water Conservation District Subdivision Operations - Fund 40660. In accordance with GASB 68, the adjustment is necessary to accommodate an increase of \$363,000 in the Fund 40660 Pension Obligation for FY2017-18.

Executive Office

On October 17, 2017, the Board adopted the Pension Advisory Review Committee's recommendation to transfer the excess collection in the Liability Management and Pension Obligation fund to the Section 115 Pension Trust. A budget adjustment is needed to increase appropriations to transfer the excess collection in the Liability Management and Pension Obligation fund to the trust.

Additional year-end budget adjustments to salaries and benefits are needed for departments, as shown in Attachment B, to accommodate the increase in pension obligation for FY 17/18. This will then be accounted for as a liability and put the department in a negative balance sheet position. Due to GASB 68, this is the required method of reporting. Until the accounting standards change, the balance sheet positions will continue to be negative unless the departments are able to collect enough to offset the liability.

Each year, Board approval is required to encumber and carry over unexpended appropriations from the previous fiscal year sufficient to cover contractual obligations initiated in the old year but payable in the new fiscal year. The recommended action shown in Attachment C approves a total of \$15.5 million in FY 17/18 available general fund and non-general fund equity to enable encumbering appropriations in FY 18/19 to cover such qualified spending obligations carried over from the previous year.

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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ATTACHMENT A. FY 17/18 BUDGET ADJUSTMENTS

ATTACHMENT B. FY 17/18 PENSION EXPENSE ADJUSTMENTS

ATTACHMENT C. FY 17/18 COMMITMENTS, ASSIGNMENTS, OR RESTRICTION OF FY 17/18 FUND BALANCE AND INCREASE OF FY 18/19 APPROPRIATIONS FOR ENCUMBRANCES

ATTACHMENT A

FY 17/18 BUDGET ADJUSTMENTS

Recommendation 1: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustment increasing appropriation by \$363,000 for the Flood Control Subdivision Operations fund as follows:*

Increase appropriations:		
40660-947140-513160	Pension Expense	\$363,000

Anticipated Use of Unrestricted Net Assets:		
40660-947140-380110	Unrestricted Net Assets	363,000

Recommendation 2: *That the Board of Supervisors approve and direct the Auditor-Controller to make budget adjustments increasing appropriations and anticipated use of restricted for debt service for the Liability Management and Pension Obligation fund by \$8,500,000, as follows:*

Increase appropriations:		
35000-1104000000-536200	Contributions to other non-county agency	\$8,500,000

Anticipated use of Restricted for Debt Service:		
35000-1104000000-324100	Restricted for Debt Service	8,500,000

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Attachment B

FY 17/18 PENSION EXPENSE ADJUSTMENTS

Increase Appropriations:		
40050 - 4300100000 - 513160	Pension Expense	\$42,283,211
Use of Unrestricted Net Asset:		
40050 - 4300100000 - 380110	Unrestricted Net Asset Pension & OPEB Liab	42,283,211
Increase Appropriations:		
40090 - 4300600000 - 513160	Pension Expense	\$2,107,655
Use of Unrestricted Net Asset:		
40090 - 4300600000 - 380110	Unrestricted Net Asset Pension & OPEB Liab	2,107,655
Increase Appropriations:		
45500 - 7400100000 - 513160	Pension Expense	\$8,882,701
Use of Unrestricted Net Asset:		
45500 - 7400100000 - 380110	Unrestricted Net Asset Pension & OPEB Liab	8,882,701
Increase Appropriations:		
45520 - 7400600000 - 513160	Pension Expense	\$338,475
Use of Unrestricted Net Asset:		
45520 - 7400600000 - 380110	Unrestricted Net Asset Pension & OPEB Liab	338,475
Increase Appropriations:		
46100 - 1132200000 - 513160	Pension Expense	\$82,763
Use of Unrestricted Net Asset:		
46100 - 1132200000 - 380110	Unrestricted Net Asset Pension & OPEB Liab	82,763
Increase Appropriations:		
47200 - 7200200000 - 513160	Pension Expense	\$428,619

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Use of Unrestricted Net Asset:
47200 - 7200200000 - 380110

Unrestricted Net Asset Pension & OPEB Liab 428,619

Increase Appropriations:
47210 - 7200300000 - 513160

Pension Expense \$1,857,253

Use of Unrestricted Net Asset:
47210 - 7200300000 - 380110

Unrestricted Net Asset Pension & OPEB Liab 1,857,253

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ATTACHMENT C

**FY 17/18 COMMITMENTS, ASSIGNMENTS, OR RESTRICTION
OF FY 17/18 FUND BALANCE AND INCREASE OF
FY 18/19 APPROPRIATIONS FOR ENCUMBRANCES**

Fund	Fund Description	Dept Description	Account description	Recommended Encumbrances
10000	General Fund			
	1000100000	Board of Supervisors		
		536200	Contrib To Other Non-Co Agcy	\$176,492
	1000100000 Total			176,492
	1100100000	Executive Office		
		524660	Consultants	206,580
	1100100000 Total			206,580
	1103800000	EO Subfund Operations		
		525480	Arbitration Services	8,333
	1103800000 Total			8,333
	1300100000	Auditor Controller		
		546140	Equipment-Office	18,500
	1300100000 Total			18,500
	1400100000	Treasurer-Tax Collector		
		525440	Professional Services	324,000
	1400100000 Total			324,000
	2500200000	Sheriff Support		
		526910	Field Equipment-Non Assets	88,574
	2500200000 Total			88,574
	2500300000	Sheriff Patrol		
		527880	Training-Other	266,964
		536780	Interfnd Exp-Capital Projects	79,029
		546160	Equipment-Other	2,146,545
	2500300000 Total			2,492,538
	2500400000	Sheriff Correction		
		528920	Car Pool Expense	1,600,904
		546160	Equipment-Other	127,296
	2500400000 Total			1,728,200
	2500500000	Sheriff Court Services		
		525320	Security Guard Services	7,183
	2500500000 Total			7,183

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2500700000	Ben Clark Training Center		
	527460	Firearm Equipment And Supplies	371,836
2500700000 Total			371,836
2501000000	Sheriff Coroner		
	526900	Instrument-Minor Medic Equip	20,000
2501000000 Total			20,000
2600100000	Juvenile Hall		
	523680	Office Equip Non Fixed Assets	325,049
	537040	Interfnd Exp-Maintenance	937,795
	546160	Equipment-Other	93,262
2600100000 Total			1,356,106
2600200000	Probation		
	525440	Professional Services	587,653
	537040	Interfnd Exp-Maintenance	1,522,237
2600200000 Total			2,109,890
2600700000	Administration & Support		
	527720	Safety-Security Supplies	27,670
2600700000 Total			27,670
2700200000	Fire Protection		
	528000	Equipment Usage	2,067,104
	537080	Interfnd Exp-Miscellaneous	41,000
	546120	Equipment-Fire	519,123
2700200000 Total			2,627,227
2800100000	Agricultural Commissioner		
	537080	Interfnd Exp-Miscellaneous	49,004
2800100000 Total			49,004
4200100000	Public Health		
	527780	Special Program Expense	381,706
	546160	Equipment-Other	69,237
4200100000 Total			450,943
4200200000	California Childrens Services		
	521540	Maint-Office Equipment	36,967
4200200000 Total			36,967
5400100000	Veterans Services		
	522310	Maint-Building and Improvement	45,895
	536780	Interfnd Exp-Capital Projects	27,640
5400100000 Total			73,535

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7200500000	EDA-Project Management		
	528500	Project Cost Expense	278,061
7200500000 Total			278,061
7200600000	EDA-Energy		
	528500	Project Cost Expense	11,895
7200600000 Total			11,895
10000 Total			12,463,534
20000	Transportation		
3130100000	Transportation		
	528060	Materials	68,069
	537040	Interfnd Exp-Maintenance	213,313
3130100000 Total			281,382
3130700000	Transportation Equipment		
	546160	Equipment-Other	1,188,373
3130700000 Total			1,188,373
20000 Total			1,469,755
21200	County Free Library		
1900700000	EDA/County Free Library		
	523680	Office Equip Non Fixed Assets	35,591
	537320	Interfnd Exp-Improvements Bldg	11,509
1900700000 Total			47,100
21200 Total			47,100
23400	Co Service Area #038		
903801	CSA 038 Pine Cove Fire Prot		
	521420	Maint-Field Equipment	29,933
903801 Total			29,933
23400 Total			29,933
21100	EDA-Administration		
1900500000	Single Family Revenue Bond		
	523270	Special Events	5,325
1900500000 Total			5,325
1901000000	Economic Development		
	525440	Professional Services	185,147
1901000000 Total			185,147
21100 Total			190,472
21550	Workforce Development		
1900300000	Workforce Development		
	523640	Computer Equip-Non Fixed Asset	126,110
1900300000 Total			126,110

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21550 Total			126,110
23010	CSA Administration		
915202	CSA Administration Operating		
	525440	Professional Services	17,563
915202 Total			17,563
23010 Total			17,563
23525	Co Service Area #051		
905102	CSA 051 Desert Centre-Multi		
	527780	Special Program Expense	19,256
905102 Total			19,256
23525 Total			19,256
25400	Regional Park & Open Space Dis		
931104	Regnl Parks & Open-Space Dist		
	521600	Maint-Service Contracts	11,889
931104 Total			11,889
25400 Total			11,889
30100	Capital Const-Land & Bldg Acq		
7200800000	EDA-Capital Projects		
	528500	Project Cost Expense	29,008
	542060	Improvements-Building	1,038,145
7200800000 Total			1,067,153
30100 Total			1,067,153
33100	Park Acq & Dev, District		
931105	Park Acq & Dev, District		
	542040	Buildings-Capital Projects	39,745
931105 Total			39,745
33100 Total			39,745
General Fund Subtotal			12,463,534
Other Fund Subtotal			3,018,976
Grand Total			\$15,482,510

Misley Wang
Misley Wang, Supervising Accountant

9/26/2018

Don R. Kent
Don R. Kent, Assistant CEO-County Finance Officer

9/27/2018