

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



ITEM: 2.8
(ID # 11194)

MEETING DATE:
Tuesday, November 5, 2019

FROM : AUDITOR CONTROLLER:

SUBJECT: AUDITOR-CONTROLLER: Fiscal Year 2018-2019 Auditor-Controller Reports of Funds Established, Funds Closed and Funds with Negative Cash Balances as of June 30, 2019. All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors receive and file the Auditor-Controller Reports of:

1. Funds Established in Fiscal Year 2018-2019
2. Funds Closed in Fiscal Year 2018-2019
3. Funds with Negative Cash Balances as of June 30, 2019

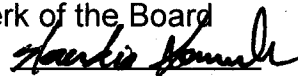
ACTION: Consent


Paul A. Angulo, County Auditor-Controller 10/28/2019

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: November 5, 2019
xc: Auditor

Kecia R. Harper
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	18/19

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Pursuant to Board of Supervisors Policy Number B-14, Section 25252 of the Government Code and Board Resolution No. 2010-205, the Auditor-Controller Office reports to the Board of Supervisors all funds established and closed during the fiscal year and all funds resulting in a negative cash balance at the end of the fiscal year.

Attachment "A" represents 19 new funds that were established during the fiscal year.

Attachment "B" represents 7 funds that were closed during the fiscal year.

Attachment "C" reports all the funds that had negative cash balances as of June 30th, 2019 including custodian's explanations for their cash deficit.

ATTACHMENT A. Represents 19 new funds that were established during the fiscal year

ATTACHMENT B. Represent 7 funds that were closed during the fiscal year

ATTACHMENT C. Reports the funds that had negative cash balances as of June 30th, 2019 including custodian's explanations for their cash deficits.


 Stephanie Perez, Principal Management Analyst 10/28/2019

Attachment A
Funds Established in Fiscal Year 2018/2019

Fund	Fund Name	Effective Date
11188	JAG 2017-DJ-BX-0759	1/15/2019
20251	SB1186-Certification & Training Fund	9/19/2018
20252	Strong Motion Instrumentation Program	9/19/2018
20537	Landscape & Landscape Maintenance District No 89-1-C, Zone 197	7/2/2018
20538	Landscape & Landscape Maintenance District No 89-1-C, Zone 198	7/2/2018
20539	Landscape & Landscape Maintenance District No 89-1-C, Zone 199	7/2/2018
20540	Landscape & Landscape Maintenance District No 89-1-C, Zone 200	7/2/2018
20541	Landscape & Landscape Maintenance District No 89-1-C, Street Lighting Zone 121	2/21/2019
20542	Landscape & Landscape Maintenance District No 89-1-C, Street Lighting Zone 123	2/21/2019
20543	Landscape & Landscape Maintenance District No 89-1-C, Street Lighting Zone 124	2/21/2019
20544	Landscape & Landscape Maintenance District No 89-1-C, Zone 202	2/21/2019
20680	Community Facilities District 18-1M Tramonte TR36475	2/20/2019
20690	Community Facilities District 18-2M Golden Sunset TR31632-1	2/20/2019
21240	Robert Wood Johnson Foundation	9/26/2018
22890	Cannabis Regulation Task Force Seized Assets	3/7/2019
40233	Landfill Expansion Projects	5/14/2019
40234	Essential Landfill Equipment	5/14/2019
51695	Rancho Water District	12/19/2018
52565	2017 B&C IFA Investment Trust Fund	9/26/2018

Attachment B
Funds Closed in Fiscal Year 2018/2019

Fund	Fund Name	Effective Date
20400	Miscellaneous Assessment Districts	3/13/2019
22301	Mojave Desert AB 2766	12/5/2018
23450	County Service Area #041b	2/6/2019
31560	County Service Area #152 Zone A	2/28/2019
33160	Santa Ana River Parkway Prado Dam Trail	9/17/2018
51470	Van Horn Regional Treatment Center	8/7/2018
65045	Parimutual Revenues	3/25/2019

Attachment C

County Funds with Negative Cash Balance as of June 30, 2019

FUND NUMBER	FUND NAME	BALANCE AS OF JUNE 30, 2019	EXPLANATION
40090	Riverside University Health System-Federal Qualified Health Center-Health Care Clinics	(24,210,948)	The purpose of this fund is to capture the activities of regulated federal and qualified health centers under the Riverside University Health System umbrella. With the opening of new clinics and the purchasing of equipment, the clinics have experienced a structural deficit. The management team has been very proactive in finding solutions and managing their revenue sources in order to resolve these deficiencies.
55010	Corona School B Warrants	(2,165,766)	The fund is used as a clearing account for vendor payments for the Corona School District. The fund balance fluctuates throughout the year due to the posting of payments and reimbursements to the fund.
21450	Office On Aging	(1,933,474)	This fund incurs costs for federal and state funded programs, however, reimbursement is typically in arrears. The turnaround time for receiving reimbursements from the state is at least 90 days.
30100	Capital Construction Land & Building Acquisition	(1,445,081)	The purpose of this fund is to capture activities related to capital construction projects, land, and building acquisitions processed by the Economic Development Agency. Funds are typically reimbursed in arrears, which causes a timing issue of when disbursements are made and when reimbursements are received. Due to the timing of funding/reimbursement, this fund will typically be negative.
40054	Riverside County Regional Medical Center-Huron Consulting payments	(1,338,099)	This fund has a negative balance due to the purchase of equipment and construction costs for the Medical Office Building. This fund is used to capture all Medical Office Building activities and will not be made whole until the construction is finalized. The Medical Office Building is expected to open and operational in March 2020.
30105	Van Horn Youth Treatment/Education Center	(945,263)	The purpose of this fund is to capture the activities related to Senate Bill 81 which provides funds for local youth offender rehabilitative facilities. Funds are reimbursed in arrears, which causes a timing issue of when disbursements are made and reimbursements are received. The department is expecting to receive state grant revenue by October 2019.
21841	CA Prop 56 Local Oral Health	(591,631)	The purpose of this fund is to capture public health expenses qualifying under the California Proposition 56 Local Oral Health plan. Costs are incurred and reimbursement is received in arrears. The fund will be positive once the funds are received from the State. The remaining negative cash balance are 4th Quarter expenses which have not been invoiced.
65031	Payroll Reconciliation Clearing	(325,779)	The fund is a clearing fund for payroll. The negative cash balance is due to transfers and adjustments between other payroll funds.
21790	Ambulatory Care Electronic Practice Management/Electronic Health Records Project	(284,262)	The purpose of this fund is to capture the activities related to the implementation of the patient management and electronic medical records system. Upon completion of this project charges related to the system should be billed to the Federal Qualified Health Center clinics. Department is currently working on preparing a journal entry to reimburse the fund.
65615	Tax Collections Non-Sufficient Funds	(270,646)	The purpose of this fund is to capture non-sufficient funds chargeback. Due to the nature of the credit liabilities the cash balance will always reflect as a negative balance
11011	Auditor-Forged Warrants	(187,954)	The purpose of this fund is to capture activities related to the replacement of forged warrants. Forged warrants are warrants presented and cashed by someone other than the payee. The County becomes aware of forged warrants when the original payee submits a claim to the Auditor Controller's Office. The Auditor Controller's Office then submits the claim to the bank to recover funds, however there is a timing difference between the reissuance and the refunds from the bank.
65311	Refunds On Property Tax	(130,966)	This fund is a clearing fund for Property Tax, and established to capture receipts and distributions of tax refunds on secure and unsecured properties. The negative fund balance is due to system mapping and will be corrected in October 2019.

65140	OASDI County	(27,616)	The purpose of this fund is to capture the activities related to payroll social security payments. The negative cash balance as of June 30, 2019 was due to pending payroll tax refunds from the Internal Revenue Services. The fund had a positive balance as of August 2019.
11186	County Oversight Board Reimbursement Fund	(14,686)	The purpose of the fund is to capture the activities related to managing the County Oversight Board. The negative balance is due to timing of redevelopment apportionment, however, reimbursement is typically in arrears.
66160	Redevelopment Asset Proceeds Desert Hot Springs	(6,226)	The purpose of the fund is to capture activities related to asset sales for redevelopment agency. The fund incurred negative interest due to posting error and will be corrected in October 2019.
65265	Abstract Of Judgment	(3,403)	The purpose of this fund is to capture the activities related to employees' garnishment payments and deposits. The negative cash balance is due to an overpayment to California Department of Child Support Services. The refund is expected by October 2019.
65190	State Withholding Tax County	(2,372)	The purpose of this fund is to capture the activities related to payroll state tax withholding payments. The negative cash balance is due to prior year 2017 and 2018 adjustments which need to be submitted to Employment Development Department. Adjustments are expected to be completed by December 2019.
69000	County A Warrant Clearing	(1,560)	This fund is a clearing fund. The negative balance is a result of a posting error and was corrected in September 2019.
55105	Moreno Valley Payroll Clearing	(818)	The fund is a payroll clearing account for the Moreno Valley School District. The negative balance is due to timing issue and had a positive cash balance in August 2019.
11179	Restricted for Fed Adj Asset Forfeiture	(734)	The purpose of the fund is to capture activities related to the asset forfeiture proceeds program. The negative balance is a result of a posting error and will be corrected in December 2019.
20463	Landscape & Landscape Maintenance District No 89-1-C Zone 110	(391)	The purpose of this fund is to capture activities related to the landscape maintenance costs of 89-1-C Zone 110. The negative cash is due to incurring expenses prior to receiving tax distribution. The negative cash will be cleared in November 2019.
Grand Total of Negative Cash Balances		<u><u>(33,887,675)</u></u>	

Note: Negative cash balances for the above funds are obtained from the "Pool Detail Report Negative Cash Only" for Fiscal Year 2019 Accounting Period 12 Monthly.