

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



**ITEM: 2.3**  
(ID # 17387)

**MEETING DATE:**  
Tuesday, October 19, 2021

**FROM :** AUDITOR CONTROLLER:

**SUBJECT:** AUDITOR-CONTROLLER: Fiscal Year 2020-2021 Auditor-Controller Reports of Funds Established, Funds Close and Funds with Negative Cash Balances as of June 30, 2021. All Districts. [ \$0 ]

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

1. Funds Established in Fiscal Year 2020-2021
2. Funds Closed in Fiscal Year 2020-2021
3. Funds with Negative Cash Balances as of June 30, 2021

**ACTION:Consent**

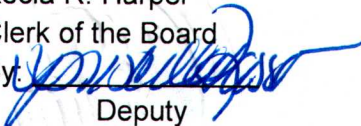
  
Tanya Harris, Assistant Auditor Controller 10/6/2021

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: October 19, 2021  
xc: Auditor

Kecia R. Harper  
Clerk of the Board  
By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> N/A			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	21/22

**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 23 new funds that were established during the fiscal year.

Attachment "B" represents 27 funds that were closed during the fiscal year, to comply with GASB 84 implementation.

Attachment "C" reports the funds that had negative cash balances as of June 30<sup>th</sup>, 2021 including custodian's explanations for their cash deficit.

**ATTACHMENT A. Funds Established in Fiscal Year 2020/2021**

**ATTACHMENT B. Funds Closed in Fiscal Year 2020/2021**

**ATTACHMENT C. County Funds with Negative Cash Balance as of June 30, 2021**



Stephanie Perez, Principal Management Analyst 10/12/2021

**Attachment A**  
**Funds Established in Fiscal Year 2020/2021**

<b>Fund</b>	<b>Fund Name</b>	<b>Effective Date</b>
25810	Riverside County Children and Families Commission Local Government	7/14/2020
65314	Winchester Hills Sports Park	7/24/2020
	Housing, Homelessness Prevention, and Workforce Solutions Coronavirus Aid Relief Economic	
21330	Security Act Funding	8/25/2020
65917	Cannabis Enforced Health and Safety Code 11485 Adjudicated	9/3/2020
65457	RCA-Unfunded Accrued Liability Other Postemployment Benefits Retirement Benefit Plan	12/21/2020
20730	Community Facility District 20-1M Springbrook TR30908-9	2/17/2021
51176	Elsinore Valley Cemetery Pre-Need	2/26/2021
21735	American Rescue Plan Act Coronavirus Relief	3/30/2021
20549	Landscape & Lighting Maintenance District No 89-1-C, Zone 206	3/31/2021
20550	Landscape & Lighting Maintenance District No 89-1-C, Zone 207	3/31/2021
20551	Landscape & Lighting Maintenance District No 89-1-C, Zone 211	3/31/2021
20552	Landscape & Lighting Maintenance District No 89-1-C, Street Lighting Zone 132	3/31/2021
20553	Landscape & Lighting Maintenance District No 89-1-C, Street Lighting Zone 133	3/31/2021
20554	Landscape & Lighting Maintenance District No 89-1-C, Street Lighting Zone 134	3/31/2021
20555	Landscape & Lighting Maintenance District No 89-1-C, Street Lighting Zone 135	3/31/2021
20556	Landscape & Lighting Maintenance District No 89-1-C, Street Lighting Zone 136	3/31/2021
20557	Landscape & Lighting Maintenance District No 89-1-C, Street Lighting Zone 137	3/31/2021
20558	Landscape & Lighting Maintenance District No 89-1-C, Street Lighting Zone 138	3/31/2021
20559	Landscape & Lighting Maintenance District No 89-1-C, Street Lighting Zone 139	3/31/2021
20560	Landscape & Lighting Maintenance District No 89-1-C, Street Lighting Zone 141	3/31/2021
20561	Landscape & Lighting Maintenance District No 89-1-C, Zone 215	4/15/2021
20562	Landscape & Lighting Maintenance District No 89-1-C, Zone 216	4/15/2021
52017	Adobe Springs Property Analysis Record Endowment	5/5/2021



**Attachment B**

**Funds Closed in Fiscal Year 2020/2021**

Fund Name	Effective Date
65825 Long Term Disability Insurance	7/2/2020
60025 Department Public Social Services-County Childrens Trust	7/8/2020
11029 Family Support Division Tax Intercept Refunds	12/1/2020
11009 Assembly Bill 818 Property Tax Administration Program	12/9/2020
65755 Inmate Welfare Fund	2/3/2021
11031 Incentives	3/29/2021
20204 Geographic Information System Function Cost	3/29/2021
22100 Aviation	4/19/2021
11088 Public Safety Intern Academy	5/20/2021
11097 State Domestic Preparedness Equipment Program	5/20/2021
11117 Justice Assistance Grant-2005 Department of Justice-Bureau-0176	5/20/2021
11120 Justice Assistance Grant-2006 Department of Justice-Bureau-0076	5/20/2021
11135 Assembly Bill 158 Pechanga	5/20/2021
11136 Assembly Bill 158 Morongo	5/20/2021
11137 Assembly Bill 158 Cabazon	5/20/2021
11138 Assembly Bill 158 Augustine	5/20/2021
11139 Assembly Bill 158 Aqua Caliente	5/20/2021
11140 Assembly Bill 158 Twenty-Nine Palms	5/20/2021
11155 Justice Assistance Grant 2010-Department of Justice-Bureau-0339	5/20/2021
11165 Justice Assistance Grant 2011-Department of Justice-Bureau-2330	5/20/2021
11166 Assembly Bill 158 Soboba FY10/11	5/20/2021
11169 Justice Assistance Grant 2013-Department of Justice-Bureau-0324	5/20/2021
25806 Child Signature Program	5/20/2021
25807 Cares Plus	5/20/2021
25808 State	5/20/2021
25809 Federal	5/20/2021
51080 Coachella Valley Regional Airport Authority	6/16/2021

## Attachment C

## County Funds with Negative Cash Balance as of June 30, 2021



FUND NUMBER	FUND NAME	BALANCE AS OF JUNE 30, 2021	EXPLANATION
55010	Corona School B Warrants	(5,649,913)	This fund is used as one of two clearing accounts for vendor payments for the Corona-Norco Unified School District. The fund balance fluctuates throughout the year due to the timing of payments, reimbursements to the fund, and transfers from other clearing accounts. The negative balance is also due to a mis posting to this fund which is being researched and corrected.
21450	Office On Aging	(4,019,090)	The majority of Office on Aging revenue is from the Federal and State governments, and it is paid on a reimbursement basis in arrears. Office on Aging is working with their partners to see if other methods of payment can be used, including advances during the fiscal year. This will serve to minimize or eliminate negative cash by June 30th in future years.
40090	Riverside University Health System-Federal Qualified Health Center-Health Care Clinics	(2,922,661)	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 exploring and managing their revenue sources in order to resolve these deficiencies. Lasts years negative cash balance was \$36M and this year there was a positive infusion of gap of only cash leaving \$2.9M.
11158	Workers Compensation Insurance Fraud	(974,772)	The purpose of this fund is to prosecute and eliminate organized automobile insurance fraud activity in Riverside County. The negative cash balance is due to a timing difference as the related expenditures for salaries and benefits were incur, but did not receive reimbursement from the State until fiscal year 2022.
30105	Van Horn Youth Treatment/Education Center	(964,146)	The purpose of this fund is to capture capital project activities. The negative cash is due to prior year adjustment processed in error. The department will create a correction in fiscal year 2022.
47000	Temporary Assignment Program	(952,924)	The purpose of the fund is to record activities of the county's temporary assignment program. The negative cash is due to an accounting adjustment which provided a refund to county department, the adjustment was a result of the State Controller's and Auditor Controllers on ending fund balance and allowable retention for working capital.
65295	Prior Unsecured	(859,666)	The purpose of this fund is to capture the activities related to unsecured property tax payments. The negative cash balance is due to payments made to taxpayers as a result of corrections to their tax bills. The fund had a positive balance as of fiscal year 2022.
21841	California Proposition 56 Local Oral Health	(737,734)	The purpose of this fund is to capture public health expenses qualifying under the California Proposition 56 Local Oral Health plan. The negative balance is due to timing, costs are incurred and reimbursement is received in arrears. The fund will be positive once the funds are received from the State.
11118	Department of Insurance - Auto Insurance Fraud	(433,434)	The purpose of the fund is to account for insurance fraud in Riverside County. The negative cash balance is due to a timing difference as the related expenditures for salaries and benefits were incur, but did not receive reimbursement from the State until fiscal year 2022.
65085	Deferred Compensation Contribution-Nationwide	(333,865)	This fund is a clearing fund for payroll. The negative balance was due to the timing of adjustments of payroll contributions not yet posted. The fund has a positive balance as of fiscal year 2022.
65031	Payroll Recon Clearing	(325,779)	This fund is a clearing fund for payroll. The negative cash balance is due to transfers and adjustments between other payroll funds. The fund is comprised of multiple adjustments from different funds and departments for multiple years. The negative balance is due to the timing of adjustments.
65268	Post Employment Health Savings	(270,809)	This fund is a clearing fund for payroll. The negative balance is due to the timing of adjustments regarding payroll contributions not yet posted. The fund has a positive balance as of fiscal year 2022.
22200	National Date Festival	(194,381)	This fund is an operational fund for the fairgrounds. The fund incurred a negative balance as a result of revenue loss both in fiscal year 2020 and fiscal year 2021 due to the COVID-19 pandemic. The fund expected a higher reimbursement from the state for revenue losses, but only received \$30,650. Also, the fund expected direct COVID-19 clinic expenses of \$37,833 which did not materialize. It will be necessary for the fairground to resume interim events and rentals to recover cash flow and offset the negative cash in fiscal year 2022.

Note: Negative cash balances for the above funds are obtained from the "Pool Detail Report Negative Cash Only" for Fiscal Year 2021 Accounting Period 12 Monthly.

	Grand Total of Negative Cash Balances	(19,615,425)
11011 Auditor-Forged Warrants	181,464	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.
11156 Auto Insurance Fraud - Urban	151,706	The purpose of the fund is to prosecute and eliminate organized automobile insurance fraud in Riverside County. The negative cash balance is due to a timing difference as the related expenditures for salaries and benefits were incurred, but did not receive reimbursement from the State until fiscal year 2022.
45310 Internal Service Funds- Fleet Services Vehicle Holdings	146,732	The purpose of the fund is to handle non-operating expenses related to vehicle purchases. The negative cash balance is due to timing and will be positive in fiscal year 2022 for the upcoming reconciliation.
50000 401(a) Defined Benefit Plan	133,140	The purpose of this fund is to collect and transmit payroll costs related to the 401(a) program. During fiscal year 2021 HR Administrative overhead charges were posted to this fund in June 2021 and caused a negative cash balance. The correction will be completed in fiscal year 2022.
65100 Federal Withholding Tax County	77,608	The purpose of this fund is to capture the activities related to the payroll federal withholding tax payments. The negative cash balance as of June 30, 2021 was due to pending payments to the Internal Revenue Service due on July 2021 for pay period 13.
11197 Tax Collection Non-Sufficient Funds	65,291	The fund is designated as a non-sufficient fund chargeback. Due to the nature of the fund, the cash balance will always reflect as a negative. Outstanding liabilities are either recovered from taxpayers or bank collections.
51000 Salton Sea Authority-Payroll	57,190	The fund has a negative cash balance due to the timing of the deposit for check number 1232, which was issued by the Salton Sea Authority on June 21, 2021. The check was received and deposited by the Auditor-Controller to the account on July 1, 2021. The fund had a positive balance as of fiscal year 2022.
22250 California Identification	51,594	The purpose of this fund is to collect fingerprint program fees. In fiscal year 2020 the Board of Supervisors increased the vehicle license fee funding, which granted additional funding for the fund. However, due to the COVID-19 pandemic, the Department of Motor Vehicles delayed CAL-ID's approved VLF increase, therefore causing the fund to incur a negative balance.
65140 OASDI County	41,755	The purpose of this fund is to capture the activities related to the payroll social security payments. The negative cash balance was due to pending payroll tax refunds from the Internal Revenue Services. The fund had a positive balance as of fiscal year 2022.
65190 State Withholding Tax County	26,728	The purpose of this fund is to capture the activities related to the payroll state tax withholding payments. The negative cash balance was due to pending payments to the Employment Development Department due on July 1, 2021 for pay period 13.
11157 Life & Annuity Consumer Protection Program	21,567	The purpose of the fund is to investigate and prosecute life insurance and annuity fraud. The negative cash balance is due to a timing difference as the related expenditures for salaries and benefits were incurred, but did not receive reimbursement from the State until fiscal year 2022.
65090 Deferred Compensation Contribution-Vallic	8,329	This fund is a clearing fund for payroll. The negative balance is due to the timing of adjustments regarding payroll contributions not yet posted. The fund has a positive balance as of fiscal year 2022 once payroll posted.
65130 Medicare Tax County	5,244	The purpose of this fund is to capture the activities related to the payroll Medicare payments. The negative cash balance is due to the timing of the Medicare withholdings. The fund had a positive balance as of fiscal year 2022.
30104 Indo Jail Expansion - AB900	3,681	This fund is a grant fund and the negative balance is due to the pending release of AB900 grant funding. These funds are expected to be received in fiscal year 2022.
65265 Abstract Of Judgment	2,192	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 the California Department of Child Support Services. The refund is expected by October 2021.
65185 State Unemployment Insurance	2,030	This fund is a clearing fund for payroll. The negative balance is due to the timing of adjustments regarding payroll contributions not yet posted. The fund has a positive balance as of fiscal year 2022.