

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



ITEM: 3.16  
(ID # 26104)

MEETING DATE:  
Tuesday, October 01, 2024

FROM : AUDITOR CONTROLLER

SUBJECT: AUDITOR CONTROLLER: FY 2023/24 Year-end Cleanup Budget Adjustments, All Districts. [\$6,920,712 Total Cost - 1% General Fund and 99% Other Operating Funds] (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and direct the Auditor-Controller to make the FY 2023/24 year-end cleanup adjustments as recommended in Attachment A.
2. Approve and direct the Auditor-Controller to designate FY 2023/24 fund balance for encumbrances and increase FY 2024/25 appropriations as recommended in Attachment B.

ACTION:4/5 Vote Required, Policy

*Ben J. Benoit*

Ben J. Benoit, COUNTY AUDITOR-CONTROLLER 9/25/2024

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MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: October 1, 2024  
xc: Auditor Controller

Kimberly A. Rector  
Clerk of the Board  
By: *Kimberly A. Rector*  
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
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<b>FINANCIAL DATA</b>	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
<b>COST</b>	\$6,920,712	\$0	\$6,920,712	\$0
<b>NET COUNTY COST</b>	\$11,293	\$0	\$11,293	\$0
<b>SOURCE OF FUNDS:</b> 1% General Fund and 99% Other Operating Funds			<b>Budget Adjustment: Yes</b>	
			<b>For Fiscal Year: 23/24</b>	

**C.E.O. RECOMMENDATION:** Approve.

**BACKGROUND:**

**Summary**

During the year-end, Board of Supervisor's (Board) approval is required when budgeted appropriations are not sufficient to cover total expenses incurred by the county departments. For FY 2023/24, several budget units require budget adjustments.

The Executive Office works with the departments in addressing these budgetary adjustments when administratively feasible early in the fiscal year. However, the unresolved year-end adjustments are submitted by the departments for Board approval in order to ensure a balanced budget within the budgetary unit before the fiscal year is closed.

The adjustments being made in this report is to post the depreciation of assets which will require use of unrestricted net assets. **These budgetary adjustments and the recommended actions are included in Attachment A.**

Additionally, the year-end process involves numerous commitments related to unfulfilled contracts for goods or services, referred to as Encumbrances. To use budgeted appropriation from the fiscal year in which the commitment was established, Board of Supervisors approval is needed to designate the fund balance at year-end and increase the appropriation in the new fiscal year. **These budgetary adjustments and the recommended actions are included in Attachment B.**

**Conclusion**

The Executive Office will continue to work with departments to identify budgetary issues and remediate them in the timeliest way to assure adequate appropriations are in place in order to close the FY 2023/24 successfully.

**Impact on Residents and Businesses**

There is no impact on Citizens and Businesses. The items provided are for informational purposes only.

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ATTACHMENT A

FY2023/24 YEAR-END CLEANUP BUDGET ADJUSTMENTS

YEAR-END CLEANUP ADJUSTMENTS

INTERNAL SERVICES

**Facilities Management**

The Facilities Management Department needs a budget adjustment increasing appropriations in the Internal Service FM-Real Estate fund. The adjustment is necessary to post depreciation and amortization costs. The increase will be offset by the use of unrestricted net assets.

**Recommendation 1:** That the Board of Supervisors approve and direct the Auditor Controller to make budget adjustments increasing appropriations for the FM-Real Estate Fund by \$6,902,579.

**Increase Appropriations:**

47220-7200400000-535505	Maint-Building and Improvement	\$575,294
47220-7200400000-535561	Depreciation-Computer & Office	\$6,527
47220-7200400000-535590	Depreciation-Leases & SBITA	\$3,020,821
47220-7200400000-533750	Lease & SBITA Interest Pmt	<u>\$3,299,937</u>
	<b>Total</b>	<b>\$6,902,579</b>

**Anticipated Use of Unrestricted Net Assets:**

47220-7200400000-380100	Unrestricted net assets	\$6,902,579
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**Purchasing Department**

The Purchasing Department needs a budget adjustment increasing appropriations in the internal service Surplus Services Fund. The adjustment is necessary to post depreciation cost. The increase will be offset by the use of unrestricted net assets.

**Recommendation 2:** That the Board of Supervisors approve and direct the Auditor Controller to make budget adjustments increasing appropriations for the Surplus Services Fund by \$6,840.

**Increase Appropriations:**

45700-7300400000-535540	Depreciation-Building	\$5,300
45700-7300400000-535565	Depreciation-Shop Yard Equip	<u>\$1,540</u>
	<b>Total</b>	<b>\$6,840</b>

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**Anticipated Use of Unrestricted Net Assets:**

45700-7300400000-380100	Unrestricted net assets	\$6,840
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**Human Resources Department**

The Human Resources Department needs a budget adjustment moving appropriations within the internal service Delta PPO Fund. The adjustment is necessary to post Accounts Payable accruals. The increase will be offset by the use of unrestricted fund balance. This adjustment was requested and approved on September 17, 2024, on item 3.6, however, due to a typographical error, the budgetary department ID was incorrect. This adjustment is to correct that typographical error.

**Recommendation 3:** That the Board of Supervisors approve and direct the Auditor Controller to make budget adjustments moving appropriations within the Delta PPO Fund by \$50,000.

**Decrease Appropriations:**

45860-1130900000-525440	Professional Services	\$50,000
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**Anticipated Increase in Unrestricted Net Assets:**

45860-1130900000-380100	Unrestricted net assets	\$50,000
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**Increase Appropriations:**

45860-1130600000-525440	Professional Services	\$50,000
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**Anticipated Use of Unrestricted Net Assets:**

45860-1130600000-380100	Unrestricted net assets	\$50,000
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Dolores Reyna, Principal Management Analyst 9/25/2024

**ATTACHMENT B**

**FY 2023/24 Designation of Fund Balances for Encumbrances and Increase of FY 2024/25 Appropriations**

Fund	Dept ID	Department Name	Services and Supplies	Other Charges	Capital Assets	Other Financing Uses	Total Appropriations
10000	2501100000	Public Administrator	11,293	-	-	-	11,293