RESOLUTION - ACTION REQUESTED 2016-284

MEETING: June 14, 2016

TO: The Board of Supervisors

FROM: Tony Stobbe, Public Works Director

RE: General Fund Reimbursement to Roads

RECOMMENDATION AND JUSTIFICATION:
Approve Budget Action Reducing General Fund Contingency and Increasing Revenue and Appropriations in the Road Fund for Un-Reimbursed Outstanding Balances for Non-Road Work ($16,742).

On April 16, 2016, the County received the final report from the California State Controller regarding an audit of the County Road Fund for the period of July 1, 2007, to June 30, 2013. This audit concluded that the County accounted for and expended its Road Fund money in compliance with the California Constitution, Streets and Highways Code, and accounting standards, except for adjustments totaling $16,742. Of that amount $1,632 of new findings for expenditures in Fiscal Year 2011 and Fiscal Year 2012 were identified that should have been reimbursed from the General Fund, and $15,110 in findings initially reported in a December 31, 2008 audit that should have been reimbursed from the General Fund had not yet been corrected.

The only other finding of the audit dealt with the subject of designations for equipment replacement within the heavy equipment replacement fund. Staff is in the process of creating a designation that will satisfy this requirement.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The County typically complies with the recommendations of the State Controller.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not approve the budget action. Not making the recommended payment to Roads could potentially result in withholding of State funds due to non-compliance with audit findings.

FINANCIAL IMPACT:
Transfer of $16,742 from General Fund Contingency to Road Fund.

ATTACHMENTS:
Roads Reimbursement Budget Action (PDF)
Road Fund Audit Report April 2016 (PDF)
CAO RECOMMENDATION
Requested Action Recommended

COMMENTS
General Contingency Has a Current Balance of $544,930.

Mary Hodson, CAO 6/6/2016

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVED: Kevin Cann, District IV Supervisor
SECONDER: Marshall Long, District III Supervisor
AYES: Rosemarie Smallcombe, Marshall Long, Kevin Cann, John Carrier
EXCUSED: Merlin Jones
# Budget Action Form

<table>
<thead>
<tr>
<th>FUND</th>
<th>DEPT/DIV</th>
<th>ACCOUNT</th>
<th>DESCRIPTION</th>
<th>PROJECT</th>
<th>INCREASE</th>
<th>DECREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>001</td>
<td>0104-414</td>
<td>1090</td>
<td>General Contingency</td>
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<td></td>
<td>$16,742</td>
</tr>
<tr>
<td>001</td>
<td>0161-427</td>
<td>792</td>
<td>Transfer out to 300-0301-309-1643</td>
<td></td>
<td></td>
<td>$16,742</td>
</tr>
<tr>
<td>300</td>
<td>0301-309</td>
<td>1643</td>
<td>Transfer In - One Time From GF</td>
<td></td>
<td></td>
<td>($16,742)</td>
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<tr>
<td>300</td>
<td>0301-581</td>
<td>0204</td>
<td>Standby</td>
<td></td>
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<td>$1,000</td>
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<tr>
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<td>0304</td>
<td>Accrued Benefits</td>
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<td>0301-581</td>
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<td>Maintenance of Building/Structure</td>
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<td>0301-581</td>
<td>0490</td>
<td>Training &amp; Seminars</td>
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<td>$4,000</td>
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**TOTAL** $16,742 $16,742

### Transfer Between Funds

<table>
<thead>
<tr>
<th>FUND</th>
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<th>ACCOUNT</th>
<th>DESCRIPTION</th>
<th>PROJECT</th>
<th>INCREASE</th>
<th>DECREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>001</td>
<td>161-427</td>
<td>792</td>
<td>Transfer out to 300-031-309-1643</td>
<td></td>
<td></td>
<td>$16,742</td>
</tr>
<tr>
<td>300</td>
<td>0301-309</td>
<td>1643</td>
<td>Transfer In - One Time From GF</td>
<td></td>
<td></td>
<td>$16,742</td>
</tr>
</tbody>
</table>

**TOTALS** $16,742 $16,742

**Action Requested:** (Check all that apply)

( X ) Budget appropriation by Board of Supervisors (4/5ths Vote Required): Amending the total amount available in the county budget, or in any one fund of the budget, or appropriating Reserve for Contingencies;

( ) Transfer by Board of Supervisors (3/5ths Vote Required): Moving existing appropriations from one budget to another, or between categories within a budget unit;

**Justification:** Payment to Roads from General Fund based on State Audit findings.

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**Department Signature:** [Signature]

**Date:** 06-14-16

**Approved by Res No.: 16-284**

**Date:** 06-14-16

**Auditor's Use Only**

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Budget Revision Form Revised 11/95