

**EL DORADO COUNTY BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL
Meeting of May 24, 2011**

AGENDA TITLE: Cash Position and Cash Flows

DEPARTMENT: Auditor Controller

DEPT SIGNOFF:

CAO USE ONLY:

CONTACT: Joe Harn

DATE: 5/24/2011

PHONE: 5476

DEPARTMENT SUMMARY AND REQUESTED BOARD ACTION:

Auditor Controller recommends the Board of Supervisors receive and file the attached report regarding County Cash Position and Cash Flows

CAO RECOMMENDATIONS:

Financial impact? Yes No

Funding Source: Gen Fund Other

BUDGET SUMMARY:

Other:

CAO Office Use Only:

Total Est. Cost _____

4/5's Vote Required Yes No

Funding

Change in Policy Yes No

Budgeted _____

New Personnel Yes No

New Funding _____

Savings _____

Other _____

Total Funding _____

Change in Net County Cost _____

CONCURRENCES:

Risk Management

County Counsel

Other

***Explain**

BOARD ACTIONS:

Vote: Unanimous _____ Or

Ayes:

Noes:

Abstentions:

Absent:

I hereby certify that this is a true and correct copy of an action taken and entered into the minutes of the Board of Supervisors

Date: _____

SUZANNE

Attest: ALLEN DE _____, Board of Supervisors Clerk

SANCHEZ

By: _____



County of El Dorado

OFFICE OF AUDITOR-CONTROLLER

360 FAIR LANE
PLACERVILLE, CALIFORNIA 95667-4193
Phone: (530) 621-5487 Fax: (530) 295-2535

JOE HARN, CPA
Auditor-Controller

BOB TOSCANO
Assistant Auditor-Controller

May 18, 2011

**Board of Supervisors
County of El Dorado
330 Fair Lane
Placerville, California 95667**

SUBJECT: Cash Position and Cash Flows

Dear Board Members:

The purpose of this letter is to give your Board an overview of the County's cash balances and discuss a number of issues related to cash flows.

Secured property taxes are the County's biggest source of discretionary revenue. Although the bulk of County spending is for personnel which has a relatively smooth affect on cash flows, the bulk of our revenue is received on December 10th and April 10th. Accordingly, our general fund cash balance decreases steadily from July 1st through December 10th each year. Exhibit 1 reflects our cash position at November 30, 2010, 2009, and 2008. Exhibit 1 indicates that on November 30, 2010, the General Fund needed to rely on significant internal borrowing.

Exhibit 2 reflects our cash balances at April 30, 2011, 2010, and 2009. It indicates that although the General Fund's cash balance declined by approximately \$2,000,000 over the past year, overall our cash resources have increased slightly. Exhibit 2 also indicates that the County has enough cash in its special revenue funds and internal service funds to provide working capital to the general fund and certain special revenue funds during the year ending June 30, 2011, if your Board adopts a balanced cash basis Budget. Accordingly, it appears that we may rely on internal borrowing during the coming fiscal year and do not need to issue a TRAN.

Exhibit 3 reflects the cash balances for the County's Fund Type 11 and County Wide special revenue funds as of April 30, 2011, 2010, and 2009. It indicates that the Erosion Control, Community Services, Public Health, and Mental Health special revenue funds needed significant internal borrowing at April 30, 2011 in order to pay their bills. It is expected that a significant cash transfer from the Mental Health Services Act Fund to the Mental Health special revenue fund will take place prior to closing of the books at fiscal year end, however, my office has received nothing to support such a cash transfer as of today.

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Exhibit 4 indicates the special revenue funds that currently have a negative cash balances. The \$3,319,000 made to the Mental Health special revenue fund at June 30, 2008, remains outstanding.

In conclusion, (1) the County has adequate cash balances in various funds so that we may rely upon internal borrowing to finance our operations during the remainder of fiscal 2010-2011, (2) the County's overall cash resources remained about the same over the past year, and (3) if your Board adopts a balanced budget on the cash basis the County has adequate cash resources to rely upon internal borrowing to finance operations during fiscal year 2011-2012.

If you have any questions, feel free to call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Harn". The signature is written in a cursive, flowing style.

Joe Harn
Auditor-Controller

Enc: Attachments

cc: Terry Daly, CAO
C.L. Raffety, Treasurer-Tax Collector

EXHIBIT 1

EL DORADO COUNTY
Cash Held by County Treasurer

FUND TYPE	NAME	November 30, 2010	November 30, 2009	November 30, 2008
		POOLED CASH	POOLED CASH	POOLED CASH
10	GENERAL FUND	\$ (19,608,945)	\$ (21,537,046)	\$ (14,907,716)
11	SPEC REV FUND	13,871,955	8,236,893	13,597,443
12	SPEC REV: BOS GOV DIST	30,799,308	28,349,998	25,377,827
13	CAPITAL PROJECTS	4,881,950	4,351,673	4,432,041
14	CAPITAL PROJECTS - BOND AUTHORITY	-	-	-
15	DEBT SVC FUND	1,785,549	1,955,889	2,338,290
20	CNTYWIDE SPEC REV	94,701,727	80,327,303	99,096,503
31	ENTERPRISE FUND	99,495	361,326	538,801
32	INTERNAL SVC FUND: RISK Mgmt	42,649,328	44,923,668	39,088,796
32	INTERNAL SVC FUND: Fleet Mgmt	3,206,048	2,162,941	2,167,333
40	COUNTY ENDOWMENT FUNDS	3,676,974	3,665,879	3,614,074
41	AGENCY FUNDS: COUNTY TRUST FUNDS	52,022,632	49,239,804	38,473,267
		<u>\$ 228,086,022</u>	<u>\$ 202,038,328</u>	<u>\$ 213,816,660</u>

EXTERNAL FUNDS: NOT UNDER BOS CONTROL
Cash Held by County Treasurer

42	CEMETERY ENDOWMENT FUNDS	\$ 38,534	\$ 33,814	\$ 27,852
44	SPECIAL DISTRICTS	55,371,121	60,247,451	58,679,189
49	SCHOOLS	108,322,218	90,286,287	79,855,503
		<u>163,731,874</u>	<u>150,567,551</u>	<u>138,562,544</u>
	Total County Treasury	<u>\$ 391,817,896</u>	<u>\$ 352,605,879</u>	<u>\$ 352,379,203</u>

**EL DORADO COUNTY
Cash Held by County Treasurer**

FUND TYPE	NAME	April 30, 2011	April 30, 2010	April 30, 2009
		POOLED CASH	POOLED CASH	POOLED CASH
10	GENERAL FUND	\$ 16,084,854	\$ 18,337,339	\$ 21,386,997
11	SPEC REV FUND	29,902,014	13,330,838	10,847,658
12	SPEC REV: BOS GOV DIST	37,312,855	34,615,636	32,282,824
13	CAPITAL PROJECTS	5,708,607	4,987,315	4,676,081
15	DEBT SVC FUND	1,787,688	1,922,859	1,893,878
20	CNTYWIDE SPEC REV	101,161,617	89,531,254	93,665,740
31	ENTERPRISE FUND	39,820	178,441	277,488
32	INTERNAL SVC FUND: RISK Mgmt	41,231,782	45,530,792	44,824,742
32	INTERNAL SVC FUND: Fleet Mgmt	3,590,871	1,785,683	2,953,739
40	COUNTY ENDOWMENT FUNDS	3,114,904	3,669,637	3,651,578
41	AGENCY FUNDS: COUNTY TRUST FUNDS	15,363,306	20,777,687	18,088,127
		<u>\$ 255,298,318</u>	<u>\$ 234,667,480</u>	<u>\$ 234,548,851</u>

**EXTERNAL FUNDS: NOT UNDER BOS CONTROL
Cash Held by County Treasurer**

42	CEMETERY ENDOWMENT FUNDS	\$ 39,584	\$ 35,845	\$ 29,293
44	SPECIAL DISTRICTS	85,723,731	85,868,150	86,778,283
49	SCHOOLS	164,321,189	137,630,308	148,933,220
		<u>\$ 250,084,504</u>	<u>\$ 223,534,303</u>	<u>\$ 235,740,797</u>
	Total County Treasury	<u>\$ 505,382,822</u>	<u>\$ 458,201,783</u>	<u>\$ 470,289,648</u>

EL DORADO COUNTY
FUND TYPE 11 and FUND TYPE 20
SPECIAL REVENUE FUND
Cash Held by County Treasurer

FUND	NAME	April 30,2011	April 30,2010	April 30,2009
		POOLED CASH	POOLED CASH	POOLED CASH
101	DEPT OF TRANS: EROSION CONTROL	\$ (282,229)	\$ (1,288,533)	\$ 545,037
103	DEPT OF TRANS: ROAD FUND	14,716,809	1,698,897	6,268,665
104	DEPT OF TRANS: COUNTY ROAD DISTRICT	4,526,773	2,651,664	2,491,993
105	SPECIAL AVIATION: GENERAL SERVICES	40,012	256	20,226
106	FISH AND GAME PRESERVATION	12,141	17,426	17,131
107-001	COMMUNITY SRV - GRANT PROGRAMS	(243,696)	(44,024)	53,718
107-008	COMMUNITY SRV - FOOD KITCHEN	(165)	(99)	-
107-014	COMMUNITY SRV - 1ST TIME HOME BUYER	(409,754)	(231,802)	-
107-019	COMMUNITY SRV - WIA PROGRAM	(190,269)	(217,613)	(245,756)
107-100	COMMUNITY SRV - AREA AGENCY AGING	(326,330)	257,517	(289,300)
107	COMMUNITY SERVICES - ALL OTHERS	1,187,940	933,036	661,733
109-001	HEALTH - PUBLIC HEALTH	(1,726,072)	(985,116)	(2,773,466)
109-002	HEALTH - ALCOHOL DRUG	(65,032)	(225,309)	(664,466)
109-005	HEALTH - TOBACCO SETTLEMENT IN KIND	(35,646)	(35,431)	(13,459)
109-014	HEALTH - BICYCLE HELMIT FINES	(326)	4,049	4,024
109	HEALTH - ALL OTHERS	3,628,932	4,441,497	4,576,414
110-001	MENTAL HEALTH:	(1,123,814)	(521,777)	(4,591,276)
110-003	MENTAL HEALTH: MENTAL HLTH SVCS ACT	8,780,070	5,943,570	3,104,763
113	SOCIAL SERVICES	151,734	300,242	479,049
114	PLANNING: EIR DEVELOPMENT COSTS	25,399	25,327	25,237
115	TOBACCO SETTLEMENT	13,884	13,844	13,795
116	FEDERAL FOREST RESERVE	96,513	183,757	439,716
117	COMMUNITY ENHANCEMENT	198,076	316,380	482,240
118	JAIL COMMISSARY	810,872	(48,679)	82,422
119	PLACERVILLE UNION CEMETERY	116,194	141,761	159,221
	TOTAL FUND TYPE 11	\$ 29,902,014	\$ 13,330,838	\$ 10,847,658
FUND TYPE 20				
20-502	SPECIAL REVENUE - CAO	\$ 12,196,945	\$ 10,775,837	\$ 9,162,504
20-503	SPECIAL REVENUE - Auditor	164,253	169,884	1,131,285
20-504	SPECIAL REVENUE - Treasurer	25,126	25,153	24,980
20-505	SPECIAL REVENUE - Assesor	175,099	160,370	148,352
20-514	SPECIAL REVENUE - General Services	590,540	681,231	885,363
20-522	SPECIAL REVENUE - DA	872,523	763,105	1,168,200
20-524	SPECIAL REVENUE - Sheriff	1,588,450	1,030,909	949,826
20-525	SPECIAL REVENUE - Probation	494,683	883,485	936,390
20-526	SPECIAL REVENUE - Agriculture	43,636	43,513	43,358
20-527	SPECIAL REVENUE - Building	449,563	300,483	507,863
20-528	SPECIAL REVENUE - Recorder	1,531,933	1,162,952	1,596,474
20-529	SPECIAL REVENUE - Planning	1,545,396	1,435,445	1,421,074
20-530	SPECIAL REVENUE - DOT	9,634,778	7,896,029	4,049,886
20-530	SPECIAL REVENUE - DOT Silva Valley	21,886,108	20,837,524	20,140,035
20-530	SPECIAL REVENUE - DOT TIM	27,666,137	38,111,964	40,846,606
20-540	SPECIAL REVENUE - Animal Control	231,912	89,276	82,041
20-542	SPECIAL REVENUE - Env. Mngmnt	9,455	9,428	9,394
20-542-306	SPECIAL REVENUE - Meyers Landfill	(1,285,717)	-	-
20-551	SPECIAL REVENUE - Veterans	103,787	99,833	95,323
20-553	SPECIAL REVENUE - Human Services	17,694,156	138,356	155,989
20-560	SPECIAL REVENUE - Library	40,487	33,156	36,113
20-561	SPECIAL REVENUE - UCCE	1,242	1,238	1,234
20-571	SPECIAL REVENUE - Fish and Game	14,455	5,582	3,396
20-576	SPECIAL REVENUE - Realignment	3,473,977	2,947,077	8,101,065
20-578	SPECIAL REVENUE - SLESF	313,178	227,636	514,300
20-579	SPECIAL REVENUE - Child Support	1,699,514	1,701,788	1,654,686
	TOTAL FUND TYPE 20	\$ 101,161,617	\$ 89,531,254	\$ 93,665,740

Exhibit 4

Negative Cash Balances at 05/18/2011

Erosion Control

11-101-001	(206,230.40)
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Community Services

11-107-001	(103,189.70)
11-107-008	(165.23)
11-107-014	(409,868.95)
11-107-019	(121,126.00)
11-107-100	(350,867.25)

Public Health

11-109-001	(1,932,819.14)
11-109-002	(141,976.62)
11-109-005	(35,645.92)
11-109-014	(325.54)

Mental Health

11-110-001	(974,991.17)
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Meyers Landfill Site

20-542-306	(1,737,309.63)
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Airports

31-414-101	(32,137.43)
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TOTAL	(6,046,652.98)
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