



Board Agenda Item 29

DATE: March 6, 2018
TO: Board of Supervisors
SUBMITTED BY: Jean Rousseau, County Administrative Officer
SUBJECT: Budget Resolution to Fund Reimbursement of Prior Year Recorder Fee Revenue

RECOMMENDED ACTION(S):

- 1. Adopt Budget Resolution increasing FY 2017-18 appropriations for Interest and Miscellaneous Expenditures Org 2540 in the amount of \$977,007 and decreasing Unassigned Fund Balance by \$977,007 to allow for the reimbursement of prior year Recorder fee revenue from the General Fund to the Assessor-Recorder Special Revenue Fund 0035 Org 1048 (4/5 vote); and**
- 2. Adopt Budget Resolution increasing FY 2017-18 estimated revenues for Assessor-Recorder Special Revenue Fund 0035 Base Recorder Fees Org 1048 (4/5 vote).**

This recommended action will increase appropriations to allow for the reimbursement of prior year Recorder fee revenues from the General Fund to the Recorder Special Revenue Fund. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the County may be out of compliance with Government Code §27361(a).

FISCAL IMPACT:

There is an additional \$977,007 of Net County Cost associated with the recommended action. The additional Net County Cost will be funded from Unassigned Fund Balance that the Board has reserved in Fiscal Year (FY) 2017-18 for future Capital Projects. The Board initially reserved this \$8,000,000 for future Capital Projects that have yet to be identified, or committed, to a specific project. As such, these funds are classified as Unassigned for financial reporting purposes, in compliance with Governmental Accounting Standards Board (GASB) statement 54.

DISCUSSION:

Government Code §27361(a) restricts the use of Recorder recording fee revenue collected under that section to “reimburse the county for costs of services rendered pursuant to this subdivision”, meaning this revenue may only be used to cover the costs of the recording process. In years past, these restricted funds were transferred from the Assessor-Recorder Special Revenue Fund to the County General Fund when they should have remained with the Assessor-Recorder. To rectify this situation, from fiscal year 2013 forward, these restricted funds, in the amount of \$977,007, should be reimbursed to the Assessor-Recorder Special Revenue Fund from the County General Fund in order to comply with Government Code §27361.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Budget Resolution Org 2540

On file with Clerk - Budget Resolution Org 1048

CAO ANALYST:

Juan Lopez