

Analysis of Potential Fiduciary Activities

Common activities that may be impacted by GASB 84. This document is subject to change as additional information becomes known or additional activities are identified.

Activity	Description / Key Components	Appropriate area(s) to record activity	Questions /Comments
Trust funds / trust agreements	Legal arrangements that govern the use of funds held for the benefit of others.	Trust fund	Trust must meet the requirements of GASB 84 paragraph 11c(1).
Payroll clearinghouse accounts	Clearinghouse accounts used to accumulate and pay payroll withholdings, which includes payroll garnishments and collection and disbursement of retiree health insurance premiums (if no OPEB trust has been established).	Activity of a county - not custodial funds	Implementation Guide 2019-2, Q & A 4.15
Group insurance (employers share)	Amounts paid by county for health and other insurance.	Fund of county (non-fiduciary)	
VEBA accounts ¹	VEBA accounts are trust or trust-like agreements under IRS code 501(c)(9). Pending the outcome of GASB exposure draft the trust accounts would not be reported as a fiduciary activities. Payments from governmental and business-type activities would be treated as an outflow of resources.	Outflow of resources for employee benefits from governmental and business-type activities/funds	Pending outcome of exposure draft of new accounting statement, <i>Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans</i>
Flexible benefits accounts	Clearing accounts used to accumulate and pay flexible benefits	Activity of a county - not custodial funds. GASB 21 Escheat Property can be a factor on the ending balance	Implementation Guide 2019-2, Q & A 4.15
Fiscal host - unrelated entity	Entity is fiscal host for entities that are not component units, joint ventures, or related organizations	Custodial account	Implementation Guide 2019-2, Q & A 4.29
Joint powers agreements (no equity interest)	County is fiscal host for and a participant in a joint powers arrangement.	Custodial (see fiscal host)	Implementation Guide 2019-2, Q & A 4.29
Joint powers agreements (when fiscal host has equity interest)	County has an equity interest in the resources of the joint powers arrangement.	Account for county's equity interest in governmental or proprietary fund. Other members' shares in custodial fund unless trust agreement.	
Jail canteen	The funds held for the benefit of inmates is the property of the inmates, while fees charged by the county are own source revenue to the county.	Inmate funds are recorded in a custodial account, fees charged are revenue of a governmental or business-type activity.	Implementation Guide 2019-2, Q & A 4.14, and 4.24
Taxes and penalties collected for other governments	Dollars collected for the County are included in the funds of the County	Funds for other governments included in a custodial accounts	
Retainage	Amounts held by County until work is completed satisfactorily.	Fund of a County - not custodial funds	Implementation Guide 2019-2, Q & A 4.11, 4.13
Missing heirs ²	Escheats to the County after 21 years. Make an analysis of whether heirs are going to be found. If it is to be claimed, then should be a liability.	Fund of a County (recommended) or private purpose trust fund.	Implementation Guide 2019-2, Q & A 5.2

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Cemetery funds	The activity is administered through a cemetery care trust in which the assets are (a) dedicated to providing cemetery plot maintenance to individuals who have paid the fees for such maintenance, in accordance with the benefit terms, and (b) legally protected from the creditors of the government. The board of the not-for-profit association establishes how the resources can be spent.	Private purpose trust unless no trust agreement, then custodial fund.	Implementation Guide 2019-2, Q & A 4.10
Writs of execution / civil process collected by sheriff for others	Funds collected for others that are controlled by the County (such as deposited in a bank account under the County's name), and does not determine the use of the assets other than to provide them as court or other party has directed.	Custodial account, unless trust agreement	
Social welfare (Also know as representative payee accounts.)	Trust-like agreements subject to the requirements of the Social Security Administration.	Private purpose trust	
Local collaborative	LCTS, federal revenue, or other grant funds received from MN Department of Human Services are required to be reported as own source revenue of counties due to the administrative involvement required by counties. Other activity, specifically the payment of vendors, may be treated as more of a fiscal agent-like responsibility and then fiscal agent-like reporting would be required.	LCTS, federal revenue, or other grant funds received from DHS are recorded in a governmental or business-type activity. Payments of grant funds may be made directly to the local collaboratives or to a custodial account, as applicable. Any other activity of a collaborative (handled by the county) is recorded in a custodial account.	Implementation Guide 2019-2, Q & A 4.29; GASB 84 paragraph 11b(2)
Park dedication fees	Own source revenue - fee	Governmental Fund - restricted fund balance	
License fees owed to the state	Funds collected for others	Custodial account	
Other fees collected for the state	By statute, counties collect many items on behalf of the state such as recorders fees, child support payments, medical assistance recoveries.	Custodial account	
Environmental cleanup security deposit	Amounts on deposit in case project is not cleaned up when completed. Own source revenues.	Governmental Fund - and related liability	Implementation Guide 2019-2, Q & A 4.11
Seized property / Forfeitures	Monetary forfeitures in control of the the County.	Prior to forfeiture - custodial, post forfeiture in a fund of the county	
MN PACE loans through Port Authority where County is collecting the special assessments	special assessments levied to repay the loan	Custodial Fund	GASB 6, paragraph 19
Septic Loans	Own source revenue - special assessments	fund of the county (not custodial)	GASB 33, paragraph 7b
Pass-through grants	Grants received by the County, but passed on to other entities.	Governmental or proprietary fund, assuming some level of administrative or direct financial involvement.	

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Timber revenue collections	The share of timber revenue collections that belong to the county, and the share that is owed to other governments	The County share is own-source revenue which should be recorded in a fund of the county (non-fiduciary). The amount owed to other governments should be included as a custodial account.	
Forfeiture land funds	The share of forfeiture collections that belong to the county, and the share that is owed to other governments	The County share is own-source revenue which should be recorded in a fund of the county (non-fiduciary). The amount owed to other governments should be included as a custodial account.	
Contract for deed	The receivable share of forfeiture collections that belong to the county, and the share that is owed to other governments	The County share should be recorded in a fund of the county (non-fiduciary) and offset by unavailable revenue for any amount not meeting the availability criteria. The amount owed to other governments when received, would be recorded in a custodial account as a receivable.	
Gravel pits	Amounts to be used for reclamation after gravel pit closure	Governmental Fund	
Estate recoveries	The share of collections that belong to the county, and the share that is owed to other governments for recoveries of human services funds from estates of recipients.	The County share of the receivable and collections should be recorded in a fund of the county (non-fiduciary) and offset by unavailable revenue for any amount not meeting the availability criteria. The amount owed to other governments would be recorded in a custodial account as a receivable and addition.	
Canceled Check / unclaimed property	Unclaimed properties, including uncashed or canceled checks.	Fund of county (non-fiduciary) Liability of the County. Transferred to state after 3 years.	
Recorder's Security Deposit Account	Advanced fee deposit accounts for recording documents.	Fund of county (non-fiduciary) Liability of the County.	
County Recorder Fees	Recorder fees collected pursuant to Minn. Stat. §357.18 and §357.182	County share - (non-fiduciary) State share - custodial account	
Sheriff - items collected by the sheriff and remitted to the county	Own source revenues Minn. Stat. §357.09	Fund of county (non-fiduciary)	
Payroll costs and reimbursements for court employees who elected to stay on county plans	MN Statute 480.181 requires county to pay amounts and receive reimbursement from the state quarterly.	Clearing account of county (non-fiduciary)	Implementation Guide 2019-2, Q & A 4.15

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Law library	Not a legally separate entity (MN Statute 134.05 requires property to be in the county's name) therefore not a component unit, however benefit/burden relationship exists, county own-source revenue. Part of the financial reporting entity because it is county owned assets.	Fund of county (non-fiduciary)	

1. If the plan meets the requirements to be a opeb plan defined contribution componet unit it would be included as a opeb trust fund. This is expected to be rare situations. (GASB 84, paragraph 6)

2. Escheat revenue should be recorded as fund liability to the extent that it is probable that escheat property will be reclaimed and paid to claimants. For any amounts that may not be expected to be paid to claimants, a liability would not be recorded, and nonspendable fund balance would be included if the asset is recorded in a governmental fund. (GASB 21 and GASB 54)