

FRC TIMELINE

EDD State Income Tax (SIT) and Unemployment (UI) payments not made

March 2022	Q1 2022 UI tax payment of \$14,548.47 that was due by 4/30/22 was not made.
April 2022	On April 25 we emailed the County to alert them that the payment had not yet been made.
May 2022	The payment was made on May 6, 2022. Penalties and interest assessed at this time were \$2,182.27 in penalties and \$21.29 in interest.
July 2022	COVID credit from EDD of \$966.45 was applied to our outstanding penalties.
December 2022	Q4 2022 UI tax payment of \$15,618.17 that was due by 1/31/23 was not made.
May 2023	Asked for update on Q1 2022 outstanding penalties being paid and Q4 2022 not being paid. After some research, found the County paid Q4 2022 to the wrong quarter. Called EDD and they were able to apply the payment to the correct quarter.
June 2023	Q2 2023 UI tax payment of \$14,354.94 that was due 7/31/23 was not made.
July 2023	Month-end July 2023 SIT payment of \$21,281.46 that was due 7/31/23 was not made. Our account was charged \$3,192.22 in penalties and \$197.29 in interest.
August 2023	County made UI payment on 8/2/23 for Q2 2023 for \$14,354.94. No payments on penalties.
December 2023	Asked County to pay Q1 2022 and Q3 2023 penalties and interest. On 12/21/23 the County paid \$3,389.51 towards the balance due.
August 2024	A statement from the EDD indicates that penalties and interest currently total \$1,271.68. Q2 2024 has outstanding payments, penalties, and interest totaling \$2,766.82.
September 2024	Asked County for update of payment on penalties and interest on our account.

Total Penalties and Interest paid from 7/1/23 - 9/11/24

\$	42,770.40	Penalties and Interest paid to IRS
\$	6,779.02	Penalties and Interest paid to EDD
\$	2,860.91	Outstanding Penalties and Interest
\$	1,495.59	Credits forfeited by FRC
\$	53,905.92	Grand total

2023-2024 Interest Income due to FRC on Investments

July 8, 2024	Emailed County to get ETA of 4th quarter interest. Was told it the admin fee needed to be calculated and staff would start on it and it would likely be 2 weeks.
July 23, 2024	Asked for an update and was told the County was gathering the information for the calculation.
August 7, 2024	Asked for an update and was told the Treasurer had started calculating the Admin Fee that week.
August 26, 2024	Asked for an update and was told on 8/28/24 that the admin fee needed to be finished and then all interest would be apportioned. The Treasurer was hoping it would be done by the end of the week.
September 3, 2024	Asked for an update and was told the Treasurer was aware of my need for the interest calculation and is continuing to work on the figures. I was told I would be the first to know when it is posted.
September 16, 2024	As of today we still don't have 4th quarter interest. This is a continued problem, we didn't receive any interest for 22/23 until Oct 2023.

IRS Penalties and Interest on Federal Income Tax payments not made

July 2023	In July 2023, FRC experienced technical difficulties and did not meet the County's deadline for payroll. We worked with the County, they accepted our checks and payments, and told us they were completed.
April 2024	We were notified by the IRS that the County failed to pay the payroll taxes associated with our July 2023 month end payroll and that those taxes, along with penalties and interest, were due.
April 2024	The County paid the delinquent taxes. They also paid, out of their own funds, \$8,266.78 in interest/penalties. Included on the IRS notice was over \$33,000 in penalties that we needed an explanation for before asking the County to pay (and absorb).
July 2024	After much effort in trying to contact and communicate with the IRS, we learned that the \$33,000 was a "federal tax deposit penalty" which was separate from the other penalties assessed on our account. I requested that the County make that payment.
August 2024	We received another notice that the penalties had not yet been paid and asked that the County make the payment.
September 2024	As of 9/10/24, the \$33,000 had not been paid and had accrued interest and now totaled more than \$35,000.
September 2024	On 9/11/24, the County paid \$34,503.62 in outstanding penalties leaving FRC to forfeit a \$529.14 credit applied to the outstanding penalties. The Auditor would like to discuss the credit at a later time.