

Auditor-Controller

RECOMMENDED BUDGET • FY 2017 - 18

MISSION

The Auditor-Controller is an elected official who serves as the County's chief accounting and disbursing officer. Responsibilities of the Auditor-Controller include: pre-audits and payment of claims made by the County for goods and services; property control for County government fixed assets; accounting for and issuance of payroll to County employees; maintenance of revenue and expenditure accounts for all units of County government and special districts; financial control over fund balances and property tax collections; development and implementation of accounting systems; technical assistance in budget preparation; preparation of the A-87 Cost Allocation Plan and other special budgetary information; preparation of claims for State-mandated costs (SB90); assistance in development of long-range financial planning.

DEPARTMENT BUDGET SUMMARY

	15-16 Actuals	16/17 Budget	17/18 Dept Requested	17/18 CAO Recommend	Change from Budget to Recommend	% Change
Charges for Service	\$ 438,701	\$ 522,198	\$ 375,100	\$ 375,100	\$ (147,098)	-28%
Misc.	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other	\$ 47,051	\$ 85,150	\$ 212,520	\$ 212,520	\$ 127,370	150%
Total Revenue	\$ 485,752	\$ 607,348	\$ 587,620	\$ 587,620	\$ (19,728)	-3%
Salaries & Benefits	\$ 3,102,482	\$ 3,320,187	\$ 3,447,916	\$ 3,447,916	\$ 127,729	4%
Services & Supplies	\$ 72,160	\$ 101,567	\$ 79,737	\$ 79,737	\$ (21,830)	-21%
Other Charges	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Fixed Assets		\$ 6,800	\$ -	\$ -	\$ (6,800)	0%
Intrafund Transfers	\$ 20,714	\$ 11,122	\$ 10,462	\$ 10,462	\$ (660)	-6%
Intrafund Abatements	\$ (47,418)	\$ (40,000)	\$ (40,750)	\$ (40,750)	\$ (750)	2%
Total Appropriations	\$ 3,147,938	\$ 3,399,676	\$ 3,497,365	\$ 3,497,365	\$ 97,689	3%
Net County Cost	\$ 2,662,186	\$ 2,792,328	\$ 2,909,745	\$ 2,909,745	\$ 117,417	4%
FTEs	26.0	26.0	26.0	26.0	0.0	0%

MAJOR BUDGET CHANGES

Revenue

Charges for Services

(\$48,000) Decrease in accounting services revenue, reflecting one-time revenues of \$60,450 related to refinancing and the new issue of Mello Roos bonds in FY 2016-17.

(\$105,598) Decrease in Interfund Revenue due primarily to the shift in recording reimbursement for staff time spent on FENIX from Interfund Revenue to Operating Transfers.

Charges for Services

\$127,370 Reimbursement for staff time spent on the FENIX (\$117,000) project is now being recorded as a transfer in from the ACO fund. Funding to reimburse the Department for staff time spent on implementation of the new property tax administration system (\$38,000) will also be transferred in from the ACO fund.

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Appropriations

Salaries and Benefits

\$127,729 Increase due primarily to increases in PERS costs, health rates, and the addition of 0.4 FTE Accountant I/II in January 2017 to work on the FENIX project.

Services and Supplies

(\$23,000) Decrease in the Department's general liability cost applied charge.

PROGRAM SUMMARIES

Administration

This Division trains and organizes workgroups to perform basic accounting and governmental record keeping tasks; coordinates bookkeeping activities of and provides general supervision over the accounts of all organizations under the fiscal control of the County Board of Supervisors. This Division prescribes accounting forms and methods of keeping the County's accounts and is responsible for the preparation and publication of the annual final budget schedules for the County.

Property Tax

This Division calculates over 150,000 property tax liabilities, including changes/refunds, based upon assessed value totaling over \$300 million. The Division places more than 670,000 line items of direct charges totaling over \$31 million on the secured tax bills by working with 60 different taxing agencies with 250 different types of direct charges. The Division calculates and distributes property tax revenues to over 80 local taxing agencies. The Division files various state required reports and continually implements new legislation related to property taxes, redevelopment agencies, Educational Revenue Augmentation Fund (ERAF), Vehicle License Fee (VLF) Swap, etc.

Financial Reporting

This Division provides financial reporting, accounting, and auditing support services to County operating departments and independent special districts. The Auditor-Controller's staff acts as fiscal liaison between the County, state, and federal funding agencies, and assists departmental managers in the design and implementation of accounting and bookkeeping procedures. This Division provides professional review of financial and other cost reports for departments prior to their submission to the State. Staff performs analytical review of cost applied rates such as the fleet rates and worker's compensation rates. Staff prepares the annual A87 Cost Plan and the annual draft financial statements for the county's external auditors. The County's fixed asset accounting is managed by this Division as well as the accounting and distribution of the State Transportation Development Act (TDA) funds to the various claimants. Staff within this Division is responsible for the daily management of Positive Pay with the County's bank to provide validation of daily checks issued. This Division prepares the State's required annual financial reports on behalf of 35 independent special districts as well as all of the Board governed districts.

Payroll

Payroll accounting prepares biweekly payroll instruments and “wage/tax reports” for the County and 21 affiliated local governmental agencies; processes ”gross to net” deductions for health insurance and other benefits, association dues, credit union banking, retirement and legal attachments (garnishments); and administers deferred compensation program for over 1,000 county employees.

Accounting

This Division reviews and processes accounts payable disbursement items, including employee travel reimbursements, contract payments and payments for product purchases; maintains ledger accounts and processes transactions for 40 Special Districts having independent governing boards; provides computerized financial reporting for budget item detail and account summary information to all departments and agencies, using the County Treasury as their cash depository. This Division reviews and processes the daily deposits for all county departments, schools and other agencies. The County’s purchase card program (PCard) is managed by the staff within this Division. This includes the issuance of purchase cards (392 cards), continuous modification of commodity types and dollar thresholds for cardholders, review of over 14,500 purchase card transactions that amount to over \$8.5 million in charges, reconciliation and distribution of biweekly purchase card statements and the posting of the purchase card charges to the department budgets. This Division is responsible for the records management of the Department. Annually, it scans and catalogs in excess of 100,000 document types containing more than 300,000 individual transactions with more than 500,000 pages of supporting documentation. This Division administers five Mello Roos districts providing all accounting services, annual reports, calculating the annual special tax levy, debt service management, and administration of all delinquencies. Staff administers funding for the Missouri Flat MC&FP development through an analysis of the quarterly sales tax reports from BOE to determine the amounts generated from new businesses that must be transferred to the restricted fund for this project.

BUDGET SUMMARY BY PROGRAM

	Appropriations	Revenues	Net County Cost	Staffing
Administration	\$ 454,450	\$ 2,000	\$ 452,450	2.25
Property Tax	\$ 516,336	\$ 356,220	\$ 160,116	3.95
Financial Reporting	\$ 744,231	\$ 10,000	\$ 734,231	4.8
Payroll	\$ 413,043	\$ 33,800	\$ 379,243	3
Accounting	\$ 1,369,305	\$ 185,600	\$ 1,183,705	12
Total	\$ 3,497,365	\$ 587,620	\$ 2,909,745	26

BEST PRACTICES & SERVICE LEVEL INDICATORS

In accordance with the Strategic Plan, the following best practices and service indicators will be implemented and measured throughout FY 2017-18. Results will be included in the following budget, and each year thereafter, to measure progress and levels of service.

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Service Indicators

Operational Metrics

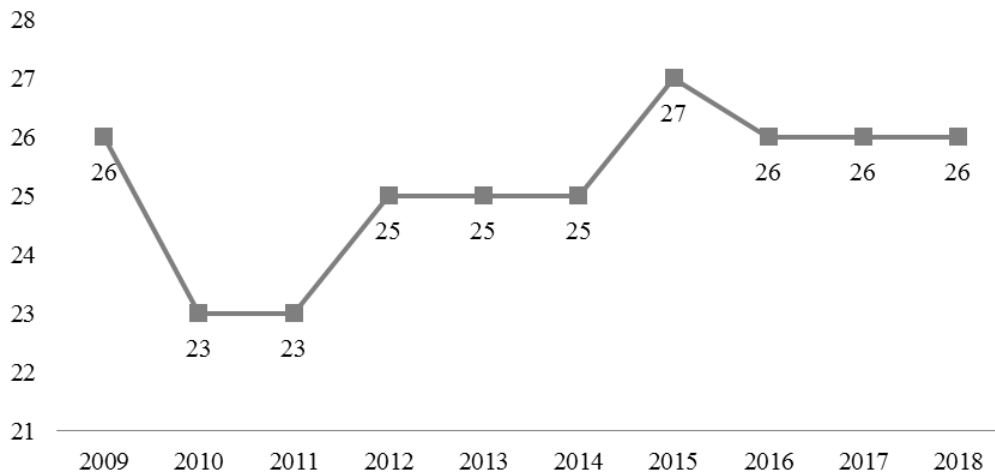
- 1) Percentage of all invoices submitted from departments and accepted by the Auditor's office. (Quarterly)

Service Delivery Metrics

- 1) Percentage of all invoices paid within 30 days of receipt by the County. (Quarterly)
- 2) Percentage of all Budget Transfers posted within 1 week of final approval by the Chief Administrative Office or Board of Supervisors. (Quarterly)

STAFFING TREND

Staffing for the Auditor-Controller's Office declined during the economic recession to a low of 23 FTEs. Since the recovery, the Department's staffing allocation has remained flat. The recommended staff allocation for FY 2017-18 is 26 FTE.



RECOMMENDED BUDGET

The Recommended Budget represents an overall decrease of \$19,728 (3%) in revenues and an increase of \$97,689 (3%) in appropriations when compared to the FY 2016-17 Adopted Budget. As a result, the Net County Cost has increased by \$117,417 (4%) to \$2,909,745. The increase in NCC can be mostly attributed to increases in Salaries and Benefits, due to the addition of 0.4 FTE Accountant in January 2017, for the FENIX project, and increases in CalPERS retirement and health insurance costs.

CAO Adjustments

There are no CAO adjustments recommended for FY 2017-18.

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Sources & Uses of Funds

The Auditor-Controller is primarily funded with General Fund discretionary revenues, but receives some revenue for accounting services provided to departments and special districts. The Department also receives a share of the fees charged for the separate assessment of timeshares and a share of the 5% administration fee for the supplemental property tax roll.

Expenditures are primarily related to staffing and costs associated with running the office.

FINANCIAL INFORMATION BY FUND TYPE

FUND TYPE: 10 GENERAL FUND
DEPARTMENT: 03 AUDITOR / CONTROLLER

		MID-YEAR PROJECTION	CURRENT YR APPROVED BUDGET	DEPARTMENT REQUEST	CAO RECOMMENDED BUDGET	DIFFERENCE CURR YR CAO RECMD
TYPE: R REVENUE						
SUBOBJ	SUBOBJ TITLE					
1300	ASSESSMENT & TAX COLLECTION FEES	269,918	264,500	271,000	271,000	6,500
1320	AUDIT & ACCOUNTING FEES	156,966	151,500	103,500	103,500	-48,000
1800	INTERFND REV: SERVICE BETWEEN FUND	95,308	106,198	600	600	-105,598
CLASS: 13	REV: CHARGE FOR SERVICES	522,192	522,198	375,100	375,100	-147,098
2020	OPERATING TRANSFERS IN	83,836	85,150	212,520	212,520	127,370
CLASS: 20	REV: OTHER FINANCING SOURCES	83,836	85,150	212,520	212,520	127,370
TYPE: R SUBTOTAL		606,028	607,348	587,620	587,620	-19,728

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FUND TYPE: 10 GENERAL FUND
DEPARTMENT: 03 AUDITOR / CONTROLLER

	MID-YEAR PROJECTION	CURRENT YR APPROVED BUDGET	DEPARTMENT REQUEST	CAO RECOMMENDED BUDGET	DIFFERENCE CURR YR CAO RECMD
TYPE: E EXPENDITURE					
SUBOBJ SUBOBJ TITLE					
3000 PERMANENT EMPLOYEES / ELECTED	2,121,110	2,214,273	2,256,595	2,256,595	42,322
3001 TEMPORARY EMPLOYEES	44,255	63,000	48,000	48,000	-15,000
3002 OVERTIME	32,086	54,975	50,867	50,867	-4,108
3004 OTHER COMPENSATION	78,250	61,268	74,942	74,942	13,674
3020 RETIREMENT EMPLOYER SHARE	459,214	492,384	511,808	511,808	19,424
3022 MEDI CARE EMPLOYER SHARE	32,547	31,678	32,292	32,292	614
3040 HEALTH INSURANCE EMPLOYER	288,045	258,031	316,621	316,621	58,590
3042 LONG TERM DISABILITY EMPLOYER	5,464	5,464	5,535	5,535	71
3043 DEFERRED COMPENSATION EMPLOYER	26,959	27,737	30,362	30,362	2,625
3046 RETIREE HEALTH: DEFINED	25,884	25,884	29,318	29,318	3,434
3060 WORKERS' COMPENSATION EMPLOYER	25,493	25,493	25,576	25,576	83
3080 FLEXIBLE BENEFITS	32,186	60,000	66,000	66,000	6,000
CLASS: 30 SALARY & EMPLOYEE BENEFITS	3,171,493	3,320,187	3,447,916	3,447,916	127,729
4041 COUNTY PASS THRU TELEPHONE CHARGES	583	651	336	336	-315
4080 HOUSEHOLD EXPENSE	100	100	100	100	0
4100 INSURANCE: PREMIUM	36,980	36,980	14,039	14,039	-22,941
4220 MEMBERSHIPS	1,802	1,155	1,160	1,160	5
4221 MEMBERSHIPS: LEGISLATIVE ADVOCACY	495	675	495	495	-180
4260 OFFICE EXPENSE	15,056	17,341	17,867	17,867	526
4261 POSTAGE	16,243	16,200	16,200	16,200	0
4266 PRINTING / DUPLICATING SERVICES	4,142	1,335	1,860	1,860	525
4300 PROFESSIONAL & SPECIALIZED SERVICES	14,025	16,825	16,450	16,450	-375
4400 PUBLICATION & LEGAL NOTICES	90	120	120	120	0
4420 RENT & LEASE: EQUIPMENT	3,583	3,660	3,660	3,660	0
4460 EQUIP: SMALL TOOLS & INSTRUMENTS	66	0	0	0	0
4461 EQUIP: MINOR	853	0	0	0	0
4462 EQUIP: COMPUTER	0	800	520	520	-280
4500 SPECIAL DEPT EXPENSE	100	1,000	850	850	-150
4503 STAFF DEVELOPMENT	2,359	2,475	3,250	3,250	775
4540 STAFF DEVELOPMENT (NOT 1099)	109	0	0	0	0
4600 TRANSPORTATION & TRAVEL	1,376	775	780	780	5
4602 MILEAGE: EMPLOYEE PRIVATE AUTO	1,047	475	475	475	0
4605 RENT & LEASE: VEHICLE	196	165	495	495	330
4606 FUEL PURCHASES	150	160	200	200	40
4608 HOTEL ACCOMMODATIONS	600	675	880	880	205
CLASS: 40 SERVICE & SUPPLIES	99,955	101,567	79,737	79,737	-21,830
6040 FIXED ASSET: EQUIPMENT	5,496	6,800	0	0	-6,800
CLASS: 60 FIXED ASSETS	5,496	6,800	0	0	-6,800
7223 INTRAFND: MAIL SERVICE	9,705	9,705	9,237	9,237	-468
7224 INTRAFND: STORES SUPPORT	117	117	209	209	92
7231 INTRAFND: IS PROGRAMMING SUPPORT	1,300	1,300	1,016	1,016	-284
CLASS: 72 INTRAFUND TRANSFERS	11,122	11,122	10,462	10,462	-660
7350 INTRFND ABATEMENTS: GF ONLY	-38,300	-40,000	-40,750	-40,750	-750
CLASS: 73 INTRAFUND ABATEMENT	-38,300	-40,000	-40,750	-40,750	-750
TYPE: E SUBTOTAL	3,249,766	3,399,676	3,497,365	3,497,365	97,689
FUND TYPE: 10 SUBTOTAL	2,643,738	2,792,328	2,909,745	2,909,745	117,417
DEPARTMENT: 03 SUBTOTAL	2,643,738	2,792,328	2,909,745	2,909,745	117,417

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PERSONNEL ALLOCATION

Classification Title	2016-17 Adjusted Allocation	2016-17 Dept Request	2017-18 CAO Recm'd	Diff from Adjusted
Auditor-Controller	1.00	1.00	1.00	-
Accountant/Auditor	1.00	1.00	1.00	-
Accountant I/II	2.00	2.00	2.00	-
Accounting Division Manager	3.00	3.00	3.00	-
Accounting Systems Administrator	1.00	1.00	1.00	-
Administrative Technician	2.00	2.00	2.00	-
Chief Assistant Auditor-Controller	1.00	1.00	1.00	-
Department Analyst I/II	4.00	4.00	4.00	-
Fiscal Assistant I/II	1.00	1.00	1.00	-
Fiscal Technician	5.00	5.00	5.00	-
Internal Auditor	1.00	1.00	1.00	-
Principal Financial Analyst	1.00	1.00	1.00	-
Sr. Department Analyst	2.00	2.00	2.00	-
Sr. Fiscal Assistant	1.00	1.00	1.00	-
Department Total	26.00	26.00	26.00	-

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ORGANIZATIONAL CHART

