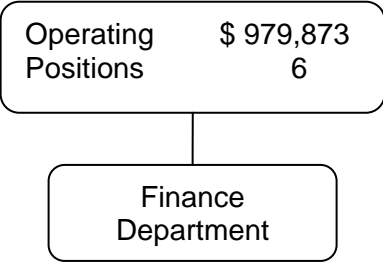
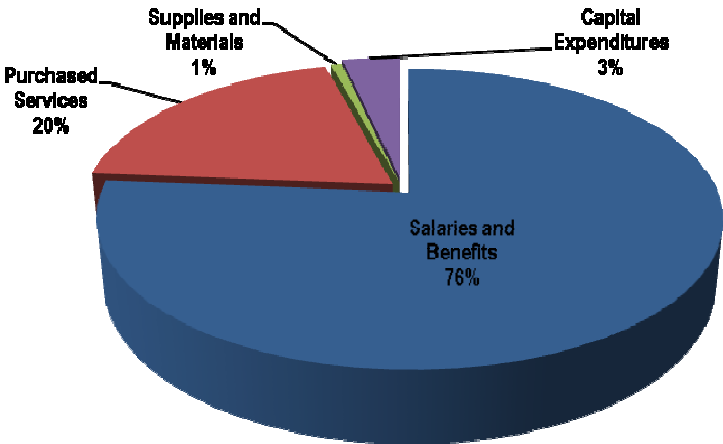


# FINANCE DEPARTMENT

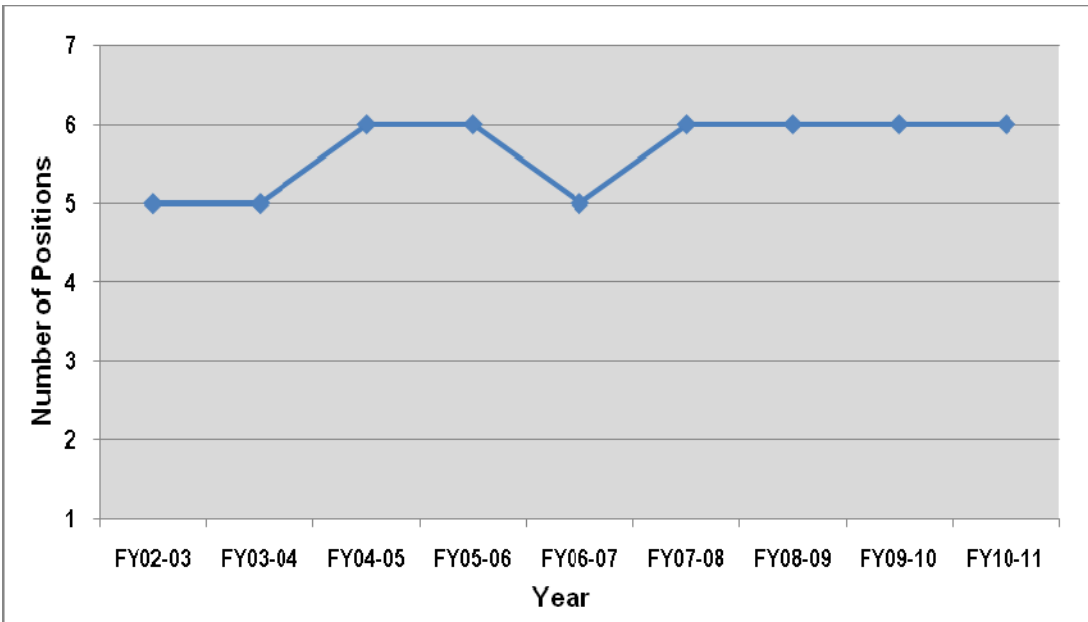
FY 2010-2011 Adopted Budget



## CHARACTER OF EXPENDITURES



## AUTHORIZED STRENGTH



# FINANCE DEPARTMENT

## FY 2010-2011 Adopted Budget

### Department Summary

#### SOURCE

	FY 2007-08 ACTUAL	FY 2008-09 ACTUAL	FY 2009-10 ADOPTED BUDGET	FY 2009-10 AMENDED BUDGET	FY 2010-11 ADOPTED BUDGET
Special Revenue Funds	503	524	570	570	550
Enterprise Funds	2,014	2,098	2,260	2,100	2,250
*Overhead Allocation	302,843	369,389	459,783	438,979	443,920
<b>TOTAL</b>	<b>305,360</b>	<b>372,011</b>	<b>462,613</b>	<b>441,649</b>	<b>446,720</b>

#### EXPENDITURES BY DEPARTMENT

	FY 2007-08 ACTUAL	FY 2008-09 ACTUAL	FY 2009-10 ADOPTED BUDGET	FY 2009-10 AMENDED BUDGET	FY 2010-11 ADOPTED BUDGET
Finance Department	652,572	789,045	968,150	958,209	979,873
<b>TOTAL</b>	<b>652,572</b>	<b>789,045</b>	<b>968,150</b>	<b>958,209</b>	<b>979,873</b>

#### CHARACTER OF EXPENDITURES

	FY 2007-08 ACTUAL	FY 2008-09 ACTUAL	FY 2009-10 ADOPTED BUDGET	FY 2009-10 AMENDED BUDGET	FY 2010-11 ADOPTED BUDGET
<u>PERSONNEL</u>					
Salaries and Benefits	430,217	675,581	744,420	733,439	750,718
<b>Subtotal</b>	<b>430,217</b>	<b>675,581</b>	<b>744,420</b>	<b>733,439</b>	<b>750,718</b>
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	216,323	106,865	188,495	169,260	188,155
Supplies and Materials	4,374	4,683	5,235	7,510	6,600
Capital Expenditures	1,658	1,916	30,000	48,000	34,400
<b>Subtotal</b>	<b>222,355</b>	<b>113,464</b>	<b>223,730</b>	<b>224,770</b>	<b>229,155</b>
<b>TOTAL</b>	<b>652,572</b>	<b>789,045</b>	<b>968,150</b>	<b>958,209</b>	<b>979,873</b>
<b>NET GENERAL FUND CONTRIBUTION</b>	<b>347,212</b>	<b>417,034</b>	<b>505,537</b>	<b>516,560</b>	<b>533,153</b>

#### \* OVERHEAD ALLOCATION

	FY 2007-08 ACTUAL	FY 2008-09 ACTUAL	FY 2009-10 ADOPTED BUDGET	FY 2009-10 AMENDED BUDGET	FY 2010-11 ADOPTED BUDGET
Gas Tax Fund	5,933	8,020	9,353	9,225	9,332
Measure A / Sales Tax	5,933	1,600	9,353	9,225	9,332
NPDES	5,933	7,834	9,353	9,225	9,332
Rent Stabilization Program	10,000	-	10,000	10,000	10,000
Lighting Services	5,934	7,834	9,353	9,225	9,332
Drainage Services	2,967	3,917	4,677	4,613	4,666
Water Services	5,933	7,834	9,353	9,225	9,332
Garbage Services	5,933	7,834	9,353	9,225	9,332
Grant	16,939	11,328	14,860	-	-
Redevelopment Fund	237,338	313,188	374,128	369,016	373,262
<b>TOTAL OVERHEAD ALLOCATION</b>	<b>302,843</b>	<b>369,389</b>	<b>459,783</b>	<b>438,979</b>	<b>443,920</b>

# FINANCE DEPARTMENT

## FY 2010-2011 Adopted Budget

### Department Summary cont.

**AUTHORIZED STRENGTH**

**Position Summary**

Finance Department

**TOTAL**

FY 2007-08 ADOPTED BUDGET	FY 2008-09 ADOPTED BUDGET	FY 2009-10 ADOPTED BUDGET	FY 2009-10 ADOPTED BUDGET	FY 2010-11 ADOPTED BUDGET
6	6	6	6	6
<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

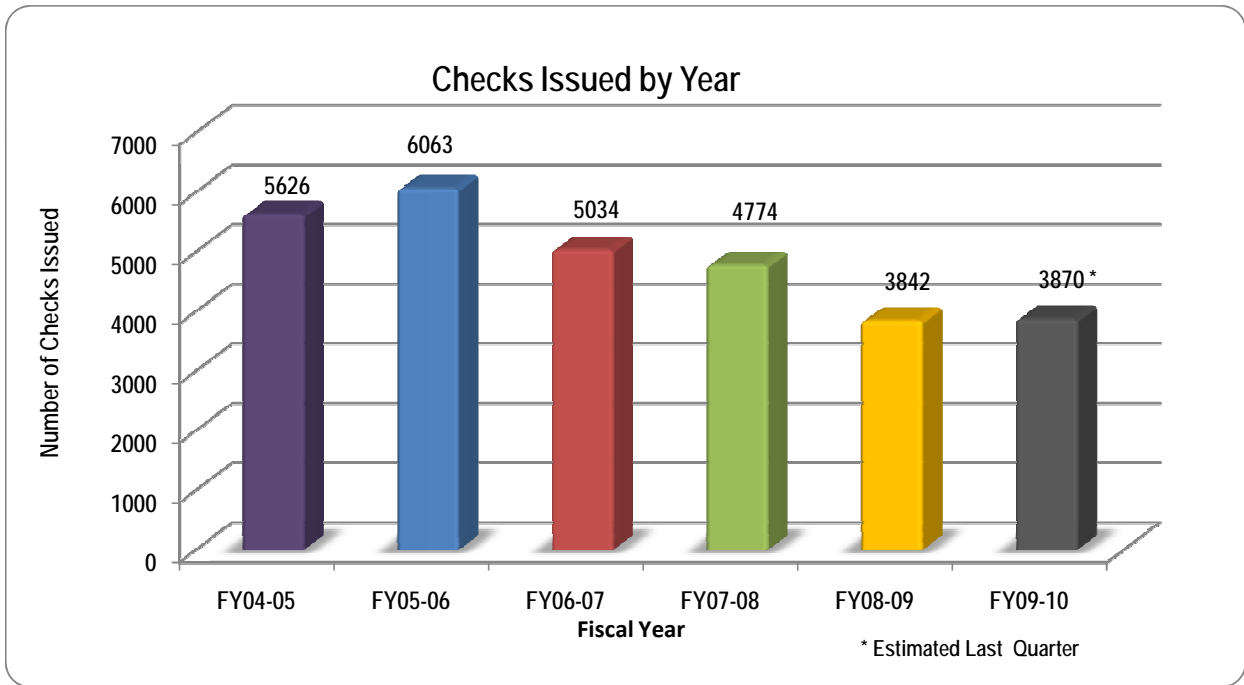
**Position Detail**

Accountant I  
 Accountant II  
 Account Technician  
 Finance Director  
 Fiscal Analyst  
 \* Senior Financial Services Manager

**TOTAL**

FY 2007-08 ADOPTED BUDGET	FY 2008-09 ADOPTED BUDGET	FY 2009-10 ADOPTED BUDGET	FY 2009-10 ADOPTED BUDGET	FY 2010-11 ADOPTED BUDGET
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

\* Classification currently under desk audit review.



# **FINANCE DEPARTMENT**

**FY 2010-2011 Adopted Budget**

## **Department Summary**

### **MISSION STATEMENT**

Maintain the financial integrity of the City and Redevelopment Agency by providing fiscal management and oversight. Perform financial, compliance and operational audits that provide independent and objective analysis of City departments; provide accurate, complete and timely financial records operations, maintain and enhance City's financial reporting systems, control, and disbursements.

### **BUDGET ORGANIZATION AND THE STRATEGIC PRIORITIES**

The functions of the Finance Department are: Administration, Accounting, Accounts Payable, Grants Reporting, and Payroll. The Department has a staffing level of 6 positions, which includes: Finance Director, Senior Financial Services Manager, Fiscal Analyst, Accountant II, Accountant I, and Account Technician.

The emphasis of the Fiscal Year 2010-2011 budget is delivery of the City and Redevelopment Agency's basic financial management services, focusing on accurate, timely, and understandable financial reports; and, continuing efforts to assure improvement of the City's overall fiscal condition. The Department will provide support to the City's Capital Program by providing financial consulting services to the Public Works Department, assuring thorough review and successful financing of projects.

Within each of the basic services provided, the Finance Department will undertake projects that specifically address:

- Providing clear, concise and timely financial information;
- Providing funding support for City and Agency projects through debt financing and grant funding;
- Upgrading employee skills through internal classes, seminars and reference materials;
- Recommending alternative revenue and expense strategies;
- Recommending investment options, including portfolio management and advisory services, to improve returns within the parameters of the City's Investment Policy;
- Working with operating departments to assure accurate grant reporting.
- Prepare and produce an annual audited financial statement, including a financial report on the use of Measure C funds
- Assist in the selection of a firm who will assist the City to develop a cost allocation plan and fee study.

# FINANCE DEPARTMENT

## FY 2010-2011 Adopted Budget Department Summary cont.

### SIGNIFICANT CHANGES

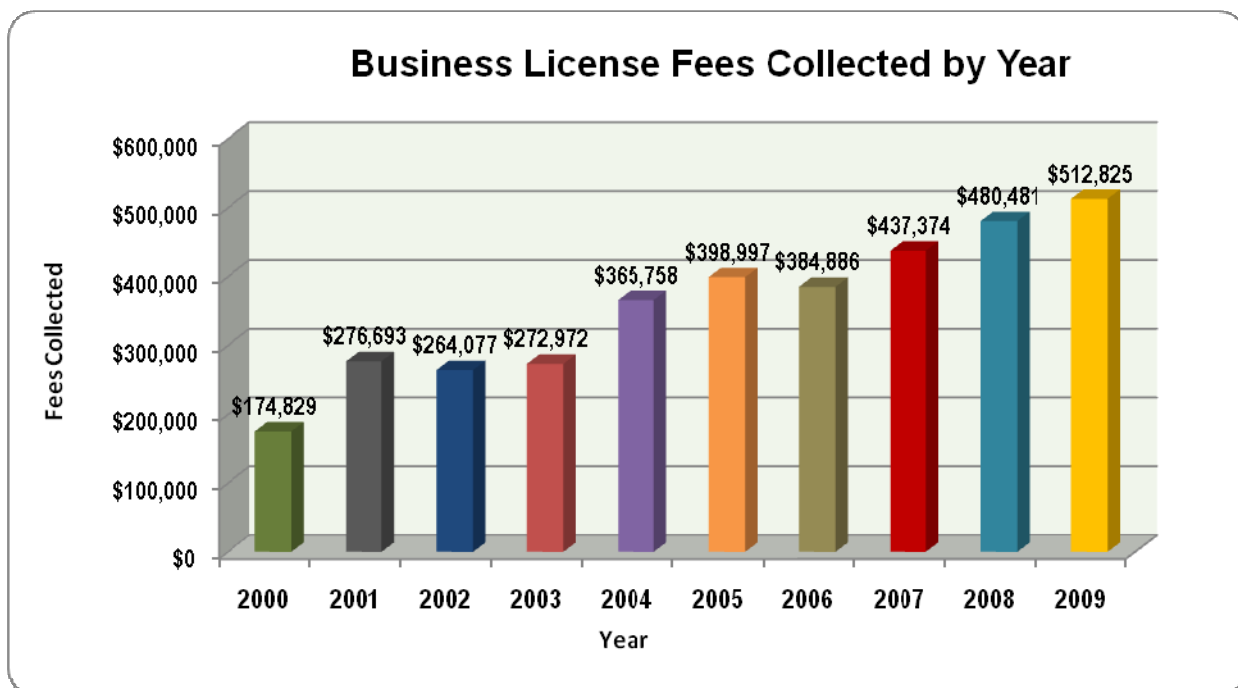
#### FY 2009-2010 Adopted to FY 2009-2010 Amended:

The Fiscal Year 2009-2010 Amended Budget Net General Fund Contribution of \$516,560 is an increase of \$11,023 from the Fiscal Year 2009-2010 Adopted Budget of \$505,537. There were no significant changes from adopted to projected. This 2.2% slight increase reflects the cost associated with the purchase of office furniture related to the City Hall renovation. The Fiscal Year 2009-2010 Adopted Budget implementation of a 3 day mandatory furlough program for non-sworn City staff to occur in the fourth quarter of the fiscal year was not required and is not reflected in the FY2009-2010 Amended Budget.

#### FY 2009-2010 Amended to FY 2010-2011 Adopted:

The Fiscal Year 2010-2011 Adopted Budget Net General Fund Contribution of \$533,153 is an increase of \$16,593 from the Fiscal Year 2009-2010 Amended Budget Net General Fund Contribution of \$516,560. While the overall increase of 3.2% is not a significant; there were some notable changes in the Purchased Services and Capital Expenditure categories. The Purchased Services category is up 11.2% primarily due to investment management services; however, that increase is offset by a decrease in the Capital Expenditure category due to the one-time costs associated with the City Hall renovations in the prior year. The Capital Expenditure for next year relates to the Finance Department's portion of the Records Management System being recommended in the City Clerk's budget and a need to replace a printer. The Adopted Budget includes a cost of living adjustment.

Graph below is a highlight of Business License Fees collected by year from 2000-2009:



# FINANCE DEPARTMENT

FY 2010-2011 Adopted Budget

## FY 2009-2010 ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. To continue the implementation for Comprehensive Annual Financial Reporting (CAFR) format for Fiscal Year 2008-2009, by December 2009.	Successfully implemented and produced the City's first ever Comprehensive Annual Financial Report which was presented to the City Council in January 2010.
2. To maximize job knowledge related to payroll and accounts payable functions through internal cross training and seminars allowing greater efficiency and flexibility in execution of Department's assigned duties and responsibilities.	Accomplished and ongoing: all employees within the department have attended at least one training session so far. Staff continues to implement new systems and process for greater efficiency and accuracy related to financial transactions. Accomplishments this year resulted in updating the payroll electronic transmission process to the City's financial institution for greater efficiency and accuracy; the development of a database for greater efficiency in budgeting salaries and benefits; and the development of a database that more accurately tracks and calculates pass-through payments for various taxing agencies.
3. To work with the City Manager's office to identify and update the City's administrative policies to clarify current procedures and practices related to travel and training by September 2009.	An administrative Credit Card Policy was developed by Finance and approved by the City Manager. This policy does address policies and procedures related to use of the City's credit card for travel & training. However, Finance will continue to work with the City Manager to develop a more specific Travel & Training policy.
4. To work with the City Manager's office to implement a formal credit card policy and a prescribed policy to periodically perform a physical inventory of the City's capital assets as recommended in the Management Letter prepared by Macias, Gini and O'Connell (City's former independent financial auditors).	An administrative Credit Card Policy was developed by Finance and approved by the City Manager. This policy does address policies and procedures related to use of the City's credit card for travel & training. However, Finance will continue to work with the City Manager to develop a more specific Travel & Training policy.
5. To begin documentation of Accounting Policies and Procedures performed by Finance by May 2010.	This objective will not be met this year and will be carried forward as an objective for next year.
6. To provide staff support to the Measure C oversight committee and related Measure C duties during the fiscal year.	Accomplished and on-going. Finance staff has attended every Measure C Oversight committee meeting, all awardee meetings, ongoing implementation of tax, review contracts, approve disbursements of funds, process and review all exemption requests, produced an audited Measure C Fund financial report.

### **Additional Accomplishments**

Coordinated the sale of property tax receivable (Prop 1A) in consultation with the City Manager, City Attorney's office and issuer's financing team. Issued a request for proposal for Investment Management Services to seek a qualified firm that could provide investment services for the City's cash reserves. Recommendation to City Council is expected by June 2010.

# FINANCE DEPARTMENT

FY 2010-2011 Adopted Budget

## FY 2010-2011 OBJECTIVES

1. To work towards obtaining the GFOA Award for Certificate of Excellence in Financial Reporting for Comprehensive Annual Financial Reporting (CAFR) for the FY2009-2010 financial audit.
2. To work with the City Manager and other Managers to develop a City-wide Master Fee Study.
3. To coordinate with the City Manager's office to develop a City-wide Purchasing Policy for Council Consideration by December 2010.
4. To coordinate with the City Manager's office develop a City-wide Travel & Training Policy for Council Consideration by October 2010.
5. To present to the Council a recommendation for the selection of an Investment Management services firm to manage a portion of the City's Investment Portfolio by July 2010.
6. **To continue documentation of Accounting Policies and Procedures performed by Finance by May 2010.**
7. To continue providing financial information and assistance to the Measure C Oversight Committee during Fiscal Year 2010-2011.
8. **To maximize job knowledge related to payroll and accounts payable functions through internal cross training and seminars allowing greater efficiency and flexibility in execution of Department's assigned duties and responsibilities.**

*(Bold reflects City Council Strategic Plan Goals and Objectives)*

# FINANCE DEPARTMENT

FY 2010-2011 Adopted Budget

(Existing Organization)

**FINANCE DIRECTOR**  
Stephanie Osaze

\*Senior Financial  
Services Manager

Fiscal Analyst

Accountant I

Accountant II

Account Technician

## DEPARTMENTAL FUNCTIONS

Accounts  
Payable

Payroll

Cash & Debt  
Management

Grant  
Management

Business  
License

Financial Accounting &  
Reporting

\*Position under desk audit review

Total Positions: 6

DB-42