

DEPARTMENTAL BUDGET INFORMATION FINANCE DEPARTMENT (23)

MISSION

The Finance Department is responsible for maintaining the City's financial solvency, and providing finance-based services to City departments.

DESCRIPTION

In accordance with the Financial Stability Agreement (FSA), the Finance Department reports to the CFO. Under the direction of the CFO, the Finance Department will be responsible for adhering to monthly reporting requirements including accounts payable, cash flow actual and forecast, and revenue and expense reporting. The Department is also responsible for participating in semi-annual Revenue Conferences, and in the preparation of the annual budget and Triennial Budget preparation.

The Finance Department is comprised of various divisions. The **Administrative Division** sets and maintains policies and procedures to be used throughout the Department. The **Assessments, Treasury and Income Tax Divisions** are responsible for property valuation and for collecting property taxes, income taxes and utility users taxes owed to the City. The **Accounts Division** is responsible for maintaining accounting controls, financial analysis, publishing the city's annual CAFR, performing pre-audits of expenditures, and processing all payments including payrolls. The **Purchasing** Division is responsible for the processing of City purchase orders and contracts. The **Risk Management** Division protects the assets and earning power of the City from loss or destruction, administers various safety programs and is responsible for maintaining the self-insurance Risk Management Fund. The **Debt and**

Disbursements Division is responsible for financing the City's capital needs and those of quasi-public agencies, administration of the City's deferred compensation plan, and for investing all City funds, excluding Pension funds. The **Pension** Division is responsible for the administration of the employee pension and retirement systems.

MAJOR INITIATIVES FOR FY 2011-12

The **Assessments Division** will fully implement on line filing of personal property taxes, and implement next generation of Equalizer software system. The **Treasury Division** will continue to coordinate with DWSD for the collection of delinquent water and sewage bills through property tax collections and outside collection agencies. The **Accounts Division** completed the 2011 CAFR on time and received the GFOA Certificate for Achievement in Financial Reporting for the 2011 CAFR. Also, completed the 2011 Single audit on time and reduced costs for consultant support to complete the CAFR. The **Purchasing Division** utilized Cooperative Purchasing agreements to lower costs of goods and services. The **Risk Management** Division will continue to work with key departments to develop risk management programs specific to each respective department. The **Income Tax Division** implemented procedures to compare COD income tax data to IRS data to increase non-filer compliance.

PLANNING FOR THE FUTURE FOR FY 2012-13, FY 2013-14 and BEYOND

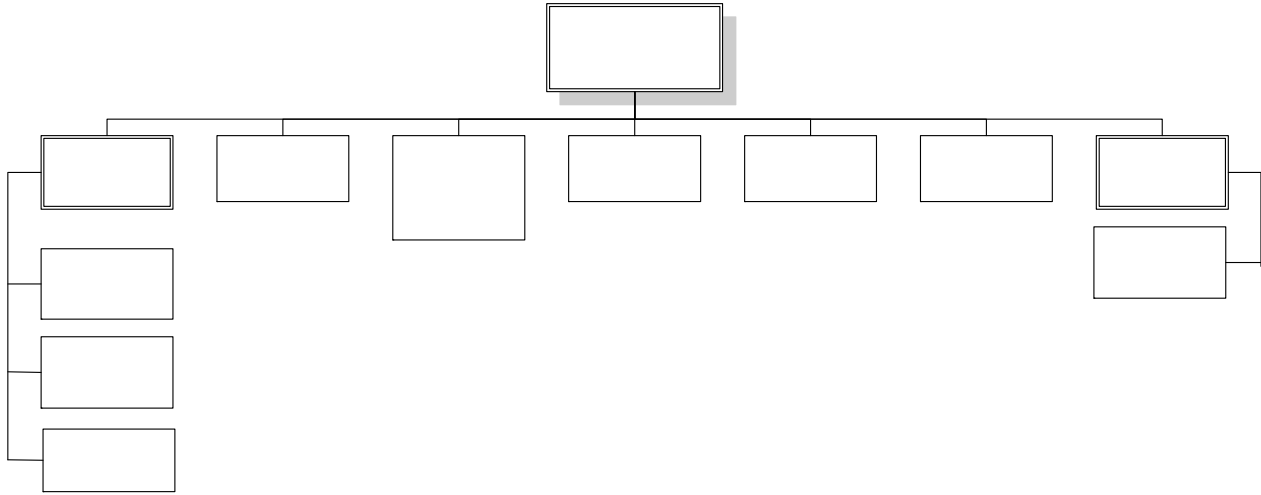
The City is currently in a Transitional Period, as defined by the FSA, which provides for temporary waivers of certain reporting requirements.

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The **Assessment Division** will establish revised land tables throughout the city in newest version of Equalizer software to reflect current market conditions. The **Treasury Division** plans to interface AR systems with DRMS system, improve AR close procedures and reconciliation, improve City's ability to bill and collect its receivables and revamp property tax procedures to take advantage of new equalizer software capabilities. The **Income Tax Division** will increase non filer collections through state and federal databases and will continue to improve its automation capabilities and overall customer service response time. The **Accounts**

Division will implement procedures to have accurate interim financial reports for all general fund departments and grant agencies, and complete critical audit schedules in support of those interim closes. **Risk Management Division** will continue to develop a robust risk management program designed specifically to each department using claims history. The **Purchasing Division** will utilize the State, Regional and National Co-op's Public Sector organizational contacts for benchmarking ideas in fine-tuning our procurement process.

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PERFORMANCE MEASURES AND TARGETS

Type of Performance Measure: List of Measures	2010-11 Actual	2011-12 Projections	2012-13 Target
Outcomes: Results or Impacts of Program Activities¹			
Moody's credit rating	Ba3/A1/A1	B2/Baa1Baa1	B1/A+/A+
Standard and Poor's	BB/A+/A+	B/A+/A+	BB/A+/A+
Fitch Investor's Service	BB/A+/A+	B/A+/A+	BB/A+/A+
Transition personal property to e file	N/A	\$0.6M	\$2MM
2010/11 CAFR completed on time	N/A	12/31/11	12/31/12
2010/11 single audit completed on time	N/A	3/31/12	3/31/13
Reduction in risk management	N/A	\$5.0M	\$5.0M
Reduction in outside services to complete Annual Audits	N/A	\$1.0M	48%
Number of employees on Worker's Compensation	359	340	330
Number of employee injuries/illness	290	2,200	2,200
Interest paid for late refunds	170,000	120,000	110,000

**Accounts
Payable
13 FTE**

**Assessments
54 FTE**

**General
Accounting
20 FTE**

Payroll Audit

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EXPENDITURES

	2010-11 Actual Expense	2011-12 Redbook	2012-13 Mayor's Budget Rec	Variance	Variance Percent
Salary & Wages	\$ 13,711,797	\$ 13,519,614	\$ 12,253,216	\$ (1,266,398)	-9%
Employee Benefits	10,997,680	13,024,243	11,169,555	(1,854,688)	-14%
Prof/Contractual	9,029,645	5,887,620	3,968,810	(1,918,810)	-33%
Operating Supplies	321,912	311,547	305,038	(6,509)	-2%
Operating Services	2,528,301	4,182,370	3,531,295	(651,075)	-16%
Capital Equipment	316,195	75,140	105,470	30,330	40%
Fixed Charges	98,182	1,039,783	33,000	(1,006,783)	0%
Other Expenses	1,216,919	930,440	1,333,307	402,867	43%
TOTAL	\$ 38,220,631	\$ 38,970,757	\$ 32,699,691	\$ (6,271,066)	-16%
POSITIONS	0	0	-	-	#DIV/0!

REVENUES

	2010-11 Actual Revenue	2011-12 Redbook	2012-13 Mayor's Budget Rec	Variance	Variance Percent
Fines/Forfeits	\$19,333	\$33,220	\$33,220	\$0	0%
Revenues	661,667	33,220	33,220	0	0%
Sales & Charges	45,948	8,685,392	5,790,979	(2,894,413)	-33%
Sales of Assets	3,826,251	0	0	0	0%
TOTAL	\$ 4,553,199	\$ 8,751,832	\$ 5,857,419	\$ (2,894,413)	-33%