

Auditor-Controller

RECOMMENDED BUDGET • FY 2019 - 20

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

Description	Prior Year Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Service Charges	425,726	376,025	381,500	5,475
Other Fin Sources	499,459	150,560	45,064	(105,496)
Total Revenue	925,184	526,585	426,564	(100,021)
Salaries & Benefits	3,444,608	3,866,683	4,003,691	137,008
Services & Supplies	73,253	108,635	116,912	8,277
Intrafund Transfers	10,414	10,325	7,275	(3,050)
Intrafund Abatement	(55,381)	(41,150)	(48,050)	(6,900)
Total Appropriations	3,472,894	3,944,493	4,079,828	135,335
FUND 1000 GENERAL FUND TOTAL	2,547,710	3,417,908	3,653,264	235,356

MAJOR BUDGET CHANGES

Revenue

Other Financing Sources

(\$105,496) Decrease in revenue from Operating Transfers related to reduced reimbursements for staff working on the FENIX and Megabyte system implementations.

Appropriations

Salaries and Benefits

\$137,008 Increase due mainly to increased CalPERS retirement costs and the County's share of cost for health insurance benefits. This is partially offset by a reduction in Other Compensation expense due to a change in benefits for Unrepresented Employees, removing the management leave cash pay out option.

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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 134,000 property tax liabilities, including changes/refunds, based upon assessed value generating over \$355 million in taxes. The Division places more than 648,000 line items of direct charges totaling over \$38 million on the secured tax bills by working with 60 different taxing agencies with 236 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

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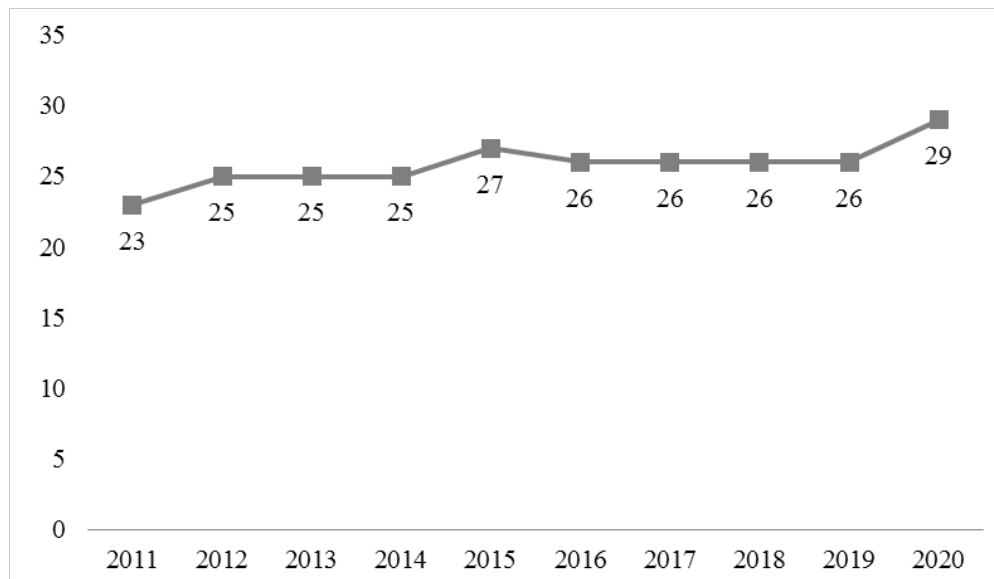
purchase card program (PCard) is managed by the staff within this Division. This includes the issuance of purchase cards (387 cards), continuous modification of commodity types and dollar thresholds for cardholders, review of over 14,720 purchase card transactions that amount to over \$8.45 million in 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. This Division administers eight 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	\$ 488,599	\$ 18,500	\$ 470,099	2.25
Property Tax	\$ 562,957	\$ 306,964	\$ 255,993	3.95
Financial Reporting	\$ 789,532	\$ 12,000	\$ 777,532	4.8
Payroll	\$ 742,306	\$ 150	\$ 742,156	6
Accounting	\$ 1,496,434	\$ 88,950	\$ 1,407,484	12
Total	\$ 4,079,828	\$ 426,564	\$ 3,653,264	29

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 been fairly flat. In FY 2018-19, the Board of Supervisors approved the addition of two allocations to the Payroll Division as well as the transfer of one allocation from the Human Resources Department to the Payroll Division. The recommended staff allocation for FY 2019-20 is 29 FTEs.



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RECOMMENDED BUDGET

This Budget is recommended at \$4,079,828, which is an increase of \$135,335 (3.4%) when compared to the FY 2018-19 Adopted Budget. The General Fund provides 89.5% of the funding for this Department, and is increased by \$235,356 (6.9%) when compared to the FY 2018-19 Adopted Budget.

The Department requested the addition of two FTE Fiscal Technician allocations, with no accompanying increase in revenue or reduction in expenditures to offset the cost. The Department cited increased workload, due in part the shift of certain responsibilities from other departments as a result of the implementation of the new enterprise resource system (FENIX). It is recommended that the Department fill current vacancies before additional allocations are considered. In addition, the County will be conducting a post-implementation assessment to determine what allocation changes may be necessary countywide as a result in workload shifts due to FENIX.

CAO Adjustments

No CAO adjustments are recommended for FY 2019-20.

Sources & Uses of Funds

The Auditor-Controller is primarily funded with General Fund discretionary revenues, with partial cost recovery in subsequent years through the A-87 Cost Allocation Plan (reflected in the General Fund – General Revenues and Other Operations budget). The Department 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 operating the office.

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PERSONNEL ALLOCATION

Classification Title	2018-19 Adjusted Allocation	2019-20 Dept Request	2019-20 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 Analyst I/II	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	2.00	2.00	2.00	-
Fiscal Technician	5.00	7.00	5.00	-
Payroll Technician	2.00	2.00	2.00	-
Principal Financial Analyst	2.00	2.00	2.00	-
Sr. Department Analyst	2.00	2.00	2.00	-
Department Total	29.00	31.00	29.00	-

ORGANIZATIONAL CHART

