

MISSION

The Auditor-Controller 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); preparation of draft annual financial statements for the County's external auditors, review of financial reports for departments prior to their submission to the State, banking administration for all checks issued, and assistance in the development of long-range financial planning.

DEPARTMENT BUDGET SUMMARY

Description	FY 2021-22 Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Service Charges	493,345	392,200	412,200	20,000
Other Fin Sources	38,702	39,788	38,824	(964)
Total Revenue	532,047	431,988	451,024	19,036
Salaries & Benefits	4,275,342	4,923,923	5,209,876	285,953
Services & Supplies	101,450	90,989	131,428	40,439
Other Charges	2,658	0	0	0
Intrafund Transfers	20,854	11,284	2,000	(9,284)
Intrafund Abatement	(100,039)	(89,550)	(89,625)	(75)
Total Appropriations	4,300,264	4,936,646	5,253,679	317,033
FUND 1000 GENERAL FUND TOTAL	3,768,218	4,504,658	4,802,655	297,997

MAJOR BUDGET CHANGES

Revenues

\$19,036 Increase in total revenue mainly due to projected increases in Assessment and Tax Collection Fees.

Appropriations

Salaries and Benefits

\$101,783 Increase in Salaries and Benefits costs due to vacancies in the department that are budgeted to accommodate hiring experienced staff with the maximum cost of employee benefit elections.

\$110,000 Increase in Temporary Employee and Overtime costs due to multiple retirements and staff promoting outside of the Accounts Payable (AP) Division during FY 2022-23 that had major impacts on the department. This increase will allow for hiring Retired Annuitants

with the required experience and knowledge to assist the AP Division through year-end close.

- \$86,663 Increase in Salaries and Benefits costs due to Board-approved compensation increases.
- (\$12,493) Decrease in Workers' Compensation premium charges as the Department's share of overall County claims incurred has decreased from prior years, decreasing their Liability insurance premium expense.

Services and Supplies

- \$20,500 Increase in Computer Equipment and Maintenance costs for the replacement of end-of-life equipment and software maintenance price increases.
- \$9,494 Increase in General Liability insurance premium expense as the Department's share of overall County claims incurred has increased from prior years, increasing their Liability insurance premium expense.
- \$7,280 Increase in travel-related costs for training and conferences based on actual costs due to increasing prices in the travel industry.

Intrafund Transfers

- (\$9,284) Decrease in Mail and Stores Intrafund Transfer due to a change in budgeting methodology wherein the charges will instead be reflected in the Countywide Cost Allocation Plan.

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 147,000 property tax liabilities, including changes/refunds, based upon assessed value generating approximately \$425 million in taxes. The Division places more than 665,000 line items of direct charges totaling almost \$41 million on the secured tax bills by working with 60 different taxing agencies with over 240 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 the fiscal liaison between County, state and federal funding agencies, and assists departmental managers in the design and

implementation of accounting and bookkeeping procedures. This Division provides a professional review of financial and other cost reports for departments prior to their submission to the State. Staff performs an analytical review of cost-applied rates such as the fleet rates and workers' 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 are 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 20 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 the deferred compensation program for over 1,000 county employees.

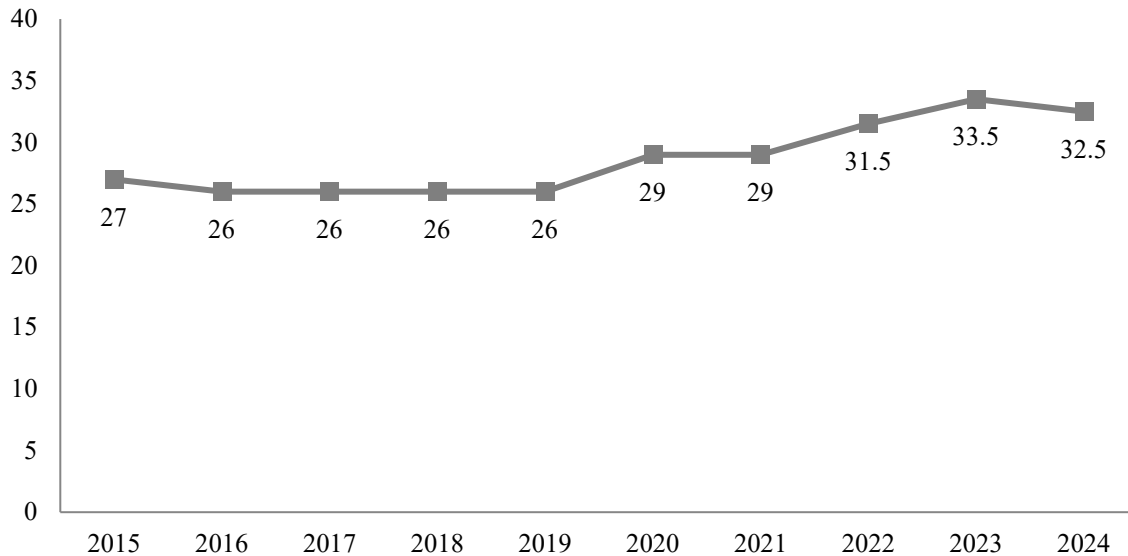
Accounting

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 45 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 (401 cards), continuous modification of commodity types and dollar thresholds for cardholders, review of over 16,900 purchase card transactions that amount to over \$10.58 million in charges annually, 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 11 bond issues for Mello-Roos districts providing all accounting services, annual reports, calculation of the annual special tax levy, debt service management, and administration of all delinquencies. Staff administers funding for the Missouri Flat Area Master Circulation and Financing Plan (MC&FP) development through an analysis of the quarterly sales tax reports from the California State Board of Equalization (BOE) to determine the amounts generated from new businesses that must be transferred to the restricted fund for this project. This Division has assumed the added responsibility from Information Technologies for the daily printing of accounts payable vendor checks which total approximately 28,000 on an annual basis. In addition, the accounting staff printed approximately 14,000 Social Service C-IV checks and Social Service general assistant checks this past year. The Division's Enterprise Resource Planning Analyst supports and trains departmental staff, audits security, and performs all testing and troubleshooting in FENIX. Beginning in FY 2021-22, this Division also assumed all the accounting functions for the Recorder-Clerk's office.

STAFFING TREND

The Recommended Budget for the Auditor-Controller's office is 32.5 FTEs. This represents a decrease in 1.0 FTE from the prior year, which is due to the deletion of 1.0 FTE Chief Assistant Auditor-Controller that was added in preparation for the retirement of the primary Chief Assistant Auditor-Controller. That retirement took place in December 2022.

During FY 2022-23, 1.0 FTE Accountant/Auditor was reclassified as 1.0 FTE Cost Accountant and 2.0 FTE Fiscal Technicians were reclassified as 2.0 FTE Administrative Technicians. Also during FY 2022-23, one vacant Administrative Analyst I/II was alternately filled with an Accountant/Auditor, one vacant Fiscal Technician was alternately filled with an Enterprise Resource Planning Analyst, and two vacant Sr. Administrative Analysts were alternately filled with an Administrative Analyst Supervisor and a Supervising Accountant/Auditor due to changing programmatic needs and difficulties in recruiting. The Recommended Budget revises the allocations to match the current classifications of the allocations.



RECOMMENDED BUDGET

This Budget is recommended at \$5,253,679, which is an increase of \$317,033 (6.4%) when compared to the FY 2022-23 Adopted Budget.

The General Fund provides 91% of the funding for this Department and is increased by \$297,997 (6.6%) when compared to the FY 2022-23 Adopted Budget.

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 revenue for accounting services provided to departments, special districts, and Mello-Roos districts in the amount of \$111,750. Revenues to the department for property tax administration cost recovery are estimated at \$300,000. The Department also receives a share of the fees charged for the separate assessment of timeshares estimated at \$33,824.

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