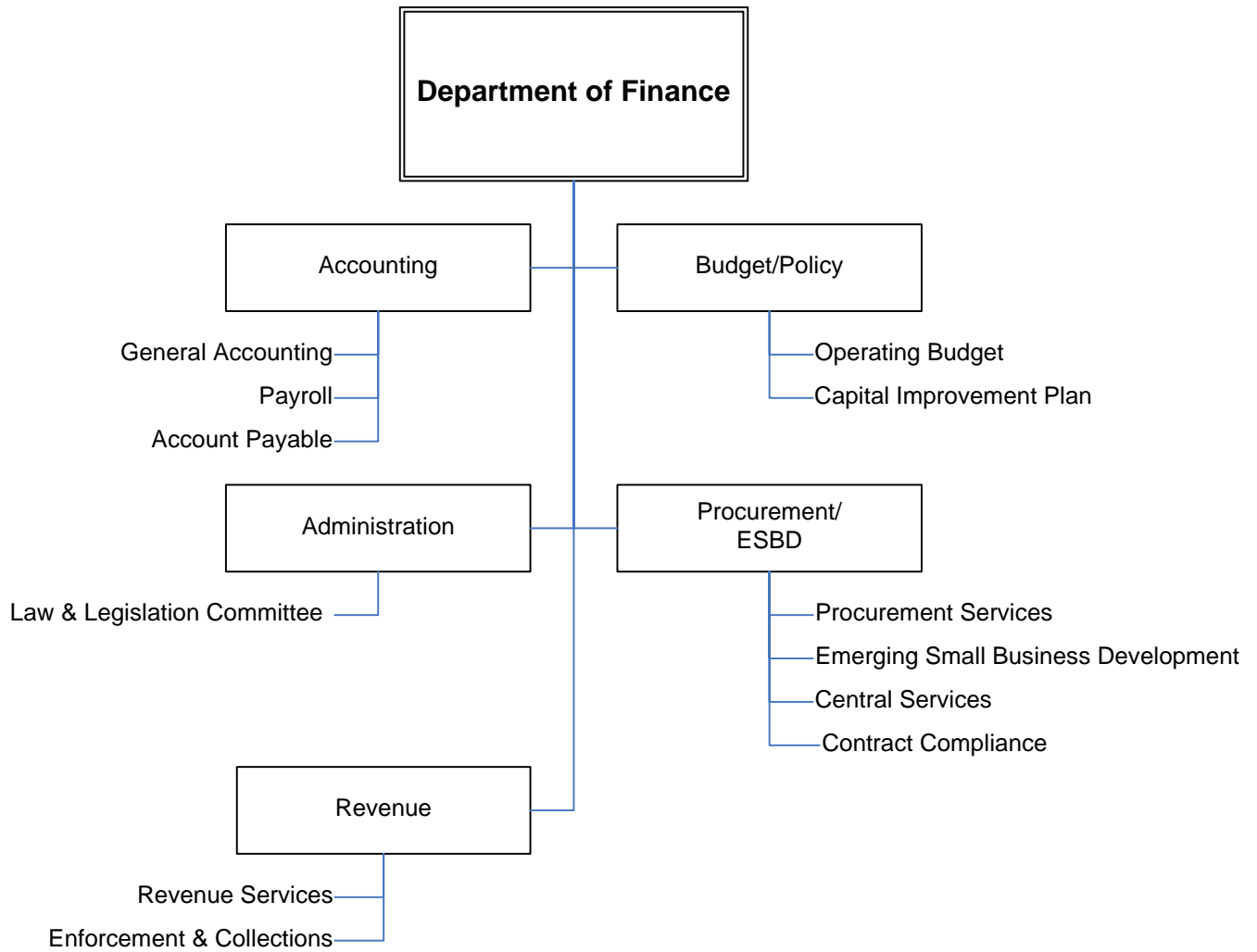


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SECTION - 14

FINANCE



FINANCE

The Finance Department strives to provide exceptional service while safeguarding resources with integrity and efficiency.

DESCRIPTION

The Finance Department is responsible for overseeing the financial management of the City. Fiscal management by this department includes accounting, budgeting, billing, collection, parking citation, and fee collection. Internal services include procurement, centralized copying, interoffice and outbound mail, standards and contract compliance, strategic planning, policy analysis, legislative affairs, and emerging small business development.

MORE INFORMATION

Key Contacts -

Department Head

Gus Vina
Director of Finance
915 I Street, 5th Floor
Sacramento, CA 95814
(916) 808-7138
gvina@cityofsacramento.org

Budget, Policy & Strategic Planning

Russell Fehr
Budget Manager
915 I Street, 5th Floor
Sacramento, CA 95814
(916) 808-5832
rfehr@cityofsacramento.org

Accounting

Dennis Kauffman
Accounting Manager
915 I Street, 4th Floor
Sacramento, CA 95814
(916) 808-5843
dkauffman@cityofsacramento.org

Procurement/ESBD

Christopher Stewart
Procurement Manager
915 I Street, 2nd Floor
Sacramento, CA 95814
(916) 808-6202
cstewart@cityofsacramento.org

Revenue

Brad Wasson
Revenue Manager
915 I Street, 1st Floor
Sacramento, CA 95814
(916) 808-5724
bwasson@cityofsacramento.org

Administration

Tina Lee-Vogt
Legislative Affairs Analyst
915 I Street, 5th Floor
Sacramento, CA 95814
(916) 808-2679
tlee-vogt@cityofsacramento.org

OBJECTIVES FOR FY2005/06

- Develop standardized policy and procedures for contract compliance.
- Implement an automated process for submitting printing requests to central services.
- Develop Users' Manual for central mail and print section.
- Increase outreach efforts to attract small and local firms with a focus on construction firms.
- Implement recommendations for improved regulation of the taxi industry as approved by the Mayor and City Council.
- Implement automated Utility Users Tax rebates with Sacramento Municipal Utility District (SMUD) and Pacific Gas & Electric (PG&E) partnerships.

- Complete Phase 2 (Rental Property and Underreporting Businesses) of Business Operations Tax Audit.
- Update the Mobile Food Vendor ordinance.
- Pursue E-Commerce options for City of Sacramento customers.
- Begin quarterly reports of major revenue collections for the purpose of comparing income estimates and prior year actual collections.
- Develop requirements for a new financial and human resources operating system for the City.
- Develop new methods of document management in conjunction with the City's record retention program.
- Implement Government Accounting Standards Board (GASB) Statement #40, improving disclosure of the City's cash and investments in the Fiscal Year 2005 Comprehensive Annual Financial Report (CAFR).
- Develop implementation plans for GASB Statements #'s 43 - 46, addressing retiree benefits costs, the statistical section of the CAFR, and restricted funding sources.

ACCOMPLISHMENTS IN FY2004/05

- Completed merger of the Procurement and the Office of Small Business Development Divisions.
- Revised Procurement Policy to incorporate the City's overall mission and objectives for procurement, financial accountability, best procurement practices, and use of technology.
- Developed the Procurement website for contracting opportunities and developed divisional intranet website.
- Completed Business Operations Tax compliance audits.
- Developed a plan for use of one-time funding available at the end of FY2003/04, as approved by the Mayor and City Council.
- Streamlined the process for reviewing City Council reports for the City Council's Agenda with the City Manager's and City Clerk's offices.
- Recognized for excellence in financial reporting for the City's fiscal year 2004 Comprehensive Annual Financial Report (CAFR).

APPROVED BUDGET/STAFFING CHANGES

Organizational Changes

- Transfer one Senior Accountant Auditor and related funding from Park Development Impact fees to Park Planning Design and Development (-1.0 FTE, \$0)
 - Transfer of 24.0 FTE from Revenue Division to the Department of Utilities as part of the Citywide reorganization of utility services. (-24.0 FTE, \$1,707,000)
-

Organizational Assessment

To generate additional revenue and increase tax compliance, the Revenue Division is enhancing its audit and collection functions:

- Real Property Transfer Tax: Staff assigned to focus on delinquent transfer tax collections, including follow up with non-reporting and under-reporting real estate transactions. Additionally, staff will audit county records to ensure full compliance. Estimated FY2005/06 increased compliance collections of \$1,000,000.
- Business Operations Tax: In conjunction with audit consultants, staff is assigned to audit business tax receipts. FY2005/06 focus will be on non-reporting and under-reporting businesses for an estimated increase of \$400,000.

Augmentations

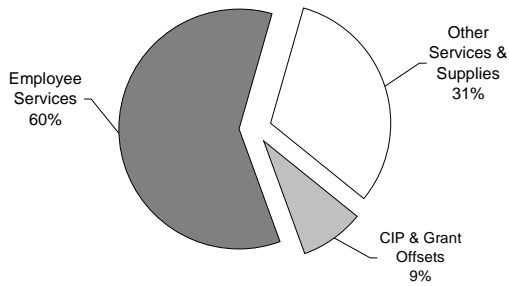
None

Department Budget Summary

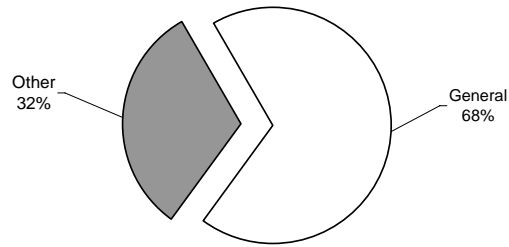
Finance Budget Summary	FY	FY		FY	Change
	2003/04 Actual	2004/05 Approved	Amended	2005/06 Approved	More/(Less) Approved/Amended
Positions (FTE)	116.55	118.50	120.50	95.50	-25.00
Budgeted Expenditures					
Employee Services	6,516,965	8,081,791	8,003,043	7,220,822	(782,221)
Other Services & Supplies	4,476,995	4,455,023	4,571,594	3,783,091	(788,503)
Debt Service	0	0	0	0	0
Equipment	6,208	0	0	0	0
CIP & Grant Offsets	(1,010,825)	(1,144,097)	(1,144,097)	(1,037,522)	106,575
Transfers	(197,461)	0	1,352	0	(1,352)
Total:	9,791,882	11,392,717	11,431,892	9,966,391	(1,465,501)
Funding Summary by Fund/Special District					
General	4,828,127	6,174,742	6,095,994	6,804,525	708,531
Neighborhood Lighting	3,678	3,672	3,948	3,948	0
Franklin Villa Neigh. Revitalization	0	0	0	0	0
Northside Subdivision Maintenance	825	817	834	834	0
Subdivision Landscaping Maintenance	18,589	16,797	20,127	20,127	0
Laguna Creek Maintenance	5,353	5,496	5,743	5,743	0
12th St. Maintenance	502	839	872	872	0
Old Sacramento Maintenance	780	776	809	809	0
Downtown Plaza BID	119,519	0	0	0	0
Assessment Bond Registration	339,204	204,339	204,339	204,339	0
Old Sac BID	141,743	0	0	0	0
Franklin Blvd BID	38,782	0	0	0	0
Sac Tourism BID	41,479	0	43,000	43,000	0
Del Paso BID	37,379	0	0	0	0
Stockton Blvd BID	46,211	0	0	0	0
Special District Info. Rptng System	1,104	0	0	0	0
Development Services	0	65,000	65,000	65,000	0
Downtown Management	2,481	2,440	2,552	2,552	0
Capital Station District PBID	2,625	2,593	2,751	2,751	0
N Natomas Trans Mgmt Assoc	901	11,484	29,876	11,484	(18,392)
Stockton Blvd. PBID	1,038	1,027	1,069	1,069	0
N Natomas Neigh Landscape Maintenance	3,500	8,000	20,698	8,000	(12,698)
Willowcreek Maintenance	1,919	2,513	2,181	2,181	0
Willowcreek Landscaping	3,500	5,000	6,774	5,000	(1,774)
N Natomas CFD #3	3,500	14,300	32,980	14,300	(18,680)
Village Garden Maintenance	1,222	1,208	1,268	1,268	0
Landscape and Lighting	78,860	88,801	88,801	88,801	0
Neighborhood Park Maintenance CFD	3,460	0	17,624	0	(17,624)
Water	15,000	15,000	15,000	0	(15,000)
Sewer	15,000	15,000	15,000	0	(15,000)
Risk Management	157,569	102,805	102,805	110,744	7,939
Storm Drainage	15,000	15,000	15,000	0	(15,000)
Inter-departmental Service	3,802,344	4,455,944	4,455,944	2,389,920	(2,066,024)
N. Natomas Community Improvements	0	109,124	109,124	109,124	0
Park Dev	60,688	70,000	70,000	70,000	0
Neighborhood Alley Maintenance CFD	0	0	1,779	0	(1,779)
Total:	9,791,882	11,392,717	11,431,892	9,966,391	(1,465,501)

FY2005/06 Approved Budget

Budgeted Expenditures - FY06



Funding Summary - FY06



Division Budget Summary

Finance Division Budgets	FY 2003/04 Actual	FY 2004/05 Approved	FY 2004/05 Amended	FY 2005/06 Approved	Change More/(Less) Approved/Amended
Finance Administration	1,184,046	1,761,694	1,682,946	1,496,369	(186,577)
Revenue & Economic Analysis	38,040	0	0	0	0
OSBD	596,735	490,265	490,265	513,142	22,877
Revenue	3,674,058	3,952,436	3,995,436	2,671,552	(1,323,884)
Accounting	2,247,879	2,536,325	2,611,248	2,544,876	(66,372)
Budget, Policy & Strategic Planning	957,584	1,495,920	1,495,920	1,513,646	17,726
Procurement Services	1,093,540	1,156,077	1,156,077	1,226,806	70,729
Total:	9,791,882	11,392,717	11,431,892	9,966,391	(1,465,501)

Staffing Levels

Finance Division FTEs	FY 2003/04 Actual	FY 2004/05 Approved	FY 2004/05 Amended	FY 2005/06 Approved	Change More/(Less) Approved/Amended
Finance Administration	9.00	9.00	8.00	7.00	-1.00
OSBD	6.00	6.00	4.00	4.00	0.00
Revenue	50.50	53.50	56.50	33.50	-23.00
Accounting	25.00	25.00	25.00	24.00	-1.00
Budget, Policy & Strategic Planning	10.00	9.00	9.00	9.00	0.00
Procurement Services	16.05	16.00	18.00	18.00	0.00
Total:	116.55	118.50	120.50	95.50	-25.00

TRENDS

ACCOUNTING	FY2001/02	FY2002/03	FY2003/04
Number of payments processed for purchases and services	*	59,000	62,000
Number of payroll checks/EFTs to City employees processed	*	133,000	134,412
Number of workers' compensation checks issued	*	18,000	19,000
Number of SCERS checks processed	*	17,000	17,000
Number of journal entries entered	*	8,000	8,000

BUDGET	FY2001/02	FY2002/03	FY2003/04
Number of City Council reports processed	*	1,085	1,211
Number of EB/RB documents processed	*	1,686	1,595

OFFICE OF SMALL BUSINESS DEVELOPMENT	FY2001/02	FY2002/03	FY2003/04
Number of certified small business vendors	545	637	667

PROCUREMENT	FY2001/02	FY2002/03	FY2003/04
Number of purchase orders issued	*	3,428	3490
Number of copying jobs processed	4,696	4,063	6,070
Number of outbound US mail pieces processed	1,325,558	1,388,191	1,085,724

REVENUE	FY2001/02	FY2002/03	FY2003/04
Number of parking tickets processed	*	270,000	246,000
Number of utility service accounts billed and processed monthly	*	130,000	133,000
Number of Business Operations Tax accounts managed	*	20,000	28,000
Number of invoices processed	*	4,000	4,000

Approved Positions

1111 Finance	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
Administrative Technician	0.00	1.00	1.00
Director of Finance	1.00	1.00	0.00
Senior Management Analyst	2.00	2.00	0.00
Special Projects Manager	1.00	0.00	-1.00
Typist Clerk II	0.00	0.00	0.00
Organization Total:	4.00	4.00	-1.00

FY2005/06 Approved Budget

1112	<u>Special Projects Unit</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
	Administrative Officer	1.00	0.00	-1.00
	Administrative Services Manager	1.00	0.00	-1.00
	Special Projects Manager	2.00	3.00	1.00
	Organization Total:	4.00	3.00	-1.00
1114	<u>OSBD</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
	Program Analyst	2.00	2.00	0.00
	Program Specialist	1.00	1.00	0.00
	Typist Clerk II	1.00	1.00	0.00
	Organization Total:	4.00	4.00	0.00
1121	<u>Revenue Administration</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
	Administrative Officer	0.00	1.00	1.00
	Administrative Technician	1.00	1.00	0.00
	Program Specialist	1.00	0.00	-1.00
	Revenue Manager	1.00	1.00	0.00
	Senior Management Analyst	0.00	1.00	1.00
	Typist Clerk III	1.00	1.00	0.00
	Organization Total:	4.00	5.00	1.00
1122	<u>Revenue Services</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
	Accounting Clerk II	3.00	3.00	0.00
	Revenue Services Representative	14.50	14.50	0.00
	Revenue Services Trainee	1.00	1.00	0.00
	Revenue Supervisor	1.00	1.00	0.00
	Sr Revenue Services Representative	2.00	2.00	0.00
	Utility Services Inspector (UNPY)	1.00	1.00	0.00
	Organization Total:	22.50	22.50	0.00
1123	<u>Utility Services</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
	Accounting Clerk II	2.00	0.00	-2.00
	Customer Service Representative	10.00	0.00	-10.00
	Customer Service Trainee	6.00	0.00	-6.00
	Revenue Supervisor	1.00	0.00	-1.00
	Sr Customer Service Representative	2.00	0.00	-2.00
	Typist Clerk II	1.00	0.00	-1.00
	Utility Services Inspector (UNPY)	1.00	0.00	-1.00
	Organization Total:	23.00	0.00	-23.00
1125	<u>Enforcement and Collection</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
	Accounting Clerk II	1.00	1.00	0.00
	Claims Collector	2.00	2.00	0.00
	Senior Management Analyst	1.00	0.00	-1.00
	Sr Claims Collector	1.00	1.00	0.00
	Typist Clerk II	1.00	1.00	0.00
	Typist Clerk III	1.00	1.00	0.00
	Organization Total:	7.00	6.00	-1.00

FY2005/06 Approved Budget

1131 <u>Accounting Administration</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
Accounting Clerk II	4.00	4.00	0.00
Accounting Manager	1.00	1.00	0.00
Accounting Technician	2.00	2.00	0.00
Administrative Analyst	1.00	1.00	0.00
Payroll Technician	4.00	4.00	0.00
Principal Accountant	3.00	3.00	0.00
Senior Accountant Auditor	8.00	7.00	-1.00
Senior Staff Assistant	1.00	1.00	0.00
Sr Accounting Technician	1.00	1.00	0.00
Organization Total:	25.00	24.00	-1.00
1140 <u>Budget Office</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
Administrative Analyst	1.00	1.00	0.00
Administrative Technician	1.00	0.00	-1.00
Budget Manager	1.00	1.00	0.00
Principal Management Analyst	2.00	2.00	0.00
Senior Management Analyst	4.00	4.00	0.00
Typist Clerk II	0.00	1.00	1.00
Organization Total:	9.00	9.00	0.00
1181 <u>Procurement Services Administration</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
Accounting Technician	1.00	1.00	0.00
Buyer III	3.00	3.00	0.00
Procurement Services Manager	1.00	1.00	0.00
Typist Clerk II	2.00	2.00	0.00
Typist Clerk III	1.00	1.00	0.00
Organization Total:	8.00	8.00	0.00
1185 <u>Central Services</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
Central Services Assistant II	3.00	3.00	0.00
Central Services Assistant III	1.00	1.00	0.00
Central Services Supervisor	1.00	1.00	0.00
Sr Central Services Assistant	1.00	1.00	0.00
Stores Clerk II	1.00	1.00	0.00
Organization Total:	7.00	7.00	0.00
1187 <u>Compliance Unit</u>	<u>FY2004/05</u>	<u>FY2005/06</u>	<u>Change</u>
Program Analyst	2.00	2.00	0.00
Program Specialist	1.00	1.00	0.00
Organization Total:	3.00	3.00	0.00
DEPARTMENT TOTAL:	120.50	95.50	-25.00