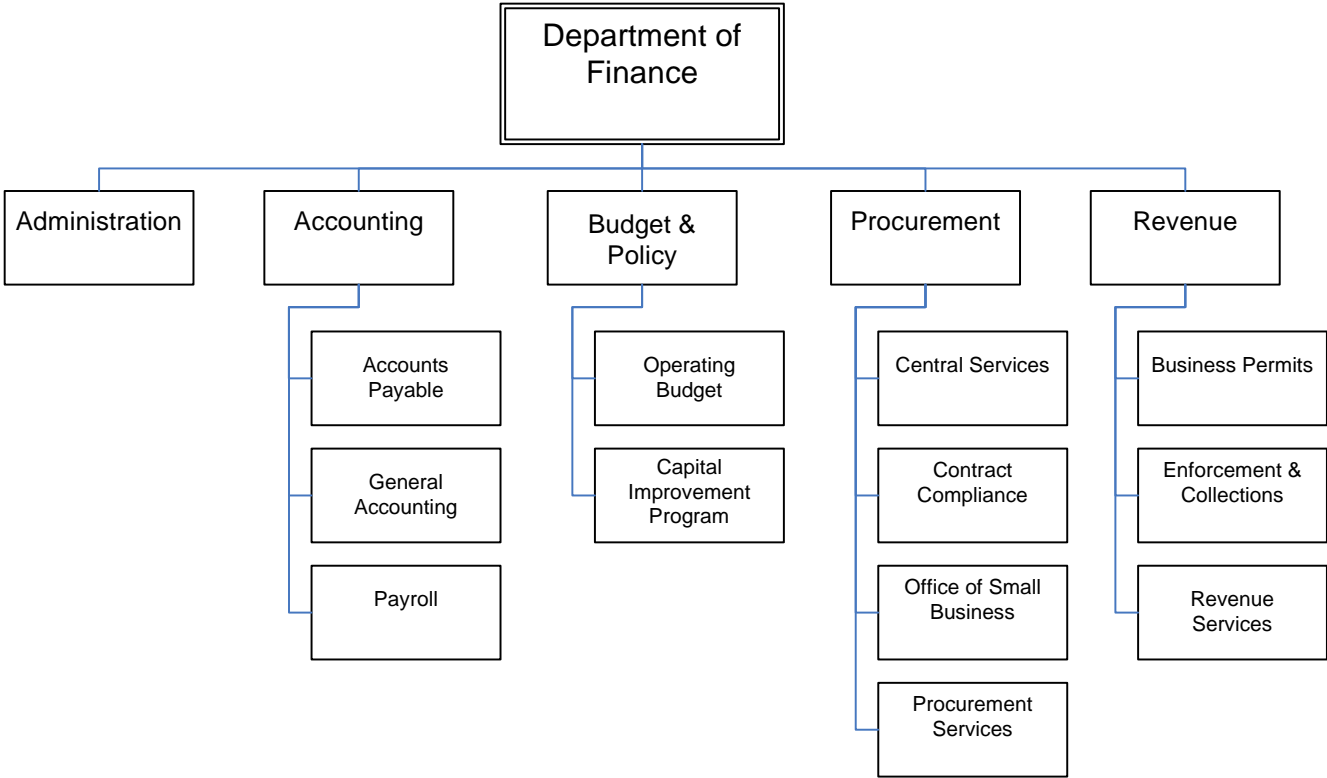


14

SECTION – 14
FINANCE



FINANCE

The mission of the Finance Department is to educate, inform, and provide excellent internal and external customer service with integrity, efficiency, and quality.

DESCRIPTION

The Finance Department is responsible for overseeing the financial management of the City. The Finance Department provides accounting, budgeting, billing, collection, parking citation, and fee collection services. Internal services and programs include procurement, centralized copying, interoffice and outbound mail, standards and contract compliance, strategic planning, policy analysis, and office of small business.

MORE INFORMATION

Key Contacts -

Department Director

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

Budget, Policy & Strategic Planning

Leyne Milstein
Budget Manager
915 I Street, 5th Floor
Sacramento, CA 95814
(916) 808-8491
lmilstein@cityofsacramento.org

Accounting

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

Procurement

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
Special Projects Manager
915 I Street, 5th Floor
Sacramento, CA 95814
(916) 808-2679
tlee-vogt@cityofsacramento.org

OBJECTIVES FOR FY2006/07

- Assist in the development and implementation of the new financial and human resources information system for the City.
- Update Finance related administrative policy instructions (API's).
- Implement Business Permit compliance improvements with the Code Enforcement Department.
- Begin quarterly reporting of major revenue collections for the purpose of comparing income estimates to prior year actual collections.
- Develop implementation plans for Government Accounting Standards Board (GASB) Statements #'s 43 - 46, addressing retiree benefits costs, the statistical section of the Comprehensive Annual Financial Report (CAFR), and restricted funding sources.

ACCOMPLISHMENTS IN FY2005/06

- Supported the Mayor and City Council and the City Manager's Office in the development and implementation of a new, transparent budget process.
 - Provided assistance to the Mayor and City Council and the City Manager's Office with the strategic planning process.
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- Developed requirements for a new financial and human resources information system for the City.
- Implemented new labor agreements for all City employee unions.
- Developed the Finance Department internet website to provide information to City residents and an intranet website to provide information to City employees.
- Converted the Utility Tax Rebate program to a primarily automated low-income assistance program in conjunction with Sacramento Municipal Utility District (SMUD) and Pacific Gas & Electric (PG&E).
- Implemented the revised Taxicab Ordinance improving the permitting and regulatory process and requiring higher vehicle and driver standards.
- Completed the Utility Billing system replacement and merger of the Utility Billing section with the Department of Utilities.
- Assisted the Mayor and City Council and the City Manager's Office with the development and adoption of the Community Reinvestment Capital Improvement Program (CRCIP).
- Implemented (GASB) Statement #40, improving disclosure of the City's cash and investments in the FY2004/05 (CAFR).
- Recognized for excellence in financial reporting for the City's FY2004/05 CAFR.
- Enhanced utilization of the City's website to provide public access to information on contracting opportunities.
- Utilized the sheltered-market approach for a formal public solicitation to secure trucking services, which resulted in a contract with three small businesses.
- Awarded the National Purchasing Institute's 10th annual Achievement of Excellence in Procurement Award.

PROPOSED BUDGET/STAFFING CHANGES

Organizational changes

Transferred 2.0 FTE positions to the Governmental Affairs division of the City Manager's Office. Transferred 1.0 FTE position to the Development Services Department to properly align the FTE with the specific workload. Added 24 FTE as authorized by City Council Resolution 2006-224 for the implementation of the new finance and human resources system.

Augmentations

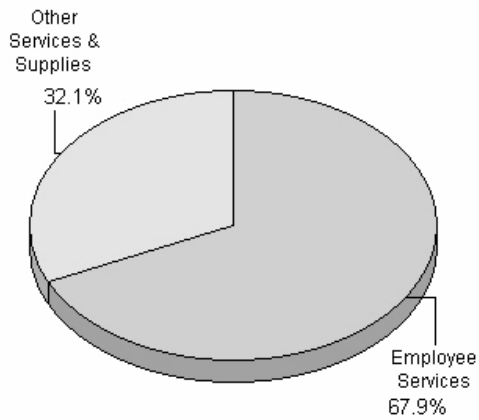
None

FY2006/07 Proposed Budget

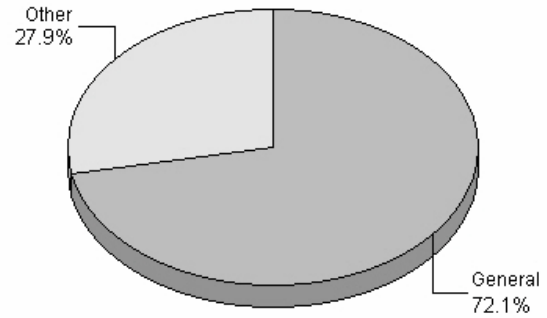
Department Budget Summary

Finance Budget Summary	FY	FY		FY	Change
	2004/05	2005/06		2006/07	More/(Less)
	Actual	Approved	Amended	Proposed	Proposed/Amended
Positions (FTE)	120.50	95.50	97.50	118.50	21.00
Budgeted Expenditures					
CIP & Grant Offsets	(785,907)	(1,037,522)	(1,037,522)	(1,037,522)	0
Employee Services	7,125,011	7,220,822	7,310,977	7,277,740	(33,237)
Equipment	1,498	0	0	0	0
Other Services & Supplies	4,763,445	3,783,091	4,783,019	3,437,694	(1,345,325)
Transfers	(337,614)	0	0	0	0
Total:	10,766,433	9,966,391	11,056,474	9,677,912	(1,378,562)
Funding Summary by Fund/Special District					
12th St. Maintenance	515	872	900	900	0
Assessment Bond Registration	246,659	204,339	204,339	204,339	0
Capital Station District PBID	2,751	2,751	2,795	2,795	0
Del Paso BID	45,125	0	0	0	0
Del Paso PBID	0	0	1,091	1,091	0
Development Services	65,000	65,000	65,000	0	(65,000)
Downtown Management	2,593	2,552	2,516	2,516	0
Downtown Plaza BID	110,263	0	0	0	0
Franklin Blvd BID	52,806	0	0	0	0
Franklin Blvd PBID	831	0	888	888	0
General	5,205,042	6,804,525	7,888,518	6,974,416	(914,102)
Inter-departmental Service	4,455,948	2,389,920	2,389,920	2,284,594	(105,326)
Laguna Creek Maintenance	5,743	5,743	5,397	5,397	0
Landscape and Lighting	88,801	88,801	88,801	84,535	(4,266)
N Natomas CFD #3	3,460	14,300	14,300	14,300	0
N Natomas Landscape Maint	3,494	8,000	8,000	8,000	0
N Natomas Trans Mgmt Assoc	901	11,484	11,484	11,484	0
N. Natomas Community Improv.	24,124	109,124	109,124	0	(109,124)
Neighborhood Lighting	3,954	3,948	4,125	4,125	0
Neighborhood Park Maint CFD	3,460	0	0	0	0
Neighborhood Water Quality Dst	0	0	3,170	3,170	0
Northside Subdivision Maint	834	834	849	849	0
Oak Park PBID	939	0	989	989	0
Old Sac BID	128,624	0	0	0	0
Old Sacramento Maintenance	813	809	817	817	0
Park Dev	36,500	70,000	70,000	0	(70,000)
Power Inn Road	0	0	773	773	0
Risk Management	102,805	110,744	110,744	0	(110,744)
Sac Tourism BID	42,401	43,000	43,000	43,000	0
Sewer	15,000	0	0	0	0
Special Dist. Info. Rptng System	5,270	0	0	0	0
Stockton Blvd BID	53,778	0	0	0	0
Stockton Blvd. PBID	1,080	1,069	1,049	1,049	0
Storm Drainage	15,000	0	0	0	0
Subdivision Landscaping Maint	20,127	20,127	19,569	19,569	0
Village Garden Maintenance	1,282	1,268	1,266	1,266	0
Water	15,000	0	0	0	0
Willowcreek Landscaping	3,460	5,000	5,000	5,000	0
Willowcreek Maintenance	2,050	2,181	2,050	2,050	0
Total:	10,766,433	9,966,391	11,056,474	9,677,912	(1,378,562)

Budgeted Expenditures - FY07



Funding Summary - FY07



Division Budget Summary

Finance	FY	FY	FY	Change
Division Budgets	2004/05	2005/06	2006/07	More/(Less)
	Actual	Approved	Proposed	Proposed/Amended
Finance Administration	1,207,992	1,496,369	918,631	(1,561,038)
Revenue	3,918,703	2,671,552	2,955,077	201,946
Accounting	2,428,029	2,544,876	2,645,385	88,841
Procurement Services	1,287,685	994,712	1,014,267	13,273
Budget, Policy & Strategic Planning	1,196,041	1,513,646	1,377,623	(136,648)
Procurement Services Admin	727,983	745,236	766,929	15,064
Total:	10,766,433	9,966,391	9,677,912	(1,378,562)

FY2006/07 Proposed Budget

Staffing Levels

Finance Division FTEs	FY 2004/05 Actual	FY 2005/06 Approved	FY 2005/06 Amended	FY 2006/07 Proposed	Change More/(Less) Proposed/Amended
Finance Administration	8.00	7.00	7.00	29.00	22.00
Revenue	56.50	33.50	35.50	35.50	0.00
Accounting	25.00	24.00	24.00	24.00	0.00
Budget, Policy & Strategic Planning	9.00	9.00	9.00	8.00	-1.00
Procurement Services	22.00	22.00	22.00	22.00	0.00
Total:	120.50	95.50	97.50	118.50	21.00

Performance Trend Measures

Activity: Purchasing

Type of Measure: Demand	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
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Measure: Requisitions processed

Baseline Measure: New Measure

Service Level Standard: TBD

Definition: The total number of requests for contracts and purchase orders.

Type of Measure: Output	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
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Measure: Number of small business sheltered market bid/proposal solicitations

Baseline Measure: New Measure

Service Level Standard: TBD

Definition: The total number of contracts awarded through the sheltered market (small business only) process.

Type of Measure: Efficiency	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
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Measure: Efficiency of the acquisition process

Baseline Measure: New Measure

Service Level Standard: TBD

Definition: The average response time to issue purchase orders.

Activity: Taxi Permit Issuance

Type of Measure: Demand	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
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Measure: Permits Requested

Baseline Measure: New Measure

Service Level Standard: TBD

Definition: The total number of permits requested.

FY2006/07 Proposed Budget

Type of Measure: Output	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
	322.0	332.0	358.0	251 (thru Mar 06)	-

Measure: Permits Issued
Baseline Measure: 337.3
Service Level Standard: TBD
Definition: The total number of permits issued.

Type of Measure: Efficiency	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
	\$10.60	\$10.90	\$11.25	\$11.80	-

Measure: Cost per Permit Issued
Baseline Measure: \$11.14
Service Level Standard: Reduce Average cost by 10%
Definition: The average cost of each permit issued.

Activity: Taxi Permit Issuance

Type of Measure: Outcome	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
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Measure: Level of Compliance
Baseline Measure: New Measure
Service Level Standard: Increase recent annual compliance level by 20%
Definition: The number of permits without complaints compared to the total number of permits issued.

Type of Measure: Outcome	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
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Measure: Incidences of Illegal Taxicab Parking at Meters
Baseline Measure: New Measure
Service Level Standard: Reduce recent annual incidences by 10%
Definition: The total number of citations issued for violation.

Type of Measure: Outcome	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>FY 05-06</u>	<u>FY 06-07</u>
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Measure: Volume of Complaints
Baseline Measure: New Measure
Service Level Standard: Reduce recent annual volume by 20%
Definition: The number of complaints regarding taxi permits.

