

Auditor-Controller

RECOMMENDED BUDGET • FY 2020 - 21

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

DEPT : 03 AUDITOR-CONTROLLER

Description	Prior Year Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Service Charges	393,389	381,500	390,040	8,540
Other Fin Sources	31,701	45,064	38,710	(6,354)
Total Revenue	425,090	426,564	428,750	2,186
Salaries & Benefits	3,750,814	4,003,691	4,044,588	40,897
Services & Supplies	105,885	116,912	70,990	(45,922)
Intrafund Transfers	11,787	7,275	11,376	4,101
Intrafund Abatement	(55,533)	(48,050)	(47,550)	500
Total Appropriations	3,812,952	4,079,828	4,079,404	(424)
FUND 1000 GENERAL FUND TOTAL	3,387,862	3,653,264	3,650,654	(2,610)

MAJOR BUDGET CHANGES

Appropriations

Salaries and Benefits

- \$29,900 Increase due to negotiated salary adjustments.
- \$96,208 Increase in the employer share of CalPERS retirement costs.
- (\$79,018) Decrease in the employer share of health insurance premium costs.

Services and Supplies

- (\$42,729) General Liability insurance premium charge recommended at \$0 to bring the program funding level to an acceptable confidence level, as provided by the Risk Management Division.

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(\$4,417) Reduction to transportation and travel in recognition of COVID-related restrictions.

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 175,000 property tax liabilities, including changes/refunds, based upon assessed value generating over \$445 million in taxes. The Division places more than 650,000 line items of direct charges totaling over \$40 million on the secured tax bills by working with 60 different taxing agencies with 243 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.

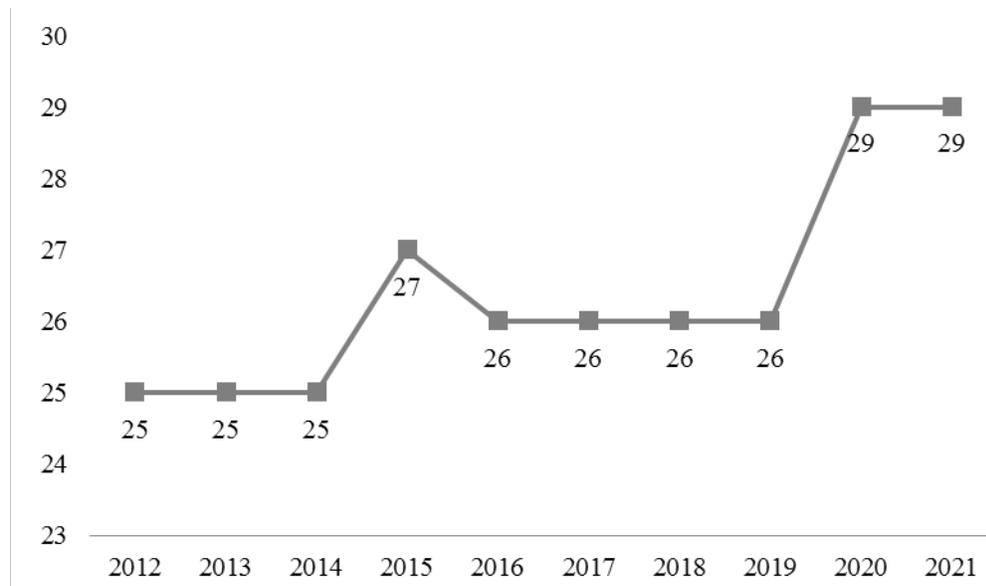
Accounting

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 purchase card program (PCard) is managed by the staff within this Division. This includes the issuance of purchase cards (388 cards), continuous modification of commodity types and dollar thresholds for cardholders, review of over 14,902 purchase card transactions that amount to over \$8.38 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 eleven 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. With the completed conversion to MUNIS this Division has assumed the added responsibility from IT for the daily printing of accounts payable vendor checks. Other added MUNIS responsibilities for the accounting staff include system maintenance, testing, trouble-shooting and continual departmental training. With the elimination of the IT Operations, the accounting staff now print Social Service C-IV checks and Social Services general assistance checks.

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. The recommended staff allocation for FY 2020-21 is 29 FTEs.



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RECOMMENDED BUDGET

This Budget is recommended at \$4,079,404, which is a decrease of \$424 (0.01%) when compared to the FY 2019-20 Adopted Budget. The General Fund provides 89.5% of the funding for this Department, and is decreased by \$2,610 (0.07%) when compared to the FY 2019-20 Adopted Budget.

CAO Adjustments

Travel and training were reduced by \$4,417 in recognition of likely COVID-related restrictions. The department requested additional appropriations in Salaries and Benefits that were deferred in the Recommended Budget, and will be considered in the fall with the 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 (\$113,000). Revenues to the Department for property tax administration are estimated at \$258,890. The Department also receives a share of the fees charged for the separate assessment of timeshares (\$33,710) and a share of the 5% administration fee for the supplemental property tax roll (\$17,500).

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