

# AUDITOR-CONTROLLER

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## 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 to 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; field audits for fire, cemetery and special districts; 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.

## Program Summaries

### Administration

**Positions: 2.25 FTE**

**Extra Help : \$0**

**Total Appropriations: \$411,942**

**Total Revenues: \$3,000**

**Net County Cost: \$408,942**

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.

Annual revenues are derived from the Cash Overage fund, which is estimated to be \$3,000 this fiscal year.

### Property Tax

**Positions: 3.55 FTE**

**Extra Help: \$0**

**Total Appropriations: \$598,357**

**Total Revenues: \$306,200**

**Net County Cost: \$292,157**

This Division calculates over 150,000+ property tax liabilities based upon assessed value totaling over \$325 million, including changes/refunds. The Division places 600,000+ line items of direct charges totaling over \$30 million on the secured tax bills by working with 60 different taxing agencies with 250 different types of direct charges. The Division calculates and distributes property tax revenues to over 85 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), Triple Flip, Vehicle License Fee (VLF) Swap, etc.

Each of the revenue sources for this Division would be characterized as on-going. The revenue generated by this Division is from the handling charges on parcel taxes in the amount of \$238,000, the handling charges on supplemental taxes in the amount of \$12,000, and the handling charges on timeshare assessments in the amount of \$53,000. The administrative

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charges for calculating, preparing and collecting the LAFCO charges to cities and special districts are estimated to be \$1,700. The revenue from the share of the costs for administering and processing the taxpayer claims for excess proceeds from tax sales is estimated to be \$1,500.

### **Financial Reporting**

**Positions: 4.8 FTE**

**Extra Help: \$0**

**Total Appropriations: \$630,876**

**Total Revenues: \$60,000**

**Net County Cost: \$570,876**

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 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 36 special districts.

Each of the revenue sources for this Division is ongoing. Auditing fees for special district and other agency audits are estimated at \$15,000. Accounting services for the departmental financial/cost report reviews are estimated at \$38,000. The TDA accounting services will generate \$4,000 in revenue. The share of the administrative charges for the development fees collection and processing is \$3,000.

### **Payroll**

**Positions: 2.0 FTE**

**Extra Help: \$45,945**

**Total Appropriations: \$256,260**

**Total Revenues: \$1,000**

**Net County Cost: \$255,260**

Payroll accounting prepares biweekly payroll instruments and "wage/tax reports" for County and 18 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); administers the Optional Benefits Program for over 500 county employees; and administers deferred compensation program for over 1,000 county employees.

The \$1,000 of revenues is generated from charges to departments to cover costs for the preparation of supplemental payroll checks and retroactive pay increases. All of these revenues will continue to be ongoing subject to the number of checks of each type that has to be issued.

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### Accounting

Positions: 8.0 FTE

Extra Help: \$26,780

Total Appropriations: \$921,866

Total Revenues: \$53,000

Net County Cost: \$868,866

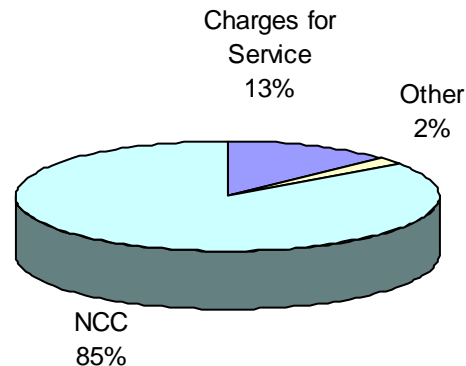
This Division reviews and processes accounts payable disbursement items, including employee travel reimbursements, contract payments and payments for product purchases; maintains ledger accounts and processes transactions for 50 Special Districts having independent governing boards; provides computerized 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 (500 cards), continuous modification of commodity types and dollar thresholds for cardholders, review of in excess of 7,500 purchase card transactions which amount to over \$5 million in charges, reconciliation and distribution of bi-weekly 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. Annually, it scans and catalogs in excess of 35,000 document types containing more than 250,000 individual transactions with more than 500,000 pages of supporting documentation. This Division administers five 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.

The on-going revenues are generated from accounting service charges to the Mello Roos Districts in the amount of \$20,000 and the annual rebate for the PCard purchases in the amount of \$32,500. In addition there is \$500 in estimated revenue from charges to county departments to cover costs for hand typed vendor checks and providing copies of canceled checks.

### Financial Charts

#### Source of Funds

Charge for Services (\$367,200): The bulk of this revenue is generated in the Property Tax section, and consists of handling charges on parcel taxes (\$238,000) and the department's share of the County's 5% supplemental tax roll (\$12,000). Additional revenue is generated in the Financial Reporting section for accounting and audit services provided to special districts and other agencies (\$22,000) and review of departmental



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cost reports (\$38,000). The remainder of the revenue in this character is generated in the Accounting section, mainly through accounting charges to the Mello Roos districts (\$20,000) and rebates associated with the Purchase Card program (\$32,500).

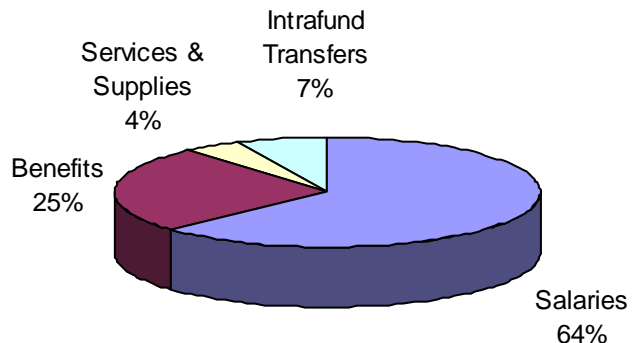
Operating Transfers (\$56,000): The bulk of this revenue (\$53,000) is derived from the fees charged for the separate assessment of timeshare projects, as provided by County Ordinance. This revenue is shared among the property tax administration departments. The remainder is a transfer in from the cash overage account.

Net County Cost (\$2,396,101): The department is primarily funded with discretionary General Fund tax dollars. These revenues are collected in Department 15 – General Fund Other Operations.

It should be noted that charges to special districts to cover the County's cost for administering the property tax system generate revenue which posts in Department 15 as general discretionary revenue. The charges are derived from the costs of the Assessor, the Auditor-Controller, and Treasurer-Tax Collector Departments. This revenue is budgeted at \$2,300,000.

### Use of Funds

**Salaries & Benefits** (\$2,494,079): Primarily comprised of general salaries and benefits (\$1,896,443), retirement (\$293,534), retiree health (\$23,034), workers' compensation (\$14,279) and health insurance (\$266,789). The budget includes \$72,725 for extra help to continue the department's record scanning program, and provide support to the Payroll Division.



**Services & Supplies** (\$126,315): Major components of this include general liability premium (\$32,631), office expense (\$24,930), and postage (\$18,315) for mailing vendor checks and other documents. Professional and specialized services of \$32,750 include database programming (\$22,500), cost plan review services (\$5,000), and confidential shredding (\$5,250).

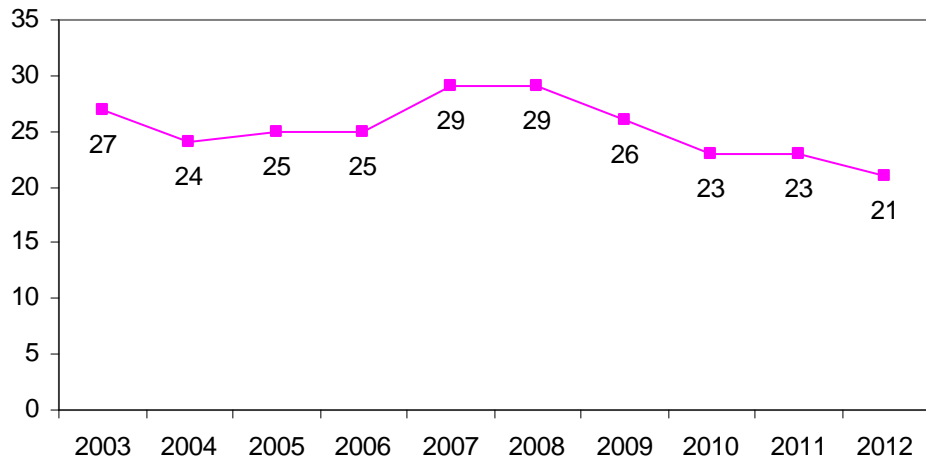
**Intrafund Transfers** (\$302,707): Intrafund transfers consist of charges from other departments for services such as mainframe support (\$241,870), telephone (\$10,200), and network support (\$33,827).

**Intrafund Abatements** (\$106,200): These are charges to County departments for accounting and audit services, which are primarily paid by Human Services (\$53,700), Child Support (\$16,000), Probation (\$11,000), and the District Attorney for worker's compensation and auto fraud (\$22,000).

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### Staffing Trend

Staffing for the department has decreased about 34% over the past ten years. Reductions in 2004 coincide with staffing cuts across several departments due to fiscal downturns. The proposed staff allocation for FY 2011-12 is 20.6. All staff is located on the West Slope.



### Chief Administrative Office Comments

The Recommended Budget represents an overall increase of \$23,100 or 5% in revenues and a decrease of \$179,347 or 6% in appropriations when compared to the FY 2010-11 approved budget. As a result, the Net County Cost has decreased \$202,447 or 8%.

The change in revenues is primarily comprised of slight increases in the purchase card rebate revenues and the charges for handling parcel taxes. The change in appropriations is primarily related to decreases in salaries and benefits due to reductions resulting from the early retirement incentive (ERI) and other reductions to achieve cost savings. Overall salaries and benefits are declining, including a \$43,962 reduction in retirement due to the anticipated employee partial pick-up of retirement costs.

The Recommended Budget for the Auditor-Controller includes changes to the personnel allocation due to retirement as well as reductions to achieve savings. 1.0 FTE Accounting Division Manager and 0.6 FTE are vacant due to retirement and are recommended for deletion. 1.0 vacant FTE Fiscal Technician is also recommended for deletion. In addition, two positions, Accountant/Auditor and Accounting Systems Administrator, will be downgraded to 2.0 FTE Accountant I/II. The retirement of the Accounting Division Manager from the Payroll Division has made it necessary to provide some extra-help funding in FY 2011-12 for transitional training.

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## Financial Information by Fund Type

FUND TYPE: 10 GENERAL FUND  
 DEPARTMENT: 03 AUDITOR / CONTROLLER

		MID-YEAR PROJECTION	CURRENT YR APPROVED BUDGET	DEPARTMENT REQUEST	CAO RECOMMENDED BUDGET	DIFFERENCE
<b>TYPE: R REVENUE</b>						
<b>SUBOBJ</b>	<b>SUBOBJ TITLE</b>					
1300	ASSESSMENT & TAX COLLECTION FEES	254,665	244,940	251,500	251,500	6,560
1320	AUDIT & ACCOUNTING FEES	96,936	69,300	76,200	76,200	6,900
1800	INTERFND REV: SERVICE BETWEEN FUND	20,474	29,800	39,500	39,500	9,700
<b>CLASS: 13</b>	<b>REV: CHARGE FOR SERVICES</b>	<b>372,075</b>	<b>344,040</b>	<b>367,200</b>	<b>367,200</b>	<b>23,160</b>
2020	OPERATING TRANSFERS IN	56,060	56,060	56,000	56,000	-60
<b>CLASS: 20</b>	<b>REV: OTHER FINANCING SOURCES</b>	<b>56,060</b>	<b>56,060</b>	<b>56,000</b>	<b>56,000</b>	<b>-60</b>
<b>TYPE: R SUBTOTAL</b>		<b>428,135</b>	<b>400,100</b>	<b>423,200</b>	<b>423,200</b>	<b>23,100</b>

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## Financial Information by Fund Type

FUND TYPE: 10 GENERAL FUND  
 DEPARTMENT: 03 AUDITOR / CONTROLLER

	MID-YEAR PROJECTION	CURRENT YR APPROVED BUDGET	DEPARTMENT REQUEST	CAO RECOMMENDED BUDGET	DIFFERENCE
<b>TYPE: E EXPENDITURE</b>					
<b>SUBOBJ SUBOBJ TITLE</b>					
3000 PERMANENT EMPLOYEES / ELECTED	1,665,550	1,799,471	1,647,676	1,647,676	-151,795
3001 TEMPORARY EMPLOYEES	46,581	9,000	72,725	72,725	63,725
3002 OVERTIME	18,409	7,000	20,101	20,101	13,101
3004 OTHER COMPENSATION	46,867	70,147	33,185	33,185	-36,962
3020 RETIREMENT EMPLOYER SHARE	316,720	344,677	337,496	293,534	-51,143
3022 MEDI CARE EMPLOYER SHARE	25,351	25,537	23,464	23,464	-2,073
3040 HEALTH INSURANCE EMPLOYER SHARE	263,355	260,950	266,789	266,789	5,839
3041 UNEMPLOYMENT INSURANCE EMPLOYER	16,293	18,515	16,903	16,903	-1,612
3042 LONG TERM DISABILITY EMPLOYER SHARE	6,320	6,320	5,777	5,777	-543
3043 DEFERRED COMPENSATION EMPLOYER	19,384	24,659	18,612	18,612	-6,047
3046 RETIREE HEALTH: DEFINED CONTRIBUTIONS	23,034	23,034	23,034	23,034	0
3060 WORKERS' COMPENSATION EMPLOYER	24,850	24,850	14,279	14,279	-10,571
3080 FLEXIBLE BENEFITS	32,859	60,000	54,000	54,000	-6,000
<b>CLASS: 30 SALARY &amp; EMPLOYEE BENEFITS</b>	<b>2,505,573</b>	<b>2,674,159</b>	<b>2,534,041</b>	<b>2,490,079</b>	<b>-184,080</b>
4041 COUNTY PASS THRU TELEPHONE CHARGES	307	412	400	400	-12
4080 HOUSEHOLD EXPENSE	0	65	65	65	0
4100 INSURANCE: PREMIUM	29,120	29,120	32,631	32,631	3,511
4140 MAINT: EQUIPMENT	0	0	1,220	1,220	1,220
4220 MEMBERSHIPS	1,495	1,415	1,615	1,615	200
4221 MEMBERSHIPS: LEGISLATIVE ADVOCACY	450	450	450	450	0
4260 OFFICE EXPENSE	18,476	19,314	17,930	17,930	-1,384
4261 POSTAGE	18,254	18,615	18,315	18,315	-300
4262 SOFTWARE	1,440	0	7,000	7,000	7,000
4300 PROFESSIONAL & SPECIALIZED SERVICES	27,923	28,260	32,750	32,750	4,490
4400 PUBLICATION & LEGAL NOTICES	75	75	75	75	0
4420 RENT & LEASE: EQUIPMENT	5,263	5,526	5,500	5,500	-26
4462 EQUIP: COMPUTER	1,964	0	925	925	925
4500 SPECIAL DEPT EXPENSE	0	1,260	1,440	1,440	180
4503 STAFF DEVELOPMENT	2,485	3,010	2,785	2,785	-225
4600 TRANSPORTATION & TRAVEL	700	1,775	1,775	1,775	0
4602 MILEAGE: EMPLOYEE PRIVATE AUTO	226	1,686	1,119	1,119	-567
4605 RENT & LEASE: VEHICLE	0	322	200	200	-122
4606 FUEL PURCHASES	0	250	120	120	-130
<b>CLASS: 40 SERVICE &amp; SUPPLIES</b>	<b>108,178</b>	<b>111,555</b>	<b>126,315</b>	<b>126,315</b>	<b>14,760</b>
6040 FIXED ASSET: EQUIPMENT	0	0	6,400	6,400	6,400
<b>CLASS: 60 FIXED ASSETS</b>	<b>0</b>	<b>0</b>	<b>6,400</b>	<b>6,400</b>	<b>6,400</b>
7220 INTRAFND: TELEPHONE EQUIPMENT &	10,115	10,416	10,200	10,200	-216
7223 INTRAFND: MAIL SERVICE	3,138	3,138	3,182	3,182	44
7224 INTRAFND: STORES SUPPORT	1,306	1,306	1,308	1,308	2
7225 INTRAFND: CENTRAL DUPLICATING	2,544	3,970	3,970	3,970	0
7227 INTRAFND: MAINFRAME SUPPORT	227,621	227,621	241,870	241,870	14,249
7229 INTRAFND: PC SUPPORT	2,500	4,750	4,750	4,750	0
7231 INTRAFND: IS PROGRAMMING SUPPORT	1,585	6,740	3,600	3,600	-3,140
7234 INTRAFND: NETWORK SUPPORT	40,193	40,193	33,827	33,827	-6,366
<b>CLASS: 72 INTRAFUND TRANSFERS</b>	<b>289,002</b>	<b>298,134</b>	<b>302,707</b>	<b>302,707</b>	<b>4,573</b>
7350 INTRAFND ABATEMENTS: GF ONLY	-77,271	-85,200	-106,200	-106,200	-21,000
<b>CLASS: 73 INTRAFUND ABATEMENT</b>	<b>-77,271</b>	<b>-85,200</b>	<b>-106,200</b>	<b>-106,200</b>	<b>-21,000</b>
<b>TYPE: E SUBTOTAL</b>	<b>2,825,482</b>	<b>2,998,648</b>	<b>2,863,263</b>	<b>2,819,301</b>	<b>-179,347</b>
<b>FUND TYPE: 10 SUBTOTAL</b>	<b>2,397,347</b>	<b>2,598,548</b>	<b>2,440,063</b>	<b>2,396,101</b>	<b>-202,447</b>
<b>DEPARTMENT: 03 SUBTOTAL</b>	<b>2,397,347</b>	<b>2,598,548</b>	<b>2,440,063</b>	<b>2,396,101</b>	<b>-202,447</b>

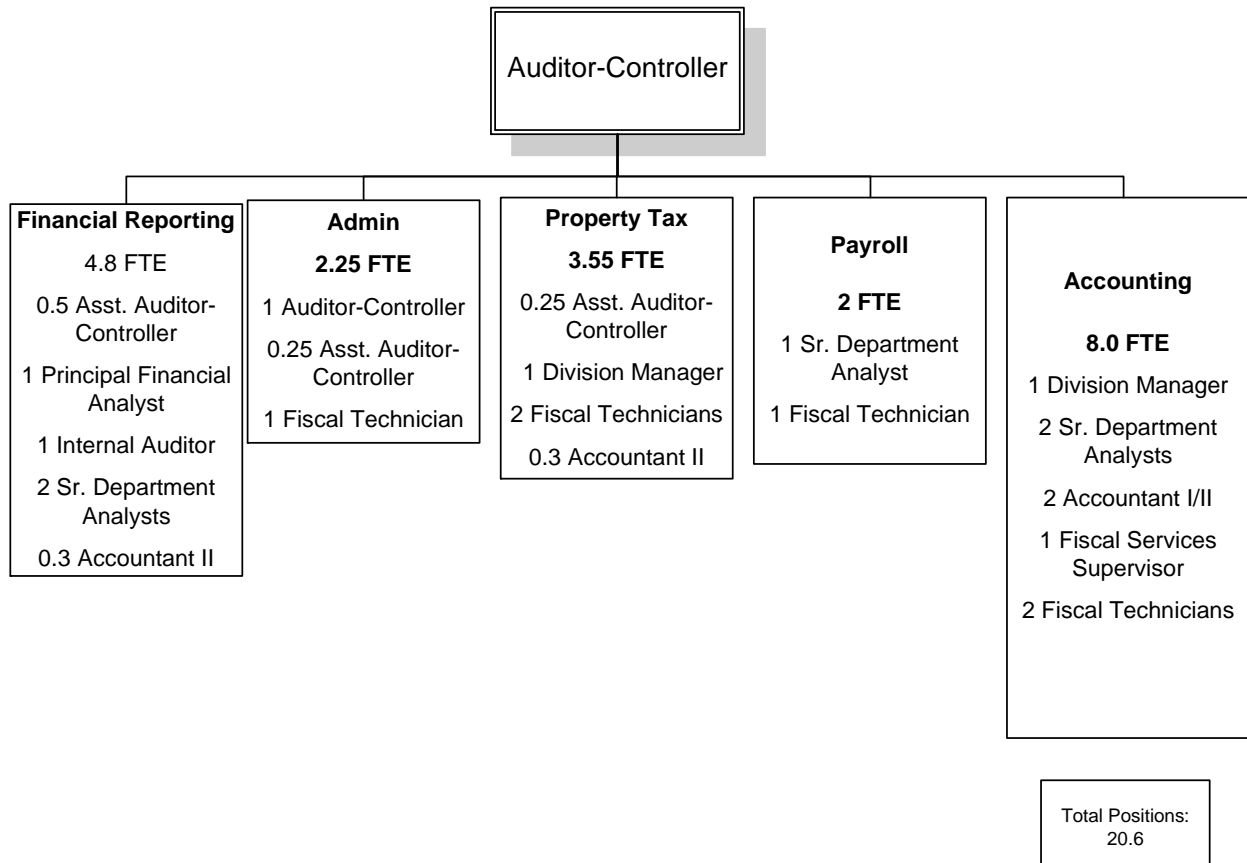
## AUDITOR-CONTROLLER

### Personnel Allocation

Classification Title	2010-11 Adjusted Allocation	2011-12 Dept Request	2011-12 CAO Recm'd	Diff from Adjusted
Auditor-Controller	1.00	1.00	1.00	-
Accountant I/II	0.60	2.60	2.60	2.00
Accountant/Auditor	1.00	1.00	-	(1.00)
Accounting Division Manager	3.00	2.00	2.00	(1.00)
Accounting Systems Administrator	1.00	-	-	(1.00)
Chief Assistant Auditor-Controller	1.00	1.00	1.00	-
Fiscal Services Supervisor	1.00	1.00	1.00	-
Fiscal Technician	7.60	6.00	6.00	(1.60)
Internal Auditor	1.00	1.00	1.00	-
Principal Financial Analyst	1.00	1.00	1.00	-
Sr. Department Analyst	5.00	5.00	5.00	-
<b>Department Total</b>	<b>23.20</b>	<b>21.60</b>	<b>20.60</b>	<b>(2.60)</b>



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### Ten Year History

	<b>02/03</b> Actual	<b>03/04</b> Actual	<b>04/05</b> Actual	<b>05/06</b> Actual	<b>06/07</b> Actual
Charges for Service	394,282	429,127	429,726	481,918	422,974
Misc.	270	44,088	612	-	38,586
Other	-	-	49,314	62,326	59,509
<b>Total Revenue</b>	<b>394,552</b>	<b>473,215</b>	<b>479,652</b>	<b>544,244</b>	<b>521,069</b>
Salaries	1,208,245	1,176,094	1,206,096	1,587,017	1,892,676
Benefits	315,236	404,687	497,972	650,814	725,152
Services & Supplies	128,810	71,973	93,519	82,610	131,695
Other Charges	150	-	250	400	640
Fixed Assets	7,209	3,464	3,513	5,860	-
Operating Transfers	-	-	-	-	-
Intrafund Transfers	398,670	311,014	284,399	241,450	261,696
<b>Total Appropriations</b>	<b>2,058,320</b>	<b>1,967,232</b>	<b>2,085,749</b>	<b>2,568,151</b>	<b>3,011,859</b>
<b>NCC</b>	<b>1,663,768</b>	<b>1,494,017</b>	<b>1,606,097</b>	<b>2,023,907</b>	<b>2,490,790</b>
<b>FTE's</b>	<b>27</b>	<b>24</b>	<b>25</b>	<b>25</b>	<b>29</b>

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### Ten Year History

	07/08 Actual	08/09 Actual	09/10 Actual	10/11 Projected	11/12 Budget
Charges for Service	434,445	364,377	408,514	372,075	367,200
Misc.	656	-	6	-	-
Other	77,464	53,295	54,876	56,060	56,000
<b>Total Revenue</b>	<b>512,565</b>	<b>417,672</b>	<b>463,396</b>	<b>428,135</b>	<b>423,200</b>
Salaries	1,929,511	1,878,871	1,813,592	1,777,407	1,773,687
Benefits	754,811	791,358	734,426	728,166	716,392
Services & Supplies	95,238	75,021	81,691	108,178	126,315
Other Charges	-	-	-	-	-
Fixed Assets	-	-	-	-	6,400
Operating Transfers	-	-	-	-	-
Intrafund Transfers	249,927	249,396	235,297	211,731	196,507
<b>Total Appropriations</b>	<b>3,029,487</b>	<b>2,994,646</b>	<b>2,865,006</b>	<b>2,825,482</b>	<b>2,819,301</b>
<b>NCC</b>	<b>2,516,922</b>	<b>2,576,974</b>	<b>2,401,610</b>	<b>2,397,347</b>	<b>2,396,101</b>
<b>FTE's</b>	<b>29</b>	<b>26</b>	<b>23</b>	<b>23</b>	<b>21</b>

10 Year Variance		
	\$ Change	% Change
Charges for Service	(27,082)	-7%
Misc.	(270)	-100%
Other	56,000	N/A
<b>Total Revenue</b>	<b>28,648</b>	<b>7%</b>
Salaries	565,442	47%
Benefits	401,156	127%
Services & Supplies	(2,495)	-2%
Other Charges	(150)	-100%
Fixed Assets	(809)	-11%
Operating Transfers	-	N/A
Intrafund Transfers	(202,163)	607%
<b>Total Appropriations</b>	<b>760,981</b>	<b>37%</b>
<b>NCC</b>	<b>732,333</b>	<b>44%</b>
<b>FTE's</b>	<b>(6.0)</b>	<b>-22%</b>

Notes