



# Finance

## Department Summary

### Department Overview

The Finance Department manages the financial planning and accounting for the City, including revenue forecasting and expenditure control. The Department also provides payroll services, purchasing, accounts payable, business license, and administration of the City's outstanding debt obligations, and acts in a fiduciary capacity for assessment districts. The Department assists the City Manager in the preparation of the Annual Program Performance Budget, invests City funds for both short and long-term purposes, and provides cash management services for the City in support of the elected City Treasurer. The Department is also responsible for the completion of the annual audit of all City funds, and related compliance audits for gas tax, single audit federal funds, Measure B, and the coordination of audits of the City's component unit - Alameda Municipal Power (AMP), under the auspices of the elected City Auditor.

### Goals

- Manage the financial resources of the City, consistent with financial policies and budget principles established by the City Council.
- Provide accurate and timely budget and financial reports to City departments to assist in meeting departmental missions.
- Ensure sound budget and expenditure control oversight and reporting of the City's funds to protect the fiduciary interest of the community.
- Administer City expenditures in conformance with municipal code requirements for contracts and payables.
- Establish sound and productive working relationships with the City's elected Treasurer and Auditor, as required by City Charter.



### Workplan Highlights

- In FY 11-12, the City, through the efforts of the City Manager's Office and Finance Departments, won awards of excellence for its budget and budget in brief documents from both the California Society of Municipal Finance Officers and the Government Finance Officers Association.
- The Finance Department presents quarterly financial and investment reports to the City Council so as to provide information needed for effective analysis of the City's financials and investments in a more user friendly manner.
- The Finance Department presents expanded quarterly sales tax reports to provide more information regarding sales by geographic area and sales tax leakage by major industry.
- The Finance Department, in conjunction with the City Treasurer and independent investment firms, received an award of excellence in FY 11-12 for the City's revised investment policy from the United States and Canada Treasurer's Association (USCTC).



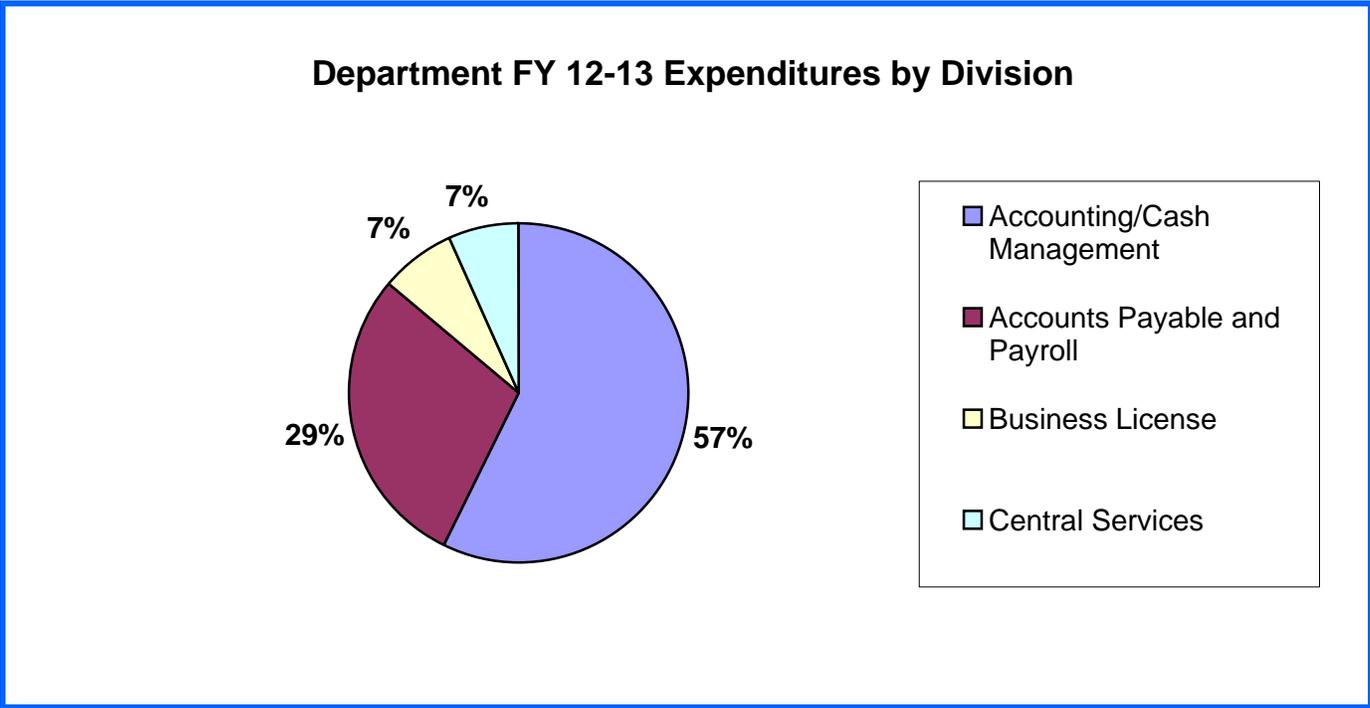
# Finance Department Summary

## Mission Statement

Provide professional financial and accounting information support to City departments to facilitate fiscal and organizational decisions by departments in achieving their goals and objectives.

## Expenditure Summary by Program

<b><i>Program Name</i></b>	<b>FY 10-11 Actual</b>	<b>FY 11-12 Budget</b>	<b>FY 11-12 Projected</b>	<b>FY 12-13 Budget</b>	<b>FY 13-14 Forecast</b>
Accounting/Cash Management	\$ 1,347,475	\$ 1,216,450	\$ 1,206,180	\$ 1,182,002	\$ 1,225,526
Accounts Payable and Payroll	322,584	608,486	581,335	597,168	629,741
Business License	97,269	148,370	155,945	149,833	156,192
Central Services	131,359	201,000	134,745	137,155	138,725
<b>Total Program Budget</b>	<b>\$ 1,898,687</b>	<b>\$ 2,174,306</b>	<b>\$ 2,078,205</b>	<b>\$ 2,066,158</b>	<b>\$ 2,150,184</b>
<b>Less: Program Revenues *</b>	190,993	337,275	186,745	332,220	332,220
<b>Net Program Budget</b>	<b>\$ 1,707,694</b>	<b>\$ 1,837,031</b>	<b>\$ 1,891,460</b>	<b>\$ 1,733,938</b>	<b>\$ 1,817,964</b>
<b>Cost Recovery % **</b>	<b>10%</b>	<b>16%</b>	<b>9%</b>	<b>16%</b>	<b>15%</b>



\* Does not include Business License Taxes, which are included as part of the City's general revenues  
 \*\* Includes cost allocation charges to other City programs. For FY 12-13 and 13-14 charges to other General Fund programs have been eliminated from program revenue.



# Finance Department Summary

## Expenditure Summary by Category

<b><u>Expenditure Category</u></b>	<b>FY 10-11 Actual</b>	<b>FY 11-12 Budget</b>	<b>FY 11-12 Projected</b>	<b>FY 12-13 Budget</b>	<b>FY 13-14 Forecast</b>
Personnel Services	\$ 1,302,551	\$ 1,395,911	\$ 1,369,700	\$ 1,450,793	\$ 1,533,249
Contractual Services	314,727	402,040	363,590	379,545	380,335
Materials & Supplies	152,523	229,305	176,690	182,965	183,745
Capital Outlay	3,306	21,500	42,675	7,500	7,500
Cost Allocation	125,580	125,550	125,550	45,355	45,355
<b>Total Program Budget</b>	<b>\$ 1,898,687</b>	<b>\$ 2,174,306</b>	<b>\$ 2,078,205</b>	<b>\$ 2,066,158</b>	<b>\$ 2,150,184</b>
<b>Less: Program Revenues</b>	<b>190,993</b>	<b>337,275</b>	<b>186,745</b>	<b>332,220</b>	<b>332,220</b>
<b>Net Program Budget</b>	<b>\$ 1,707,694</b>	<b>\$ 1,837,031</b>	<b>\$ 1,891,460</b>	<b>\$ 1,733,938</b>	<b>\$ 1,817,964</b>

## Personnel Summary

<b><u>Program</u></b>	<b>FY 10-11 Actual</b>	<b>FY 11-12 Projected</b>	<b>FY 12-13 Budget</b>	<b>FY 13-14 Forecast</b>
Accounting/Cash Management	6.00	5.40	5.50	5.50
Accounts Payable and Payroll	5.00	5.45	5.35	5.35
Business License	1.00	1.15	1.15	1.15
Central Services	0.00	0.00	0.00	0.00
<b>Total</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>

## Fund Summary

<b>Program Budget by Fund</b>				
General Fund	\$ 1,898,687	\$ 2,078,205	\$ 2,066,158	\$ 2,150,184
<b>Net Program Budget by Fund</b>				
General Fund	\$ 1,707,694	\$ 1,891,460	\$ 1,733,938	\$ 1,817,964



## Finance

### Accounting / Cash Management

#### Program Description

The Accounting/Cash Management Program's responsibilities include accounting, assisting departments with their budgets, financial reporting, fixed asset management, debt service administration, and audits of all City funds. The City Auditor, who is elected to a four-year term, works with the City's independent auditor to complete an independent audit of all funds annually, as well as special audits as required by State law. This program also manages the investment portfolio of the City through the use of two third-party investment firms, in conformance with state and local ordinances. The investments are undertaken in cooperation with the City Treasurer, who is elected to a four-year term.



#### Key Objectives

1. Provide monthly revenue and expenditure information to all departments by the middle of the following month.
2. Prepare quarterly and mid-year financial reports, investment reports and sales tax reports for the City Manager, Assistant City Manager, and the City Council.
3. Complete annual audits for the City, CIC Redevelopment Obligation Retirement Fund, and Alameda Reuse and Redevelopment Authority by December 31<sup>st</sup>, in accordance with standards established by the Governmental Accounting Standards Board and Government Finance Officers Association (GFOA).
4. Update the Master Fee Resolution and Cost Allocation Plan annually.
5. Continue to apply for the GFOA's award for "Excellence in Financial Reporting" for the most recent Comprehensive Annual Financial Report.
6. Update the City's investment policy annually in accordance with standards established by the California Debt and Investment Advisory Commission (CDIAC) and the United States and Canada Treasurer's Association (USCTA).

#### Budget Highlights and Significant Proposed Changes

- Complete Implementation of new "Cloud"-based version of existing Sungard/Pentamation accounting system to address recommendations made by the City's independent financial auditors.
- The variance in Cost Allocation is a result of the recently updated Cost Allocation Plan.

#### Performance Indicators

Performance Indicator	Relates to Objective	FY 10-11 Actual	FY 11-12 Projected	FY 12-13 Budget	FY 13-14 Forecast
Journal entries processed	1	1,292	1,300	1,300	1,300
Bond issues monitored	4	13	12	13	13
Receipts recorded monthly	1	465	465	465	465



## Finance

### Accounting / Cash Management (2410)

Funding Sources:

General Fund (001)

#### Summary of Expenditures and Revenues

<u>Expenditure Category</u>	<b>FY10-11 Actual</b>	<b>FY11-12 Budget</b>	<b>FY11-12 Projected</b>	<b>FY12-13 Budget</b>	<b>FY13-14 Forecast</b>
Personnel Services	\$ 921,694	\$ 704,965	\$ 722,885	\$ 756,632	\$ 800,156
Contractual Services	297,532	382,765	342,150	357,150	357,150
Materials & Supplies	38,561	38,680	35,505	37,500	37,500
Capital Outlay	612	1,000	16,600	2,000	2,000
Cost Allocation	89,076	89,040	89,040	28,720	28,720
<b>Total Program Budget</b>	<b>\$ 1,347,475</b>	<b>\$ 1,216,450</b>	<b>\$ 1,206,180</b>	<b>\$ 1,182,002</b>	<b>\$ 1,225,526</b>
<b>Less: Program Revenues</b>	<b>56,215</b>	<b>51,800</b>	<b>52,000</b>	<b>44,065</b>	<b>44,065</b>
<b>Net Program Budget</b>	<b>\$ 1,291,260</b>	<b>\$ 1,164,650</b>	<b>\$ 1,154,180</b>	<b>\$ 1,137,937</b>	<b>\$ 1,181,461</b>

#### Personnel Summary

<u>Position</u>	<b>FY10-11 Actual</b>	<b>FY11-12 Budget</b>	<b>FY12-13 Budget</b>	<b>FY13-14 Forecast</b>
City Auditor	Elected	Elected	Elected	Elected
City Treasurer	Elected	Elected	Elected	Elected
Controller	1.00	0.50	0.50	0.50
Accounting Supervisor	1.00	0.90	1.00	1.00
Accountant II	2.00	2.00	2.00	2.00
Accounting Technician	1.00	1.00	1.00	1.00
Senior Account Clerk	1.00	1.00	1.00	1.00
<b>Totals</b>	<b>6.00</b>	<b>5.40</b>	<b>5.50</b>	<b>5.50</b>



## Finance

# Accounts Payable and Payroll

### Program Description

The Accounts Payable and Payroll Program's responsibilities include accounts payable and payroll in compliance with City ordinances and department policies. This program oversees and enforces City purchasing, travel, vehicle, and credit card policies.

### Key Objectives

1. Process accounts payable invoices within 30 days of receipt 99% of the time.
2. Update the City's purchasing policy and procedures manual and implement new procedures.
3. Issue 1099s and W-2s by January 31.
4. Implement online timecard system for selected departments.
5. Develop written procedure manuals for each program function.

### Budget Highlights and Significant Proposed Changes

- No significant changes are proposed for this program.
- The variance in Cost Allocation is a result of the recently updated Cost Allocation Plan.

### Performance Indicators

Performance Indicator	Relates to Objective	FY 10-11 Actual	FY 11-12 Projected	FY 12-13 Budget	FY 13-14 Forecast
Payroll checks issued		22,500	22,000	21,950	21,950
Accounts payable checks issued	1	11,850	11,850	11,850	11,850
W-2's issued	3	1,108	1,075	1,075	1,075
1099s issued	3	225	225	225	225
Purchase orders issued		3,150	3,150	2,900	2,900





## Finance

### Accounts Payable and Payroll (2420)

Funding Sources:

General Fund (001)

#### Summary of Expenditures and Revenues

<b><u>Expenditure Category</u></b>	<b>FY10-11 Actual</b>	<b>FY11-12 Budget</b>	<b>FY11-12 Projected</b>	<b>FY12-13 Budget</b>	<b>FY13-14 Forecast</b>
Personnel Services	\$ 273,637	\$ 557,131	\$ 516,365	\$ 548,923	\$ 581,496
Contractual Services	1,304	3,000	3,535	3,640	3,640
Materials & Supplies	10,821	14,225	27,305	27,970	27,970
Capital Outlay	2,694	-	-	-	-
Cost Allocation	34,128	34,130	34,130	16,635	16,635
<b>Total Program Budget</b>	<b>\$ 322,584</b>	<b>\$ 608,486</b>	<b>\$ 581,335</b>	<b>\$ 597,168</b>	<b>\$ 629,741</b>
<b>Less: Program Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Program Budget</b>	<b>\$ 322,584</b>	<b>\$ 608,486</b>	<b>\$ 581,335</b>	<b>\$ 597,168</b>	<b>\$ 629,741</b>

#### Personnel Summary

<b><u>Position</u></b>	<b>FY10-11 Actual</b>	<b>FY11-12 Budget</b>	<b>FY12-13 Budget</b>	<b>FY13-14 Forecast</b>
Controller	-	0.45	0.45	0.45
Purchasing & Payables Coordinator	1.00	1.00	0.90	0.90
Administrative Technician III	2.00	2.00	2.00	2.00
Senior Account Clerk	2.00	2.00	2.00	2.00
<b>Totals</b>	<b>5.00</b>	<b>5.45</b>	<b>5.35</b>	<b>5.35</b>



# Finance

## Business License

### Program Description

The Business License program's primary responsibility is to ensure that businesses and companies located in and/or doing business in Alameda have a current business license. The division processes renewal notices for current business licenses and issues new and renewed licenses as necessary, in accordance with the City's business license ordinance. Business license inspection and compliance is addressed on a complaint basis through non-judicial compliance.

### Key Objectives

1. Issue renewal notices by May 15<sup>th</sup>.
2. Issue renewed business licenses within 15 days of application receipt, 99% of the time.
3. Place delinquent business licenses on the tax role by August 10<sup>th</sup> of each year.

### Budget Highlights and Significant Proposed Changes

- A third-party independent audit will be undertaken in FY 12-13 to identify firms that are conducting business within the City limits without a business license.
- The budget increase for FY 12-13 reflects the implementation of online application and renewal modules for the City's new business license system, which will allow customers to apply for and renew their licenses online.
- Revenues for FY 12-13 and FY 13-14 include a proposed new processing fee to be assessed on all business licenses, to partially recover processing costs incurred by this division.

### Performance Indicators

Performance Indicator	Relates to Objective	FY 10-11 Actual	FY 11-12 Projected	FY 12-13 Budget	FY 13-14 Forecast
Business licenses issued	2	8,500	8,500	8,500	8,500
Renewal notices mailed	1	8,000	8,000	8,000	8,000





## Finance

### Business License (2450)

Funding Sources:

General Fund (001)

#### Summary of Expenditures and Revenues

<b><u>Expenditure Category</u></b>	<b>FY10-11 Actual</b>	<b>FY11-12 Budget</b>	<b>FY11-12 Projected</b>	<b>FY12-13 Budget</b>	<b>FY13-14 Forecast</b>
Personnel Services	\$ 72,512	\$ 99,295	\$ 96,350	\$ 110,238	\$ 116,597
Contractual Services	2,547	2,785	2,825	2,925	2,925
Materials & Supplies	19,834	23,910	28,815	31,670	31,670
Capital Outlay	-	20,000	25,575	5,000	5,000
Cost Allocation	2,376	2,380	2,380	-	-
<b>Total Program Budget</b>	<b>\$ 97,269</b>	<b>\$ 148,370</b>	<b>\$ 155,945</b>	<b>\$ 149,833</b>	<b>\$ 156,192</b>
<b>Less: Program Revenues *</b>	765	91,000	-	131,000	131,000
<b>Net Program Budget</b>	<b>\$ 96,504</b>	<b>\$ 57,370</b>	<b>\$ 155,945</b>	<b>\$ 18,833</b>	<b>\$ 25,192</b>

#### Personnel Summary

<b><u>Position</u></b>	<b>FY10-11 Actual</b>	<b>FY11-12 Budget</b>	<b>FY12-13 Budget</b>	<b>FY13-14 Forecast</b>
Controller	-	0.05	0.05	0.05
Supervising Accountant	-	0.10	-	-
Purchasing & Payables Coordinator	-	-	0.10	0.10
Senior Account Clerk	1.00	1.00	1.00	1.00
<b>Totals</b>	<b>1.00</b>	<b>1.15</b>	<b>1.15</b>	<b>1.15</b>

\* Does not include Business License Taxes, which are included as part of the City's general revenues



# Finance

## Central Stores

### Program Description

The Central Stores program coordinates the purchase of commonly used items and services to support the day-to-day needs of City departments, including paper stock, postage, stationery, and forms printing. Centralized purchasing of these types of items enables the City to take advantage of bulk pricing at the best available cost. This program also provides mail delivery services to all City departments.

### Key Objectives

1. Strive to obtain the best possible pricing for various types of centrally purchased office supplies.
2. Continue to improve workflow between receiving departments and billing (Finance).
3. Provide timely and accurate distribution and processing of interoffice and external mail.

### Budget Highlights and Significant Proposed Changes

- The budget includes a \$20,000 reduction in copying supplies.

### Performance Indicators

Performance Indicator	Relates to Objective	FY 10-11 Actual	FY 11-12 Projected	FY 12-13 Budget	FY 13-14 Forecast
Pieces of mail processed	3	139,000	139,000	139,000	139,000





# Finance

