

Overview

The Finance Department manages the financial planning and accounting for the City, including revenue forecasting and expenditure control. The Department also provides financial reporting, payroll services, purchasing, accounts payable, business license, and administration of the City’s outstanding debt obligations, while acting 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 audits for gas tax, federal funds, Measure B/BB, and the coordination of audits of the City’s component unit - Alameda Municipal Power (AMP), under the auspices of the elected City Auditor.



The department’s mission statement is to provide professional financial and accounting information support to City departments to facilitate fiscal and organizational decisions by departments in achieving their goals and objectives.

Workplan Highlights

- In FY 2013-14, the City received awards of excellence for its budget 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 quarterly sales tax, investment and financial reports to keep the City Council informed of the City’s financial health.
- The Finance Department, in conjunction with the City Treasurer and independent investment firms, received an award of excellence for the City’s revised investment policy from the United States and Canada Treasurer’s Association (USCTC).

Goals / Performance Measurements

1. Manage the financial resources of the City, consistent with financial policies and budget principles established by the City Council.
2. Provide timely budget and financial reports to City departments to assist in meeting departmental missions.
3. Ensure sound budget and expenditure control oversight and reporting of the City’s funds to protect the fiduciary interest of the community.
4. Administer City expenditures in conformance with municipal code requirements for contracts and payables.
5. Update or establish written documentation for various finance policies and procedures.
6. Issue renewed business licenses within 14 days of application receipt, 99% of the time.

Goal No. / Performance Measurement	Relates to Objective	FY 13-14 Actual	FY 14-15 Estimate	FY 15-16 Budget	FY 16-17 Budget
1. Percent of business licenses issued within 14 days (from receipt of complete application)	6	N/A	99%	99%	99%

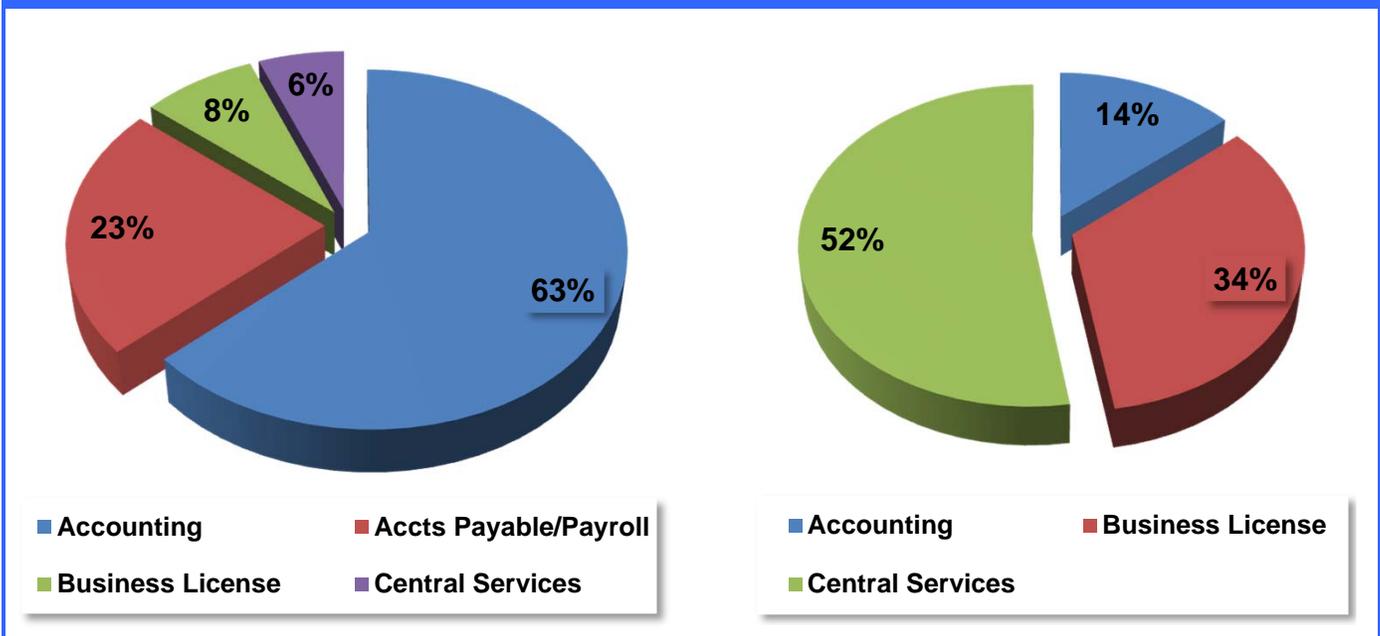
### Expenditure Summary by Program

<b>Program Name</b>	<b>FY 13-14 Actual</b>	<b>FY 14-15 Budget</b>	<b>FY 14-15 Projected</b>	<b>FY 15-16 Budget</b>	<b>FY 16-17 Budget</b>
Accounting/Cash Management	\$ 1,172,334	\$ 1,249,000	\$ 1,216,000	\$ 1,339,000	\$ 1,417,000
Accounts Payable/Payroll	532,247	618,000	592,000	643,000	671,000
Business License	243,739	248,000	213,000	229,000	238,000
Central Services	115,184	138,000	130,000	135,000	136,000
<b>Total Program Budget</b>	<b>\$ 2,063,504</b>	<b>\$ 2,253,000</b>	<b>\$ 2,151,000</b>	<b>\$ 2,346,000</b>	<b>\$ 2,462,000</b>
<b>Less: Program Revenues *</b>	560,924	338,000	307,000	289,000	280,000
<b>Net Program Budget</b>	<b>\$ 1,502,580</b>	<b>\$ 1,915,000</b>	<b>\$ 1,844,000</b>	<b>\$ 2,057,000</b>	<b>\$ 2,182,000</b>
<b>Cost Recovery % **</b>	<b>27%</b>	<b>15%</b>	<b>14%</b>	<b>12%</b>	<b>11%</b>

### Fund Summary

	<b>FY 13-14 Actual</b>	<b>FY 14-15 Budget</b>	<b>FY 14-15 Projected</b>	<b>FY 15-16 Budget</b>	<b>FY 16-17 Budget</b>
<b>Program Budget by Fund</b>					
General Fund (001)	\$ 2,063,504	\$ 2,253,000	\$ 2,151,000	\$ 2,346,000	\$ 2,462,000
<b>Net Program Budget by Fund</b>					
General Fund (001)	\$ 1,502,580	\$ 1,915,000	\$ 1,844,000	\$ 2,057,000	\$ 2,182,000

### Expenditures and Revenues by Program



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

\*\* Includes cost allocation charges to other non General Fund City programs.

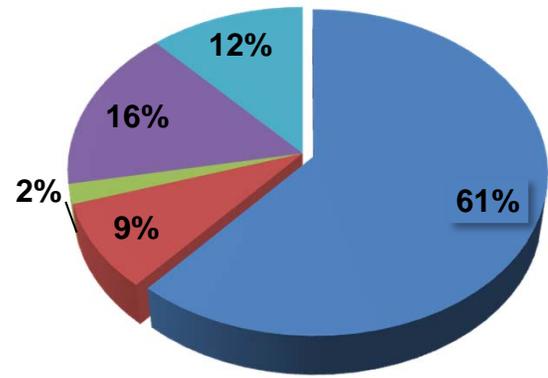
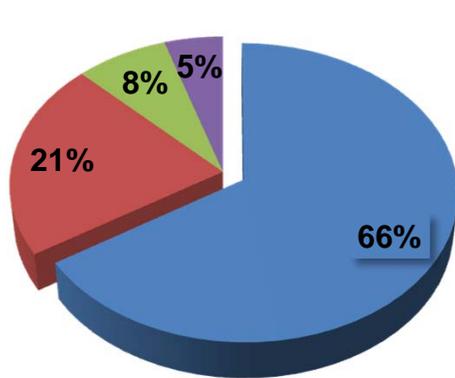
Expenditure Summary by Category

<b><i>Expenditure Category</i></b>	<b>FY 13-14 Actual</b>	<b>FY 14-15 Budget</b>	<b>FY 14-15 Projected</b>	<b>FY 15-16 Budget</b>	<b>FY 16-17 Budget</b>
Full-Time Personnel	\$ 1,040,281	\$ 1,237,014	\$ 1,092,000	\$ 1,392,000	\$ 1,499,000
Part-Time Personnel	205,225	192,255	275,000	140,000	143,000
Contractual Services	520,309	516,997	503,000	515,000	519,000
Other Operational Costs	168,854	192,011	166,000	181,000	183,000
Capital Outlay	6,792	2,500	3,000	2,000	2,000
Cost Allocation	122,043	112,223	112,000	116,000	116,000
<b>Total Program Budget</b>	<b>\$ 2,063,504</b>	<b>\$ 2,253,000</b>	<b>\$ 2,151,000</b>	<b>\$ 2,346,000</b>	<b>\$ 2,462,000</b>
<b>Less: Program Revenues</b>	<b>560,924</b>	<b>338,000</b>	<b>307,000</b>	<b>289,000</b>	<b>280,000</b>
<b>Net Program Budget</b>	<b>\$ 1,502,580</b>	<b>\$ 1,915,000</b>	<b>\$ 1,844,000</b>	<b>\$ 2,057,000</b>	<b>\$ 2,182,000</b>

Full-Time Personnel Summary

<b><i>Program</i></b>	<b>Program Number</b>	<b>FY 13-14 Budget</b>	<b>FY 14-15 Budget</b>	<b>FY 15-16 Budget</b>	<b>FY 16-17 Budget</b>
Accounting / Investments	2410	5.35	5.30	5.55	5.55
Accounts Payable / Payroll	2420	5.35	5.35	4.95	4.95
Business License	2450	1.15	1.15	1.30	1.30
Central Services	702001	0.00	0.00	0.00	0.00
<b>Totals</b>		<b>11.85</b>	<b>11.80</b>	<b>11.80</b>	<b>11.80</b>

Expenditures by Category / Personnel



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.



Key Objectives

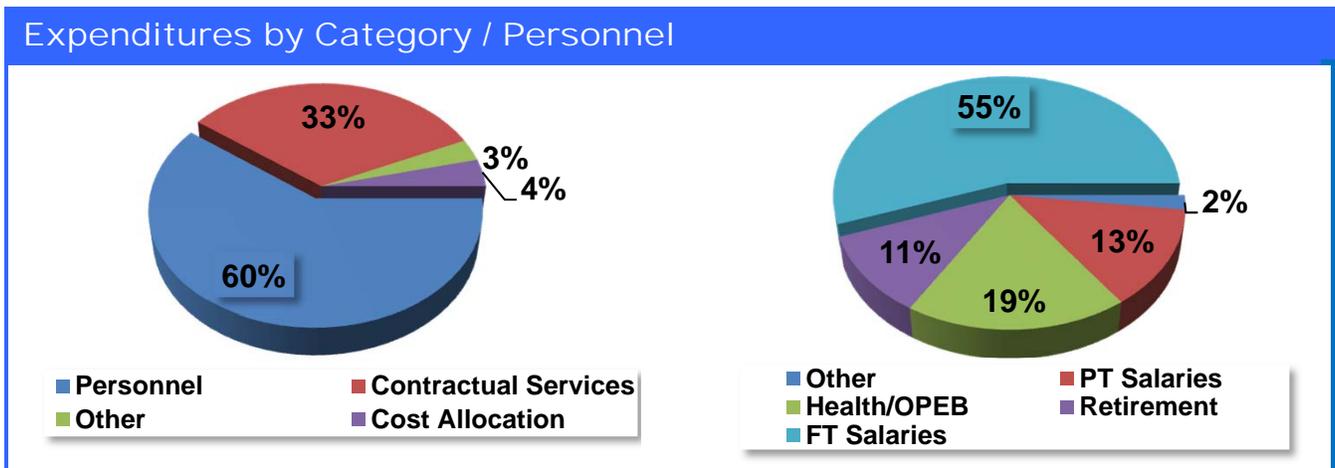
1. Provide monthly revenue and expenditure information to all departments by the middle of the following month.
2. Prepare quarterly and mid-year financial, investment and sales tax reports for the City Manager, Assistant City Manager and the City Council.
3. Complete annual audits for the City and Successor Agency by December 31<sup>st</sup>, in accordance with standards established by the Governmental Accounting Standards Board (GASB) 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. Continue to apply for awards of excellence for its budget from both the California Society of Municipal Finance Officers and the Government Finance Officers Association.
7. 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 / 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.
- The budget for FY 13-14 and 14-15 reflects a proposed reorganization of the department.

Program Summary		General Fund (001)			
<u>Expenditure Category</u>	FY13-14 Actual	FY14-15 Budget	FY14-15 Projected	FY15-16 Budget	FY16-17 Budget
Full-Time Personnel	\$ 473,651	\$ 564,946	\$ 481,000	\$ 682,000	\$ 754,000
Part-Time Personnel	166,207	145,911	210,000	111,000	114,000
Contractual Services	435,695	452,697	445,000	451,000	454,000
Other Operational Costs	41,646	41,216	36,000	41,000	41,000
Capital Outlay	4,966	2,000	2,000	1,000	1,000
Cost Allocation	50,169	42,230	42,000	53,000	53,000
<b>Total Program Budget</b>	<b>\$ 1,172,334</b>	<b>\$ 1,249,000</b>	<b>\$ 1,216,000</b>	<b>\$ 1,339,000</b>	<b>\$ 1,417,000</b>
<b>% Variance</b>			<b>3%</b>	<b>10%</b>	<b>6%</b>
<b>Less: Program Revenues</b>	55,148	49,000	48,000	39,000	39,000
<b>Net Program Budget</b>	<b>\$ 1,117,186</b>	<b>\$ 1,200,000</b>	<b>\$ 1,168,000</b>	<b>\$ 1,300,000</b>	<b>\$ 1,378,000</b>

Full-Time Personnel Summary					
<u>Position</u>	Bargaining Unit	FY13-14 Budget	FY14-15 Budget	FY15-16 Budget	FY16-17 Budget
City Auditor	ELCT	Elected	Elected	Elected	Elected
City Treasurer	ELCT	Elected	Elected	Elected	Elected
Finance Director	EXME	0.50	0.50	0.50	0.50
Financial Service Manager	MCEA	-	-	0.50	0.50
Finance Supervisor	MCEA	1.00	1.00	0.75	0.75
Accountant II	MCEA	1.00	1.00	1.00	1.00
Accountant I	MCEA	0.85	0.80	0.80	0.80
Senior Account Clerk	ACEA	1.00	1.00	1.00	1.00
Intermediate Clerk	ACEA	1.00	1.00	1.00	1.00
<b>Totals</b>		<b>5.35</b>	<b>5.30</b>	<b>5.55</b>	<b>5.55</b>



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, including in regards to the use of purchase orders, ACH (automated clearing house) payments to vendors, Cal-card and the carryover of unspent purchase orders from one year to the next.
3. Issue Forms 1099 and W-2 by January 31.
4. Implement online timecard system for selected departments.
5. Develop written procedure manuals for each program function.
6. Investigate the feasibility of direct deposit of non salary payments to employees and alternate forms of bi-weekly payroll payments to those employees not on direct deposit.
7. Automate the process for receiving vendor payment requests from departments.

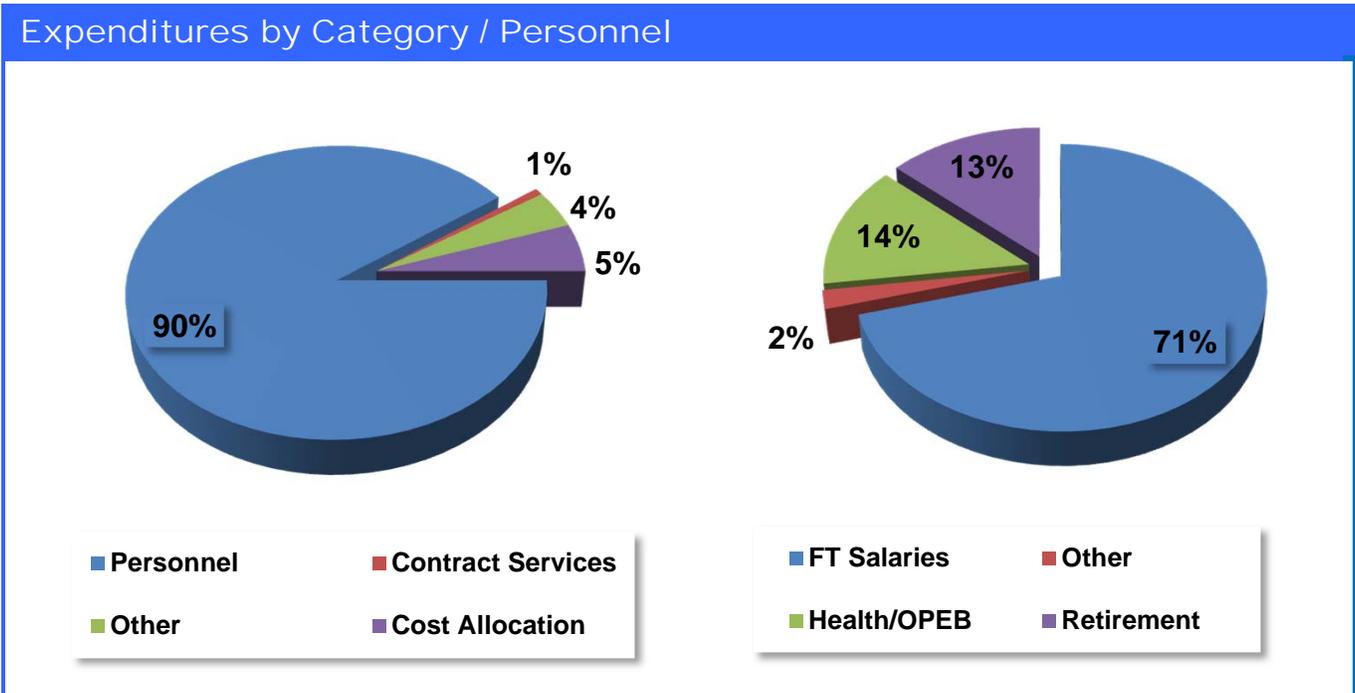


Budget Highlights / Significant Changes

- For FY 13-14, the variance in personnel expense is due to a reorganization of the department.
- The variance in cost allocation is a result of the recently updated Cost Allocation Plan.

Program Summary		General Fund (001)			
<u>Expenditure Category</u>	FY13-14 Actual	FY14-15 Budget	FY14-15 Projected	FY15-16 Budget	FY16-17 Budget
Full-Time Personnel	\$ 462,224	\$ 544,134	\$ 493,000	\$ 576,000	\$ 604,000
Part-Time Personnel	-	-	32,000	-	-
Contract Services	5,943	4,330	3,000	5,000	5,000
Other Operational Costs	23,250	30,099	24,000	27,000	27,000
Capital Outlay	1,386	-	-	-	-
Cost Allocation	39,444	39,437	40,000	35,000	35,000
<b>Total Program Budget</b>	<b>\$ 532,247</b>	<b>\$ 618,000</b>	<b>\$ 592,000</b>	<b>\$ 643,000</b>	<b>\$ 671,000</b>
<b>% Variance</b>			<b>4%</b>	<b>9%</b>	<b>4%</b>
<b>Less: Program Revenues</b>	-	-	-	-	-
<b>Net Program Budget</b>	<b>\$ 532,247</b>	<b>\$ 618,000</b>	<b>\$ 592,000</b>	<b>\$ 643,000</b>	<b>\$ 671,000</b>

Full-Time Personnel Summary					
<u>Position</u>	<u>Bargaining Unit</u>	FY13-14 Budget	FY14-15 Budget	FY15-16 Budget	FY16-17 Budget
Finance Director	EXME	0.45	0.45	0.45	0.45
Financial Service Manager	MCEA	-	-	0.50	0.50
Finance Supervisor	MCEA	0.90	0.90	-	-
Administrative Technician III	MCEA	2.00	2.00	2.00	2.00
Senior Account Clerk	ACEA	2.00	2.00	2.00	2.00
<b>Totals</b>		<b>5.35</b>	<b>5.35</b>	<b>4.95</b>	<b>4.95</b>



## 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. This 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 14 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.
4. Implement an on-line business license application module.
5. Look to revise the non-tax related portions of the City's business license ordinance.

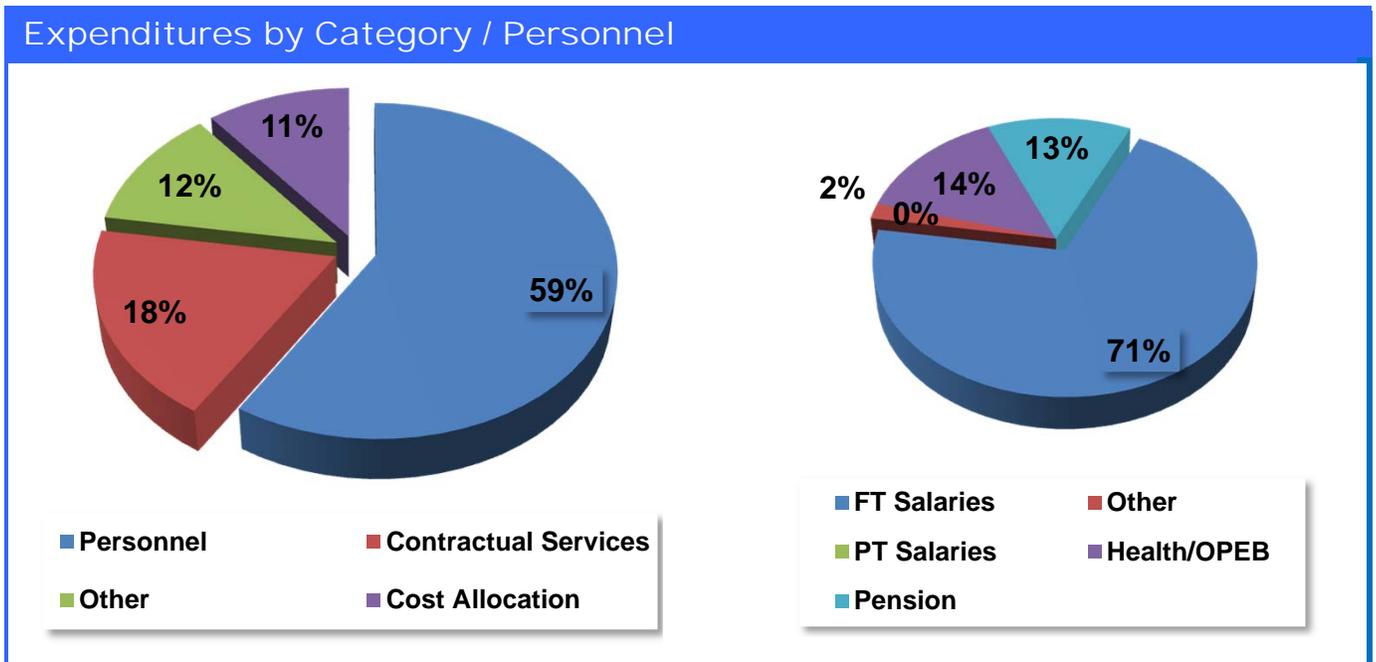
## Budget Highlights / Significant Changes

- The budget for FY 13-14 and 14-15 reflects a proposed reorganization of the department.
- The variance in Cost Allocation is a result of the recently updated Cost Allocation Plan.



Program Summary		General Fund (001)			
<u>Expenditure Category</u>	FY13-14 Actual	FY14-15 Budget	FY14-15 Projected	FY15-16 Budget	FY16-17 Budget
Full-Time Personnel	\$ 104,406	\$ 127,934	\$ 118,000	\$ 134,000	\$ 141,000
Part-Time Personnel	10,971	17,502	4,000	-	-
Contractual Services	62,057	43,445	40,000	43,000	44,000
Other Operational Costs	36,687	31,820	24,000	27,000	28,000
Capital Outlay	440	-	-	-	-
Cost Allocation	29,178	27,299	27,000	25,000	25,000
<b>Total Program Budget</b>	<b>\$ 243,739</b>	<b>\$ 248,000</b>	<b>\$ 213,000</b>	<b>\$ 229,000</b>	<b>\$ 238,000</b>
<b>% Variance</b>			<b>14%</b>	<b>8%</b>	<b>4%</b>
<b>Less: Program Revenues *</b>	340,620	140,000	110,000	101,000	91,000
<b>Net Program Budget</b>	<b>\$ (96,881)</b>	<b>\$ 108,000</b>	<b>\$ 103,000</b>	<b>\$ 128,000</b>	<b>\$ 147,000</b>

Full-Time Personnel Summary					
<u>Position</u>	Bargaining Unit	FY13-14 Budget	FY14-15 Budget	FY15-16 Budget	FY16-17 Budget
Finance Director	EXME	0.05	0.05	0.05	0.05
Purchasing & Payables Coordinator	MCEA				
Finance Supervisor	MCEA	0.10	0.10	0.25	0.25
Senior Account Clerk	ACEA	1.00	1.00	1.00	1.00
<b>Totals</b>		<b>1.15</b>	<b>1.15</b>	<b>1.30</b>	<b>1.30</b>



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

## 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 / Significant Changes

- The variance in Cost Allocation is a result of the recently updated Cost Allocation Plan.



Program Summary		General Fund (001)			
<u>Expenditure Category</u>	<u>FY13-14 Actual</u>	<u>FY14-15 Budget</u>	<u>FY14-15 Projected</u>	<u>FY15-16 Budget</u>	<u>FY16-17 Budget</u>
Part-Time Personnel	\$ 28,047	\$ 28,842	\$ 29,000	\$ 29,000	\$ 29,000
Contractual Services	16,614	16,525	15,000	16,000	16,000
Other Operational Costs	67,271	88,876	82,000	86,000	87,000
Capital Outlay	-	500	1,000	1,000	1,000
Cost Allocation	3,252	3,257	3,000	3,000	3,000
<b>Total Program Budget</b>	<b>\$ 115,184</b>	<b>\$ 138,000</b>	<b>\$ 130,000</b>	<b>\$ 135,000</b>	<b>\$ 136,000</b>
<b>% Variance</b>			<b>6%</b>	<b>4%</b>	<b>1%</b>
<b>Less: Program Revenues</b>	165,156	149,000	149,000	149,000	150,000
<b>Net Program Budget</b>	<b>\$ (49,972)</b>	<b>\$ (11,000)</b>	<b>\$ (19,000)</b>	<b>\$ (14,000)</b>	<b>\$ (14,000)</b>

Full-Time Personnel Summary					
<u>Position</u>	<u>Bargaining Unit</u>	<u>FY13-14 Budget</u>	<u>FY14-15 Budget</u>	<u>FY15-16 Budget</u>	<u>FY16-17 Budget</u>
Totals		-	-	-	-

