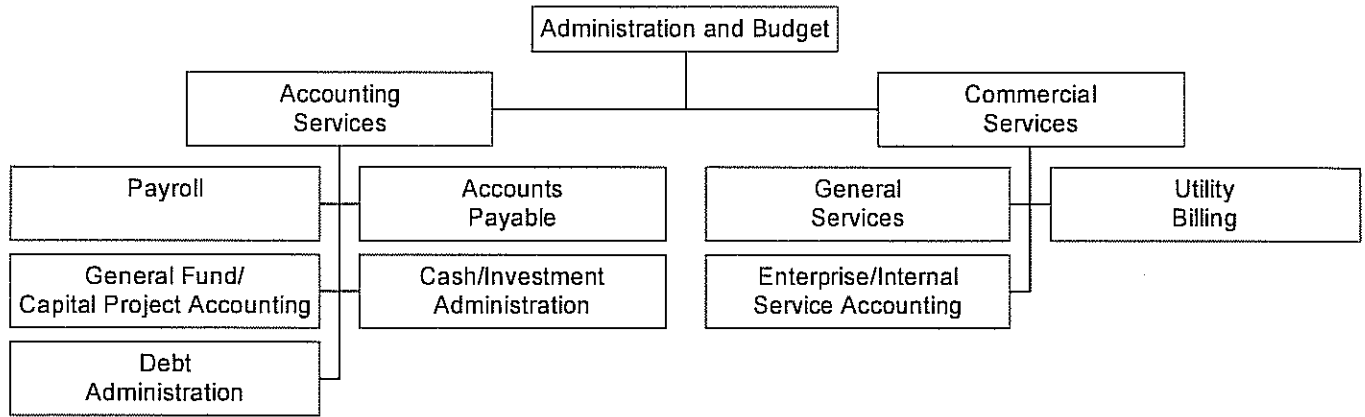


FINANCE DEPARTMENT



FINANCE DEPARTMENT

The Administrative Services Department oversees the management and operations of various administrative functions of the City. These administrative divisions include Finance Administration, Accounting, Commercial and General Services and Business License. Each functional area of the Administrative Services Department is outlined as follows:

- **Finance/Accounting**
Provides financial services for the City and is responsible for: maintaining the City's accounting system, payroll, accounts payable, grant fiscal management, capital asset reporting, debt administration, treasury function, work with independent auditor and production of annual CAFR, Single Audit Reports and PCDC Financial Statements. Provide information to outside agencies, City staff, City Manager and City Council.
- **Finance/Commercial Services & General Services**
The Commercial Services Division is responsible for all billing, collection and receivable reconciliation activities. Staff is split between cashiering and deposit operations and billing and collection functions. The department handles over 120,000 billing transactions per year and processes approximately 500 receipts per day. In FY 2006 the division enhanced customer service and increased cash accountability through the implementation of a new banking system. As well, an automated electronic system for receiving utility billing payments from home computer banking systems was added to the cash receipting program. In FY 2008 the division will implement a direct pay process for utility bills, which will allow customers to have the amount of their bill automatically deducted from their bank account or use a new web page to pay with a credit card. Business License and Business Improvement District invoices also will be redesigned to facilitate electronic receipting in FY 2009.

The Commercial Services Division is responsible for the supervision of the City's General Services Department, which includes mail, copying and purchasing services. The General Services Department expanded its multi-part form duplication services in FY2007 by adding a new, faster, more automated Risograph machine. The Department's goal is end the outsourcing duplication jobs and to service 100% of the City's multi-part form needs by end of fiscal 2008.

- **Business License**
The City currently has approximately 4,900 business licenses with the City receiving approximately \$875,000 in annual revenues to the General Fund. Also, this unit does the billing for the Downtown Business Improvement District (BID). The BID receives about \$100,000 annually which the Downtown District uses for maintenance improvements.

MISSION STATEMENT

To serve the community of Petaluma by providing honest, dedicated and trustworthy services; support the City Council, City Manager, and City staff with services that contribute and add value to the work and mission of the City; create a positive and productive workplace where all are respected, valued and empowered to deliver excellent service to the community of Petaluma.

CHALLENGES FACING DEPARTMENT

Continuing to provide timely, direct and support services to department level functional areas with continued reduced staffing. Our challenge is to work smarter and more stream-lined to accomplish the necessary tasks in a timely and efficient manner.

The Finance Department encompasses many direct and support municipal functional areas. The challenge is to develop systems and controls to administer and operate in a streamlined, efficient and organized manner. Due to the failure of the City's existing Pentamation Financial System, the City was forced to find and implement a new system with the General Ledger being implemented in less than six months. We will continue to implement the City's new Eden Financial Management System for modules Fixed Assets, Utility Billing, Purchasing, Payroll, Business License, Accounts Receivable, Project Management and Bid and Quote Contract Management, and web payment options.

Lastly, due to budget cuts, the department is unable to fill a vacant accounting position.

PERFORMANCE MEASURES – FY 2007-08

- *City continues to receive an unqualified audit opinion.*
Outcome – Received unqualified audit opinion. Management letter had fewer recommendations than in the past.
- *Continue to audit sales tax.*
Outcome – Sales tax audit is year round. Audit recouped over \$100,000 of sales tax incorrectly apportioned to the County.
- *Complete the remaining update to City's financial policies.*
Outcome – Ongoing. Completion expected in Summer, 2009.
- *Completion of Comprehensive Workorder Maintenance Management System.*
Outcome – Implementation is in progress. Completion is scheduled for Summer, 2009.
- *99% uptime of all computer applications on City network.*
Outcome – Successfully accomplished.
- *Improve written procedures and employee training for the City's workplace safety program.*
Outcome – 21 new safety courses were offered in FY 2008 and the first draft of the Exposure Control Plan has been written.
- *Improve the City's Performance Review Program by revising and updating performance competencies for law enforcement positions.*
Outcome – This project is about 40% complete and was placed on hold pending other Police Department priorities. Plans are to complete the project in FY 09.
- *Continue to develop the capabilities of the on-line employment and applicant tracking system.*
Outcome – The on-line employment and applicant tracking system has been implemented and has resulted in increased efficiencies in the processing of applicants.
- *Receive the GFOA Distinguished Budget Presentation Award.*
Outcome – Received award.
- *Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting.*
Outcome – Received award.
- *Implement monthly utility billing.*
Outcome – Project put on hold.

PERFORMANCE MEASURES – FY 2008-09

- *Continue implementation of the City's new Eden Financial Management System to improve the department's ability to provide accurate, timely and easy to use reporting to staff and residents.*
- *City continues to receive an unqualified audit opinion.*
- *Continue to audit sales tax.*
- *Complete the remaining update to City's financial policies.*
- *Receive the GFOA Distinguished Budget Presentation Award.*
- *Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting.*

Finance Department

Summary of Expenses, Appropriations, Revenue and Transfers In - All Funds

Department/ Division	FY 2007-08 Funded Positions	FY 2008-09 Authorized Positions	General Fund	Other Funds	FY 2008-09 Total Budget
Finance	11.35	10.80	\$ 1,283,800		\$ 1,283,800
General Services	<u>3.25</u>	<u>3.30</u>		\$ 307,700	\$ <u>307,700</u>
Total Positions	14.60	14.10	Total Appropriations		\$ <u>1,591,500</u>
Part Time					
Full Time Equivalent	0.72	0.72			
Part Time Hours	1,500	1,500			

Budget Comparison to Prior Years - All Funds

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Budget	FY 2008-09 Budget	% Change From Budget
Salaries	\$ 901,199	\$ 955,009	\$ 1,014,300	\$ 976,450	-4%
Benefits	229,879	245,069	264,300	265,150	0%
Services/Supplies	259,150	422,093	245,700	197,200	-20%
Capital Equipment	6,300	-	60,000	-	-100%
Sub-Total	1,396,528	1,622,171	1,584,300	1,438,800	-9%
Intragovernmental Charges	<u>126,350</u>	<u>159,750</u>	<u>228,950</u>	<u>152,700</u>	-33%
Totals	\$ <u>1,522,878</u>	\$ <u>1,781,921</u>	\$ <u>1,813,250</u>	\$ <u>1,591,500</u>	-12%

Finance

Summary of Expenses, Appropriations, Revenue and Transfers In - Department Total

Department/ Division	FY 2007-08 Funded Positions	FY 2008-09 Authorized Positions	FY 2008-09 Total Budget
Administration	1.00	1.00	\$ 307,950
Accounting Services	6.00	6.00	\$ 700,400
Commercial Services	<u>4.35</u>	<u>3.80</u>	<u>\$ 275,450</u>
Total Positions	11.35	10.80	Total Appropriations \$ <u>1,283,800</u>
Part Time			
Full Time Equivalent	0.72	0.72	
Part Time Hours	1,500	1,500	

Budget Comparison to Prior Years

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Budget	FY 2008-09 Budget
Salaries	\$ 716,759	\$ 747,915	\$ 818,600	\$ 792,700
Benefits	188,558	184,359	201,100	219,400
Services/Supplies	188,560	353,226	156,350	134,400
Capital Equipment	<u>6,300</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Sub-Total	1,100,177	1,285,500	1,236,050	1,146,500
Intragovernmental Charges	<u>108,150</u>	<u>141,550</u>	<u>210,900</u>	<u>137,300</u>
Totals	<u>\$ 1,208,327</u>	<u>\$ 1,427,050</u>	<u>\$ 1,446,950</u>	<u>\$ 1,283,800</u>

ADMINISTRATION

The Administration division of the Administrative Services Department is responsible for planning, coordinating and supporting all goals and activities within the department.

GOALS

- Develop and implement the comprehensive annual budget per City Council direction
- Receive the GFOA Distinguished Budget Presentation Award
- Receive the GFOA Certificate of Achievement for Excellence in Financial Reporting

FinanceAdministration

Budget Comparison to Prior Years

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Budget	FY 2008-09 Budget
Salaries	\$ 92,359	\$ 71,615	\$ 98,000	\$ 108,700
Benefits	21,915	14,932	21,700	23,750
Services/Supplies	145,291	278,777	74,050	38,200
Capital Equipment	<u>6,300</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Sub-Total	265,865	365,324	253,750	170,650
Intragovernmental Charges	<u>108,150</u>	<u>141,550</u>	<u>210,900</u>	<u>137,300</u>
Totals	\$ 374,015	\$ 506,874	\$ 464,650	\$ 307,950

POSITIONS	FY 2006-07 Funded Positions	FY 2007-08 Funded Positions	FY 2008-09 Authorized Positions
Dir. Of Finance	0.30	0.50	0.50
Admin Technician	<u>0.40</u>	<u>0.50</u>	<u>0.50</u>
Total Division Positions	<u>0.70</u>	<u>1.00</u>	<u>1.00</u>
Full Time Equivalent	0.00	0.00	0.00
Part Time Hours	0	0	0

ACCOUNTING SERVICES

The Accounting Division is responsible for all of the financial operations within the City. The primary objective is maintenance of complete and accurate financial records, safeguarding of City assets, implementation of effective internal controls, accurate and timely payments to vendors and employees, monitoring and recording financial transactions of the City, such as debt activity and treasury activities, maintaining accounting records in compliance with GAAP and presentation of annual financial information in compliance with GASB.

GOALS

- Prepare Comprehensive Annual Financial Report
- Receive GFOA award for Annual Financial Report
- Implementation of Eden GL, AP, FA, PR and GASB 34 modules
- Accurate and timely filing of all external reports for City and PCDC

FinanceAccounting Services

Budget Comparison to Prior Years

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Budget	FY 2008-09 Budget
Salaries	\$ 413,574	\$ 424,460	\$ 485,250	\$ 479,800
Benefits	103,282	111,714	111,350	125,250
Services/Supplies	21,258	53,421	68,000	95,350
Capital Equipment	-	-	-	-
Sub-Total	538,114	589,595	664,600	700,400
Intragovernmental Charges	-	-	-	-
Totals	\$ 538,114	\$ 589,595	\$ 664,600	\$ 700,400

POSITIONS	FY 2006-07 Funded Positions	FY 2007-08 Funded Positions	FY 2008-09 Authorized Positions
Accountant	1.00	1.00	1.00
Accountant/Analyst	1.10	1.00	1.00
Accounting Asst. II	1.50	1.00	1.00
Accounting Technician	0.00	1.00	1.00
Finance & Accounting Mgr.	1.00	1.00	1.00
Senior Accountant	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Total Division Positions	<u>5.60</u>	<u>6.00</u>	<u>6.00</u>
Full Time Equivalent	0.00	0.72	0.72
Part Time Hours	0	1,500	1,500

COMMERCIAL SERVICES

The Commercial Services Division performs all the City's billing operations which include: Utility Billing, Accounts Receivable, Business License and Business Improvement District.

GOALS

- Complete the implementation for on-line payment of Utility Bills, Business License, Business Improvement District, parking tickets, garbage bills and other miscellaneous Accounts Receivable
- Continue to implement new changes to the City's new Eden Financial and Utility billing modules.

Finance Commercial Services

Budget Comparison to Prior Years

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Budget	FY 2008-09 Budget
Salaries	\$ 210,826	\$ 251,840	\$ 235,350	\$ 204,200
Benefits	63,361	57,713	68,050	70,400
Services/Supplies	22,011	21,028	14,300	850
Capital Equipment	_____ -	_____ -	_____ -	_____ -
Sub-Total	296,198	330,581	317,700	275,450
Intragovernmental Charges	_____ -	_____ -	_____ -	_____ -
Totals	\$ 296,198	\$ 330,581	\$ 317,700	\$ 275,450

POSITIONS	FY 2006-07 Funded Positions	FY 2007-08 Funded Positions	FY 2008-09 Authorized Positions
Accounting Asst. II	4.00	4.00	3.75
Commercial Services Mgr.	0.25	0.25	0.05
Accountant/Analyst	<u>0.00</u>	<u>0.10</u>	<u>0.00</u>
Total Division Positions	<u>4.25</u>	<u>4.35</u>	<u>3.80</u>
Full Time Equivalent	0.00	0.00	0.00
Part Time Hours	0	0	0

GENERAL SERVICES

This division oversees the printing and mailing for all City operations.

GOALS

- Continue to strive to print all large volume and brochure print jobs needed by City staff

General Services

Summary of Expenses, Appropriations, Revenue and Transfers In - Department Total

Department/ Division	FY 2007-08 Funded Positions	FY 2008-09 Authorized Positions	FY 2008-09 Total Budget
Mail Services	1.15	1.10	\$ 92,100
Printing Services	1.15	1.40	\$ 158,850
Purchasing	<u>0.95</u>	<u>0.80</u>	<u>\$ 56,750</u>
Total Positions	3.25	3.30	Total Appropriations \$ <u>307,700</u>

Part Time

Full Time Equivalent	0.00	0.00
Part Time Hours	0	0

Budget Comparison to Prior Years

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Budget	FY 2008-09 Budget
Salaries	\$ 184,440	\$ 207,094	\$ 195,700	\$ 183,750
Benefits	41,321	60,710	63,200	45,750
Services/Supplies	70,590	68,867	89,350	62,800
Capital Outlay	-	-	-	-
Sub-Total	296,351	336,671	348,250	292,300
Intragovernmental Charges	<u>18,200</u>	<u>18,200</u>	<u>18,050</u>	<u>15,400</u>
Totals	<u>\$ 314,551</u>	<u>\$ 354,871</u>	<u>\$ 366,300</u>	<u>\$ 307,700</u>

General Services

Mail Services

Budget Comparison to Prior Years

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Budget	FY 2008-09 Budget
Salaries	\$ 49,314	\$ 58,153	\$ 57,550	\$ 59,500
Benefits	10,396	17,721	21,650	15,400
Services/Supplies	44,039	32,174	20,300	17,200
Capital Outlay	-	-	-	-
Sub-Total	103,749	108,048	99,500	92,100
Intragovernmental Charges	<u>18,200</u>	-	-	-
Totals	\$ 121,949	\$ 108,048	\$ 99,500	\$ 92,100
POSITIONS		FY 2006-07 Funded Positions	FY 2007-08 Funded Positions	FY 2008-09 Authorized Positions
Office Asst. II		0.50	0.50	0.50
Mail Service Assistant		0.50	0.50	0.50
Commercial Services Mgr.		<u>0.15</u>	<u>0.15</u>	<u>0.10</u>
Total Division Positions		<u>1.15</u>	<u>1.15</u>	<u>1.10</u>
Full Time Equivalent		0.00	0.00	0.00
Part Time Hours		0	0	0

General Services

Printing Services

Budget Comparison to Prior Years

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Budget	FY 2008-09 Budget
Salaries	\$ 49,315	\$ 58,154	\$ 57,550	\$ 77,100
Benefits	10,397	17,720	21,650	21,050
Services/Supplies	25,136	34,350	66,500	45,300
Capital Outlay	-	-	-	-
Sub-Total	84,848	110,224	145,700	143,450
Intragovernmental Charges	-	18,200	18,050	15,400
Totals	\$ 84,848	\$ 128,424	\$ 163,750	\$ 158,850

POSITIONS	FY 2006-07 Funded Positions	FY 2007-08 Funded Positions	FY 2008-09 Funded Positions
Office Asst. II	0.50	0.50	0.50
Mail Service Assistant	0.50	0.50	0.50
Commercial Services Mgr.	0.15	0.15	0.15
Acct. Asst. II	0.00	0.00	0.25
Total Division Positions	1.15	1.15	1.40
Full Time Equivalent	0.00	0.00	0.00
Part Time Hours	0	0	0

General Services

Purchasing

Budget Comparison to Prior Years

Description	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Budget	FY 2008-09 Budget
Salaries	\$ 85,811	\$ 90,787	\$ 80,600	\$ 47,150
Benefits	20,528	25,269	19,900	9,300
Services/Supplies	1,415	2,343	2,550	300
Capital Outlay	-	-	-	-
Sub-Total	107,754	118,399	103,050	56,750
Intragovernmental Charges	-	-	-	-
Totals	\$ 107,754	\$ 118,399	\$ 103,050	\$ 56,750
POSITIONS		FY 2006-07 Funded Positions	FY 2007-08 Funded Positions	FY 2008-09 Funded Positions
Dir. Of Finance		0.10	0.00	0.20
Admin Technician		0.50	0.50	0.50
Commercial Services Mgr		<u>0.45</u>	<u>0.45</u>	<u>0.10</u>
Total Division Positions		<u>1.05</u>	<u>0.95</u>	<u>0.80</u>
Full Time Equivalent		0.00	0.00	0.00
Part Time Hours		0	0	0

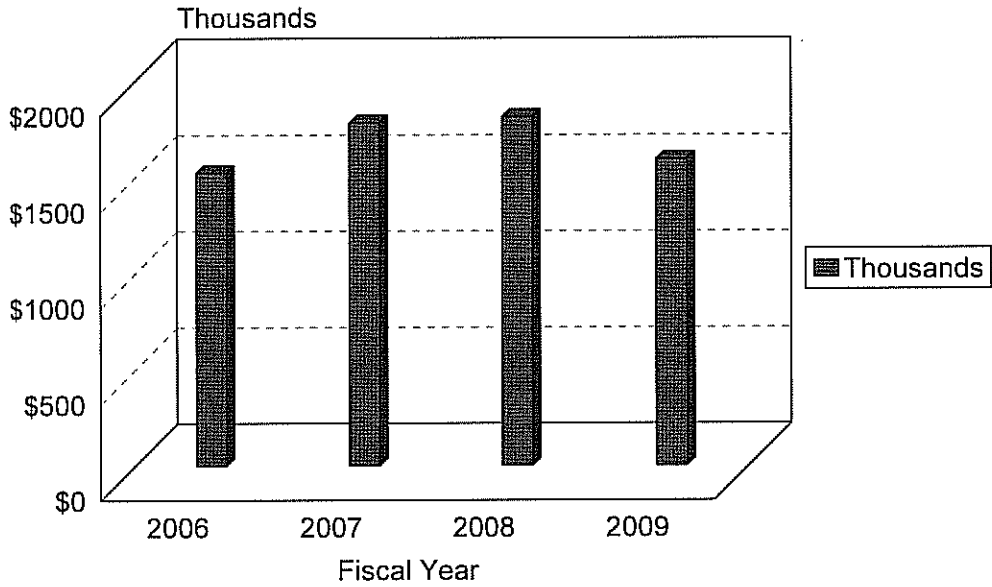
ADMINISTRATIVE SERVICES

FULL TIME POSITION ALLOCATION BY FUND

FY 08-09

DEPARTMENT POSITION	FY 05-06 Positions	FY 06-07 Positions	FY 07-08 Positions	FY 08-09 Positions	General Fund	OTHER FUNDS		
						Water	Sewer	Others
FINANCE DEPARTMENT								
Accountant	2.00	1.00	1.00	1.00	1.00			
Accountant Analyst	2.00	1.10	1.10	1.00	1.00			
Accounting Assistant II	6.00	6.00	5.00	5.00	4.75			0.25
Accounting Manager	1.00	1.00	1.00	1.00	1.00			
Accounting Technician	0.00	0.00	1.00	1.00	1.00			0.00
Administrative Technician	1.00	1.00	1.00	1.00	0.50			0.50
Commercial Services Mgr.	1.00	1.00	1.00	0.40	0.05			0.35
City Manager	0.10	0.00	0.00	0.00				
Dir. Of Finance	1.00	0.60	0.70	0.70	0.50			0.20
Mail Service Assistant	1.00	1.00	1.00	1.00				1.00
Office Assistant II	1.00	1.00	1.00	1.00				1.00
Senior Accountant	0.00	1.00	1.00	1.00	1.00			
Total Finance Department	16.10	14.70	14.80	14.10	10.80	0.00	0.00	3.30

FINANCE DEPARTMENT ANNUAL BUDGET COMPARISON



FINANCE DEPARTMENT APPROPRIATIONS

