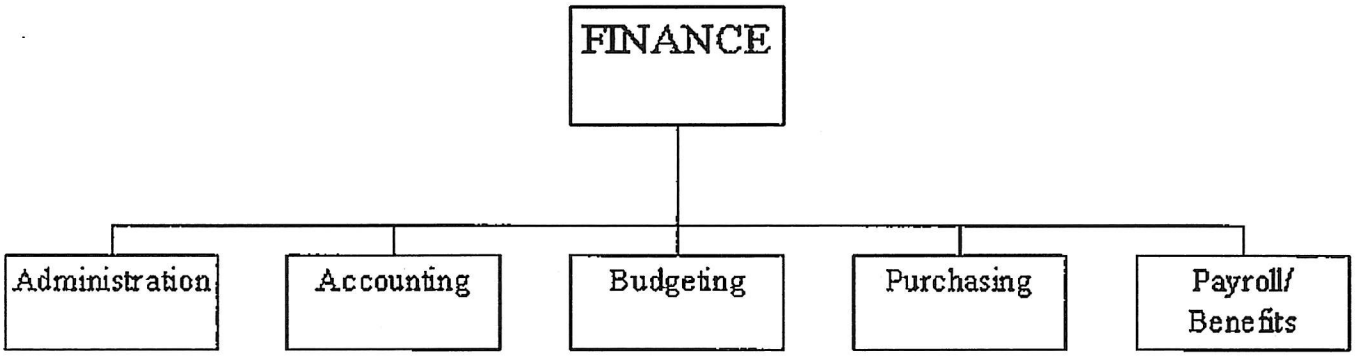
Finance



Full Time Employees	
Administration	2.00
Accounting	5.25
Payroll/Benefits	4.25
Purchasing	2.00
Budget	2.50
Finance Total	**16.00**

Finance Department

Business Plan – Overview

Mission Statement:	The Finance Department promotes excellence, quality, and efficiency in the use of City resources by providing financial services to internal and external customers using sound financial management practices, effective leadership, and a team of employees committed to maintaining fiscal integrity and financial solvency.

About The Department

The Finance Department is responsible for the City's financial planning and budgeting; accounting of the City's resources; fair and accurate reporting of the City's financial position; and management & control of the entire City's financial activities. Additionally, the Finance Department provides data and analysis to assist the City Manager, Mayor and Common Council in formulating policies.

The Finance Department provides the following support benefits to City Departments; accounting, accounts payable, accounts receivable, payroll/benefits, purchasing, budgeting, grant assistance, and cash management.

Top Accomplishments for FY 2009/10

1. Produced the Fiscal Year 2009-2010 Final Budget and posted it on the City's website.

2. Produced the Fiscal Year 2008-2009 Primary Government and CAFR Financial Statements.

3. Successful implementation of a new FLSA overtime calculation system in payroll for Fire Safety employees

4. Successfully participated in the State's Prop 1A Securitization Loan Program.

Major Issues for FY 2010/11

1. The impact of current economic conditions of both the City and State makes revenue forecasting especially challenging to be accurate.

2. The State's budget shortfalls impact on local governments are unknown and the late timing of the State's budget decisions may cause additional budget adjustments by the City.

3. Technology challenges makes finance work more labor intensive, less flexible, and cumbersome.

4. Transition to a Program Performance Budget will require more training and technical assistance for finance and all City Departments.

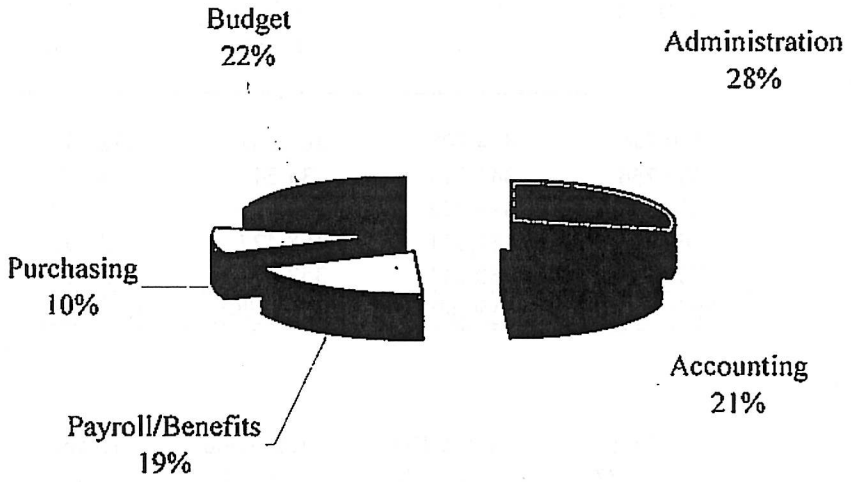
Finance
Budget Summary

A. Expenditures by Programs	[A]2007/08 Actual	[A]2008/09 Actual	[A]2009/10 Budget	2010/11 Proposed	Percent Change 2009/10 - 2010/11
Administration	469,844	474,202	464,687	478,100	3%
Accounting	338,256	341,394	334,544	344,200	3%
Payroll/Benefits	314,376	317,292	310,925	319,900	3%
Purchasing	160,185	161,671	158,427	163,000	3%
Budget	356,732	360,041	352,816	363,000	3%
Total	1,639,393	1,654,600	1,621,400	1,668,200	
B. Expenditures by Classification					
Personnel Services	1,328,131	1,476,100	1,415,000	1,456,600	3%
Maintenance & Operations	39,776	46,200	48,200	48,200	0%
Contractual Services	1,462	3,400	3,400	3,400	0%
Internal Services[B]	270,024	183,700	209,600	236,800	13%
Capital Outlay					
Debt Service					
Credits / Billables	-	(54,800)	(54,800)	(76,800)	40%
Total	1,639,393	1,654,600	1,621,400	1,668,200	3%
C. Funding Sources					
General Fund	1,603,293	1,618,500	1,585,300	1,632,100	3%
Water	28,100	28,100	28,100	28,100	0%
EDA / CDBG	8,000	8,000	8,000	8,000	0%
Total	1,639,393	1,654,600	1,621,400	1,668,200	3%

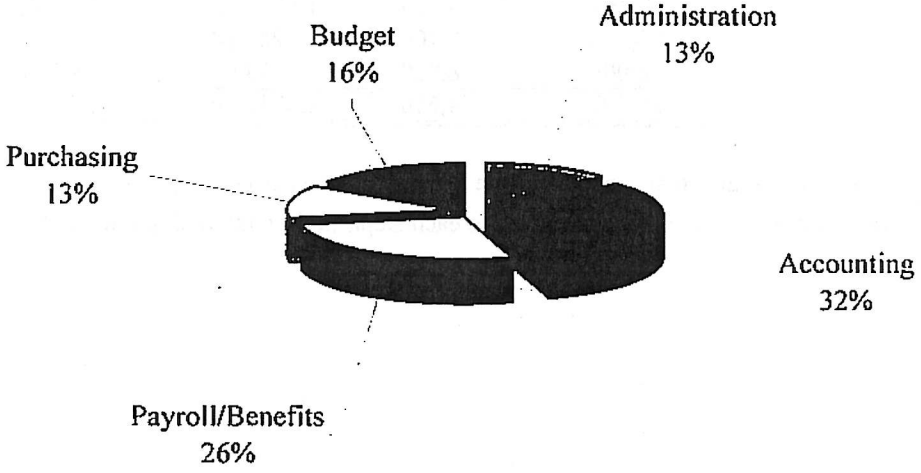
[A]For comparison purposes prior fiscal year actual expenditure are allocated to the current program.

[B]Workers Compensation and Liability charges have been added to each Department's Internal Service Charges.

2010/11 Proposed Budget



Ful-Time Employees



Finance Department

Program: Administration

Program Summary

Program Code:	0001
Program Purpose:	To maintain financial stability through; enhancement of multiple year fiscal analysis; coordination of planning process for annual budget; distribution of revenue and financial updates.
Strategic Goals Addressed:	Responsive Government

5 – Year Program Goals

1. Implement a new comprehensive financial accounting system in order to increase flexibility, enhance productivity, strengthen financial reporting and accountability, and be more responsive to Department users.

2. Establish a formal, comprehensive and consistent 5 year financial forecasting plan for the City.

Program Budget Summary

	2007/08 Actual	2008/09 Actual	2009/10 Proposed	2010/11 Proposed
Funding Level	$469,844	$474,202	$464,687	$478,100
Full Time Employees		2.00	2.00	2.00
Funding Sources				

Program Changes

1. None

FY 2010/11 Program Objectives

1. Work with IT and other City Departments to determine the need for an enhanced financial system.

2. Complete the first 5 year financial forecasting plan.

Ongoing Program Objectives

1. Ensure accurate and timely financial reports on an as needed basis, but no less than quarterly, to the Elected Officials, City Manager, and Departments.
2. Provide financial leadership and guidance to Departments on all Council agenda items.

Performance Measures

	2007/08 Actual	2008/09 Actual	2009/10 Target	2009/10 Mid-Year	2010/11 Target
Number of Financial Reports prepared					4 or more
Percentage of Agenda items reviewed for financial impact					100%
Complete five year forecast on schedule					June
Number of special projects and financial analysis completed with negative recommendations					6

Performance Measure: Notes

1. None.

Finance Department

Program: Accounting

Program Summary

Program Code:	0039
Program Purpose:	To provide internal and external customers with timely and accurate accounting and financial services in compliance with governmental accounting standards, and to manage debt payments and new debt issuances.
Strategic Goals Addressed:	Responsive Government

5 – Year Program Goals

1. Create comprehensive, consistent, and streamlined written financial operating procedures and policies that use best accounting practices to be used by all City Departments.

2. Establish a comprehensive and user friendly training program for all Department staff on finance related activities.

3. Strengthen and improve central collections to ensure timely and accurate receipts.

Program Budget Summary

	2007/08 Actual	2008/09 Actual	2009/10 Proposed	2010/11 Proposed
Funding Level	$338,256	$341,394	$334,544	$344,200
Full Time Employees		5.25	5.25	5.25
Funding Sources				

Program Changes

1. None.

FY 2010/11 Program Objectives

1. Work with IT staff and Committee to identify new financial system options and to bring forward recommendations to Council.
2. Implement centralized debt collection program.

Ongoing Program Objectives

1. Reconcile all City bank accounts and cash transactions accurately and timely.

2. Process and pay all City invoices submitted for payment accurately and timely.

3. Prepare the City's Primary Government and CAFR financial reports.

4. Ensure the City's debt service payments are made timely.

5. Prepare monthly revenue and expenditure reports for all operating departments.

6. Prepare all required grant reports and ensure the City collects all grant revenues.

7. Ensure that billing invoices are issued accurately and timely.

Performance Measures

	2007/08 Actual	2008/09 Actual	2009/10 Target	2009/10 Mid-Year	2010/11 Target
Unqualified audit opinion obtained for the CAFR.	Yes	Yes	Yes		Yes
Annual Certification of Achievement in Financial Reporting from the Government Finance Officer's Association obtained.	Yes	Not yet determined	Yes		Yes
Percentage of monthly financial reports completed by the 15th day of the following month	Unknown	Unknown	None		66%
Debt Collection PM (SEE BP & KM)					6 months

Performance Measure: Notes

1. None.

Finance Department

Program: Payroll/Benefits

Program Summary

Program Code:	0040
Program Purpose:	Provide timely and accurate processing and reporting of City payroll and benefits in accordance with applicable laws while providing quality customer service.
Strategic Goals Addressed:	Responsive Government

5 – Year Program Goals

1. Have an automated and paperless payroll and benefits process that is streamlined, efficient, and timely.

2. Have comprehensive, consistent, and streamlined written payroll operating procedures and policies that use best payroll practices to be followed by all City Departments.

3. Establish a comprehensive and user-friendly training program for all City Departments' staff related to payroll/benefits related activities.

Program Budget Summary

	2007/08 Actual	2008/09 Actual	2009/10 Proposed	2010/11 Proposed
Funding Level	$314,376	$317,292	$310,925	$319,900
Full Time Employees		4.25	4.25	4.25
Funding Sources				

Program Changes

1. None

FY 2010/11 Program Objectives

1. Prepare a first draft payroll manual for user Departments and have at least one training meeting with Department payroll contacts to review the manual.

2. Increase the number of employees on direct deposit in order to increase efficiency.

3. Increase the number of employees participating in the Deferred Compensation Plan in order to assist employees with retirement goals.

Ongoing Program Objectives

1. Prepare and issue payroll checks for all City employees on a semi-monthly basis.

2. Ensure compliance with all applicable City policies and procedures and Federal, State, and local regulations.

3. Ensure that all City employees are paid accurately and timely.

4. Ensure that all City employee benefits are accurately and timely charged and reported accordingly.

Performance Measures

	2007/08 Actual	2008/09 Actual	2009/10 Target	2009/10 Mid-Year	2010/11 Target
Number of payroll checks issued manually in a year	38	25	35	24	30
Number of payroll checks issued in a year	37,454	35,260	33,898	16,949	34,000
Percent of employees on direct deposit	80.9%	85.1%	86%	85.7%	87%
Percent of employees participating in the Deferred Compensation Plan			47%	46%	48%

Performance Measure: Notes

1. Manual payroll checks are generally due to errors, missed deadlines, and stale dated checks.
2. Number of checks issued has decreased due to attrition and reduction in force.
3. Data for previous years' participation in Deferred Comp. is unavailable.

Finance Department

Program: Purchasing

Program Summary

Program Code:	0042
Program Purpose:	To provide effective and timely procurement of all items needed by City Departments for their operations following all applicable laws and best practices.
Strategic Goals Addressed:	Responsive Government

5 – Year Program Goals

1. Implement a fully automated, comprehensive, and paperless purchasing process in order to enhance productivity, efficiency, and timeliness and be more responsive to user Departments.

2. Comprehensive, consistent, and streamlined written purchasing operating procedures and policies that use best purchasing practices to be used by all City Departments.

3. Establish a comprehensive and user friendly training program for all Department staff on purchasing related activities

Program Budget Summary

	2007/08 Actual	2008/09 Actual	2009/10 Proposed	2010/11 Proposed
Funding Level	$160,185	$161,671	$158,427	$163,000
Full Time Employees		2.00	2.00	2.00
Funding Sources				

Program Changes

1. None

FY 2010/11 Program Objectives

1. Complete a comprehensive update of the current purchasing policies and procedures currently in the municipal code as recommended by the Management Partners study.

Ongoing Program Objectives

1. Work with Departments to ensure compliance with all purchasing policies.

2. Work with vendors to obtain the best service at the lowest cost for all Departments.

3. Use other governmental purchasing options to reduce duplication and improve processing time for issuing a purchase order.

Performance Measures

	2007/08 Actual	2008/09 Actual	2009/10 Target	2009/10 Mid-Year	2010/11 Target
Number of purchase orders issued	1,700	1,700			1,000
Number of formal bids completed	27	20	20	9	20
Percentage of total formal Bid awards given to local San Bernardino vendors					2%
Percentage of commodities that would qualify for co-operative agreements.					25%
Percentage of commodities issued as annual purchase orders and annual City wide contracts					25%

Performance Measure: Notes

1. None.

Finance Department

Program: Budget

Program Summary

Program Code:	0043
Program Purpose:	To coordinate the planning process for the annual program budget and to ensure all Departments adhere to their final adopted budgets.
Strategic Goals Addressed:	Responsive Government

5 – Year Program Goals

1. Establishment of a formal, comprehensive and consistent program budget process that uses best budget practices.

2. Develop a formal and comprehensive training process to ensure that all necessary employees are familiar and knowledgeable about how to prepare the City Program Budget.

Program Budget Summary

	2007/08 Actual	2008/09 Actual	2009/10 Proposed	2010/11 Proposed
Funding Level	$356,732	$360,041	$352,816	$363,000
Full Time Employees		2.50	2.50	2.50
Funding Sources				

Program Changes

1. None.

FY 2010/11 Program Objectives

1. Complete the first FY 2010-2011 Program Budget working the City's Budget Consultant and all City Departments.

2. Complete accurate revenue projections for FY 2010-2011 with the assistance of all needed City Departments.

3. Complete the costing for all authorized full-time positions for the FY 2010-2011 program budget.

4. Review feasibility of implementing a 2 year budget for FY 2011-2012.

Ongoing Program Objectives

1. Ensure the final adopted budget is correctly and accurately entered into the financial system.

2. Ensure that all authorized and approved amendments to the approved budget are processed timely and accurately.

3. Work with all City Departments to solve budget problems or questions that arise.

4. Provide excellent support to the City Manager and Council in making budgetary decisions.

Performance Measures

	2007/08 Actual	2008/09 Actual	2009/10 Target	2009/10 Mid-Year	2010/11 Target
Complete budget process and adopt budget by June 30th					Yes
Number of special and significant projects worked on that require budget analysis and assistance					2 or more
Percentage accuracy of general fund revenue forecast					95%
Complete and present the mid-year budget report each year					March
Implemented Council approved department re-organization plan			Yes		Yes

Performance Measure: Notes

1. None.