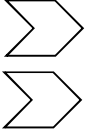


AUDITOR - CONTROLLER

Marcia Salter, Auditor-Controller



Auditor-Controller (10202) \$ 1,844,150

Total \$ 1,844,150





Auditor-Controller Summary

	<u>14/15</u> <u>Actual</u>	<u>15/16</u> <u>Adopted</u>	<u>15/16</u> <u>Estimated</u>	<u>16/17</u> <u>Proposed</u>	<u>16/17</u> <u>Adopted</u>	<u>% Change</u> <u>From Prior</u> <u>Adopted</u>
Revenues						
Taxes	-	-	-	-	-	NA
Licenses, Permits & Franchises	-	-	-	-	-	NA
Fines, Forfeitures, & Penalties	-	-	-	-	-	NA
Use of Money & Property	-	-	-	-	-	NA
Federal/State Intergovernmental	-	-	-	-	-	NA
Charges for Services	33,281	33,538	34,160	38,488	38,488	14.8%
Miscellaneous Revenues	10,266	5,000	24,706	4,000	4,000	-20.0%
Other Financing Sources	-	-	-	-	-	NA
General Fund Transfers	-	-	-	-	-	NA
General Fund Allocation	1,413,720	1,577,981	1,766,173	1,801,662	1,801,662	14.2%
Total Revenues	1,457,267	1,616,519	1,825,039	1,844,150	1,844,150	14%
Expenses						
Salaries & Benefits	1,335,295	1,499,189	1,431,172	1,693,979	1,693,979	13.0%
Services & Supplies	70,059	66,394	133,117	97,502	97,502	46.9%
Other Charges	53,101	51,936	118,933	56,855	56,855	9.5%
Overhead Cost Allocation (A87)	-	-	-	-	-	NA
Capital Assets	-	-	142,525	-	-	NA
Other Financing Uses	-	-	-	-	-	NA
Interfund Activity	(1,187)	(1,000)	(708)	(4,186)	(4,186)	NA
Contingency	-	-	-	-	-	NA
Total Expenses	1,457,267	1,616,519	1,825,039	1,844,150	1,844,150	14%
Fund Balance Added (Used)	-	-	-	-	-	
Staffing:	12.00	12.00	12.00	13.00	13.00	
		June 30, 2016				June 30, 2017
		Projected	FY 16/17	FY 16/17	FY 16/17	Projected
		Fund Balance	Revenue	Expense	Net Change	Fund Balance
GENERAL FUND	Fund # 0101	*	1,844,150	1,844,150	-	*
			1,844,150	1,844,150	-	

* See General Fund Balance and Reserves in Section 1 for the FY 2016-17 General Fund analysis.



Auditor-Controller

Mission Statement:

The mission of the Auditor-Controller's Office is to provide independent accounting, reporting and auditing services to County departments, Special Districts and Schools in accordance with Federal, State and local law in an efficient and cost-effective manner, thus maximizing their value to the citizens of Nevada County.

Service Description:

All the services performed by the Auditor-Controller's Office are mandated by Federal, State, or local law. They include, but are not limited to: prescribing accounting policy and procedures, accounting and reporting, budget oversight, audit, property tax administration and regular maintenance of the county general ledger, payroll, property tax and capital asset systems.

This office establishes the county property tax rates, prepares the county property tax bills, apportions property taxes collected and property tax refunds, audits claims and generates payments to vendors for goods and services, processes 26 bi-weekly payrolls, processes transactions to and maintains 493 funds and 10,000 general ledger accounts and prepares annual financial reports. The office also prepares the annual Countywide Cost Allocation Plan as required by the Code of Federal Regulations - 2 CFR 200.

The office operates with a staff of eleven under the direction of the Auditor-Controller. The Auditor-Controller serves on the Risk Management Committee, Nevada County Budget Subcommittee, Nevada County Finance Authority, the Information Services Steering Board and the associated technology-focused Community of Interest committees. The Auditor-Controller and staff actively participate in the State Association of County Auditors (SACA) with the Accounting Standards and Procedures Committee, the Legislative Committee and various manager subcommittees in their respective areas.

Major Accomplishments in 2015-16:

- Received for the eighth consecutive year the GFOA Award for Excellence in Financial Reporting for the Fiscal Year 2013-14 Comprehensive Annual Financial Report (CAFR).
- Received the California State Controller's Award for Achieving Excellence in Financial Reporting for the thirteenth consecutive year.
- Completed the County's CAFR for fiscal year 2014-15 and submitted to the GFOA for consideration for the Award for Excellence in Financial Reporting. Published all County audited financial reports on website by March 8th.
- Completed the Countywide Cost Allocation Plan and submitted to the State Controller's Office prior to the December 31st deadline as required by the Office of Management and Budget to apply costs to Federal awards.
- Audited \$1,847 million in 82,700 journal transactions for compliance with applicable regulations, accounting requirements, budget authority and funding constraints.
- Within 10 days of receipt, audited and processed 62,900 accounts payable transactions totaling \$185 million. Ensured sales tax charges were accurate and vendor 1099 information correct. Audited \$1,108 million in purchasing and travel card expenditures for appropriateness and compliance to County policies.
- Administered \$79.8 million annual payroll for an average of 829 permanent and temporary employees ensuring compliance with State and Federal payroll and tax regulations, County MOU agreements, and CalPERS requirements. Processed 100% of the 2,362 Employee Personnel Actions received timely prior to payroll processing.
- Calculated and levied current secured, unsecured and public utility charges totaling \$206,552,941 including 13 voter approved debt bonds and 135 special assessments for 64,128 tax bills for fiscal year 2015/16. Issued 1,632 secured, unsecured and supplemental refunds totaling \$895,774 and 4,201 supplemental bills totaling \$3,259,755 in fiscal year 2014/15. Processed 1,812 secured



and unsecured roll corrections. Allocated \$231 million in tax revenues to local agencies.

- Provided training opportunities to County fiscal staff through the Auditor's Forums and hands-on trainings.
- Implemented the new GASB 68 – Accounting and Reporting for Pensions.
- Implemented a centralized internal electronic storage for all county department credit card purchases transaction information to improve access online, and for internal auditing.
- Successfully completed financial software upgrades, implemented a new time & attendance system and a new financial reporting software.
- In conjunction with Human Resources, implemented the Affordable Care Act reporting software to comply with IRS requirements
- Moved office to a new remodeled location while maintaining high level of service to the Public and County.
- Partnered with LAFCO to present the first *Best Practices for Board Members of Small Districts Seminar* that provided invaluable information on the governing and managing a local Special District.

Objectives & Performance Measures for 2016-17:

Objective:

Maintain high quality customer service for both internal and external customers by enhancing process efficiencies, accuracy and timeliness of financial transactions.

Performance Measures:

- Audit and process department authorized vendor claims within 10 working days of receipt in Auditor-Controller's office 100% of the time.
- Complete a process review for department journal batches for potential efficiency improvements utilizing enhancements in the upgraded accounting system.
- Process 100% of Employee Personnel Actions received timely prior to payroll processing.
- Explore alternatives to warrant printing and distribution for potential efficiency improvements using e-Payables, Direct Deposit or other payment processes.
- Regularly review and update accounting policies and procedures to incorporate new technologies and accounting requirements.

- Complete a customer service survey to obtain feedback and look for opportunities to improve services.

Objective:

Verify the effectiveness of internal control structure and provide recommendations to department managers to improve financial accountability, fiscal control, safeguard County assets and mitigate potential risks.

Performance Measures:

- Complete cash and revenue audits of the selected county departments including review of internal controls, procedures and cash handling practices.
- Complete 100% of the 120 department credit card transaction audits within planned timeframes.
- Audit County contracts representing over 50% of the \$30 million total expenditure contract dollars.
- Continue to review contract processes and requirements to improve consistency in contract procedures and efficiencies.
- Assist department with implementation of new financial transaction related software by reviewing procedures and looking for opportunities to increase efficiencies.

Objective:

Continually maintain and improve the financial management systems used by County departments in accordance with sound principles of internal controls assuring the integrity of data used by the public and County management to promote efficiencies and reduce redundancies.

Performance Measures:

- Continue implementation of new property tax system to replace outdated legacy system and increase efficiencies within and across the offices of Auditor, Tax Collector and Assessor.
- Participate in the monthly Internal Services and Contract Management Communities of Interest (COI) group meetings to bring forward department's needs.
- Participate in the selection and implementation of a countywide contract and grant tracking management system.
- Continue training of County departments by Auditor-Controller staff on financial processes by instructing 120 users through three Auditor Forums, 24 users through bi-annual hands-on



trainings and 22+ department liaisons at an annual Credit Card Custodian Forum through bi-annual hands-on trainings.

Objective:

Provide timely, accurate and accessible financial information of the County organization.

Performance Measures:

- Obtain an unqualified opinion and the GFOA award for excellence on the County’s Comprehensive Annual Financial Report.
- Publish the audited comprehensive annual financial statements on the County Auditor-Controller’s web page by January 28th.
- Obtain the California State Controller’s Award for Achieving Excellence in Financial Reporting.
- Compile and submit the Countywide Cost Allocation Plan to the State Controller’s Office by December 31st.

Service Budget Unit Code	- 10202
Office/Department	- Auditor-Controller
Major Service Area	- Auditor-Controller



Auditor/Controller (10202)

	<u>14/15</u>	<u>15/16</u>	<u>15/16</u>	<u>16/17</u>	<u>16/17</u>	<u>% Change</u>
	<u>Actual</u>	<u>Adopted</u>	<u>Estimated</u>	<u>Proposed</u>	<u>Adopted</u>	<u>From Prior</u>
						<u>Adopted</u>
Revenues						
Taxes	-	-	-	-	-	NA
Licenses, Permits & Franchises	-	-	-	-	-	NA
Fines, Forfeitures, & Penalties	-	-	-	-	-	NA
Use of Money & Property	-	-	-	-	-	NA
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Total Expenses	1,457,267	1,616,519	1,825,039	1,844,150	1,844,150	14%
Fund Balance Added (Used)	-	-	-	-	-	
Staffing:	12.00	12.00	12.00	13.00	13.00	
2016/17 Fund Analysis:						
					Fund Balance	
		Revenues	Expenses		Added (Used)	
GENERAL FUND	Fund # 0101	1,844,150	1,844,150		-	
		1,844,150	1,844,150		-	

Comments/Analysis of Differences:

Public Hearing Comments:

Adopted as proposed.



