

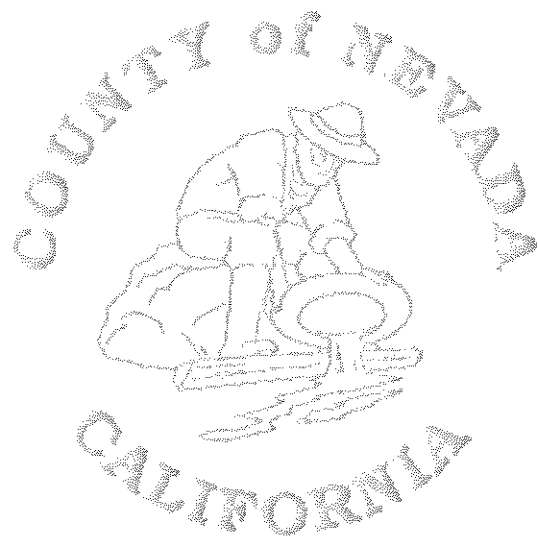
AUDITOR - CONTROLLER
Marcia Salter, Auditor-Controller



Accounting, Audit & Tax (10202) \$ 1,451,722

Total \$ 1,451,722





Accounting, Audit & Tax Summary

| | <u>08/09</u> <u>Actual</u> | <u>09/10</u> <u>Adopted</u> | <u>09/10</u> <u>Estimated</u> | <u>10/11</u> <u>Proposed</u> | <u>10/11</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 | - | - | 1,919 | - | - | NA |
| Charges for Services | 12,411 | 23,170 | 23,682 | 24,502 | 24,502 | 5.7% |
| Miscellaneous Revenues | 1,005 | 2,000 | 4,499 | 3,500 | 3,500 | 75.0% |
| Other Financing Sources | - | - | - | - | - | NA |
| General Fund Transfers | - | - | - | - | - | NA |
| General Fund Allocation | 1,421,124 | 1,462,252 | 1,354,614 | 1,423,720 | 1,423,720 | -2.6% |
| Total Revenues | 1,434,540 | 1,487,422 | 1,384,714 | 1,451,722 | 1,451,722 | -2% |
| Expenses | | | | | | |
| Salaries & Benefits | 1,324,991 | 1,378,415 | 1,258,760 | 1,340,482 | 1,340,482 | -2.8% |
| Services & Supplies | 111,209 | 112,342 | 129,642 | 114,740 | 114,740 | 2.1% |
| Other Charges | - | - | - | - | - | NA |
| Overhead Cost Allocation (A87) | - | - | - | - | - | NA |
| Capital Assets | - | - | - | - | - | NA |
| Other Financing Uses | - | - | - | - | - | NA |
| Interfund Activity | (1,660) | (3,335) | (3,688) | (3,500) | (3,500) | 4.9% |
| Contingency | - | - | - | - | - | NA |
| Total Expenses | 1,434,540 | 1,487,422 | 1,384,714 | 1,451,722 | 1,451,722 | -2% |
| Fund Balance Added (Used) | - | - | - | - | - | |
| Staffing: | 16.00 | 15.00 | 14.50 | 13.50 | 13.50 | |

| | June 30, 2010 Projected Fund Balance | FY 10/11 Revenue | FY 10/11 Expense | FY 10/11 Net Change | June 30, 2011 Projected Fund Balance |
|--------------|--|---------------------|---------------------|------------------------|--|
| General Fund | Fund # 0101 * | 1,451,722 | 1,451,722 | - | * |

| | | |
|-----------|-----------|---|
| 1,451,722 | 1,451,722 | - |
|-----------|-----------|---|

* See General Fund Balance and Reserves in Section 1 for the FY 2010-11 General Fund analysis.



Accounting, Audit & Tax

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 people 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 rolls, apportions property taxes collected, audits claims and generates payments to vendors for goods and services, processes 26 bi-weekly payrolls, processes transactions to over 500 funds and 10,000 accounts and prepares annual financial reports. The office prepares the annual Cost Allocation Plan as required by the Code of Federal Regulations - 2 CFR 225. (Formerly OMB A87).

The office operates with a staff of fourteen under the direction of the Auditor-Controller. Staff 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. Staff actively participates in the State Association of County Auditors with the Accounting Standards and Procedures Committee, the Legislative Committee and various manager subcommittees in their respective areas.

Major Accomplishments in 2009-10:

- Received, for the second year in a row, the GFOA Award for Excellence in Financial Reporting for the 2007-08 CAFR.
- Received the California State Controller's Award for Achieving Excellence in Financial Reporting for the eighth consecutive year.
- Completed the County's Comprehensive Annual Financial Report (CAFR) for fiscal year 2008-09 and submitted to the GFOA for consideration for the Award for Excellence in Financial Reporting by December 31. CAFR published on the website by January 26.
- Audited and processed 4,652 journals of varying complexity equating to 121,940 transactions within 10 business days 86.5% of the time; audited and processed 10,253 accounts payable batches equating to 76,106 transactions and 37,838 warrants/e-vouchers within 5 business days 98% of the time in fiscal year 2008-09. Increased direct deposit payments to vendors to 22%. Audited and processed 26 bi-weekly payrolls for an average of 1,070 permanent and temporary employees. Increased direct deposit paychecks by 5.6 % to 89.2%.
- Calculated and levied current secured, unsecured and public utility charges totaling \$200,829,409 including 15 voter approved debt bonds and 131 special assessments for 64,207 tax bills for fiscal year 2009/10. Issued 1,602 secured, unsecured and supplemental refunds totaling \$1,434,138 and 3,796 supplemental bills totaling \$3,809,207 in fiscal year 2008/09. Processed 1,893 secured and unsecured roll corrections.
- Provided 10 training opportunities to County fiscal staff through the Auditor's Forums and hands-on trainings for journal, deposit, payment request procedures and reports. Provided Cognos and Cost Plan review trainings.
- Completed 52 site reviews of cash controls and 112 audits of credit card controls within County departments.
- Developed Cognos project reports to assist departments utilizing the project accounting module. In cooperation with information services, developed reports from the employee time tracking system to allow departments to track time to specific projects and cost centers.
- Expanded the general obligation bonds secured tax rate table in the tax system to enable tax records and general ledger to clearly identify and accommodate current as well as future bond issuances.



Accounting, Audit & Tax

Objectives & Performance Measures for 2010-11:

Objective:

Maintain high quality customer service for both internal and external customers by utilizing new technologies to enhance process efficiencies, accuracy and timeliness of financial transactions.

Performance Measures:

- Process department authorized vendor claims within 5 working days of receipt in Auditor-Controller's office 95% of the time.
- Process authorized journal entry requests within 10 working days of receipt in Auditor-Controller's office 80% of the time.
- Process 100% of Employee Personal Actions received timely prior to payroll processing.
- Complete Phase II implementation of the enhanced HR/PR system with the Employee Service Center in cooperation with Human Resources and Information Services—reduce by 50% the number of direct employee payroll inquiries regarding salary deductions, benefits, and paychecks (approximately 120 to 60 per year).

Objective:

Assist management in carrying out their fiduciary responsibilities by providing periodic audits and reviews of internal controls.

Performance Measures:

- Complete 100% of the 33 department cash handling audits as scheduled.
- Complete 100% of the 104 credit card transaction audits within planned timeframe.
- Complete 100% of scheduled contract audits.

Objective:

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

Performance Measures:

- Continue to enhance the Auditor-Controller's financial system manager's role to serve as the bridge to departments, district, IS and the

software vendor—to increase response time and add efficiencies to Auditor staff workflow.

- Participate in the 11 monthly Internal Services COI group meetings and the Financial Systems BST meetings to bring forward department needs and recommend system enhancements and improvements.
- Continue training of County departments by Auditor-Controller staff on financial processes by instructing 300 users through bi-monthly forums and 72 users through quarterly 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 February 28th.
- Incorporate all applicable new GASB statement requirements by the implementation dates.

Objective:

Collaborate with the Assessor and Tax Collector to comply with statutory and regulatory requirements related to property tax and contribute to efficient, timely and accurate property tax billings.

Performance Measures:

- Participate in four or more joint meetings with Assessor and Tax Collector staff to coordinate property tax efforts.
- Collaborate with Information Systems staff to maximize the capabilities of the current property tax system.
- Prepare and calculate secured tax bills and deliver to the Tax Collector by the 4th Monday of September or sooner.
- Apportion property taxes to schools, districts and cities by the December 10, April 10 and June 30 established deadlines.
- Process roll corrections within one month of receipt.

Objective:

Enhance the tracking and monitoring of County revenues from Federal, State and grantor sources and related expenditures for financial reporting.



Accounting, Audit & Tax

Performance Measures:

- Utilize new Sharepoint software to provide efficiencies in tracking and monitoring allocations and related expenditures.
- Continue to advise and train County departments to use the project accounting module of the financial system to improve current tracking process and data compilation and track time to specific projects and cost centers.

| | |
|--------------------------|---------------------------|
| Service Budget Unit Code | - 10202 |
| Office/Department | - Auditor-Controller |
| Major Service Area | - Accounting, Audit & Tax |



Accounting, Audit and Tax (10202)

| | 08/09 <u>Actual</u> | 09/10 <u>Adopted</u> | 09/10 <u>Estimated</u> | 10/11 <u>Proposed</u> | 10/11 <u>Adopted</u> | % Change From Prior <u>Adopted</u> |
|----------------------------------|------------------------|-------------------------|---------------------------|--------------------------|-------------------------|--|
| Revenues | | | | | | |
| Taxes | - | - | - | - | - | NA |
| Licenses, Permits & Franchises | - | - | - | - | - | NA |
| Fines, Forfeitures, & Penalties | - | - | - | - | - | NA |
| Use of Money & Property | - | - | - | - | - | NA |
| Federal/State Intergovernmental | - | - | 1,919 | - | - | NA |
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| Overhead Cost Allocation (A87) | - | - | - | - | - | NA |
| Capital Assets | - | - | - | - | - | NA |
| Other Financing Uses | - | - | - | - | - | NA |
| Interfund Activity | (1,660) | (3,335) | (3,688) | (3,500) | (3,500) | NA |
| Contingency | - | - | - | - | - | NA |
| Total Expenses | 1,434,540 | 1,487,422 | 1,384,714 | 1,451,722 | 1,451,722 | -2% |
| Fund Balance Added (Used) | - | - | - | - | - | |
| Staffing: | 16.00 | 15.00 | 14.50 | 13.50 | 13.50 | |
| 2010/11 Fund Analysis: | | | | | | |
| | | | | | Fund Balance | |
| | | Revenues | Expenses | | Added (Used) | |
| General Fund | Fund # 0101 | 1,451,722 | 1,451,722 | | - | |
| | | 1,451,722 | 1,451,722 | | - | |

Comments/Analysis of Differences:

There is an elimination of 1 Accounting Technician proposed in FY 10-11.

Public Hearing Comments:

Adopted as proposed.



