

Auditor-Controller/Treasurer/Tax Collector

DESCRIPTION OF MAJOR SERVICES

The Office of the Auditor-Controller/Treasurer/Tax Collector (ATC) is responsible for providing the County and its constituents with a variety of accounting, collections, and investment services.

The Controller Division records the collections and performs the accounting, reporting, and claims of all County financial activities to ensure sound financial management. It is also responsible for developing and implementing accounting systems and standards and administering the Countywide Cost Allocation Plan. The Disbursements Division is responsible for vendor payments, payroll services, the compilation of property tax rates, revenue disbursements to taxing agencies and managing and calculating pass-through agreement payments on behalf of Countywide successor agencies relating to the dissolution of Redevelopment Agencies.

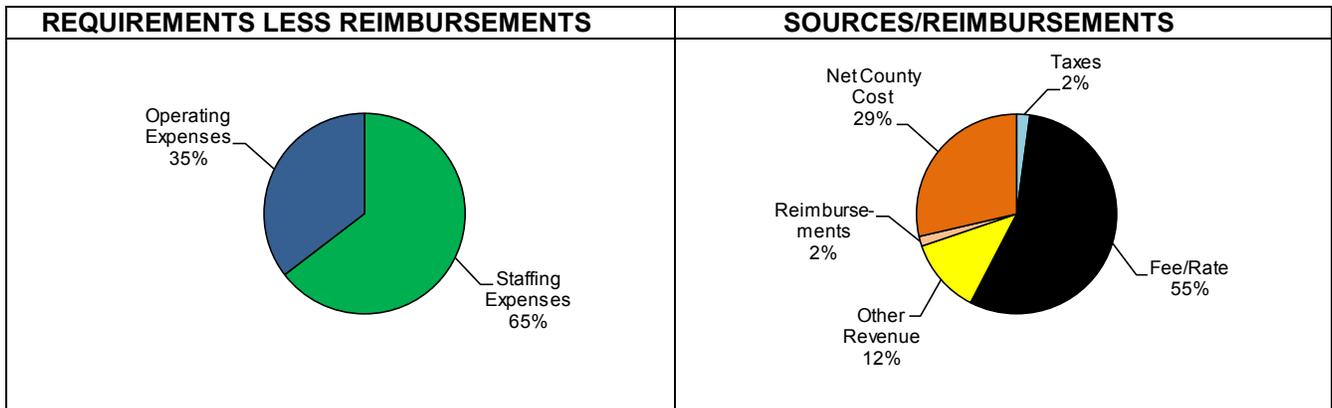
The Treasurer Division performs the County's treasury function including the investment of all County and School District funds within the County investment pool and associated banking services. The Treasurer currently manages assets of \$3.8 - \$4.9 billion. The Tax Collector Division collects property taxes for all County taxing entities which amounted to slightly over \$2.2 billion in property taxes and other fees in 2013-14.

The Central Collections Division provides collection services for the County and Superior Court, collecting nearly \$50 million for the year ending June 30, 2014, including collection of court-ordered payments and Arrowhead Regional Medical Center's delinquent accounts receivable.

The Auditor Division performs operational and financial audits of departments, agencies and special districts, evaluates internal controls for operational improvement, and operates the Fraud, Waste and Abuse Hotline.

| Budget at a Glance | |
|----------------------------------------|--------------|
| Requirements Less Reimbursements* | \$37,476,564 |
| Sources/Reimbursements | \$26,784,744 |
| Net County Cost | \$10,691,820 |
| Total Staff | 296 |
| Funded by Net County Cost | 29% |
| <small>*Includes Contingencies</small> | |

2014-15 ADOPTED BUDGET



FISCAL



BUDGETED STAFFING

| STAFFING ANALYSIS | | | | | 5-YEAR STAFFING TREND | | | | |
|----------------------|------------------|--------------------|------------------|--------------------|-----------------------|--|--|--|--|
| Authorized Positions | 2012-13 Final | 2013-14 Adopted | 2013-14 Final | 2014-15 Adopted | | | | | |
| Regular | 277 | 278 | 278 | 280 | | | | | |
| Limited Term | 3 | 15 | 17 | 16 | | | | | |
| Total | 280 | 293 | 295 | 296 | | | | | |
| Staffing Expenses | \$23,797,675 | \$24,151,265 | \$24,535,297 | \$24,187,211 | | | | | |

ANALYSIS OF 2014-15 ADOPTED BUDGET

GROUP: Fiscal
DEPARTMENT: Auditor-Controller/Treasurer/Tax Collector
FUND: General

BUDGET UNIT: AAA ATX
FUNCTION: General
ACTIVITY: Finance

| | 2010-11 Actual | 2011-12 Actual | 2012-13 Actual | 2013-14 Actual | 2013-14 Final Budget | 2014-15 Adopted Budget | Change From 2013-14 Final Budget |
|-------------------------|-------------------|-------------------|-------------------|-------------------|----------------------------|------------------------------|-------------------------------------------|
| Requirements | | | | | | | |
| Staffing Expenses | 24,350,111 | 22,181,622 | 22,511,394 | 22,924,596 | 24,535,297 | 24,187,211 | (348,086) |
| Operating Expenses | 11,778,908 | 11,296,625 | 10,365,494 | 11,882,362 | 13,228,514 | 13,269,353 | 40,839 |
| Capital Expenditures | 92,306 | 55,963 | 88,481 | 123,796 | 355,000 | 20,000 | (335,000) |
| Contingencies | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Exp Authority | 36,221,325 | 33,534,210 | 32,965,369 | 34,930,754 | 38,118,811 | 37,476,564 | (642,247) |
| Reimbursements | (1,614,279) | (1,258,293) | (275,419) | (323,835) | (271,300) | (595,860) | (324,560) |
| Total Appropriation | 34,607,046 | 32,275,917 | 32,689,950 | 34,606,919 | 37,847,511 | 36,880,704 | (966,807) |
| Operating Transfers Out | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Requirements | 34,607,046 | 32,275,917 | 32,689,950 | 34,606,919 | 37,847,511 | 36,880,704 | (966,807) |
| Sources | | | | | | | |
| Taxes | 307,060 | 0 | 386,920 | 289,460 | 895,000 | 800,000 | (95,000) |
| Realignment | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| State, Fed or Gov't Aid | 90,018 | 136,502 | 153,632 | 75,605 | 33,081 | 122,204 | 89,123 |
| Fee/Rate | 18,347,152 | 18,108,328 | 19,472,244 | 19,538,898 | 20,608,499 | 20,718,034 | 109,535 |
| Other Revenue | 5,382,219 | 4,880,121 | 4,887,853 | 4,869,125 | 4,982,483 | 4,548,646 | (433,837) |
| Total Revenue | 24,126,449 | 23,124,951 | 24,900,649 | 24,773,088 | 26,519,063 | 26,188,884 | (330,179) |
| Operating Transfers In | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Sources | 24,126,449 | 23,124,951 | 24,900,649 | 24,773,088 | 26,519,063 | 26,188,884 | (330,179) |
| Net County Cost | 10,480,597 | 9,150,966 | 7,789,301 | 9,833,831 | 11,328,448 | 10,691,820 | (636,628) |
| Budgeted Staffing | | | | | 295 | 296 | 1 |

MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET

Staffing expenses of \$24.2 million represent the majority of expenditures in this budget unit and fund 296 budgeted positions. These expenses are necessary to provide accounting, auditing, collections, and investment services to County departments and constituents. Sources primarily represent fee/rate and cost-reimbursement revenue generated by services provided.

BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements are decreasing by \$966,807, primarily due to a reduction in staffing expenses and capital expenditures, and an increase in reimbursements. Sources are expected to decrease by \$330,179, primarily due to an increase in current services revenue which is offset by a decrease in other revenue. While building the 2014-15 budget, there was a shortfall of \$131,000 due to a loss of single audit revenue (\$81,000) as a result of the County's improvement from a high risk to low risk auditee which resulted in less program audits and an



increase in legal counsel expenses (\$50,000) related to property tax payers in bankruptcy. The Auditor-Controller/Treasurer/Tax Collector received additional Net County Cost of \$131,000 to offset this shortfall.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$24.2 million fund 296 budgeted positions of which 280 are regular positions and 16 are limited term positions. The budget includes a net increase of 1 position, consisting of the addition of a Systems Accountant II in Property Tax to assist with system processes relating to Redevelopment Agencies (RDA), the addition of an Accountant II in Central Payroll to comply with reporting requirements associated with the Affordable Health Care Act, and the deletion of a vacant recurrent Accountant III in Accounts Payable to offset additional costs. The two new positions are both funded by additional revenue; the Systems Accountant II by RDA revenue and the Accountant II by self-governed districts participating in County payroll.

The budget also includes 3 reclassifications: an Accounting Technician to a Supervising Fiscal Specialist and an Office Assistant II to an Office Assistant III, to reflect the actual duties performed; and the Chief, Central Collections Division to an Auditor-Controller Division Chief, to maintain consistency within the department.

2014-15 POSITION SUMMARY

| Division | Regular | Limited Term | Total | Filled | Vacant | New | Total |
|---------------------------------|------------|--------------|------------|------------|-----------|----------|------------|
| Management | 6 | 0 | 6 | 6 | 0 | 0 | 6 |
| Administrative Support | 7 | 10 | 17 | 9 | 8 | 0 | 17 |
| Information Technology Division | 22 | 0 | 22 | 21 | 1 | 0 | 22 |
| Auditor Division | 14 | 0 | 14 | 14 | 0 | 0 | 14 |
| Controller Division | 27 | 0 | 27 | 25 | 2 | 0 | 27 |
| Disbursements Division | 55 | 5 | 60 | 52 | 6 | 2 | 60 |
| Treasurer Division | 7 | 0 | 7 | 7 | 0 | 0 | 7 |
| Tax Collector Division | 52 | 1 | 53 | 52 | 1 | 0 | 53 |
| Central Collections Division | 90 | 0 | 90 | 77 | 13 | 0 | 90 |
| Total | 280 | 16 | 296 | 263 | 31 | 2 | 296 |

| Management | Administrative Support | Information Technology Division |
|------------------------------------------------------------|----------------------------------|---------------------------------|
| <u>Classification</u> | <u>Classification</u> | <u>Classification</u> |
| 1 Elected Auditor-Controller/Treasurer/ Tax Collector | 1 Administrative Supervisor I | 1 Departmental IS Administrator |
| 2 Assistant Auditor-Controller/Treasurer/ Tax Collector | 1 Special Projects Administrator | 1 Secretary I |
| 3 Executive Secretary III | 1 ATC Building Coordinator | 2 Business Applications Manager |
| 6 Total | 1 Internal Auditor III | 2 Business Systems Analyst III |
| | 1 Payroll Specialist | 2 Department Systems Engineer |
| | 1 Fiscal Specialist | 3 Programmer Analyst III |
| | 1 Office Assistant III | 1 Programmer Analyst I |
| | 10 Public Service Employee | 1 Programmer III |
| | 17 Total | 3 Automated Systems Analyst II |
| | | 3 Automated Systems Analyst I |
| | | 3 Automated Systems Technician |
| | | 22 Total |



