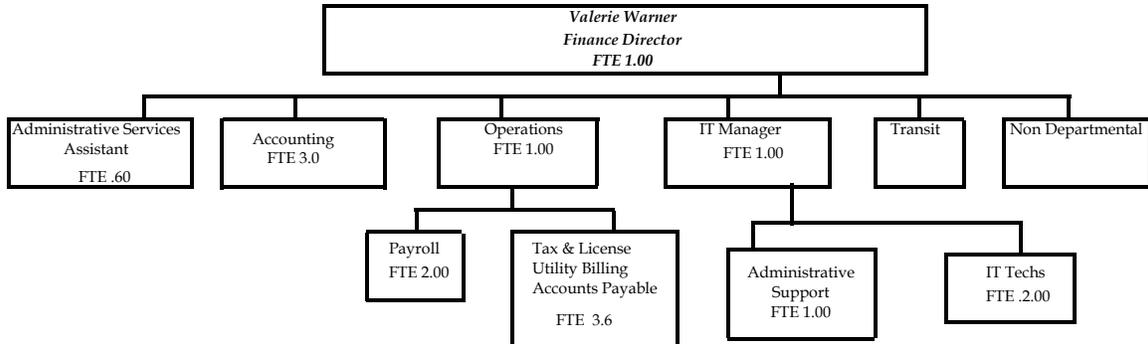


# *FINANCE DEPARTMENT*

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## **Mission**

*To manage, protect and report on the City of Eureka's financial resources to enhance the City's financial condition for our residents, and businesses.*



# Department Summary

# Finance



## DEPARTMENT DESCRIPTION:

The Finance Department is responsible for providing the financial management of all City funds and maintaining the fiscal integrity of the City. Major activities include: managing the City's investment portfolio; obtaining financing for capital requirements; financial analysis and reporting; budget management; revenue management, including billing and collection for utilities, licenses and other revenues; information services; purchasing; transit operations; and central duplicating and printing.

	<u>2006-07 Actual</u>	<u>2007-08 Budget</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
<b>EXPENDITURES BY PROGRAM:</b>				
Finance	\$610,620	\$708,178	\$674,621	\$730,791
Information Technology Operations	757,531	977,256	899,731	689,069
Non-Departmental	1,915,045	2,182,636	2,103,884	2,043,993
Transit - General Public	1,177,012	1,209,083	1,156,178	1,108,543
Transit - Para transit	618,289	585,957	616,833	518,671
	<u>\$5,078,497</u>	<u>\$5,663,110</u>	<u>\$5,451,247</u>	<u>\$5,091,067</u>

## EXPENDITURES BY CATEGORY:

Salaries and Benefits	\$817,562	\$974,254	\$931,069	\$975,535
Services and Supplies	4,134,278	4,312,769	4,217,398	\$4,055,532
Capital Outlay	118,544	366,087	302,780	\$60,000
Capital Lease	8,113	10,000		
Total Expenditures	<u>\$5,078,497</u>	<u>\$5,663,110</u>	<u>\$5,451,247</u>	<u>\$5,091,067</u>

## REVENUES BY FUND

General Fund	\$2,525,665	\$2,890,814	\$2,778,505	\$2,774,784
Information Technology Operations	757,531	977,256	899,731	689,069
Transit Fund	1,795,301	1,795,040	1,773,011	1,627,214
Total Resources	<u>\$5,078,497</u>	<u>\$5,663,110</u>	<u>\$5,451,247</u>	<u>\$5,091,067</u>

	<u>2006-07 Actual</u>	<u>2007-08 Actual</u>	<u>2008-09 Budget</u>
<b>PERSONNEL:</b>			
Full-time Positions	14.00	14.00	14.00
Regular Part-time Positions	1.20	1.20	1.20
Total	<u>15.20</u>	<u>15.20</u>	<u>15.20</u>

	<u>2006-07 Actual</u>	<u>2007-08 Actual</u>	<u>2008-09 Budget</u>
<b>FULL TIME EQUIVALENT SUMMARY BY FUND:</b>			
General Fund	10.85	10.85	11.20
Information Technology Operations	4.00	4.00	4.00
Transit Fund	0.35	0.35	
Total	<u>15.20</u>	<u>15.20</u>	<u>15.20</u>

# General Government



**DEPARTMENT:** Finance  
**PROGRAM:** Finance

**FUND:** General  
**ACCOUNT:** 41430

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## PROGRAM DESCRIPTION:

### FINANCE

The Finance program provides leadership for and plans, coordinates and monitors the activities of the Finance Department in accordance with established fiscal policies. The program is also responsible for managing the City's cash, investments and debt. The finance program also offers leadership to other departments in developing budgets that will meet program goals and maintain sufficient revenues and reserves.

### ACCOUNTING

The Accounting program maintains the City's financial systems by designing and monitoring internal controls over transactions that will serve to safeguard city assets, by creating the Comprehensive Annual Financial Report (CAFR) in conformance with generally accepted accounting principles, and by coordinating an annual budget process that includes public input. The accounting program is responsible for producing various other external and internal financial reports which satisfy regulatory requirements and which also provide information to facilitate and encourage more effective policy discussions and decisions.

### OPERATIONS

The Operations program includes various financial services such as revenue collections. The Tax and License operation ensures that all businesses conducting business in the City of Eureka are properly licensed. Operations collects transient occupancy tax, utility users' tax (UUT) and business license fees. The Utility Billing program provides accurate and timely billing of the City's water and sewer services; assists customers in applying for and discontinuing utility service; educates customers regarding how to find the cause of high water usage and responds to customer inquiries and disputes regarding their City utility accounts. The Accounts Payable program develops, implements and maintains payment processes. The Payroll program implements and maintains personnel payment processes in compliance with all Federal, State, and City regulations. The Purchasing program assists all city departments with purchasing of services, supplies and materials as approved through the budget appropriations process.

# General Government



DEPARTMENT: Finance  
PROGRAM: Finance

FUND: General  
ACCOUNT: 41430

	<u>2006-07 Actual</u>	<u>2007-08 Amended Budget</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
<b>PROGRAM EXPENDITURES:</b>				
Salaries and Benefits	\$553,728	\$642,973	\$613,777	\$687,266
Services and Supplies	56,892	65,205	60,594	43,525
Capital Outlay			250	
<b>Total Expenditures</b>	<u>\$610,620</u>	<u>\$708,178</u>	<u>\$674,621</u>	<u>\$730,791</u>

	<u>2006-07 Actual</u>	<u>2007-08 Actual</u>	<u>2008-09 Budget</u>
<b>FULL TIME AND REGULAR PART-TIME POSITIONS:</b>			
Finance Director	1.00	1.00	1.00
Assistant Finance Director		0.65	1.00
Finance Office Manager	0.65		
Accountant Supervisor	1.00	1.00	
Accountant I/II	2.00	2.00	3.00
Accounting Technician	2.00	2.00	2.00
Accounting Specialist I/II (RPT)	0.60	0.60	
Administrative Service Assistant (RPT)	0.60	0.60	0.60
Accounting Specialist I/II	3.00	3.00	3.60
<b>Total</b>	<u>10.85</u>	<u>10.85</u>	<u>11.20</u>

**SERVICE LEVEL CHANGES:**

Finance Office Manager reclassified to Assistant Finance Director in a mid-year action during Fiscal year 2007-08. Assistant Finance Director moved to Finance program from Transit programs to reflect work effort.

# General Government



**DEPARTMENT:** Finance  
**PROGRAM:** Finance

**FUND:** General  
**ACCOUNT:** 41430

COUNCIL GOAL SUPPORTED:

**CONTINUED FINANCIAL STABILITY**

**SUPPORTING PROGRAM GOALS:**

**FINANCE**

Monitor department activities and concentrate resources on areas of highest importance. Monitor and optimize cash flow. Complete all financial reports required by state and other agencies accurately and on time. Manage the city's cash and investments.

Supporting Program Objectives:	PERFORMANCE MEASURES:			
	<u>2006-07 Actual</u>	<u>2007-08 Target</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
Invest 90% of available cash % of total cash actively invested	98%	90%	93%	90%
Earn market rate on investments Weighted average yield on investments	5.23%	4.18%	4.18%	4.0%
Issue third party reports on time Audit opinion issued by November 15	January 15	November 15	November 15	November 15
Single audit opinion issued by November 15	January 15	November 15	November 15	November 15
Bond disclosures filed by deadline	Yes	Yes	Yes	Yes
State Controllers' Report filed by deadline	Yes	Yes	Yes	Yes
Issue high-quality third party reports Budget meets or exceeds all requirements and GFOA reporting excellence benchmarks	Yes	Yes	Yes	Yes
CAFR meets or exceeds all requirements and GFOA reporting excellence benchmarks	Yes	Yes	Yes	Yes

# General Government



DEPARTMENT: Finance  
PROGRAM: Finance

FUND: General  
ACCOUNT: 41430

## ACCOUNTING

Monitor capital projects, grant activities and other department activities. Maintain communication with departments throughout the year. Ensure that transactions are recorded correctly.

Supporting Program Objectives:	PERFORMANCE MEASURES:			
	<u>2006-07 Actual</u>	<u>2007-08 Target</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
Receive unqualified audit opinion on CAFR	Yes	Yes	Yes	Yes
Receive a single audit opinion with no reportable conditions	No	Yes	Yes	Yes

## OPERATIONS

Collect revenue sources such as UUT, sales tax, and transit occupancy tax. License and permit businesses and individuals to comply with City Code, process applications, maintain accounts, renew billing/notification, and generate reports relating to licensing fees and revenue. Bill and collect water and sewer fees. Establish water/sewer accounts for customers requesting service, discontinuing service as requested, and respond to customer inquiries about their bills in a timely and accurate manner. Develop and implement efficient and effective payment processes. Ensure payroll and accounts payable transactions are processed in a timely, efficient and accurate manner.

Supporting Program Objectives:	PERFORMANCE MEASURES:			
	<u>2006-07 Actual</u>	<u>2007-08 Target</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
Convert to automated meter reading	In Progress	Completed	Completed	N/A
Implement banking efficiencies				
Implement bill consolidator	N/A	Completed	Completed	Completed
Implement on-line bill payments	N/A	N/A	N/A	Completed
Process semi-monthly payroll on time				
% of Time semi monthly payroll processed on time	100%	100%	100%	100%
# of Payroll checks and direct deposits processed	9,421	9,400	9,450	9,430
Process Accounts Payable timely				
% of Time that the backlog of invoices is 5 days or less	97%	96%	98%	98%
# of Accounts payable checks issued	6,063	6,100	6,000	6,000
# of Purchase Orders	2,863	2,000	1,800	1,600
Business Licenses processed	2,387	2,400	2,476	2,480
Issue monthly statements to utility customers				
# of Utility statements issued	115,279	115,300	115,199	115,200

# General Government



**DEPARTMENT:** Finance  
**PROGRAM:** Finance

**FUND:** General  
**ACCOUNT:** 41430

COUNCIL GOAL SUPPORTED:

INCREASE THE RESILIENCY OF OUR CITY BUDGET TO STATE TAKEAWAYS AND OTHER FLUCTUATIONS IN OUTSIDE FUNDING SOURCES

**SUPPORTING PROGRAM GOALS:**

**FINANCE**

The finance program offers leadership to other departments in developing budgets that will contain revenues sufficient to meet programs goals and reserve requirements.

Supporting Program Objectives:	PERFORMANCE MEASURES:			
	<u>2006-07 Actual</u>	<u>2007-08 Target</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
Make annual review of fees & charges	Yes	Yes	Yes	Yes

# General Government



**DEPARTMENT:** Finance  
**PROGRAM:** Non-Departmental

**FUND:** General  
**ACCOUNT:** 41500

**PROGRAM DESCRIPTION:**

The Non-Departmental program accounts for all costs not directly attributable to any one operating program of the General fund. These costs include: contributions to local organizations, including contractual obligations in regards to Transient Occupancy Tax; audit costs; tax collection fees; liability insurance premiums; Local Employee Retirement System premium; other miscellaneous and one-time costs.

	<u>2006-07 Actual</u>	<u>2007-07 Amended Budget</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
Salaries and Benefits	\$26,052	\$60,000	\$37,066	\$40,000
Services and Supplies	1,888,993	2,122,636	2,066,818	2,003,993
Capital Lease				
<b>Total Expenditures</b>	<u>\$1,915,045</u>	<u>\$2,182,636</u>	<u>\$2,103,884</u>	<u>\$2,043,993</u>

**FULL TIME AND REGULAR PART-TIME POSITIONS:**

None.

**SERVICE LEVEL CHANGES:**

None.

# General Government



**DEPARTMENT:** Finance  
**PROGRAM:** Non-Departmental

**FUND:** General  
**ACCOUNT:** 41500

**COUNCIL GOALS SUPPORTED:**

**CONTINUED FINANCIAL STABILITY**

**SUPPORTING PROGRAM GOALS:**

To assure all revenue sources such as sales tax and property tax are deposited in the City's accounts accounts accurately and timely.

Supporting Program Objectives:	PERFORMANCE MEASURES:			
	<u>2006-07 Actual</u>	<u>2007-08 Target</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
Monitor sales tax revenue	quarterly	quarterly	quarterly	quarterly
Engage consultants to monitor property tax, Utility Users' Tax, Sales Tax	Yes	Yes	Yes	Yes

**COUNCIL GOALS SUPPORTED:**

**STRENGTHEN NEIGHBORHOOD GROUPS DEDICATED TO COMMUNITY IMPROVEMENT**

**SUPPORTING PROGRAM GOALS:**

Provide financial support to community organizations in the areas of business retention and recruitment, cultural enhancement and marketing our community assets.

Supporting Program Objectives:	PERFORMANCE MEASURES:			
	<u>2006-07 Actual</u>	<u>2007-08 Target</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
Number of community organizations supported	8	9	9	6

# Transportation



**DEPARTMENT:** Finance  
**PROGRAM:** Transit - General Public

**FUND:** Transit  
**ACCOUNT:** 41470

**PROGRAM DESCRIPTION:**

Eureka Transit Service (ETS) is a fixed route bus system which operates Monday through Saturday, serving the City of Eureka and surrounding unincorporated areas. Goals are: 1) Provide safe, reliable, high quality and economical public transportation; 2) Coordinate transit system development with community planning, development efforts, land use policy, and other transportation services; and 3) Demonstrate the importance of ETS to the vitality of the community. The City of Eureka also contributes funding, through a joint powers agreement, for operations of the regional Redwood Transit System, which services a sixty-five mile corridor on Highway 101.

	<u>2006-07 Actual</u>	<u>2007-08 Amended Budget</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
<b>PROGRAM EXPENDITURES:</b>				
Salaries and Benefits	\$15,332	\$16,925	\$18,774	\$0
Services and Supplies	1,161,680	1,192,158	1,137,404	1,108,543
Capital Outlay				0
<b>Total Expenditures</b>	<u>\$1,177,012</u>	<u>\$1,209,083</u>	<u>\$1,156,178</u>	<u>\$1,108,543</u>

	<u>2006-07 Actual</u>	<u>2007-08 Budget</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
<b>FULL TIME AND REGULAR PART-TIME POSITIONS:</b>				
Finance Office Manager	0.18			
Assistant Finance Director		0.18	0.18	0.00
<b>Total</b>	<u>0.18</u>	<u>0.18</u>	<u>0.18</u>	<u>0.00</u>

**SERVICE LEVEL CHANGES:**

Participated with Humboldt State University to encourage ridership using the "Jack Pass" promotion at no additional cost to the City. Reallocate Assistant Finance Director to General Fund, Finance Program.

# Transportation



**DEPARTMENT:** Finance  
**PROGRAM:** Transit - General Public

**FUND:** Transit  
**ACCOUNT:** 41470

**COUNCIL GOALS SUPPORTED:**

**QUALITY OF LIFE**

**SUPPORTING PROGRAM GOAL:**

To maintain safe, reliable, high quality and affordable public transportation services within the City of Eureka, while attempting to maintain a sound financial base from which to operate.

	<b>PERFORMANCE MEASURES:</b>			
	<b>2006-07</b>	<b>2007-08</b>	<b>2007-08</b>	<b>2008-09</b>
<b><u>Supporting Program Objectives:</u></b>	<b><u>Actual</u></b>	<b><u>Target</u></b>	<b><u>Estimated</u></b>	<b><u>Budget</u></b>
Review contractor conformance to contract standards regarding vehicle operations, safety & reliability:	Semi-annually	Semi-annually	Semi-annually	Quarterly
Monitor program operational statistics:	Monthly	Monthly	Monthly	Monthly
<b>Program/Service Statistics:</b>				
Cost per passenger	\$3.47	\$3.55	\$3.59	\$3.60
Cost per hour	52.15	53.00	53.08	53.20
Passengers per service hour	15	17	17	18
Total passengers	235,898	238,000	239,000	239,000
Cost per mile	5.29	5.35	5.45	5.48
Encourage ridership thru advertisement and promotion of transit services:	Monthly	Monthly	Monthly	Monthly
Hold City Council Public Hearing regarding transit unmet needs:	Annually	Annually	Annually	Annually
County-wide 5-year transit plans evaluated	Yes	Yes	Yes	Yes

# Transportation



**DEPARTMENT:** Finance  
**PROGRAM:** Transit - Paratransit

**FUND:** Transit  
**ACCOUNT:** 41471

**PROGRAM DESCRIPTION:**

Dial-a-Ride/Dial-a-Lift is a specialized door-to-door transit system which operates on demand. The service is provided to those individuals who are physically unable to use the regular bus system. Certification with the assistance of physician is required. Service operates Monday through Friday 6:00 a.m. to 7:00 p.m. and Saturday 7:30 a.m. to 5:30 p.m.

	<u>2006-07 Actual</u>	<u>2007-08 Amended Budget</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
Salaries and Benefits	\$14,481	\$15,983	\$17,738	
Services and Supplies	603,808	569,974	599,095	518,671
Capital Outlay				
<b>Total Expenditures</b>	<u>\$618,289</u>	<u>\$585,957</u>	<u>\$616,833</u>	<u>\$518,671</u>

	<u>2006-07 Actual</u>	<u>2007-08 Actual</u>	<u>2007-08 Budget</u>
Finance Office Manager			
Assistant Finance Director		0.17	0.17
<b>Total</b>		<u>0.17</u>	<u>0.17</u>

**FULL TIME AND REGULAR PART-TIME POSITIONS:**

**SERVICE LEVEL CHANGES:**

Reallocate Assistant Finance Director to General Fund, Finance Program

# Transportation



DEPARTMENT: Finance  
 PROGRAM: Transit - Paratransit

FUND: Transit  
 ACCOUNT: 41471

**COUNCIL GOALS SUPPORTED:**

**QUALITY OF LIFE**

**SUPPORTING PROGRAM GOAL:**

To maintain safe, reliable, high quality and economical public transportation to that segment of the community who is physically unable to use the regular bus system.

**PROGRAM OBJECTIVES:**

Implementation of 24-hour reservation process for clients.

	<b>PERFORMANCE MEASURES:</b>			
	<b>2006-07 Actual</b>	<b>2007-08 Target</b>	<b>2007-08 Estimated</b>	<b>2008-09 Budget</b>
<b><u>Supporting Program Objectives:</u></b>				
Review contractor conformance to contract standards regarding vehicle operations, safety, & reliability:	Semi-annually	Semi-annually	Semi-annually	Semi-annually
Monitor program operational statistics:	Monthly	Monthly	Monthly	Monthly
<b>Program/Service Statistics:</b>				
Cost per mile	\$3.98	\$4.00	\$4.02	\$4.05
Cost per passenger	12.18	12.00	12.20	12.45
Cost per hour	39.57	39.00	38.60	40.00
Passengers per service hour	3	3	3	3
Total passengers	50,786	51,000	51,700	52,000
Hold City Council Public Hearing regarding transit unmet needs:	Annually	Annually	Annually	Annually
County-wide 5-year transit plans evaluated	Yes	Yes	Yes	Yes

# Information Technology



**DEPARTMENT:** Finance

**FUND:** Information Technology Operations  
**ACCOUNT:** 41435

**PROGRAM:** Information Technology Operations

**PROGRAM DESCRIPTION:**

The Information Services program provides City-wide support for all office automation equipment, including computers, telephones, fax machines, copiers, and other equipment. Program activities include developing, implementing and maintaining long-range policies, standards, equipment inventories, preventive maintenance and repair programs, as well as providing training, on-going user support and day-to-day troubleshooting on all equipment. In addition it provides a funding mechanism for the replacement of computers, printers and related equipment and software; based on equipment age and type, charges will be assessed to each department and transferred into the Information Technology Operations Fund where those funds will be held in reserve. While the assessments to each operating department began in FY 2001-02, computer equipment replacement purchases from this fund began in FY 2002-03 and will continue into the future.

	<u>2006-07 Actual</u>	<u>2007-07 Amended Budget</u>	<u>2007-08 Estimated</u>	<u>2008-09 Budget</u>
<b>PROGRAM EXPENDITURES:</b>				
Salaries and Benefits	\$207,969	\$238,373	\$243,714	\$248,269
Services and Supplies	\$422,905	362,796	353,487	380,800
Capital Outlay	118,544	366,087	\$302,530	60,000
Capital Lease	8,113	10,000		
Total Expenditures	<u>\$757,531</u>	<u>\$977,256</u>	<u>\$899,731</u>	<u>\$689,069</u>

	<u>2006-07 Actual</u>	<u>2007-08 Actual</u>	<u>2008-09 Budget</u>
<b>FULL TIME AND REGULAR PART-TIME POSITIONS:</b>			
Information Services Manager	1.00	1.00	1.00
Information Services Analyst I/II		2.00	1.00
Sr. Information Services Analyst I/II			1.00
Information Services Technician	2.00		
Central Services Assistant	1.00	1.00	1.00
Total	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>

**SERVICE LEVEL CHANGES:**

None





