



DEPARTMENT SUMMARY

Finance

Provide financial guidance to City Council and departments and manage the City's financial operations.

About Finance

The Finance Department is responsible for providing financial expertise and guidance to the City Council and departments, managing the City's daily financial operations, and maintaining the financial integrity of the City. The department's major functional areas include accounting, revenue management, budget, payroll, purchasing, and investment management. The department also administers one internal service fund and one enterprise fund: the Self-Insurance Trust Fund manages the City's insurance portfolio and self-insured workers' compensation program, and the Solid Waste Fund manages the City's operations related to solid waste in support of State AB 939.



Fiscal Year 2011 Budget Highlights

Finance Department staff worked with Information Systems to convert all green bar reports printed by the Accounting Division (payroll, accounts payable, and accounting) to an electronic format. Effective July 1, 2010, these reports will no longer be printed and the line printers will be retired. This change will save the Finance Department over \$10,000 per year. Savings will be realized on paper, printer ribbons, annual printer maintenance costs, and payroll check backup costs from an independent vendor. Additionally, all of the files will be searchable, creating efficiencies for staff.



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Department Financial and Staffing Summary

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	51.35	50.20	50.20	48.50
Hourly Employee Hours	2,310	1,000	1,159	1,120
Revenues				
Donations	\$ 80,000	\$ 84,435	\$ 102,635	\$ 94,435
Fees and Service Charges	16,746,097	16,999,010	16,760,462	17,230,430
Franchise Fees - Refuse	419,343	440,248	359,040	-
Insurance Premiums	3,197,440	2,950,613	2,950,613	2,583,750
Interest Income	490,307	337,615	275,000	189,900
Inter-fund Reimbursement	-	-	-	-
Intergovernmental	535,864	895,649	884,178	23,000
Licenses	10,865	9,000	9,430	9,000
OSH Premiums	291,860	302,518	302,518	277,322
Other Revenue	1,293,744	301,867	357,273	346,167
Workers Comp. Premiums	2,107,502	2,482,928	2,482,828	2,643,581
Overhead Allocation Recovery	3,070,620	3,182,845	3,182,845	2,936,466
General Fund Subsidy	1,808,710	1,202,222	1,112,250	1,061,601
Total Department Revenue	\$ 30,052,352	\$ 29,188,950	\$ 28,779,072	\$ 27,395,652
Expenditures				
Salaries and Benefits	\$ 4,743,967	\$ 4,788,146	\$ 4,619,861	\$ 4,719,045
Supplies and Services	21,923,797	23,094,076	21,500,878	22,144,595
Special Projects	1,019,091	1,518,347	1,333,653	576,319
Appropriated Reserve	-	37,814	-	48,671
Capital Equipment	4,376	-	5,800	-
Premium Rebate	2,589,853	300,000	300,000	-
Non-Capital Equipment	44,921	71,183	36,258	16,000
Tax Expense	6,833	12,000	-	12,000
Transfers Out	-	-	-	50,000
Total Department Expenditures	\$ 30,332,838	\$ 29,821,566	\$ 27,796,450	\$ 27,566,630
Addition to (Use of) Reserves	\$ (280,486)	\$ (632,616)	\$ 982,622	\$ (170,978)

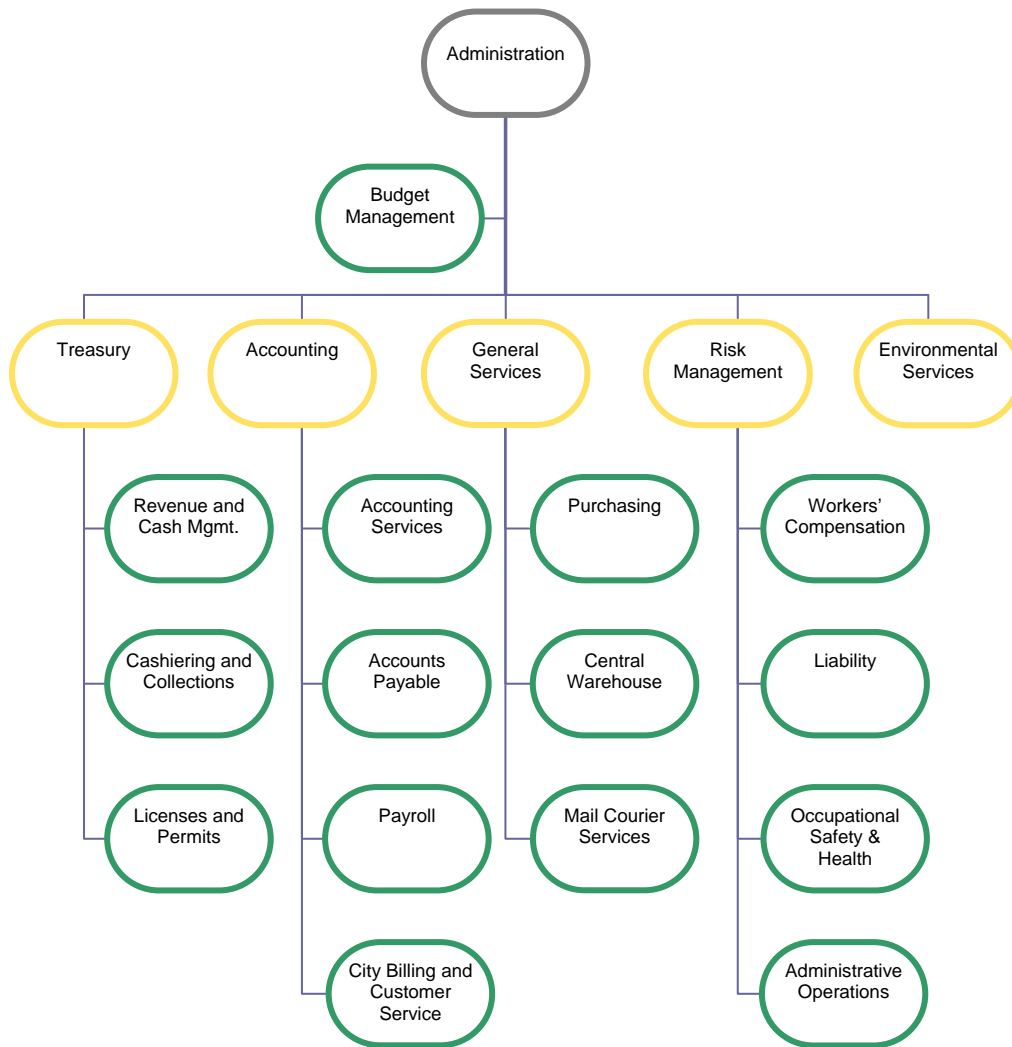
The Finance Department is budgeted in the General Fund, Self-Insurance Trust Fund, and Solid Waste Fund.



DEPARTMENT SUMMARY

Finance

Program Organizational Chart





DEPARTMENT SUMMARY

Finance

Response to Economic Crisis

To address the projected fiscal year 2011 deficit, the Finance Department identified cost saving measures that generate a net savings of \$122,171.

New/Enhanced Revenues (\$75,000)

In fiscal year 2010, the City implemented a new fee of \$5 for late payment of utility bills. The fee was designed to encourage timely payment of utility bills and thus avoid the staff time and related costs associated with delinquent accounts.

Based on projected year-end totals, it is anticipated that actual revenue will exceed earlier estimates. Therefore, the revenue estimate for fiscal year 2011 has been increased to \$175,000, generating an additional \$75,000 in revenue for the department.

Workforce Reductions and Related Adjustments (\$107,171)

Workforce reductions include the elimination of one vacant position and the transfer of one position from the General Fund to the Water Fund. The following measures are recommended:

- o Elimination of vacant Assistant Finance Director position
- o Shifting 40% of Utility and Warehouse Supervisor position to the Water Fund to fully fund the position in the Water Fund

Increase in Non-Personnel Costs (\$60,000)

The budget includes an *increase* to certain costs funded from the increased revenues discussed above.

One of these costs relates to contracted audit services for the City's utility users' tax revenues. The City has contracted for these services for over 10 years. In fiscal year 2010, funding for this contract was eliminated, but the contract was not terminated due to reconsideration of its value. The scope of the services includes identifying primarily telecommunication companies not in compliance with the City's utility tax ordinance and monitoring and providing guidance for potential legislation that may affect the utility tax revenues. Continuation of this contract is funded next year, totaling \$50,000, from increased revenues from late fees.

An additional \$10,000 funds several ongoing services, including the maintenance of two stand-alone financial programs – one for the business license system and the second for investment accounting and reporting.



DEPARTMENT SUMMARY

Finance

Impacts to Programs and Services

Since the Assistant Finance Director position previously oversaw three functional areas, Accounting, General Services and Budget, these areas will now have to be directly supervised by the Interim Finance Director. By eliminating the position, workload support normally provided to Division managers for heavy, seasonal work assignments, such as budget development, will no longer be available. Lastly, the department will no longer have the ability to adapt to unexpected turnover of management staff.

Currently, the Utility and Warehouse Supervisor position is responsible for Water Meter Reading and the Central Warehouse functions. As such, 60% of the position is allocated to the Water Fund (for the Meter Reading portion) and the balance of 40% is allocated to the General Fund. Shifting the full cost of the Utility and Warehouse Supervisor to the Water Fund will not have an impact on services. However, the supervisor will now report to the Public Works Department instead of the Finance Department.

The duties associated with supervising the Central Warehouse will now be performed by the Purchasing Supervisor, which would affect the Purchasing office's level of services provided to departments.

FINANCE PROGRAMS

- Administration
 - Revenue & Cash Management
 - Cashiering & Collections
 - Licenses & Permits
 - Budget Management
 - Accounting Services
 - Payroll
 - Accounts Payable
 - City Billing & Customer Service
 - Purchasing
 - Central Warehouse
 - Mail Courier Services
 - Risk Management – Workers' Compensation
 - Risk Management – Liability
 - Risk Management – Occupational Safety & Health
 - Risk Management – Administrative Operations
 - Solid Waste



RECENT PROGRAM ACHIEVEMENTS

Successfully completed the sale of \$47.2 million in revenue bonds to provide funds to finance a major expansion of the City's municipal airport.

Administration

(Program No. 1411)

Mission Statement

Provide management and administrative support to Finance programs and provide the City Council and departments with responsive financial expertise and analysis to ensure that the City's financial interests are protected and enhanced.

Program Activities

- Manage the operations of the department.
- Ensure management and the City Council are informed of all matters materially affecting the financial health of the City.
- Assist with policy formulation and implementation of Council direction.
- Provide staff support to the City Council Finance Committee.
- Provide financial and budgetary support and guidance to all City departments.
- Provide oversight of the City's investment portfolio.
- Manage the City's long-term debt, including new-money and refunding debt.
- Manage the City's Employee Mortgage Loan Assistance Program (EMLAP).
- Administer the City's cable television franchise.

Key Objectives for Fiscal Year 2011

- Ensure that Finance Programs meet 75% of their program objectives.
- Ensure that Environmental Services Division meets 80% of their division objectives.
- Administer the City's non-exclusive cable television franchise agreement with Cox Communications and ensure that franchisee is in compliance with the franchise requirements.
- In partnership with the County, finalize the selection process of a conversion technology vendor by September 2010.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	2.05	2.00	2.00	1.35
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 157,648	\$ 157,945	\$ 157,945	\$ 140,602
General Fund Subsidy	591,824	473,457	501,131	84,644
Total Revenue	\$ 749,472	\$ 631,402	\$ 659,076	\$ 225,246
Expenditures				
Salaries and Benefits	\$ 274,472	\$ 210,557	\$ 252,387	\$ 149,672
Supplies and Services	65,776	61,903	59,747	63,574
Special Projects	402,391	346,942	346,942	-
Tax Expense	6,833	12,000	-	12,000
Total Expenditures	\$ 749,472	\$ 631,402	\$ 659,076	\$ 225,246

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Percent of Finance program objectives met	76%	80%	75%
Percent of Environmental Services division objectives met	50%	80%	80%
EMLAP loans administered	39	38	38

FINANCE PROGRAMS

Administration

➤ **Revenue & Cash Management**

Cashiering & Collections

Licenses & Permits

Budget Management

Accounting Services

Payroll

Accounts Payable

City Billing & Customer Service

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Central Warehouse

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Risk Management – Workers'

Compensation

Risk Management – Liability

Risk Management –

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Risk Management –

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RECENT PROGRAM ACHIEVEMENTS

Initiated a special project to bring citywide credit card acceptance systems and processes into compliance with Payment Card Industry (PCI) standards to ensure security of cardholder data.

Revenue & Cash Management

(Program No. 1412)

Mission Statement

Invest public funds in a manner that will provide maximum security, adequate liquidity and sufficient yield, while conforming to relevant statutes and regulations, and ensure all revenues are received timely and recorded properly.

Program Activities

- Manage investment portfolio of approximately \$150 million.
- Submit monthly investment reports to Finance Committee and City Council.
- Manage the City's banking relationships.
- Ensure timely reconciliation of all cash transactions.
- Assist departments in establishing appropriate controls and procedures for the receipt of cash and for petty cash disbursements.
- Provide ongoing analysis of City revenues.
- Forecast and manage cash to ensure adequate liquidity for expenditure requirements.

Key Objectives for Fiscal Year 2011

- Maintain an average "AAA" credit quality for securities in the portfolio.
- Submit 100% of monthly investment reports to City Council within 30 days of month-end.
- Conduct a monthly analysis of all City revenues.
- Provide a comprehensive analysis of General Fund revenues to the Finance Committee on a quarterly basis.
- Purchase investments for the City and Redevelopment Agency that are consistent with investment objectives.
- Submit an annual Statement of Investment Policy for Fiscal Year 2011 by September 30, 2010.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	2.10	2.60	2.60	2.70
Hourly Employee Hours	0	0	0	120
Revenues				
Overhead Allocation Recovery	\$ 295,123	\$ 298,979	\$ 298,979	\$ 252,841
General Fund Subsidy	164,797	81,840	72,265	189,266
Total Revenue	\$ 459,920	\$ 380,819	\$ 371,244	\$ 442,107
Expenditures				
Salaries and Benefits	\$ 291,134	\$ 295,521	\$ 263,517	\$ 311,687
Supplies and Services	168,674	85,298	107,469	130,420
Non-Capital Equipment	112	-	258	-
Total Expenditures	\$ 459,920	\$ 380,819	\$ 371,244	\$ 442,107

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Credit rating of portfolio holdings	AAA	AAA	AAA
Variance between the City portfolio and LAIF book rates of return	+1.71%	+2.16%	< 1%
Months in which investment report is submitted within 30 days	12	12	12
Average portfolio balance	\$165.9 M	\$161.2 M	\$160 M
Average days to maturity of portfolio	485 days	903 days	900 days

PROGRAMS & SERVICES

FINANCE PROGRAMS

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Revenue & Cash Management

➤ **Cashiering & Collections**

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RECENT PROGRAM ACHIEVEMENTS

Increased efficiency by simplifying treasury deposit process from departments.

Cashiering & Collections

(Program No. 1413)

Mission Statement

Centrally process monies, ensuring funds are received when due, properly accounted for and safeguarded, and provide prompt, courteous customer service.

Program Activities

- Operate a City Hall cashiering function.
- Process payments received from the public and City departments and process bank wires and transfers.
- Prepare daily deposits and related accounting documents.
- Verify payment data from the utility billing lock-box operation.
- Record and reconcile major sources of revenue.
- Audit petty cash claims and assist departments in petty cash procedures.

Key Objectives for Fiscal Year 2011

- Accurately process 99% of treasury receipts on the day received.
- Accurately prepare deposit summary and daily bank deposits with less than 10 correcting entries needed.
- Assist in the implementation of the new Utility Billing E-Care system which will provide city on-line payment option to utility customers.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	4.35	4.20	4.20	4.20
Hourly Employee Hours	950	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 308,837	\$ 425,648	\$ 380,557	\$ 419,606
Total Revenue	\$ 308,837	\$ 425,648	\$ 380,557	\$ 419,606
Expenditures				
Salaries and Benefits	\$ 235,020	\$ 348,516	\$ 337,224	\$ 345,273
Supplies and Services	73,817	77,132	43,333	74,333
Total Expenditures	\$ 308,837	\$ 425,648	\$ 380,557	\$ 419,606

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Percent of treasury receipts processed on day received	99.4%	99%	99%
Correcting entries for daily deposit summary and bank deposit	3	10	10
Payments processed at public counter	49,604	48,744	50,000
Utility billing lockbox payments processed	176,879	169,410	165,000
Transient Occupancy Tax (TOT) payments recorded and reconciled monthly	77	150	150
Utility Users Tax (UUT) payments recorded and reconciled monthly	152	162	165

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RECENT PROGRAM ACHIEVEMENTS

Completed a program to identify local vacation rental businesses that were not in compliance with the City's transient occupancy tax (TOT) code. More than 70 vacation rentals registered and began collecting TOT, generating \$75,450 additional revenue for the General Fund.

Licenses & Permits

(Program No. 1414)

Mission Statement

Administer the collection and audit of business taxes, permits, and assessments to ensure compliance with the Santa Barbara Municipal Code (SBMC).

Program Activities

- Manage the Business Tax and Permit Program.
- Administer the billing and collection of Transient Occupancy Tax, Parking and Business Improvement Area (PBI) assessments, and Old Town and Downtown Business Improvement District assessments.
- Process delinquency notices and initiate collection efforts for past due accounts.
- Process and issue over 13,000 City licenses and permits.
- Review outside sources and publications to identify unlicensed businesses.

Key Objectives for Fiscal Year 2011

- Locate 200 unlicensed businesses using periodicals, Franchise Tax Board and State Board of Equalization sources.
- Send quarterly Parking Business Improvement Area (PBI) billings to downtown businesses with the 75-minute free parking district.
- Send annual Downtown and Old Town Business Improvement District billings by February 25, 2011.
- Perform an annual audit of all businesses within the three assessment districts by street address to ensure that all current businesses are billed as required.
- Ensure that newly-licensed businesses are billed appropriately for the district assessments.
- Send annual business license renewal notices no later than 30 days before current license expiration.
- On a quarterly basis, send delinquency letters for unpaid PBI assessments.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	5.30	3.95	3.95	3.95
Hourly Employee Hours	0	0	0	0
Revenues				
Licenses	\$ 10,865	\$ 9,000	\$ 9,430	\$ 9,000
Other Revenue	7,472	7,000	7,406	7,000
Overhead Allocation Recovery	174,231	109,115	154,206	124,611
General Fund Subsidy	343,480	262,268	194,045	242,833
Total Revenue	\$ 536,048	\$ 387,383	\$ 365,087	\$ 383,444
Expenditures				
Salaries and Benefits	\$ 474,973	\$ 324,472	\$ 312,388	\$ 320,739
Supplies and Services	59,875	62,911	52,699	62,705
Special Projects	1,200	-	-	-
Total Expenditures	\$ 536,048	\$ 387,383	\$ 365,087	\$ 383,444

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
New businesses located from reference sources	257	175	175
New business licenses issued	1,883	1,837	1,850
Business license renewals	12,826	12,000	12,500
Business license delinquency notices	3,400	3,432	3,400
Percent of business licenses paid by due date	71.75%	73.5%	75%
Assessment district billings	3,682	3,922	4,000
Assessment district delinquency notices	892	833	800
Percent of PBIA assessments paid by due date	71.75%	75%	75%
Percent of accounts sent to collections	1.25%	1.5%	1.5%

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RECENT PROGRAM ACHIEVEMENTS

Continued to refine and increase efficiency in the process for submittal and production of the budget document.

Budget Management

(Program No. 1415)

Mission Statement

Manage the development and implementation of the City's two year financial plan and annual budget to support effective decision-making and public communication.

Program Activities

- Manage the City's annual budget process, including training and support to departments, analysis of department budget requests, and public presentation of the recommended budget.
- Provide guidance to departments on departmental revenue estimates.
- Provide expertise to City Council and departments on economic and financial conditions and policy issues affecting the budget.
- Provide ongoing budgetary guidance and support to all City departments in administering the annual budget.
- Prepare and publish the City's Annual Budget.

Key Objectives for Fiscal Year 2011

- Complete 85% of all budget journal entries to record budget amendments within four working days of approval.
- Produce and distribute the Adopted Budget for Fiscal Year 2011 by July 31, 2010.
- Receive Government Finance Officers Association (GFOA) Distinguished Budget Award for the Adopted Budget for Fiscal Year 2011.
- Submit the Fiscal Year 2012 Recommended Budget to Council and City Clerk before May 1, 2011 in accordance with the Council-established budget filing deadline.
- Project General Fund non-departmental revenues within a 2% margin in relation to mid-year projections.
- Maintain minimum distribution of printed budget documents only to City Council and Executive Management to reduce paper use and waste.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	2.50	2.55	2.55	2.40
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 255,115	\$ 249,524	\$ 249,524	\$ 198,239
General Fund Subsidy	99,036	81,404	114,306	178,570
Total Revenue	\$ 354,151	\$ 330,928	\$ 363,830	\$ 376,809
Expenditures				
Salaries and Benefits	\$ 270,367	\$ 258,377	\$ 288,870	\$ 303,376
Supplies and Services	68,681	72,551	74,960	73,433
Special Projects	15,000	-	-	-
Non-Capital Equipment	103	-	-	-
Total Expenditures	\$ 354,151	\$ 330,928	\$ 363,830	\$ 376,809

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Percent of budget journal entries completed within 4 working days	83%	85%	85%
Budget adjustments	154	150	150
Days to produce the adopted budget document after fiscal year-end	31	31	31

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RECENT PROGRAM ACHIEVEMENTS

Successfully completed the annual audit and financial statement preparation.

Accounting Services

(Program No. 1431)

Mission Statement

Maintain and ensure integrity of the City's financial records and audits and report financial information to Council, the public, and to State and Federal regulatory agencies in an accurate and timely manner.




Program Activities

- Establish and maintain an accounting system of funds, accounts, and internal controls in accordance with Governmental Accounting Standards Board standards and Generally Accepted Accounting Principles.
- Prepare year-end closing entries, balance and reconcile all funds and accounts, coordinate and communicate with the City's independent auditors, and prepare the Comprehensive Annual Financial Reports for the City and the Redevelopment Agency.
- Prepare and submit fiscal reports, including compliance audits of grant funds to State and Federal agencies, in an accurate and timely manner.
- Provide financial analysis and fiscal information to department users, management, and the City Council as needed.

Key Objectives for Fiscal Year 2011

- Compile and produce the annual Comprehensive Annual Financial Reports (CAFRs) for the City and the Redevelopment Agency within 170 days of fiscal year-end.
- Receive an unqualified audit opinion for the annual financial statement audit for the City and Redevelopment Agency (RDA).
- Receive Government Finance Officers Association (GFOA) award for achievement in financial reporting for the City's CAFR.
- Complete 100% of monthly bank reconciliations within 45 days of receiving bank statements.
- Complete 83% of general ledger monthly closings within 7 working days of month-end.
- Complete and submit 100% of regular monthly interim financial reports to Council within 60 days of month end.
- Publish City and RDA CAFRs on the City's website within 7 days of presentation to City Council.
- Complete and file mandatory annual disclosure reports for all debt issues prior to February 15, 2011.

Key Objectives for Fiscal Year 2011 (cont'd)

-  Reduce the number of bound copies of the RDA and City CAFRs printed for distribution by issuing electronic versions of the reports (via CD, email, or Internet access).
-  Determine feasibility of billing utility customers electronically and set-up a system if feasible.
-  Convert all FMS Accounting reports to an electronic format.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	3.35	3.35	3.35	3.10
Hourly Employee Hours	101	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 234,495	\$ 351,134	\$ 351,134	\$ 245,380
General Fund Subsidy	220,705	36,071	72,714	144,246
Total Revenue	\$ 455,200	\$ 387,205	\$ 423,848	\$ 389,626
Expenditures				
Salaries and Benefits	\$ 321,585	\$ 266,133	\$ 300,430	\$ 269,597
Supplies and Services	133,503	121,072	123,418	120,029
Non-Capital Equipment	112	-	-	-
Total Expenditures	\$ 455,200	\$ 387,205	\$ 423,848	\$ 389,626

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Days after June 30 to issue City and RDA CAFRs	163	165	170
Unqualified audit opinions	2	2	2
Audit adjustments required by independent auditor	1	2	2
Awards for achievement in financial reporting	1	1	1
Percent of bank statements completed within 45 days	100%	100%	100%
Percent of general ledger closings completed within 7 working days of month-end	100%	83%	83%
Percent of interim financial reports submitted to Council within 60 days	83%	92%	83%
Journal entries posted	1591	1600	1700
Printed copies of the CAFRs distributed	40	40	35
FMS reports available electronically	N/A	49	49

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RECENT PROGRAM ACHIEVEMENTS

Payroll data archiving services were converted from Anacomp to City's CRIS system, resulting in annual budget savings of \$4,800.

Payroll

(Program No. 1432)

Mission Statement

Pay City employees and benefit providers accurately and timely and ensure compliance with Federal and State laws and regulations.

Program Activities

- Perform audit and data entry of timesheets.
- Make tax payments and file quarterly tax reports.
- Reconcile payroll deductions and benefits payable to the general ledger.
- Reconcile billing statements with receivables and payroll withholdings by person for current and former employees and retirees.
- Pay benefit providers.
- Process payments to the Public Employees Retirement System (PERS) and reconcile to reports and payroll withholdings.
- Maintain the payroll system to reflect annual changes in tax tables, employee contracts, dues, or other items for paycheck accuracy.
- Perform electronic fund transfers for direct deposits, PERS, deferred compensation, and taxes.
- Provide customer service to all City employees, departments and benefit providers.
- Implement technological enhancements to improve payroll processing efficiency.

Key Objectives for Fiscal Year 2011

- Process and pay payroll accurately and timely 99.9% of the time.
- Achieve a 96% accuracy rate of timesheets submitted by departments during the fiscal year.
- Reconcile 11 of 12 monthly insurance billings within 30 days of receipt from benefits administrator.
- Prepare 2010 W-2 forms for distribution by January 25, 2011.
- Audit and reconcile all payroll tax and liability accounts, and adjust the general ledger as necessary, at the end of the fiscal year.

Key Objectives for Fiscal Year 2011 (cont'd)

- Ensure that 100% of program staff attend City computer training classes related to job duties in order to maintain and/or upgrade computer skills.
- 🍃 Review 45 payroll reports to identify opportunities to improve the effectiveness and usefulness of the reports, including eliminating, and consolidate them as appropriate.
- 🍃 Convert all FMS payroll reports to electronic format.
- 🍃 Increase the number of employees opting out of printed pay advices by 50 to a projected total of 600 employees.
- 🍃 Identify and implement 2 new automated procedures as determined by Payroll staff (in collaboration with Information Systems staff) and report any paper reduction realized.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	2.45	2.45	2.45	2.45
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 182,898	\$ 123,163	\$ 123,163	\$ 116,543
General Fund Subsidy	99,153	149,463	137,080	149,913
Total Revenue	\$ 282,051	\$ 272,626	\$ 260,243	\$ 266,456
Expenditures				
Salaries and Benefits	\$ 227,851	\$ 217,891	\$ 212,370	\$ 215,716
Supplies and Services	54,200	54,735	47,873	50,740
Total Expenditures	\$ 282,051	\$ 272,626	\$ 260,243	\$ 266,456

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Accuracy rate of timesheet data entry	99.97%	99.96%	99.9%
Accuracy rate of timesheets submitted by departments	96.29%	96.30%	96%
Percent of insurance billings reconciled within 30 days	100%	100%	91.6%
Dollar value of benefits and withholding accounts reconciled bi-weekly per payroll staff member.	\$4,630,952	\$4,358,430	\$4,300,000
City employees per payroll staff member	671	655	650
Program cost per paycheck issued	\$5.10	\$5.20	\$5.25
Program cost per timesheet processed	\$5.66	\$5.55	\$5.50
W-2's issued annually	2,100	1,978	2,000
Percent of staff hours worked per quarter	92.38%	90.79%	90%

FINANCE PROGRAMS

Administration
Revenue & Cash Management
Cashiering & Collections
Licenses & Permits
Budget Management
Accounting Services
Payroll

➤ **Accounts Payable**

City Billing & Customer Service
Purchasing
Central Warehouse
Mail Courier Services
Risk Management – Workers' Compensation
Risk Management – Liability
Risk Management – Occupational Safety & Health
Risk Management – Administrative Operations
Solid Waste



RECENT PROGRAM ACHIEVEMENTS

Total value of discounts utilized during calendar year 2009 resulted in City savings of \$8,301.

Accounts Payable

(Program No. 1433)

Mission Statement

Process and issue payments to City vendors to ensure timely and accurate payment for materials, supplies, and services received.

Program Activities

- Perform audit and data entry of claims submitted for payment.
- Make State sales tax payments and file quarterly reports.
- Initiate monthly independent contractor reporting by diskette.
- Review claims for accounts payable and purchasing policy compliance.
- Maintain files for all City payments to vendors.
- Review and adjust claims for vendor discounts when available.
- Provide customer service to departments and vendors.
- Reconcile and send 'Positive Pay' check disbursement reports to the bank daily.

Key Objectives for Fiscal Year 2011

- Issue 99% of vendor payments within 2 working days of receipt of claim for payment.
- Issue 99% of payments to vendors, error free.
- Implement and conduct accounts payable cross-training for all payroll staff to ensure they are fully cross-trained on all calendar year-end, fiscal year-end and all other annual and quarterly accounts payable duties and processes.
- Prepare 2010 1099-MISC forms for distribution by January 25, 2011.
- Ensure that 100% of program staff attend City computer training classes related to job duties in order to maintain and/or upgrade computer skills.
- Review 5 accounts payable financial reports to identify opportunities to improve the effectiveness and usefulness of the reports, and eliminate or consolidate them as appropriate.
- Convert FMS reports to electronic format.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	1.75	1.75	1.75	1.75
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 138,522	\$ 141,419	\$ 141,419	\$ 136,973
General Fund Subsidy	81,859	68,933	65,353	70,718
Total Revenue	\$ 220,381	\$ 210,352	\$ 206,772	\$ 207,691
Expenditures				
Salaries and Benefits	\$ 150,327	\$ 143,038	\$ 142,098	\$ 141,826
Supplies and Services	70,054	67,314	64,674	65,865
Total Expenditures	\$ 220,381	\$ 210,352	\$ 206,772	\$ 207,691

Program Performance Measures

Performance Measure	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Percent of payments issued within 2 working days after receipt of claim	100%	100%	99%
Percent of payments issued error free to vendors	99.45%	99.35%	99%
Invoices processed	55,754	50,362	50,000
Program cost per payment issued	\$9.84	\$9.86	\$10.00
Percentage of available discounts taken by departments	30.84%	49.78%	48%
Percentage of available discounts taken by A/P staff	55.33%	38.71%	40%
Total value of discounts available	\$12,851	\$8,208	\$8,000
Total value of discounts utilized	\$11,074	\$7,262	\$7,000

PROGRAMS & SERVICES

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➤ **City Billing & Customer Service**

Purchasing
Central Warehouse
Mail Courier Services
Risk Management – Workers' Compensation
Risk Management – Liability
Risk Management – Occupational Safety & Health
Risk Management – Administrative Operations
Solid Waste



RECENT PROGRAM ACHIEVEMENTS

Reduced processing time
Extraordinary Water Usage
credit from an average of
25 days to 5 days.

City Billing & Customer Service

(Program No. 1434)

Mission Statement

To accurately bill customers on behalf of City departments, ensure the timely collection of related revenues, and to respond to customer inquiries in a courteous and professional manner.

Program Activities

- Prepare and mail approximately 360,000 consolidated utility bills annually for water, wastewater, and refuse collection services.
- Prepare and mail approximately 27,000 additional bills for a variety of City fees, services, and reimbursements annually, working closely with other City departments.
- Provide customer service by handling approximately 25,000 customer inquiries annually via telephone and walk-in counter support.
- Maintain and manage an automatic payment option for customers to have their bills paid automatically from their checking account.
- Process approximately 12,000 service orders to utility customer accounts, including customer updates, water meter reading verification, bill collection efforts, and water service changes.

Key Objectives for Fiscal Year 2011

- Accurately input 98% newly-created auto-payment account information for utility billing, airport and harbor slip customers.
- Notify 99% of Extraordinary Water Use applicants of credit determination within 45 days of receipt of application.
- Issue 95% of refunds due on closed water accounts within 30 days.
- Determine the feasibility of sending electronic bills to customers from CIS Infinity and if feasible start sending them to select customers via email.
- Prepare written procedures for utility billing, returned check processing, and other important functions.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	3.65	3.65	3.65	3.85
Hourly Employee Hours	0	0	0	0
Revenues				
Other Revenue	\$ 189	\$ 100,000	\$ 175,000	\$ 175,000
Overhead Allocation Recovery	667,174	620,261	620,261	623,738
Total Revenue	\$ 667,363	\$ 720,261	\$ 795,261	\$ 798,738
Expenditures				
Salaries and Benefits	\$ 306,580	\$ 300,226	\$ 282,034	\$ 321,581
Supplies and Services	272,277	260,167	255,478	254,225
Total Expenditures	\$ 578,857	\$ 560,393	\$ 537,512	\$ 575,806

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Percent of water refunds issued within 30 days of account closure	95%	96%	95%
Accuracy rate of auto-payment information	99%	99%	99%
Percent of Extraordinary Water Use applicants notified in 45 days	99%	99%	99%
Bills issued monthly	32,468	33,000	32,500
Service orders prepared monthly	968	1,320	1,350
Phone call received from customers monthly	2,570	2,425	2,500
Customers on automatic pay including utility bills, airport and harbor	5,330	6,100	6,500

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➤ Purchasing

Central Warehouse
Mail Courier Services
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Risk Management – Liability
Risk Management – Occupational Safety & Health
Risk Management – Administrative Operations
Solid Waste



RECENT PROGRAM ACHIEVEMENTS

Achieved a cost savings through the formal bid process of over \$709,337 through the 3rd quarter of Fiscal Year 2010.

Purchasing

(Program No. 1441)

Mission Statement

Maintain public trust and fiscal responsibility by competitively obtaining quality goods and general services that meet or exceed department specifications, by encouraging open and fair competition among suppliers, and providing value added services to support the City's mission.

Program Activities

- Prepare Quick Quote, Bid and Proposal packages.
- Advertise and solicit for competitive bids for goods, materials, and services that meet the City's needs.
- Leverage the City's purchasing power and resources by utilizing cooperative purchasing contract when goods and materials meet department specifications and needs.
- Educate City staff and potential bidders on the City's procurement processes.
- Assist departments and divisions with developing procurement strategies

Key Objectives for Fiscal Year 2011

- Re-bid 95% of the Blanket Purchase Orders over \$40,000 upon expiration of the current terms or receipt of new requests.
- Issue Purchase Orders within fifteen calendar days on average from receipt of complete requisitions, with all necessary approvals, backup and supporting documentation, valued under \$25,000
- Issue Purchase Orders within forty-five calendar days on average from receipt of complete requisitions, with all necessary approvals, backup and supporting documentation, valued over \$25,000
- Conduct at least one class to train City staff on the City's purchasing policies and procedures
- Complete an internal customer satisfaction survey and achieve a customer satisfaction rating of 90% or higher
- Increase City department participation in on-line ordering to 75% of office supply orders versus phone or fax submittals.
- Conduct a class on writing specifications to encourage green purchasing solutions.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	5.65	6.00	6.00	5.90
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 449,786	\$ 508,375	\$ 508,375	\$ 484,889
General Fund Subsidy	208,644	125,926	129,541	172,309
Total Revenue	\$ 658,430	\$ 634,301	\$ 637,916	\$ 657,198
Expenditures				
Salaries and Benefits	\$ 563,184	\$ 541,223	\$ 549,719	\$ 562,985
Supplies and Services	94,481	93,078	88,197	94,213
Non-Capital Equipment	765	-	-	-
Total Expenditures	\$ 658,430	\$ 634,301	\$ 637,916	\$ 657,198

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Percent of Blanket Purchase Orders over \$40,00 re-bid	100%	95%	95%
Days to process informal requisitions under \$25,000 into purchase orders	3.2	3.5	15
Days to process formal requisitions over \$25,000 into purchase orders	33	45	45
Purchase Orders issued (all categories), including change orders	4,275	4,000	4,000
Purchase Orders for routine services and supplies over \$2,500	N/A	1,000	1,000
Blanket Purchase Orders issued for ordinary services and supplies	948	950	950
Purchase Orders issued for Professional Services and Contracts	250	200	200
Change Orders issued	996	950	950
Request for Proposal/Qualifications advertised	6	10	10
Request for Bids advertised for ordinary services and materials	101	125	125
Percent of sole source Purchase Orders for ordinary services & material	N/A	6%	5%
Average purchase orders processed per Buyer	1,425	1,400	1,400
Percent of overall customer satisfaction rating	96%	90%	90%

PROGRAMS & SERVICES

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➤ **Central Warehouse**

Mail Courier Services
Risk Management – Workers' Compensation
Risk Management – Liability
Risk Management – Occupational Safety & Health
Risk Management – Administrative Operations
Solid Waste



RECENT PROGRAM ACHIEVEMENTS

Customer Satisfaction
Survey results were all
"Good" to "Excellent."

Central Warehouse

(Program No. 1442)

Mission Statement

Competitively purchase inventory and issue goods that meet or exceed our customers' specifications, partner with our customers to identify new or better products, provide services that exceed our customers' expectations, and dispose of City surplus in accordance with the Municipal Code.

Program Activities

- Issue inventory.
- Perform monthly cycle counts.
- Reorder stock as necessary.
- Package similar stock items together for bidding purposes.
- Dispose of surplus City property.

Key Objectives for Fiscal Year 2011

- Maintain 99% inventory accuracy.
- Fill 98% of the stock requests within 1 working day.
- Complete monthly cycle counts within 1 working day.
- Achieve a turnover rate of 12 times per year for 20 key items. Key items are items of high value or used by multiple departments.
- Achieve a 99% accuracy rate for filling orders.
- Provide back-up support for the mail courier.
- Recycle or reuse 100% of the packing materials.
- Order in bulk and work with suppliers to reduce packaging.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	1.80	1.40	1.40	1.10
Hourly Employee Hours	0	0	0	0
Revenues				
Overhead Allocation Recovery	\$ 157,098	\$ 157,351	\$ 157,351	\$ 154,574
General Fund Subsidy	48,411	26,333	22,719	3,710
Total Revenue	\$ 205,509	\$ 183,684	\$ 180,070	\$ 158,284
Expenditures				
Salaries and Benefits	\$ 125,244	\$ 108,371	\$ 107,443	\$ 79,103
Supplies and Services	79,554	74,813	72,127	78,681
Special Projects	711	500	500	500
Total Expenditures	\$ 205,509	\$ 183,684	\$ 180,070	\$ 158,284

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Accuracy rate for monthly inventory count	99.87%	99%	99%
Issue requisitions processed	3,692	3,500	3,500
Percent of issue requisitions processed within 1 working day	100%	100 %	100%
Monthly inventory counts completed within 1 working day	12	12	12
Orders processed from vendors	461	500	500
Stock items on hand	1307	1307	1275
Inventory turnover rate for 20 key items	N/A	12	12
Accuracy rate of Stock Orders filled	N/A	100%	100%

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➤ **Mail Courier Services**

Risk Management – Workers' Compensation
Risk Management – Liability
Risk Management – Occupational Safety & Health
Risk Management – Administrative Operations
Solid Waste



RECENT PROGRAM ACHIEVEMENTS

Customer Satisfaction
Survey results were rated
good- excellent.

Mail Courier Services

(Program No. 1452)

Mission Statement

Collect and distribute U.S. Postal Service and interdepartmental mail to all City departments for efficiency and convenience.

Program Activities

- Collect the City's United States Postal Service (U.S.P.S.) mail twice daily.
- Provide interoffice mail courier service to City offices and selected outside agencies.
- Process outgoing U.S.P.S. mail daily.
- Post mail information on the Courier's Portal page.
- Maintain departmental billing records.
- Track certified mail receipts to ensure that receipts are returned to the right departments.

Key Objectives for Fiscal Year 2011

- Process 99% of the routine outgoing U.S.P.S. mail within 1 working day.
- Provide backup support for central stores.
- Complete 99% of the mail stops in accordance with the delivery schedule.
- Post monthly mail volume and cost reports on Moss for viewing by departments.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	1.20	1.20	1.20	1.10
Hourly Employee Hours	0	0	0	0
Revenues				
Other Revenue	\$ 11,940	\$ -	\$ -	\$ -
Overhead Allocation Recovery	49,693	39,931	39,931	38,470
General Fund Subsidy	39,307	56,395	60,845	48,324
Total Revenue	\$ 100,940	\$ 96,326	\$ 100,776	\$ 86,794
Expenditures				
Salaries and Benefits	\$ 85,659	\$ 84,736	\$ 84,786	\$ 74,758
Supplies and Services	10,905	11,590	10,190	12,036
Capital Equipment	4,376	-	5,800	-
Total Expenditures	\$ 100,940	\$ 96,326	\$ 100,776	\$ 86,794

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Percent of U.S.P.S. outgoing mail sent within 1 working day	100%	100%	100%
Percent of mail stops completed on-time	100%	100%	100%
Pieces of outgoing mail and correspondence processed	174,457	160,000	150,000
Pieces of interoffice mail and correspondence delivered	14,628	8,500	10,000
Labor cost per piece of outgoing U.S.P.S. mail	\$0.295	\$0.64	\$0.24
Number of mail stops per day	N/A	32	32

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➤ **Risk Management – Workers’
Compensation**

Risk Management – Liability
Risk Management –
Occupational Safety & Health
Risk Management –
Administrative Operations
Solid Waste



RECENT PROGRAM ACHIEVEMENTS

Modified Duty Program reduced temporary disability payments by \$320,638 in FY 09; claims filed remain at historic low levels for fourth consecutive year.

Workers' Compensation

(Program No. 1461)

Mission Statement

Provide workers' compensation benefits to eligible employees, ensure compliance with Federal and State regulations, and minimize associated costs.

Program Activities

- Collect, maintain, and analyze loss data.
- Ensure compliance with Federal and California laws; monitor legislation, legal opinions, and case law for changes.
- Investigate, evaluate, and authorize all new lost time claims.
- Approve the use of salary continuation.
- Approve expenditures, evaluate and recommend settlement proposals, and obtain approval for settlement payments.
- Ensure that the third party administrator completes all required elements of contracts.
- Assist outside legal counsel to defend claims, and coordinate subrogation recovery.
- Notify management of any permanent work restriction for injured employees and evaluate industrial disability retirement applications.
- Assist managers and supervisors to return an injured employee to regular or modified duty and develop a modified duty contract.
- Respond to employee, supervisor, and management inquiries; provide training on workers' compensation.

Key Objectives for Fiscal Year 2011

- Conduct annual claim review of all open claims with the four departments with the highest claims frequency; and semi-annually post open claim data.
- Obtain 50% of the industrial injury preventability determination reports from operating departments.
- Complete investigation of 50% of the industrial injuries with lost time within 45 days of knowledge.
- Audit performance of the Third Party Administrator. Submit audit report by December 31, 2010
- Purge workers' compensation claim records held in storage as allowed by State law by December 31, 2010.

Key Objectives for Fiscal Year 2011 (cont'd)

- o Conduct 2 loss control training sessions for City staff by June 30, 2011.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	1.60	1.60	1.60	1.55
Hourly Employee Hours	203	0	0	0
Revenues				
Other Revenue	\$ 124,400	\$ -	\$ -	\$ -
Workers Comp. Premiums	2,107,502	2,482,928	2,482,828	2,643,581
Total Revenue	\$ 2,231,902	\$ 2,482,928	\$ 2,482,828	\$ 2,643,581
Expenditures				
Salaries and Benefits	\$ 183,028	\$ 177,391	\$ 179,280	\$ 178,976
Supplies and Services	2,186,924	2,353,904	1,769,683	2,046,942
Appropriated Reserve	-	6,953	-	6,953
Premium Rebate	2,589,853	300,000	300,000	-
Non-Capital Equipment	1,544	-	-	-
Total Expenditures	\$ 4,961,349	\$ 2,838,248	\$ 2,248,963	\$ 2,232,871
Addition to (Use of) Reserves	\$ (2,729,447)	\$ (355,320)	\$ 233,865	\$ 410,710

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Annual review of open claims with highest claims departments	8	8	4
Percent of preventability reports received from departments	50%	50%	50%
Percent of industrial injuries investigated	50%	50%	50%
Total claim costs (paid and reserved) current FY	\$1,086,238	\$793,112	\$774,827
Annual gross amount of medical costs billed (all open claims)	\$1,597,749	\$1,620,266	\$1,781,737
Annual gross amount of medical costs paid (all open claims)	\$528,642	\$477,315	\$737,469
Annual cost of professional medical bill review services (all open claims)	\$72,564	\$72,565	\$74,000
Claims filed (current FY only)	136	155	147
Number of open claims all years at FYE	184	175	175
Litigation Ratio, Number of active litigated claims divided by the number of open claims (all years)	10%	15%	20%
Percent of claims filed without lost time	56%	66%	58%
Percent of eligible employees placed in a modified work assignment.	96%	90%	95%
Number of Modified Duty days worked.	2,556	1,400	2,700
Modified Duty cost savings	\$320,638	\$175,000	\$423,000

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Solid Waste



RECENT PROGRAM ACHIEVEMENTS

Claim payments decreased for third consecutive year.

Improved process for seeking restitution for damage to city property.

Liability

(Program No. 1462)

Mission Statement

Prudently investigate City incidents and adjust damage claims, correct potential hazards, and provide loss prevention training.

Program Activities

- Administer incident and claims procedures.
- Investigate departmental activities relative to claimed damages.
- Pay or deny claims and communicate findings to claimants.
- Represent the City in small claims court.
- Request and track hazard mitigation throughout City activities.
- Provide tailored loss prevention classes to City personnel.
- Consult with departments to assess workplace security needs.
- Obtain preventability reports of vehicle and equipment damage from appropriate departments.
- Organize defensive driving classes and materials.
- Report loss amounts monthly and annually.
- Assess and provide needed loss prevention training.
- Respond to citizen and public requests for assistance.

Key Objectives for Fiscal Year 2011

- Complete 90% of claims investigations within 45 days.
- Route 90% of public hazard concerns to the appropriate department within 2 working days of receipt.
- Obtain 90% of collision preventability determination reports from the operating departments.
- Conduct 4 fleet safety classes by June 30, 2011.
- Conduct 2 loss control training sessions by June 30, 2011.
- Conduct a "best practice" assessment of 1 division.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	1.10	1.10	1.10	1.10
Hourly Employee Hours	39	0	0	0
Revenues				
Insurance Premiums	\$ 1,797,440	\$ 1,940,613	\$ 1,940,613	\$ 1,722,907
Other Revenue	300,868	-	-	-
Total Revenue	\$ 2,098,308	\$ 1,940,613	\$ 1,940,613	\$ 1,722,907
Expenditures				
Salaries and Benefits	\$ 138,334	\$ 135,385	\$ 132,761	\$ 169,008
Supplies and Services	1,612,406	1,867,457	1,425,347	1,430,230
Appropriated Reserve	-	5,325	-	5,325
Non-Capital Equipment	1,661	-	-	-
Total Expenditures	\$ 1,752,401	\$ 2,008,167	\$ 1,558,108	\$ 1,604,563
Addition to (Use of) Reserves	\$ 345,907	\$ (67,554)	\$ 382,505	\$ 118,344

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Percent of claims acted upon within 45 days of receipt	99%	95%	90%
Percent of public hazard concerns routed to the appropriate department within 2 working days of receipt	100%	95%	90%
Percent of preventability reports received	50%	75%	90%
Liability claims filed during the year	129	132	148
Total current open claims	76	86	89
Total annual claim costs paid	\$354,509	\$425,000	\$633,385
Percent of claims filed resulting in litigation	5%	10%	7%
Percent of open claims litigated	16%	19%	20%
Percent of claims closed within 11 months of filing	66%	85%	87%
Loss Prevention class attendees including Defensive Driver class attendees	87	210	210
Reported vehicle incidents	111	90	117
Percent of vehicle incidents resulting in claims	19%	25%	16%
Amount paid for preventable collisions	\$59,260	\$47,500	\$62,029

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RECENT PROGRAM ACHIEVEMENTS

Occupational injuries and associated loss work days continue to trend downward compared to historical averages.

Occupational Safety & Health

(Program No. 1463)

Mission Statement

Ensure a safe work environment for the City's employees and preserve the City's financial resources through training, medical screening, and safety analysis.

Program Activities

- Review and update the Injury Illness Prevention Program (IIPP) to conform to Occupational Safety and Health Act (OSHA) regulatory changes.
- Maintain and schedule master IIPP compliance activities and other safety training regulations according to state law.
- Provide training guidance and resources to supervisors.
- Respond to hazards and safety concerns identified by employees.
- Provide semi-annual loss data reports.
- Maintain network of internal occupational safety and health trainers.

Key Objectives for Fiscal Year 2011

- Reduce occupational injuries by 5%.
- Maintain 100% compliance with state and federal Occupational Safety and Health Administration (OSHA) mandates.
- Coordinate monthly Injury and Illness Prevention Program (IIPP) Training calendar.
- Distribute facility safety inspection findings and collect 80% of responses from operating departments by March 1, 2011.
- Post Cal/OSHA Log 300A electronically by February 1, 2011.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	1.65	1.65	1.65	0.80
Hourly Employee Hours	0	0	0	0
Revenues				
OSH Premiums	\$ 291,860	\$ 302,518	\$ 302,518	\$ 277,322
Total Revenue	\$ 291,860	\$ 302,518	\$ 302,518	\$ 277,322
Expenditures				
Salaries and Benefits	\$ 87,082	\$ 175,848	\$ 91,139	\$ 84,725
Supplies and Services	77,728	139,822	68,990	86,940
Appropriated Reserve	-	6,961	-	6,961
Non-Capital Equipment	1,433	2,000	-	-
Total Expenditures	\$ 166,243	\$ 324,631	\$ 160,129	\$ 178,626
Addition to (Use of) Reserves	\$ 125,617	\$ (22,113)	\$ 142,389	\$ 98,696

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Occupational injury claims filed	136	130	147
Percent compliance with state and federal OSHA mandates	100%	100%	100%
Employees attending Injury Illness Prevention Program training sessions	1,030	1,200	1,000
Number of IIPP training sessions conducted	98	72	36
Lost work days due to occupational injuries	1,072	1,050	1,499
Occupational Safety Trainers	79	95	70

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Administrative Operations
Solid Waste



RECENT PROGRAM ACHIEVEMENTS

Total cost of risk decreased in line with city operating and capital budgets cutbacks.

Administrative Operations

(Program No. 1464)

Mission Statement

Manage division programs and assist operating departments to assess exposure to loss.

Program Activities

- Create and maintain a risk management information system.
- Review and execute contracts, agreements, leases, and grants.
- Identify, evaluate, and rate all risks of accidental loss.
- Respond to employee, supervisor and management requests for assistance.
- Market and negotiate placement of commercial insurance policies.
- Initiate investigation and recovery of costs for loss or damage to City property caused by insurable perils or a negligent third party.
- Notarize City and employee documents.

Key Objectives for Fiscal Year 2011

- Ensure 80% completion of Risk Management Division program objectives.
- Compile and post semi-annual loss data reports.
- Update Risk Management SharePoint site by December 31, 2010.
- Update Risk Management Manual by December 31, 2010.
- Submit insurance renewals electronically and obtain binders and policies electronically.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	0.85	0.85	0.85	0.70
Hourly Employee Hours	0	0	0	0
Revenues				
Insurance Premiums	\$ 1,400,000	\$ 1,010,000	\$ 1,010,000	\$ 860,843
Interest Income	490,307	337,615	275,000	189,900
Other Revenue	750,703	-	-	-
Total Revenue	\$ 2,641,010	\$ 1,347,615	\$ 1,285,000	\$ 1,050,743
Expenditures				
Salaries and Benefits	\$ 106,398	\$ 112,048	\$ 104,753	\$ 90,749
Supplies and Services	987,470	1,230,315	1,178,396	1,227,664
Appropriated Reserve	-	4,432	-	4,432
Non-Capital Equipment	-	2,000	-	-
Total Expenditures	\$ 1,093,868	\$ 1,348,795	\$ 1,283,149	\$ 1,322,845
Addition to (Use of) Reserves	\$ 1,547,142	\$ (1,180)	\$ 1,851	\$ (272,102)

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Percent of division objectives accomplished	81%	80%	80%
Loss data reports	4	2	2
Dollar value of property damage and workers' compensation expenses recovered from negligent third parties	\$399,259	\$100,000	\$100,000
Total cost of risk as percentage of total city operating and capital expenditures	1.8%	3.0%	3.0%

FINANCE PROGRAMS

Administration
Revenue & Cash Management
Cashiering & Collections
Licenses & Permits
Budget Management
Accounting Services
Payroll
Accounts Payable
City Billing & Customer Service
Purchasing
Central Warehouse
Mail Courier Services
Risk Management – Workers' Compensation
Risk Management – Liability
Risk Management – Occupational Safety & Health
Risk Management – Administrative Operations

➤ Solid Waste



RECENT PROGRAM ACHIEVEMENTS

In November 2009 the City implemented new solid waste collection rates for the business sector to provide increased financial incentives for businesses to divert recyclables and foodscrap from landfill disposal.

Solid Waste

(Program No. 1471)

Mission Statement

Provide reliable, cost-effective collection of residential and commercial recyclables, greenwaste, foodscrap and refuse through the City's franchised haulers, with a primary focus on maximizing diversion of solid waste from landfill disposal.

Program Activities

- Design solid waste programs that protect public health and the environment; maintain the City's compliance with State solid waste mandates.
- Develop a cost-effective solid waste management system to allow the City to maintain control of its waste stream
- Pursue long-term alternatives to disposal and continuously reduce the volume of material disposed in landfills through aggressive recycling, composting and related diversion strategies.
- Ensure contract compliance with the franchised haulers.
- Manage all components of the City's waste management system.
- Provide information to the public and respond to concerns about hauling services.
- Participate in regional solid waste forums such as the Multi-Jurisdictional Solid Waste Task Group (MJSWTG).

Key Objectives for Fiscal Year 2011

- ✔ Meet with 250 new contacts in the business sector about the environmental and financial benefits of recycling.
- ✔ Enlist 65 food-service establishments into the Foodscrap Recovery and Composting Program.
- Install and commission a gas collection and control system at the closed landfill at Elings Park as required by CalRecycle and the Regional Water Quality Control Board by March 2011.
- ✔ Conduct a rate study for the single-family and multi-unit residential sectors to increase financial incentives for diversion by March 2011.
- ✔ In cooperation with the Santa Barbara School District Recycling Committee, achieve a District-wide diversion rate of 60% by June 2011.
- ✔ Conduct the Spirit of Service Awards for Recycling, Composting, and Litter Reduction no later than April 2011.

Key Objectives for Fiscal Year 2011 (Cont'd)

- Implement Foodscrap Recovery and Composting at all elementary schools in the Santa Barbara School District no later than December 2010.

Financial and Staffing Information

	Actual FY 2009	Amended FY 2010	Projected FY 2010	Adopted FY 2011
Authorized Positions	10.00	9.90	9.90	10.50
Hourly Employee Hours	1,018	1,000	1,159	1,000
Revenues				
Donations	\$ 80,000	\$ 84,435	\$ 102,635	\$ 94,435
Fees and Service Charges	16,746,097	16,999,010	16,760,462	17,230,430
Franchise Fees - Refuse	419,343	440,248	359,040	-
Intergovernmental	535,864	895,649	884,178	23,000
Other Revenue	98,172	194,867	174,867	164,167
Total Revenue	\$ 17,879,476	\$ 18,614,209	\$ 18,281,182	\$ 17,512,032
Expenditures				
Salaries and Benefits	\$ 902,729	\$ 1,088,413	\$ 978,662	\$ 1,099,274
Supplies and Services	15,907,472	16,460,014	16,058,297	16,272,565
Special Projects	599,789	1,170,905	986,211	575,819
Appropriated Reserve	-	14,143	-	25,000
Non-Capital Equipment	39,191	67,183	36,000	16,000
Transfers Out	-	-	-	50,000
Total Expenditures	\$ 17,449,181	\$ 18,800,658	\$ 18,059,170	\$ 18,038,658
Addition to (Use of) Reserves	\$ 430,295	\$ (186,449)	\$ 222,012	\$ (526,626)

Program Performance Measures

Performance Measures	Actual FY 2009	Projected FY 2010	Adopted FY 2011
Business contacts made regarding recycling benefits	258	328	250
Food-service establishments participating in the foodscrap and composting program	N/A	86	65
Code enforcement calls responded to within 1 businesses day	98%	98%	98%
Tons of solid waste disposed of at the Tajiguas Landfill (citywide)	92,444	90,354	88,000
Tons of recyclables diverted from the Tajiguas Landfill (franchise)	18,551	18,416	18,300
Tons of greenwaste diverted from the Tajiguas Landfill (franchise)	N/A	12,061	11,000
Tons of foodscrap diverted from the Tajiguas Landfill (franchise)	N/A	850	2500
Hauler service complaints received	11	6	10

Solid Waste

(Continued)

Program Performance Measures (Cont'd)

Performance Measures	Actual	Projected	Adopted
	FY 2009	FY 2010	FY 2011
Calls handled annually by Code Enforcement staff	296	226	200
Percent of Business accounts with adequate diversion service (2/3 or more of total services dedicated to recycling, foodscraps composting and/or greenwaste)	14.5%	16.8%	21%
Percent of Single-Family Residential accounts with adequate diversion service	67%	68.8%	71%
Percent of Multi-Unit Residential accounts with adequate diversion service	16.4%	16.9%	17.5%
City-generated household hazardous waste (HHW) collected at City ABOP and UCSB facility (pounds)	387,987	303,574	305,000
City-generated Electronic Waste (E-Waste) collected at City sponsored events and at City ABOP (pounds)	N/A	339,704	340,000