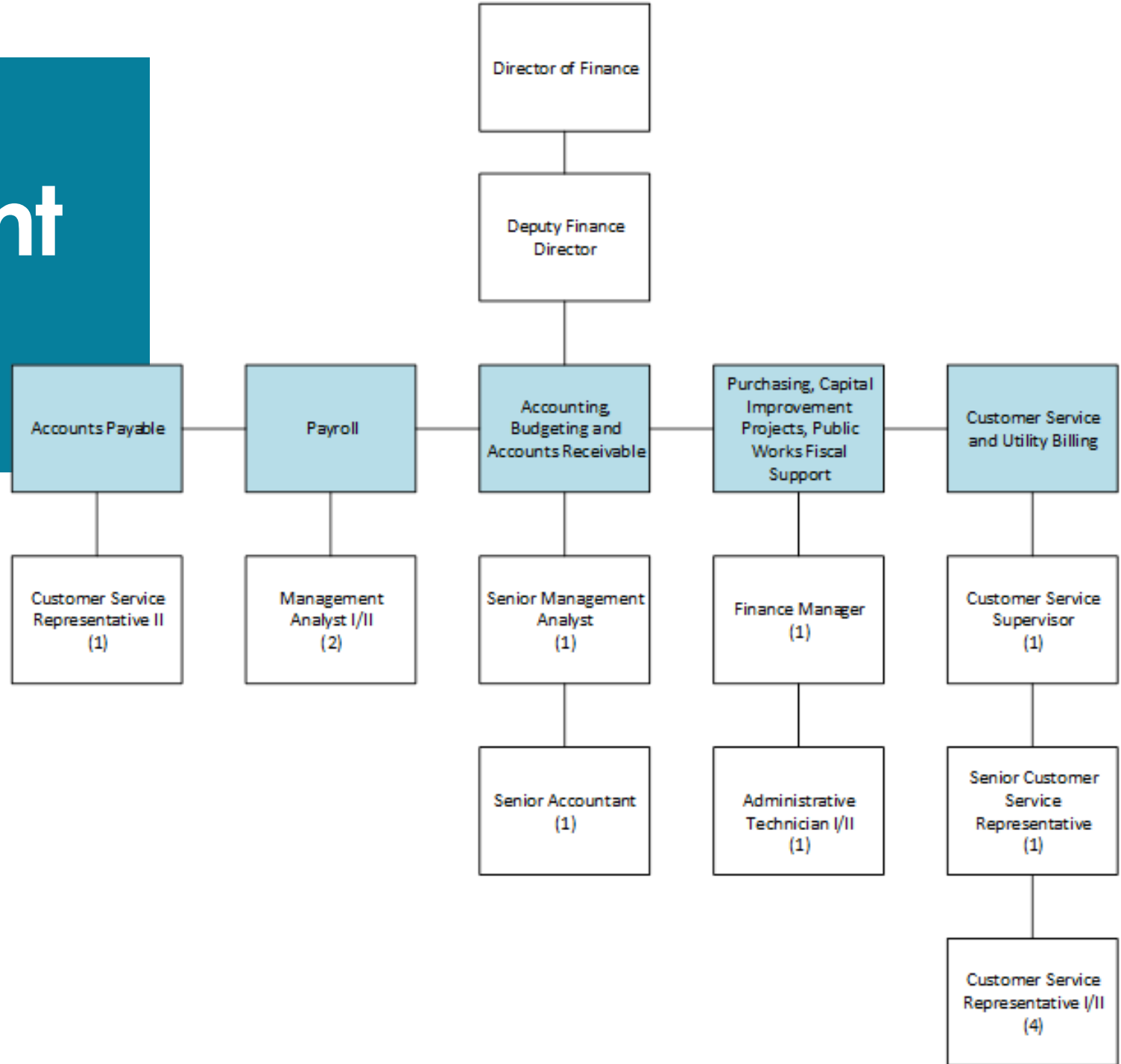




Finance Department

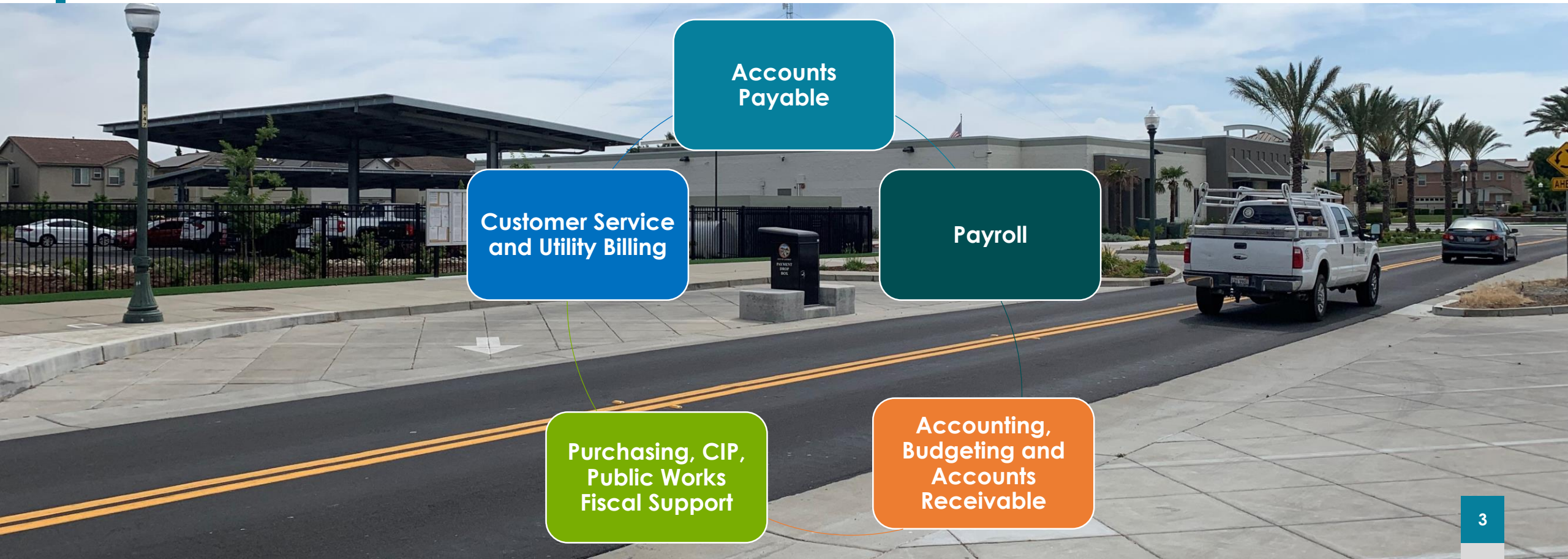
Presented by: Cari James, Director of Finance and
Thomas Hedegard, Deputy Director of Finance

Finance Department Org Chart 15 FTE



Overview

The Finance Department — is broken out into multiple divisions to maintain an internal control environment that is conducive to Generally Accepted Accounting Principles (GAAP).



Each Division Provides Support in the Following Areas:

- **Accounts Payable Division:** This division provides vendor management and reporting, accounts payable, check printing and general ledger invoice coding support.
- **Payroll Division:** The Payroll Division provides payroll administration services to City employees and ensures that employees receive the appropriate amount of pay. The Payroll Division also calculates payroll taxes, as well as ensuring that they are properly withheld and processed in compliance with City, State, and Federal wage, and hour regulations. The Payroll Division is responsible for paying employees as provided by the City's various labor agreements and processing pay adjustments, payroll deductions, employee W-4 forms in addition to issuance of employee annual tax (W-2) statements and remittances of Federal and State Tax Returns.
- **Accounting, Budgeting and Accounts Receivable Division:** This division collects revenue, invests City funds, coordinates the City budget, issues the Annual Comprehensive Financial Report (ACFR) and various other audited financial reports. Operates in accordance with fiscal policies and internal controls. This division is also responsible for the investment of City funds, administration of banking transactions, and administration of the City's legal and fiduciary responsibilities for timely payment of principal and interest on the City's outstanding bond obligations and for ongoing bond disclosure.

Each Division Provides Support in the Following Areas:

- **Purchasing, Capital Improvement Projects, Public Works Fiscal Support Division:** This division aides in the development and administration of the City's Contract and Procurement Process; also prescribes operational procedures governing the procurement functions of all City departments consistent with the City's Municipal Code and Procurement Process. Division also oversees Public Works procurement and administrative functions that aim to increase operational efficiency and effectiveness of the Public Works Department's annual operating budget.
- **Customer Service and Utility Billing Division:** Responsible for billing, processing and collecting the majority of the City's transactional revenues including Utility Billing, Business License, and Cashiering. Operates the City's customer service lobby and main customer service phone lines.

Accomplishments



Renegotiated property tax share agreement with San Joaquin County from 90%-County/10%-City to 60%-County/40%-City for the West Lathrop Specific Plan Development

Investment Policy was reviewed and updated. (November 2022)

Applied for and successfully awarded funds from the State Water Resources Control Board for Water and Wastewater Utility Customers that had debt arrearages due to the fiscal impacts associated with the coronavirus pandemic

Closed Fiscal Year 2021/22 in a positive position

Obtained a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA) for timely submittal of the City's Annual Comprehensive Financial Report (ACFR) for FY2020 and FY2021 (pending FY2022)

Updated the City's 20-year old travel policy to reflect current practices that are in-line with municipal standards

Maintained the citywide Procurement Card (P-Card) program providing departments a secure and flexible environment to process day-to-day and training related purchases.

Accomplishments (continued)



Maintained the California Asset Management Program (CAMP) liquidity account for the short-term investment of funds without compromising liquidity.

Maintained balances above the initial investment in the California Employee Retirement Benefit Trust (CERBT) account through CalPERS established to secure Other Post-Employment Benefits to eligible personnel

Maintained electronic bank-to-bank payments (Ebox) decreasing the processing time of customers' payments made through the bill-pay bank applications.

Maintained the electronic Work Order process bridging internal/external requests for service with maintenance personnel.

Formed new CFD for Gateway, South Lathrop and River Islands #2 development area to ensure ongoing maintenance costs are covered by the new development

Goals

- **Ten (10) Year Financial Model.** Maintain the City's 10-Year Fiscal Model for long-range financial planning.
- **Development Agreements.** Manage the City's Development Agreements for accurate reporting and recordkeeping.
- **Timecard System Maintenance.** Maintain the City's accurate time reporting in the recently implemented timecard system through the ExecuTime platform.
- **Special Financing Districts.** Manage the City's debt and maintenance districts.



Goals (continued)



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Lathrop
California**

Christopher P. Morill

Executive Director/CEO

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

- **Policies and Procedures.** Review, update and create financial policies which promote financial solvency and budget sustainability.
- **Investments.** Ensure City's cash and investments are held in accordance with the City's Investment Policy, which emphasizes safety, liquidity, and yield.
- **Financial Reporting.** The Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to City of Lathrop for its annual comprehensive financial report (ACFR). The City has achieved this goal for the 25th consecutive year and aims to continue to produce reports that garner the award.

Significant Changes

Fund	2022/23 Adopted Budget	2023/24 Proposed Budget	2024/25 Proposed Budget	FY 22/23 to 23/24 Inc/(Dec)	Comments
Finance Department					
Personnel Services	\$ 1,273,623	\$ 1,235,041	\$ 1,283,718	\$ (38,582)	Decrease is due to staffing reallocation to accurately account for the tasks being performed
Contractual Services	\$ 225,200	\$ 271,500	\$ 271,500	\$ 46,300	Increase in annual audit and sales tax audit contracts
Fixed Charges	\$ 299,926	\$ 414,365	\$ 426,265	\$ 114,439	Increase in online payments processed for utility and BP customers resulting in higher banking and credit card fees
Finance Total	\$ 1,798,749	\$ 1,920,906	\$ 1,981,483	\$ 122,157	