



# FINANCE DEPARTMENT

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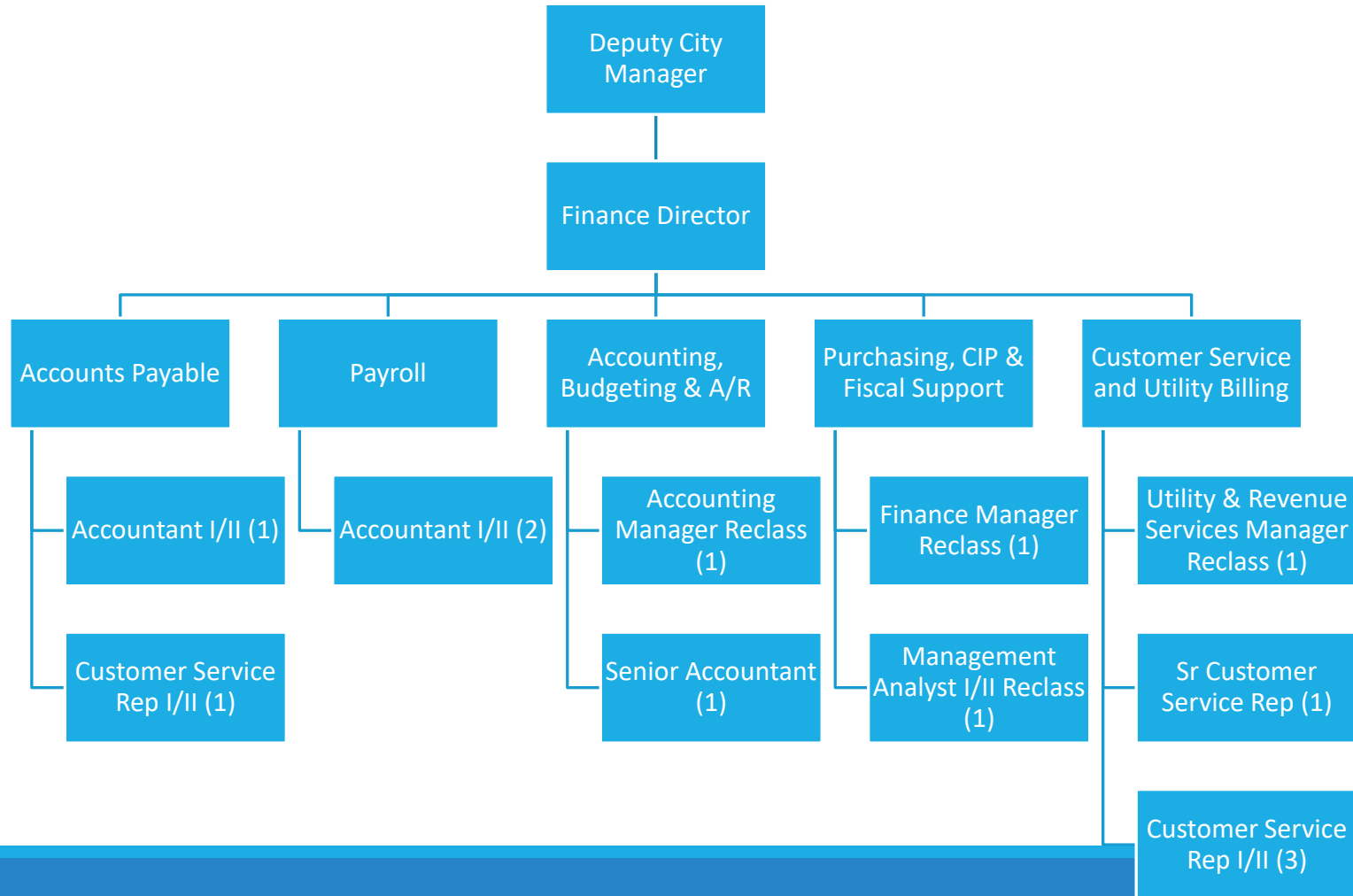
CITY COUNCIL BUDGET PRESENTATION

FY 25-26 & 26-27

*PRESENTED BY: CARI JAMES, FINANCE DIRECTOR*

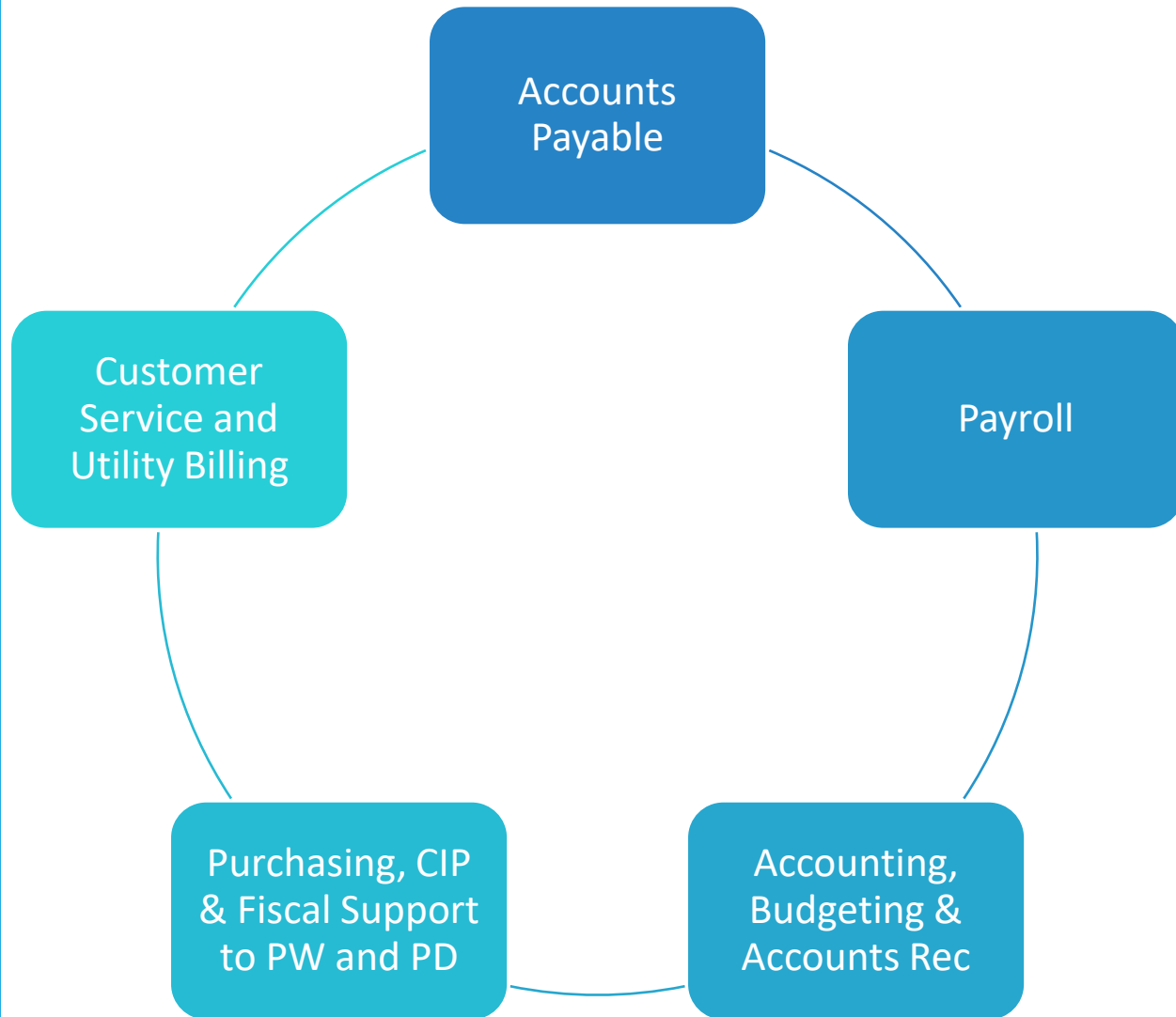
*JUNE 23, 2025*

# Organization Chart



# 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).





# Accomplishments

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**Accounts Payable Division:** This division provides vendor management and reporting, accounts payable, check printing and general ledger invoice coding support.

- ❖ FY 23/24 – Processed 11,500 invoices and issued 4,800 checks
- ❖ YTD FY 24/25 – Processed 10,800 invoices and issued 4,850 checks

**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.

- ❖ FY 23/24 – Issued 5,760 Employee direct deposits and payroll checks
- ❖ YTD FY 24/25 – Issued 5,720 Employee direct deposits and payroll checks



# Accomplishments continued

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**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, administration of 15 maintenance districts 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 disclosures.

- ❖ Renegotiated property tax sharing agreement with San Joaquin County.
- ❖ Obtained a Certificate of Achievement of Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the 27<sup>th</sup> consecutive year (pending FY 2024).
- ❖ Formed new CFD for Eagles Landing development to ensure ongoing maintenance costs are covered by new development.
- ❖ FY 23/24 and YTD 24/25 Issued and processed 693 and 689 Purchase Orders, respectively.
- ❖ Prepared the FY 25/26 and 26/27 Biennial Budget.
- ❖ Assisted the with the implementation of a new citywide permitting software. Including conversion of all building permits, business licenses and project planning modules.



# Accomplishments continued

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**Purchasing, Capital Improvement Projects, Public Works & Police 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.

- ❖ Provided Fiscal and Budget Support to the Public Works and Police Departments.
- ❖ Reviewed and processed 83 contracts in FY 23/24 and 86 contracts in FY 24/25 YTD.
- ❖ Managed Budget and Contract for Citywide CIP program



# Accomplishments continued

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**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.

- ❖ Collected 91,500 payments in FY 23/24 and 93,200 payments in FY 24/25.
- ❖ Issued 122,400 utility bills and added 662 new utility accounts in FY 23/24 and issued 131,300 utility bills and added 877 new utility accounts in FY 24/25.
- ❖ Issued new and renewed Business Licenses to all the City's business customers.
- ❖ Collected payments for animal licenses.

# Goals

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- ❖ **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.
- ❖ **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.



# Goals Continued

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- ❖ **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 27th consecutive year and aims to continue to produce award winning reports.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Lathrop  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

*Christopher P. Morill*  
Executive Director/CEO



# Significant Changes

Fund	2024/25 Amended Budget	2025/26 Proposed Budget	2025/26 Proposed Budget	FY 24/25 to FY 25/26 Inc/(Dec)	Comments
<b>Finance Department</b>					
Personnel Services	\$1,209,934	\$1,339,330	\$1,433,335	\$129,396	The increase in salaries and benefits is due to the reclassifications of the Senior Mgmt Analyst to Accounting Manager, Customer Services Supervisor to Utility and Revenue Services Manager and Accounting Technician to Management Analyst I/II.
Contractual Services	\$388,125	\$252,600	\$259,100	\$(135,525)	Decrease is due to reducing Sales Tax Audit expenses to actual expenditures and reducing Professional Services for one time contracts.
Materials, Supplies and Small Equipment	\$12,000	\$9,000	\$9,000	\$(3,000)	Decrease is due to reduction in office supplies to align with prior year expenditures.
Fixed Charges	\$426,265	\$443,481	\$463,192	\$17,216	Increase in online payments processed for utility and BP customers resulting in higher banking and credit card fees.
<b>Finance Total</b>	<b>\$2,036,324</b>	<b>\$2,044,411</b>	<b>\$2,164,627</b>	<b>\$8,087</b>	

Questions?