

## Mission Statement

The Auditor-Controller's Office is dedicated to providing public oversight, fiscal leadership, financial integrity, transparency, and accountability through the effective fiscal monitoring, reporting, auditing, and safeguarding of public resources and to provide service, assistance, and information to the public, the Board of Supervisors, County Administration, County departments, employees, and special districts. The department prioritizes collaborative government, while maintaining regulatory compliance and oversight of taxpayer's hard-earned dollars.

## Department Description and Key Issues

The Auditor-Controller's Office is responsible for general accounting and the reporting of all revenues, expenditures, net assets, and fund balances in the Comprehensive Annual Financial Report. In addition, the office maintains financial records for various entities, schools, county service areas, and special districts within the County. The office is organized into five separate divisions with the following functions:

**General Accounting Division** – The General Accounting Division is responsible for processing and auditing claims submitted by County departments and special districts within the appropriations set by the Board of Supervisors or Special District Boards. This includes monitoring activity of County issued credit cards, ensuring program compliance with periodic reviews of department records, preparing accurate and timely State mandated reports, and developing procedures and trainings for County departments.

**General Ledger Division** – The General Ledger Division is responsible for preparing accurate and timely financial statements. This includes oversight of accounting policies and procedures and auditing all general ledger transactions submitted by all County departments for compliance with Generally Accepted Accounting Principles, Government Accounting Standards Board, and State Controller's guidelines. This division maintains the capital asset accounting, court accounting revenue distribution, transit reporting, and revisions to the appropriations adopted by the Board of Supervisors.

**Support Services Division** – The Support Services Division is responsible for maintaining department information systems, collaborating with County departments to implement new, improved technological advances, and providing training to County departments on the County financial system. Staff assigned to this division are responsible for the daily operations of the Auditor-Controller's Office including expenditure transactions, receipting, and employee payroll reporting.

**Audit Division** – The Audit Division is responsible for providing oversight of cash handling policies and procedures, evaluating internal controls, and conducting audits of County departments, special districts, and federal and State grants as mandated by law. Staff assigned to this division perform operational, management, performance, and departmental audits as directed by the Auditor-Controller and as requested by the Board of Supervisors or County Administration. They are responsible for preparing accurate and timely financial statements for the County Service Areas. Staff within this division also train Cal-Card holders and monitor the security of the Cal-Card program.

**Property Tax Division** – The Property Tax Division performs mandated complex property tax functions, including tax rate computations, tax bill preparation, control and reconciliation of tax charges, tax roll corrections, and distribution of tax proceeds to all government agencies, cities, schools, special districts, and the County. This division is also responsible for auditing the Redevelopment Agency wind-down transactions and managing the Butte County Consolidated Oversight Board.

In fiscal year 2020-21, the Auditor-Controller’s Office will continue to provide financial support and analysis in conjunction with County Administration, as well as monitor cash flow, revenues, expenditures, capital assets, and necessary budget adjustments. Key initiatives for the year include:

- Working towards the selection and implementation of a new County Finance System as our current system reaches the end of life;
- Establishing audit schedules for County departments, special districts, and mandated federal and State grants;
- Providing training opportunities to employees for purposes of improving efficiencies and streamlining implementation of State and federal legislative changes;
- Implementing new governmental accounting standards; and
- Supporting Camp Fire recovery efforts, including the receipt of insurance recovery proceeds for debris removal.

<b>AUDITOR-CONTROLLER BUDGET</b>				
	<b>2018-19 Actuals</b>	<b>2019-20 Adopted</b>	<b>2020-21 Requested</b>	<b>2020-21 Recommended</b>
Intergovernmental Revenues	61,430	40,980	46,502	46,502
Charges For Services	1,305,126	1,171,282	1,034,868	1,083,272
Miscellaneous Revenues	174,719	33,222	12,000	25,000
Other Financing Sources	1,200	1,200	1,200	1,200
<b>Total Revenues</b>	<b>\$ 1,542,474</b>	<b>\$ 1,246,684</b>	<b>\$ 1,094,570</b>	<b>\$ 1,155,974</b>
Salaries and Employee Benefits	1,770,774	1,912,051	2,046,075	1,874,689
Services and Supplies	185,702	178,518	203,474	198,474
Other Charges	12,561	14,001	13,062	13,062
Special Items	(247,167)	(229,140)	(212,661)	(210,742)
<b>Total Expenditures</b>	<b>\$ 1,721,870</b>	<b>\$ 1,875,430</b>	<b>\$ 2,049,950</b>	<b>\$ 1,875,483</b>
<b>Net Costs/Use of Fund Balance</b>	<b>\$ 179,396</b>	<b>\$ 628,746</b>	<b>\$ 955,380</b>	<b>\$ 719,509</b>

**Source of Funds (Revenues)**

- Charges for services are the revenues from non-General Fund departments and outside agencies for various accounting and auditing services.
- General purpose revenue (GPR) is the General Fund contribution to operate the

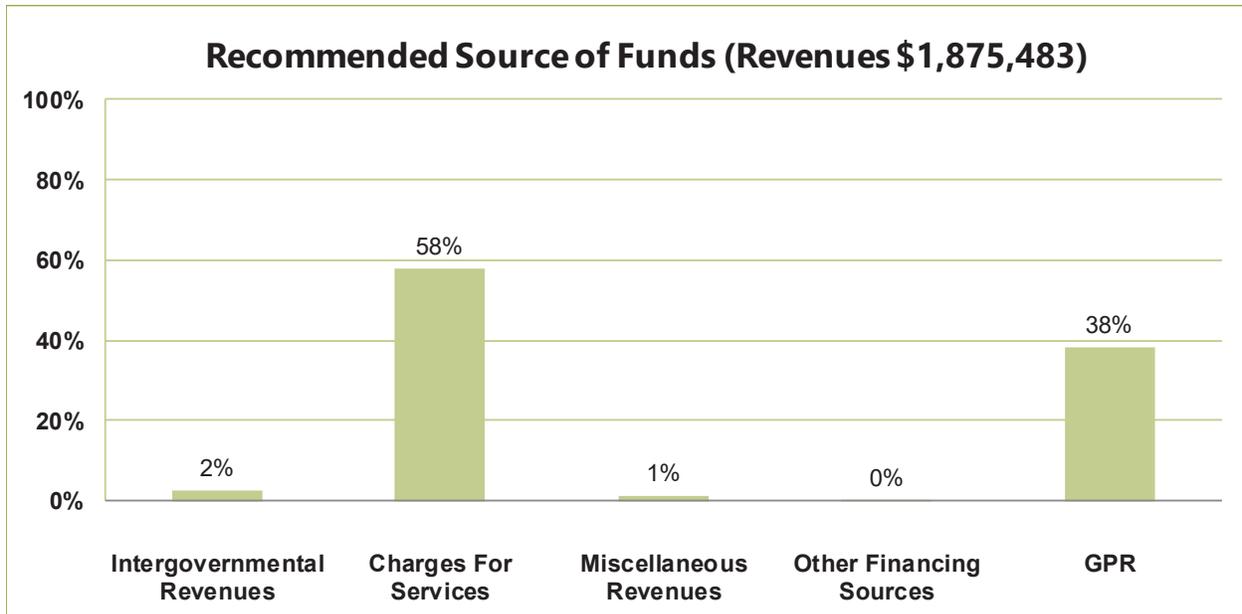
**Full Time Equivalent**

<b>Position Allocations</b>	<b>Total</b>
2016-17 Adopted Positions	21.00
2017-18 Adopted Positions	20.00
2018-19 Adopted Positions	20.00
2019-20 Adopted Positions	20.00
2019-20 Current Positions *	20.00
2020-21 Recommended Positions	20.00

\*As of 4/14/2020

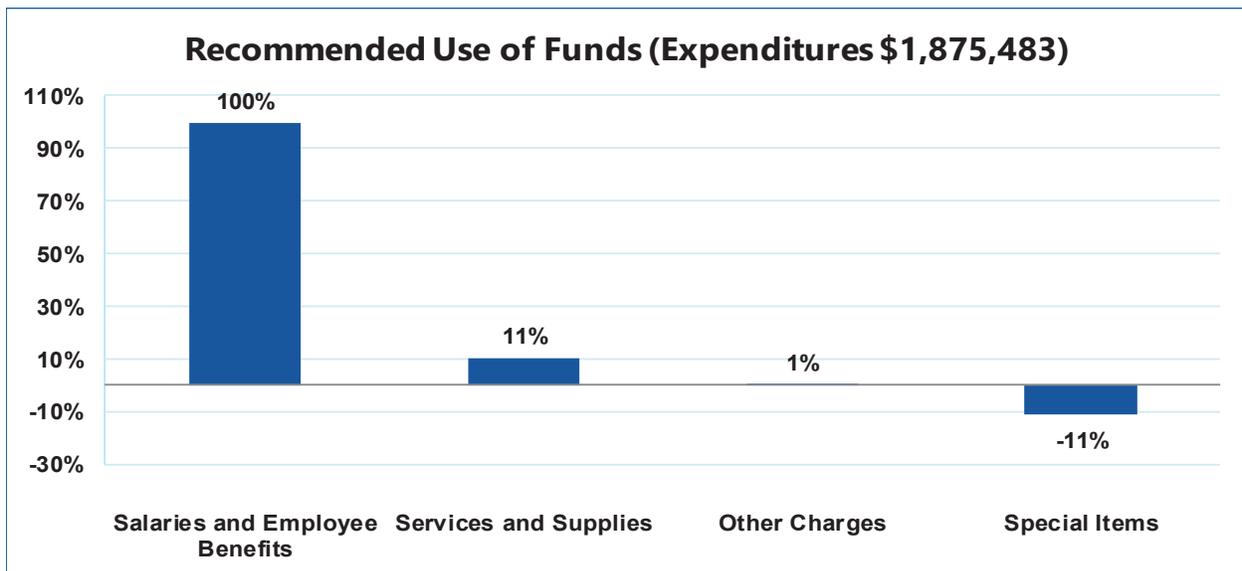
department, which includes property tax administration and supplemental property tax administration revenue.

- Intergovernmental revenues are revenues from internal service funds, the Neal Road Recycling and Waste Facility, and non-County entities for services provided by the department.
- Miscellaneous revenue includes unclaimed property tax refunds, as allowed by State law.



### Use of Funds (Expenditures)

- Salaries and benefits is the largest expenditure category for the department. Due to the Special Items category containing negative expenditures, Salaries and Benefits show as 100% of budget.
- Services and supplies include office supplies, utilities, training, and maintenance agreements, including the department’s share of the Megabyte property tax system.
- Other charges include interfund transfers for the department’s share of depreciation on facilities.
- Special items include both positive expenditures (transfers) and negative expenditures (reimbursements), which when combined result in an overall negative expenditure for the category. The components of this category include:
  - Transfers for the department’s share of costs for support services provided by County Counsel, Department of General Services, Department of Human Resources, Department of Information Systems, and Treasurer-Tax Collector’s Office.
  - Reimbursements to the Auditor’s Office from General Fund departments for support services provided, which are reflected as negative expenditures.



## Summary of Budget Request and Recommendation

### Salaries & Employee Benefits

#### Requested

- The department budget request includes funding to maintain current staffing levels.
- The department budget request includes extra help to support implementation of a new County Finance System.

#### Recommended

- The recommendation includes funding to maintain current staffing levels.

### Services & Supplies

#### Requested

- The department budget request includes funding to maintain current service levels.

#### Recommended

- The recommendation includes funding to maintain current service levels.

### Capital Assets

#### Requested

- The department budget request does not include any capital assets.

#### Recommended

- The recommendation does not include any capital assets.

BUTTE COUNTY  
 FINANCING SOURCES AND USES BY BUDGET UNIT BY OBJECT  
 GOVERNMENTAL FUNDS  
 FISCAL YEAR 2020-21

BUDGET UNIT: 050 - AUDITOR-CONTROLLER  
 FUNCTION: GENERAL GOVERNMENT  
 ACTIVITY: FINANCE  
 FUND: 0010 - GENERAL FUND

Detail by Revenue Category and Expenditure Object	2018-19 Actual	2019-20 Estimated	2020-21 Requested	2020-21 Recommended	2020-21 Adopted by Board of Supervisors
1	2	3	4	5	6
<b>REVENUES</b>					
450 INTERGOVERNMENTAL REVENUES	61,430	40,980	46,502	46,502	-
460 CHARGES FOR SERVICES	1,305,126	1,171,282	1,034,868	1,083,272	-
470 MISCELLANEOUS REVENUE	174,719	33,222	12,000	25,000	-
480 OTHER FINANCING SOURCES	1,200	1,200	1,200	1,200	-
<b>TOTAL REVENUES</b>	<b>\$1,542,474</b>	<b>\$1,246,684</b>	<b>\$1,094,570</b>	<b>\$1,155,974</b>	<b>-</b>
<b>EXPENDITURES/APPROP.</b>					
510 SALARIES & EMPLOYEE BENE	1,770,774	1,912,051	2,046,075	1,874,689	-
520 SERVICES & SUPPLIES	185,702	178,518	203,474	198,474	-
550 OTHER CHARGES	12,561	14,001	13,062	13,062	-
590 SPECIAL ITEMS	(247,167)	(229,140)	(212,661)	(210,742)	-
<b>TOTAL EXPENDITURES/APPROP.</b>	<b>\$1,721,870</b>	<b>\$1,875,430</b>	<b>\$2,049,950</b>	<b>\$1,875,483</b>	<b>-</b>
<b>NET COSTS/USE OF FUND BALANCE</b>	<b>\$179,396</b>	<b>\$628,746</b>	<b>\$955,380</b>	<b>\$719,509</b>	<b>-</b>