



Administrative Services

ADOPTED BUDGET
Fiscal Year 2003 - 2004

**CITY OF SAN FERNANDO
ADOPTED BUDGET
FY 2003-2004**

**ADMINISTRATIVE SERVICES DEPARTMENT
EXECUTIVE SUMMARY**

NARRATIVE

Departmental Overview: The Administrative Services Department is comprised of the Finance and Personnel division. The department is responsible for coordinating and preparing the final City budget and Annual Audited Financial Statements. The department processes all recruitments, employee benefits, risk management, financial management and reporting, payroll preparation, payables & receivables, utility billing & collections, cash management, labor negotiations, management information systems, employee training and telecommunications.

The requested budget for fiscal year 2003-2004 has increased approximately 2.6% (\$24,500) over the adopted budget of the prior year. The great majority of this is due to the cost of living increases which were 3% during the current year and some increases in worker's compensation. Except for costs related to contracts that have automatic increases driven by the Consumer Price Index, the department has maintained its expenditure level at or below the level in the prior year. This budget basically represents a status quo budget. The Administrative Services Department makes a commitment to provide professional, accurate and timely financial, accounting and human resource services to all customers. This includes, but is not limited to; all citizens, vendors, utility customers, City Council, and all the departments and employees of the City.

Major Changes: During the year, the department went through a major conversion of its financial reporting system and implemented the new PERS contracts including the 3% @ 60 and other benefits for local miscellaneous members. In the upcoming fiscal year the department will be facing new challenges with the retirement of the Administrative Services Director who has been with the City over eight years and with the retirement of one of its Senior Account Clerks who has been with the City for over 18 years. The department will conduct its last phase of the upgrade to its financial software/hardware by converting to the new Utility Billing system.

Accomplishments: Extensive modifications were made on the City intra-net system. In addition, the City's official website has been continually expanded and new uses have been found for interactive access by interested parties. Major activities included the preparation and submittal of the City's Comprehensive Annual Financial Report to both the State and Federal finance organizations. Awards in financial reporting were received from both State (CSMFO) and Federal (GFOA) for excellence in financial reporting.

Goals and Objectives: In the upcoming year the Administrative Services Department will be actively involved in the expansion of its networking capabilities, including the website improvements which will allow its residents to communicate with the City staff on several levels. In addition, the Finance Division will be actively involved in implementing the Governmental Accounting Standards Board #34 (GASB #34) which will require extensive revisions on how the City will report its financial condition to outside entities having an interest in the City. Personnel will be active in insuring that the City is continuing to move forward in having a work force that represents or is best capable of serving the community.

**CITY OF SAN FERNANDO
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FY 2003-2004**

**ADMINISTRATIVE SERVICES DEPARTMENT
EXECUTIVE SUMMARY**

Capital Expenditures: The capital expenditures requested for FY 2003-2004 cover the need to upgrade to the new Utility Billing software and hardware currently being used. The upgrades are considered the ideal way to protect the City's current investment in its financial software reporting system.

PERSONNEL	ACTUAL 2001-2002	BUDGETED 2002-2003	ESTIMATED 2002-2003	ADOPTED 2003-2004
Administrative Services Director	1	1	1	1
Accounting Manager	1	1	1	1
Personnel Manager	1	1	1	1
Senior Accounting Technician	1	1	1	1
Accounting Technician	1	1	1	1
Personnel Technician	1	1	1	1
Senior Account Clerk II	1	1	1	1
Senior Account Clerk	3	3	3	3
Account Clerk	0	0	0	1
Personnel Clerk	0	0	0	1
Office Clerk	1.75	1.75	1.75	0
Computer Intern	0.50	0.50	0.50	0.50
Total	12.25	12.25	12.25	12.50

APPROPRIATIONS

Personnel	\$ 299,484	\$ 320,122	\$ 320,130	\$ 335,500
Finance	578,171	615,720	716,560	621,240
Total	\$ 723,789	\$ 935,842	\$ 1,036,690	\$ 956,740

SOURCE OF FUNDS

General Fund	\$ 723,789	\$ 935,842	\$ 1,036,690	\$ 956,740
Total	\$ 723,789	\$ 935,842	\$ 1,036,690	\$ 956,740

**CITY OF SAN FERNANDO
ADOPTED BUDGET
FY 2003-2004**

DIVISION

DIVISION NO.

Administrative Services-Personnel

106

NARRATIVE

The Personnel Division's primary function is providing human resources and administrative services to all employees and all City departments. Responsibilities include administering the recruitment and selection of City personnel as approved by Council; administering employee benefits and retirement programs; overseeing the Employment Outreach Plans and the Youth Employment Programs; managing the self-insured Workers Compensation Program; coordinating the City-wide safety program; taking the lead role in employee organization negotiations; administering the classification and salary plans; coordinating training programs; monitoring compliance with mandated State and Federal requirements; interpreting personnel policies, procedures, rules and regulations, as well as MOU's; administering the evaluation of employee job performances, reclassifications, promotions, as well as merit pay increases and payroll; providing counseling and guidance; investigating complaints and grievances.

The Personnel Division also receives and processes outside claims against the City and coordinates the payment or denial of these claims with the third party administrator. The City maintains membership in the Independent Cities Risk Management Association (ICRMA), International Personnel Management Association (IPMA), Southern California Public Labor Relations Council (SCPLRC) & Professionals in Human Resources Association (PIHRA).

FY 02-03 accomplishments include successful recruitment and selection for key positions in various City departments, processing of new hires, orientations, benefits & payroll administration, as well as coordination of the employee performance evaluation system. Others include coordination of several retirement planning and deferred compensation workshops, Performance evaluation training for Department Heads, managers and supervisors for better employee performance management, training programs for managers and supervisors through the employment relations consortium, summer youth employment program, assistance in the planning of the annual Youth Job Fair, administration of City's tuition reimbursement program, amendment and implementation of City's new PERS contracts including the 3% @ 60 and other benefits for local miscellaneous members, planned and successfully coordinated the first annual "Take Our Kids to Work" Program, coordinated the United Way Contributions, as well as safety committee meetings and CPR/First-Aid training. Staff also coordinated counseling sessions for employees, as well as a blood drive to assist our community .

Other accomplishments include a successful change of our third-party workers' compensation administration company, coordination of a city-wide workers' compensation informational training, as well as provision of city-wide support in the maintenance of the City website and the designing of appropriate brochures for major City events such as the Rigoberta Menchu Tum Day, Heritage Days, and so on.

**CITY OF SAN FERNANDO
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DIVISION	DIVISION NO.
Administrative Services-Personnel	106

FY 2003-04 will see an implementation of the provisions of the general employees' unit MOU; renegotiation and implementation of the Police Officers' Association MOU, implementation of a new human resource software to enhance and update personnel records, implementation of a new Intranet to enhance employee access to relevant records, salary and benefits information. Staff will also work with departments to enhance the City-wide safety programs to ensure continued compliance with OSHA requirements, implement more training programs such as Customer Service, Sexual Harassment and CPR/First-Aid training. Also a new blood drive will be planned to assist our community.

PERSONNEL	ACTUAL 2001-2002	BUDGETED 2002-2003	ESTIMATED 2002-2003	ADOPTED 2003-2004
Administrative Services Director	0.50	0.50	0.50	0.50
Personnel Manager	1	1	1	1
Personnel Technician	1	1	1	1
Personnel Clerk	0	0	0	1
Office Clerk	0.75	0.75	0.75	0
Computer Intern	0.75	0.75	0.75	0.75
Total	4.00	4.00	4.00	4.25

APPROPRIATIONS				
Personnel Services	\$ 238,558	\$ 242,072	\$ 242,080	\$ 262,550
Operating Expenses	60,199	78,050	78,050	72,950
Capital Outlay	727	0	0	0
Total	\$ 299,484	\$ 320,122	\$ 320,130	\$ 335,500

SOURCE OF FUNDS				
General Fund	\$ 299,484	\$ 320,122	\$ 320,130	\$ 335,500
Total	\$ 299,484	\$ 320,122	\$ 320,130	\$ 335,500

Supporting Information		
4100	PERSONNEL SERVICES	\$262,550

Reflects a labor distribution of 50% for the Administrative Services Director.

**CITY OF SAN FERNANDO
ADOPTED BUDGET
FY 2003-2004**

DIVISION	DIVISION NO.
Administrative Services-Personnel	106

4200	OPERATING EXPENSES	\$72,950
4220	Telephone expenses.	\$800
4230	Advertising for recruitments in publications such as Jobs Available, LA Times, Hispanic Hotline and Western City.	\$4,500
4260	Contractual Services...Contracts for Occumed (4,200), Valley Occ-Medical Center, Employment Consortium & Employee Assistance Programs.	\$16,000
4270	Professional Services . . .Includes services for special projects, job bulletin / brochures / recruitment / job application printing services, payment for training programs and related services.	\$35,000
4300	Various department supplies such as panel packets, computer material, new letterhead for job brochures.	\$2,000
4320	Department Equipment Maintenance	\$150
4360	Training for personnel staff, tuition reimbursement program	\$4,500
4370	Meetings, memberships & travel for Employee Relations Institute, League of Cities, SCPMA Conferences, CALPELRA	\$1,500
4380	Subscriptions dues & memberships for Personnel Journal, Labor Law Update, Worker's Comp., SCPMA, PIHRA, COSIPA, IPMA, Data Research.	\$1,500
4390	Reflects vehicle allowance for department / division heads & mileage reimbursement for local travel to meetings by staff.	\$1,200
4430	Activities and programs for recruitments, flowers for employees sickness or death in family, awards, plaques, service pins, and gifts.	\$3,300
4450	Other Expenses include employee recognition events. Take Our Daughters to Work Program, United Way Kickoff, Fingerprint cards, Oral board lunches, and Retirement gifts.	\$2,500
4500	CAPITAL EXPENSES	\$0
TOTAL		\$335,500

**CITY OF SAN FERNANDO
ADOPTED BUDGET
FY 2003-2004**

DIVISION	DIVISION NO.
Administrative Services – Finance	130

NARRATIVE

The Finance Division of the Administrative Services Department provides financial planning and reporting, networking services, business licensing, payroll services, purchasing, vendor payments, utility billing, long-term financing and central services necessary to meet all City departments operating needs including the preparation of the City budget and the City's Comprehensive Annual Financial Report (CAFR).

One of the major highlights for Fiscal Year 2002-2003 was the successful conversion of the current Financial and Payroll accounting systems into a new, user-friendly window based system. The conversion was a long process that required a lot of effort from everyone in the department. To ensure that the conversion was a success City-wide, and to minimize problems with understanding the new system, staff created easy to follow handouts and conducted in-house training for other departments. Other highlights in FY 2002-2003 include the following: Completion and continued expansion of the official City of San Fernando Website; Receipt of Awards for Excellence in Financial Reporting by the National and State organizations for Municipal Finance Officers for the City CAFR; Early adoption of the City budget; Conversion of the City budget to Excel; Rapid expansion of the City's networking capabilities and Updating of the City's fixed assets records. The division also provides support for labor negotiations and helped coordinate the Annual Kids to Work Program.

Goals and objectives for FY 2003-2004 include the following: Begin with the conversion of the Utility Billing software and the Human Resources Module for the Personnel division; Enhance or replace the current Business License software; Create a system that includes the acceptance of payments made on the web or by credit card; Automation of various manual accounting practices; Extension of the Audit contract; Complete the connections of all outlying city departments to the main network; Enhance employee cross-training program needed to avoid any processing delays when encountered with employee sickness or vacations, and continue the formal Equipment Replacement Fund to assist in the replacement of the City's vehicle fleet.

PERSONNEL	ACTUAL 2001-2002	BUDGETED 2002-2003	ESTIMATED 2002-2003	ADOPTED 2003-2004
Administrative Services Director	0.5	0.5	0.5	0.5
Accounting Manager	1	1	1	1
Senior Accounting Technician	1	1	1	1
Accounting Technician	1	1	1	1
Senior Account Clerk II	1	1	1	1
Senior Account Clerk	2	2	2	2
Senior Account Clerk (Water Dept.)	1	1	1	1
Account Clerk	0	0	0	1
Office Clerk (Part-Time)	0.75	0.75	0.75	0
Total	8.25	8.25	8.25	8.5

**CITY OF SAN FERNANDO
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DIVISION	DIVISION NO.
Administrative Services – Finance	130

APPROPRIATIONS	ACTUAL 2001-2002	BUDGETED 2002-2003	ESTIMATED 2002-2003	ADOPTED 2003-2004
Personnel Services	\$ 504,770	\$ 443,509	\$ 443,510	\$ 472,240
Operating Expenses	70,641	160,211	236,050	144,000
Capital Outlay	2,760	12,000	37,000	5,000
Total	\$ 578,171	\$ 615,720	\$ 716,560	\$ 621,240

SOURCE OF FUNDS				
General Fund	\$ 578,171	\$ 615,720	\$ 716,560	\$ 621,240
Total	\$ 578,171	\$ 615,720	\$ 716,560	\$ 621,240

Supporting Information

4100	PERSONNEL SERVICES	\$472,240
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Reflects a labor distribution of 50% for the Administrative Services Director plus 8 additional support staff.

4200	OPERATING EXPENSES	\$144,000
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4220	Telephone Expenses.	\$1,000
4260	Contractual Services (For conversion training cost and other services)	\$19,000
4270	Professional Services for:	\$75,000
	Sales Tax audits & analysis	\$7,000
	Property Tax audits & reviews	\$7,000
	Cost Allocation Plan review & update	\$9,000
	City Audit Services	\$43,000
	State Mandated Cost Claims (SB-90)	\$9,000
4300	Department Supplies Various department supplies, such as computer paper, toner, water bills, business licenses, checks, w 2's, computer tapes & disks.	\$22,500
4320	Department Equipment Maintenance Reflects maintenance and licensing of desktop software, telecommunications hardware / software and small office machines.	\$9,000
4360	Personnel Training	\$6,500
4365	Tuition Reimbursement	\$700

**CITY OF SAN FERNANDO
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DIVISION			DIVISION NO.
Administrative Services – Finance			130
4370	Meetings, Memberships & Travel	\$6,300	
	Government Finance Officers Conference	\$1,700	
	League of California Cities /Finance Conference	\$1,500	
	California Society of Finance Officers / Conference	\$1,600	
	EDEN Annual Conference (Accounting Software)	\$1,000	
	CMRTA Annual Conference (Business License)	\$500	
4380	Subscriptions, Dues & Memberships	\$2,000	
	Subscription Dues – CSMFO	\$700	
	Other Dues & Memberships	\$1,300	
4390	Vehicle Allowance & Mileage	\$2,000	
4500	CAPITAL EXPENSES		\$5,000
4500	Financial Software Upgrades	\$5,000	
TOTAL			\$621,240

**CITY OF SAN FERNANDO
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DIVISION	DIVISION NO.
Employee Retirement	180

NARRATIVE

This division is to account for payment of some retirement related costs in the General Fund. These retirement costs include payment to PERS for current employees.

FY 2003-2004 is the fifth year that this division will be used. During previous years, the payments for the retirement costs were made out of the division where the employee was accounted for and where the retired employee was working at the time of their retirement.

Beginning with fiscal year 2001-2002 and continuing with 2002-2003 and 2003-2004, the payment of retired employees health benefits and service charges paid to PERS for their administration of the retired employees health insurance will be paid directly from the Retirement Fund.

Voter approved special tax levy is used to pay for all costs of the City's membership in the Public Employees Retirement System (PERS). The Retirement fund is used to pay for the retired employee's health insurance.

	ACTUAL 2001-2002	BUDGETED 2002-2003	ESTIMATED 2002-2003	ADOPTED 2003-2004
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None

APPROPRIATIONS

Personnel Services	\$ 455,028	\$ 503,248	\$ 900,000	\$ 1,270,450
Total	\$ 455,028	\$ 503,248	\$ 900,000	\$ 1,270,450

SOURCE OF FUNDS

General Fund	\$ 0	\$ 0	\$ 0	\$ 0
Retirement Fund	455,028	503,248	900,000	1,270,450
Total	\$ 455,028	\$ 503,248	\$ 900,000	\$ 1,270,450

Supporting Information

4100	PERSONNEL SERVICES	\$1,270,450
4124	Retirement Costs for PERS	\$1,270,450
TOTAL		\$1,270,450

**CITY OF SAN FERNANDO
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DIVISION	DIVISION NO.
Non-Departmental	190

NARRATIVE

The Non-Departmental budget provides for those activities that are not easily segregated into individual budgets or would cost more to segregate than economically feasible. Such items include, but are not limited to: City Hall telephones, insurance, unemployment charges, computer servicing for non-Police locations, City Hall copy and fax equipment and non-utility mail costs. The budget for the current year reflects an increase in the City's property insurance premium and the subsidy to the Grants fund for payment of the Las Palmas Phase III loan.

In fiscal year 2001-02 various Community Based Organizations (CBOs) were assisted by Council with the financial support budgeted in this division. CBO's assisted included: San Fernando High School, Pueblo y Salud, San Fernando Police Explorers Program, San Fernando Police Reserves Program, Santa Rosa Church Baseball, Valley Family Center, Catholic Charities, Build Rehabilitation, and Morningside School.

During the 2002-2003 fiscal year, the Council also assisted the following Community Based Organizations: East L.A. Classic Theatre, Catholic Charities, Valley Family Center, Friends of the Library, Ms. San Fernando Pageant, Mariachi Master Apprentice, Pueblo y Salud, San Fernando Swim Team, Young Life, Cesar Chavez Activity Book, and the San Fernando Police Explorers Program.

For the 2003-2004 fiscal year, the Council will be assisting the following Community Based Organizations: Comission Femenil - Career Conference and Celebration of Books, El Centro de Amistad, Friends of the Library, Immigration Services of Santa Rosa, Institute for Leadership Development and Education, Mariachi Master Apprentice, Muniz Family Foundation, Northeast Valley Health Corporation, Parents of Murdered Children, Project Teaching Resources and Community Knowledge, Pueblo y Salud, San Fernando Braves Football, San Fernando Civic Association, San Fernando Little League, San Fernando Police Explorers, San Fernando Sharks Swim Team, Santa Rosa Community Center, The Young Senators Program, Valley Family Center, and the Women Advancing the Valley Through Education.

PERSONNEL	ACTUAL 2001-2002	BUDGETED 2002-2003	ESTIMATED 2002-2003	ADOPTED 2003-2004
None				
APPROPRIATIONS				
Personnel Services	\$ 10,585	\$ 12,000	\$ 29,490	\$ 24,338
Operating Expenses	618,412	425,286	507,950	583,000
Capital Outlay	0	18,000	24,150	9,000
Total	\$ 628,997	\$ 455,286	\$ 561,590	\$ 616,338
SOURCE OF FUNDS				
General Fund	\$ 628,997	\$ 455,286	\$ 561,590	\$ 616,338
Total	\$ 628,997	\$ 455,286	\$ 561,590	\$ 616,338

**CITY OF SAN FERNANDO
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FY 2003-2004**

DIVISION		DIVISION NO.
Non-Departmental		190
Supporting Information		
4100	PERSONNEL SERVICES	\$24,338
4111	Bank service charges	\$300
4132	Unemployment Insurance	\$24,038
4200	OPERATING EXPENSES	\$583,000
4220	Telephone	\$45,500
4240	Insurance & Surety Bonds-Reflects costs for Property & Earthquake insurance, Employee blanket surety bonds.	\$200,000
4250	Rents and Leases	\$1,100
4260	Contractual Services-misc. contractual services i.e. special audits.	\$35,000
4270	Professional Services Computer network maintenance \$46,000 Eden Systems-licensing \$20,000	\$66,000
4280	Office Supplies for City Hall.	\$19,000
4300	Department Supplies-Citywide supplies i.e. postage, computer & fax supplies, xerox & maintenance supplies, and postage for newsletters.	\$30,000
4320	Department Equipment Maintenance for Konica and Lanier Copy machines.	\$24,000
4360	Personnel training.	\$2,000
4380	Subscription Dues and Memberships to League of Calif. Cities and Southern California Association of Governments.	\$10,000
4430	Activities & Programs, which include the Employee Recognition Dinner @ \$5,000 and Community based Organization Assistance @ \$75,000.	\$80,000
4435	Bank service	\$400
4901	Transfer to Grants Fund to subsidize loan repayment.	\$70,000
4500	CAPITAL EXPENSES	\$9,000
4500	Reflects the purchase of a web site server and other ancillary capital related to the City's web-site. The total cost of the equipment, \$18,000, was split among two years.	\$9,000
TOTAL		\$616,338