

**FISCAL YEAR 2022/23 ANNUAL WORK PROGRAM  
FINANCE DEPARTMENT**



May 25, 2022

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## **EXECUTIVE SUMMARY**

### **FY 2021/22 Coronavirus Pandemic**

The COVID-19 pandemic continued into FY 2021/22 with the resurgence of COVID-19 through the "Delta" and "Omicron" variants. As a result, for the safety of employees and the public, staff were allowed to continue to work from home, except as required to perform essential functions that could not be performed remotely. During times when the Santa Barbara County Public Health Department reported surges in COVID-19 cases locally, public counters were closed, and public meetings were conducted by videoconference. Library operations were also transitioned to sidewalk service temporarily while rates of COVID-19 transmission were at all-time highs.

However, during this time the City continued to adapt to the remote business environment and successfully ran a "remote city" for a significant portion of the year. Staff installed new technology, streamlined processes, and improved workflows to smoothly transition to the remote office environment, and in so doing in some instances expanded services and productivity. Beginning in July 2021, the City began to fill positions that had been held vacant as part of a citywide hiring freeze during the first year of the pandemic and also added new positions in response to an increasing volume of work and demand for services, resulting in an unprecedented wave of hiring. The details of staffing activity will be described in the respective Work Programs of each department.

FY 2021/22 is coming to a close amid a drop in COVID-19 cases and a lifting of the mask mandates instituted by the State of California and the Santa Barbara County Public Health Officer. With this change in pandemic conditions and precautions, the City of Goleta began returning to in-person operations while still maintaining hybrid in-office/remote schedules for staff, remote meeting participation options for the public, and the improved and virtual processes and software that were made available during the pandemic. This should allow the City to remain flexible and adapt to future changes in the public health situation, as necessary.

### **Introduction and Purpose**

This FY 2022/23 Annual Work Program summarizes projects and work efforts proposed for the Finance Department for the upcoming fiscal year, considering both ongoing, existing commitments and potential new projects. It is intended to provide the City Council with an overview of the current work of the Finance Department and an opportunity to consider and give direction concerning future work. The Annual Work Program creates a regular mechanism for Council to share ideas for new work efforts and discuss the work priorities. It furthermore is intended to serve as a basis for upcoming budget plan development on an annual basis.

## **Role of the Department**

The Finance Department oversees the financial operations of the City and is responsible for the overall financial system to ensure the integrity of the City's finances through accurate planning and recording of transactions, including providing superior financial services, maintaining the public trust, and promoting governmental efficiency, effectiveness, and accountability. The department facilitates optimal use of resources, implements control measures, and establishes policies and procedures aimed at accurately accounting for, safeguarding and maximizing the value of the City's assets to meet the goals of the organization. The department is led by the Finance Director who also serves as the City Treasurer. The Finance Director leads a team of nine full-time employees, ensuring management and the City Council are informed of all matters affecting the financial stability of the City. The Finance Department has received financial publication awards for the City of Goleta, for its Comprehensive Annual Financial Report (Annual Report) and Two-Year Budget Plan. Finance continues to ensure that its reporting meets the rigorous criteria and program standards established and administered by the Government Finance Officers Association.

The Finance Department consists of the following core functions:

- Finance Administration
- Accounting Services
- Budget Management
- Payroll
- Treasury Business Licenses and Permits
- Purchasing

A general overview of each core function is described below.

### **Finance Administration**

Finance Administration provides leadership to the five other areas of Finance, including establishing financial policies and procedures, internal controls, managing consultant contracts and relationships, and day-to-day oversight of the department and its functions. Administration oversees the department's objective to accurately record and report the financial transactions to reflect the City's financial position within the state and federal laws and generally accepted accounting principles.

### **Accounting Services (Financial Reporting, General Ledger Management, Accounts Payable)**

Accounting is responsible for the maintenance of an effective financial accounting system, which accurately reflects the financial operations of the City through transparent financial reporting and offers a framework for financial planning and analysis. Accounting includes working with our independent auditors, internal audits, accounts payable, processing all

City disbursements, managing the City's general ledger, capital assets, monitoring special revenue funds, and other general and specialty accounting and reporting duties. Accounting provides support to all departments.

### Budget Management

Budget Management is responsible for coordinating and preparing the two-year budget plan, mid-cycle budget, five-year financial forecast, long range financial plan, including producing financial analysis for City staff, management and City Council so decision makers have a comprehensive understanding of the financial consequences of decisions. Budget includes ongoing review of the City's budget, monitoring the City's overall financial position and preparing budget reports.

### Payroll

Payroll administers the City's payroll system, from oversight of timecard data entry through processing salary and benefit payments. Payroll ensures that all payroll and vendor records are maintained and reported in accordance with federal and state tax laws, including compliance with CalPERS reporting and fair labor standards act (FLSA) overtime provisions. Beginning in the third quarter of Fiscal Year 2022-23, the Finance Department will be assuming additional functions and direct support that is needed for timely preparing, processing and reconciliation of payroll and employee fringe benefits. These complex numerical functions were historically assigned to Human Resources but are more appropriately and effectively performed by Finance staff.

### Treasury

Treasury is responsible for billing and revenue collection services, including tax administration, to both customers and other departments. Treasury also manages the City's investment program and debt administration. Treasury monitors cash flow daily and cash flow projections and is responsible for the preservation, enhancement, and accountability for cash assets and long-term debt management city-wide.

### Business Licenses and Permits

Business Licenses and Permits is responsible for processing general business license applications in coordination with other departments. This includes additional compliance reviews with specialty licenses such as with live scans, tobacco licenses, cannabis business licenses and short-term vacation rentals.

### Purchasing

In the new fiscal year, Finance staff will be working on transitioning the core Purchasing functions to the newly created General Services department. Purchasing is responsible for overseeing and implementing the City's purchasing ordinance and assisting departments with their procurement needs while meeting all applicable legal requirements. Purchasing assists with review and approval of Purchase Requisitions and

issuing Purchase Orders. Purchasing is also responsible for assisting departments with surplus and disposal of City property. Finance staff will still be involved with Purchasing on an ongoing basis but will shift to a general support, compliance and budgetary role. At the time of the reorganization, the Purchasing function was identified by Finance staff as one of the City’s significant functional areas that lacked adequate focus, which is one of the reasons it was recommended to be moved to the new General Services Department. Therefore, as the transition happens, staff capacity in Finance is not anticipated to be freed up, but the organization will benefit from increased compliance and faster turnaround of purchase orders and contracts.

**Finance Department Staffing and Organizational Structure**

For FY 2021/22, the Finance Department added two new positions, an Accounting Specialist (Treasury) and a Management Assistant to help address the ongoing increased support needed and workload capacity issues. The Accounting Specialist position was filled earlier in the fiscal year and the Management Assistant was filled in late January 2022. On May 17, 2022 an Accounting Specialist (Payroll Specialist) position was approved as part of the FY 21/22 Third Quarter Financial Review to start recruitment efforts now and hire as soon as possible to help support and keep up with growing payroll and benefits processing activities. This report has been updated to reflect the additional position. When all positions are filled, the Finance Department is comprised of ten full-time equivalents (FTEs):

**Table 1: Finance Department Current Staff Levels**

<b>POSITION TITLE</b>	<b>FULL-TIME (FTE)</b>	<b>PART-TIME (FTE)</b>
Finance Director	1.00	-
Accounting Manager	1.00	
Accountant	2.00	
Budget Analyst	1.00	
Management Assistant	1.00	
Accounting Specialist	2.00	
Accounting Specialist (Payroll Specialist)	1.0	
Sr. Office Specialist	1.00	
<b>TOTAL FTE</b>	<b>10.00</b>	<b>0</b>

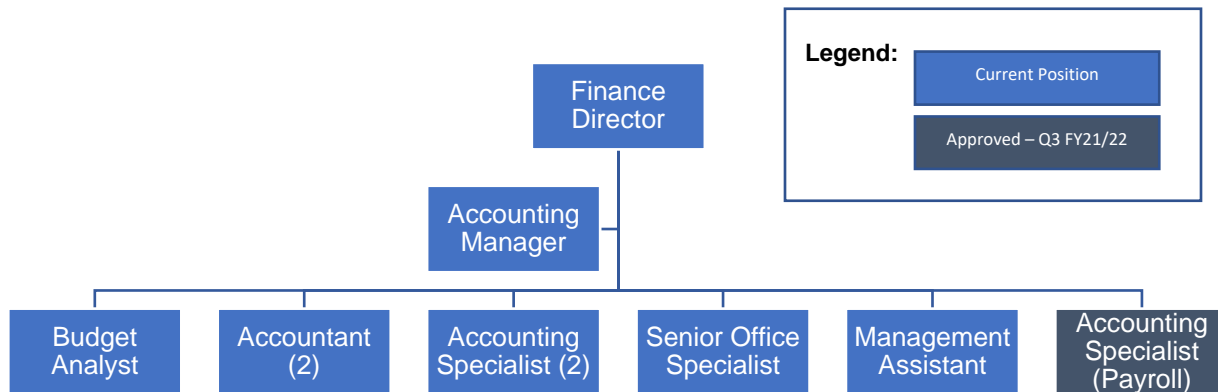
The Finance Department also has an hourly Finance Intern position, which is currently vacant.

In addition to full-time staff, the Department is supported by consultants on both an ongoing basis and an as needed basis to conduct the objectives of the department. The services provided by consultants include the following: Property tax and sales tax analysis

and audit services; cannabis consulting services (including monitoring and compliance and tax audits); actuary services; municipal financial advisory services; audit and financial reporting services; investment services; and financial consulting services.

The organizational chart for the Finance Department is provided in Figure 1 below:

**Figure 1: Finance Department Structure**



\*Finance currently has two Accounting Specialists, with one specialized in Accounts Payable and the other with Cash Collections and Accounts Receivables. The new Accounting Specialist will be dedicated to payroll.

Staffing Changes Requested for FY 2022/23

Finance staff have been actively monitoring ongoing workload, backlog of work with current programs, new programs and staffing levels. Two new full-time positions (2.0 FTE) have been identified as a priority need to provide support to the department to the rest of the departments, including supporting future management of the Goleta Community Center and have been requested for FY 2022/23<sup>1</sup>. These positions include:

- an Accounting Supervisor, and
- an Accounting Specialist (Accounts Payable).

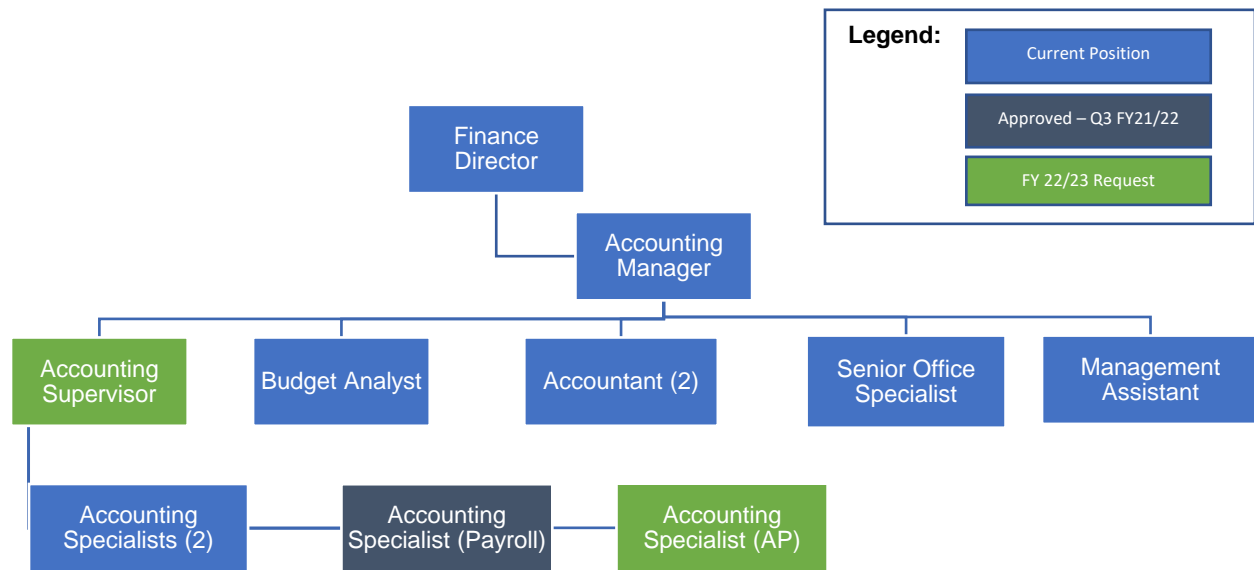
The Accounting Supervisor position is needed to provide direct supervision, leadership and technical accounting guidance and support over accounts payable, treasury functions, and payroll. This position will be filled by an experienced leader that can provide direction and guidance to staff and also perform the full range of technical work. This position will help relieve the supervisory workload of the Accounting Manager, who currently has seven direct reports, allowing the Accounting Manager and Finance Director

more capacity to address the ongoing management-level workload and a backlog of work. This position will supervise four staff.

The Accounting Specialist (Accounts Payable) position is needed to help support the overall accounts payable functions, invoice review, audit checks, processing, invoice management and scanning. As discussed in Workload Considerations, below, the AP functions have been growing steadily over the years and will be further impacted by the addition of Community Center management and initiating the transition to ACH or electronic vendor payments. Accounts Payable is currently staffed with one primary Accounting Specialist and has been receiving general support from two other staff, taking those staff away from other core accounting and budget duties.

The organizational chart for the proposed positions is provided in Figure 2 below:

**Figure 2: Proposed Finance Department Structure – FY 22/23**



**Workload Considerations**

The Finance Department provides support to all departments in addition to its core operating functions. Finance workload capacity is directly impacted by activity of other departments, including when departments incur new staff positions, programs, projects, or have increases to workload volume. As the projects, initiatives, activities, number of

employees and number of consultants increase in other City departments, it directly impacts Finance Department's workload and other support departments.

The increased workload includes staff time associated with review, internal audits, processing, reconciliation of funds, and department support as it relates to financial reporting, accounting transactions and payroll. Staff workload is also impacted as unplanned events occur, changes in process are made, or new software is implemented that may require new financial oversight and reconciliation efforts. It should be noted that staff had identified pre-existing workload capacity issues prior to the COVID-19 pandemic, primarily due to increases in volume in various activities. As with all City departments, the pandemic has added an additional layer of workload and will potentially continue to impact Finance as new work efforts, programs and grant funds related to pandemic response arise.

The following is a summarized list examples of new departments, programs and major activities over the last several years that have impacted staff's workload, leaving limited capacity for new work efforts without new staff.:

- In FY 2018/19, the City assumed direct management and operations of the Goleta Library and implemented the cannabis business license program. The cannabis program included overseeing its ongoing monitoring and compliance function and working with its consultant. Additionally, cannabis business tax revenues started to be remitted, resulting in a new ongoing revenue source to administer and audit.
- In FY 2019/20, the City assumed direct management and operations of Buellton and Solvang libraries, pursued major CIP projects, enhanced its investment program, pursued debt financing activities for purchase of the City Hall building and refunding RDA successor agency bonds, transitioned business license processing to the electronic permitting tracking software, migrated its financial system to Incode 10 with cloud based hosting, and transitioned numerous processes to be conducted electronically and remotely due to the COVID-19 pandemic.
- In FY 2020/21, cost reduction strategies were implemented including a temporary hiring freeze. To continue with operations, staff focused on high priority items and working overtime when necessary to ensure core responsibilities were maintained and deadlines were met. The City's transition to an electronic invoice review system, while creating efficiencies, resulted in additional centralized tasks in the Finance Department involved with scanning and matching invoices in the financial system and interacting with departments and vendors. In addition, the American Rescue Plan Act of 2021 (ARPA) provided the City with \$5.9 million through the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program.
- In FY 2021/22, with the department reorganization, Finance staff assumed certain responsibilities previously performed by Neighborhood Services, including RDA Successor Agency coordination and City business license and specialty license

review and approval. Finance is now fully in charge of cannabis business license approval, including scheduling and conducting pre-license and ongoing annual site inspections with consultants and public safety personnel, review of completed cannabis packet and live scans, and monitoring active employee lists for each cannabis business. Finance also assumed some additional payroll and employee benefit duties that had been performed by Human Resources.

- In FY 2022/23, the City will assume management of the Goleta Community Center and Finance will need to support its financial operations. In addition, as we start transitioning AP vendors to be paid by ACH or electronic payment, rather than being mailed a physical check, staff will need to oversee this new service and provide greater oversight and auditing of vendor banking information. Should there also be a new tax measure that moves forward to the voters, a new tax revenue source and priority spending plan will need Finance support.

To demonstrate some of the growth of the City and workload, staff has compiled data and summarized a few key workload indicators to show the growth and changes since FY 15/16 in the table below.

**Table 2: Workload Indicators**

<b>Workload Indicators</b>	<b>FY 15-16</b>	<b>FY 16-17</b>	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>	<b>FY 20-21</b>	<b>FY 21-22</b>	<b>FY 22-23 Projections</b>
Number of Finance FTE	6.00	6.00	6.00	7.00	7.00	7.00	10*	12.00
Number of Citywide FTE	65.00	66.00	73.68	74.93	88.43	89.425	100.025	115.025
Total W2's Issued	74	84	94	116	128	117	131	131
AP Payable Count	4,348	4,727	4,402	5,105	5,035	4,848	5,128	5,200
Number of Purchase Orders	340	379	400	502	500	738	751	760
Number of Business Licenses Issued	2,356	2,341	2,315	2,464	2,450	2,211	2,189	2,200
Number of Active Cannabis Business Licenses	0	0	0	1	7	12	13	17
Number of STVR Operating	3	5	21	23	31	23	30	30
Number of City Invoices (A/R) Issued	86	111	94	104	115	98	76	80
Number of Credit Card Revenue Transactions	475	517	575	634	1,020	2,540	2,570	2,600
Number of Funds	30	32	36	42	48	53	57	58
Number of Unique Vendors Paid	515	537	530	556	571	531	643	650

\*Number of Finance FTE in FY 21-22 includes recently approved Accounting Specialist (Payroll Specialist) position on May 17, 2022.

Without additional staffing, there will continue to be ongoing instances of deferred work efforts or incomplete tasks as staff's capacity is stretched thin with competing priorities

and responding to unanticipated issues that arise. This also directly affects staff's ability to take on any new challenging projects or support departments in the long-term.

As the Annual Work Program looks ahead to the upcoming fiscal year, it assumes a total of 10.0 FTE's available, and identifies FTEs to perform its core functions, and estimates staff's available capacity and estimated FTE needed to take on those work efforts.

**Projects & Programs/Ongoing Work Efforts**

Table 3 summarizes the ongoing work efforts of the Finance Department and Table 4 below lists ongoing work efforts within the current scope of the Department in more detail. These tables do not include unplanned work or ad-hoc projects and do not include all work efforts of the department.

The list is summarized and includes primary ongoing work efforts carried throughout each fiscal year. FTEs are estimated for each of the core functions of the department.

*FTEs were based on a comprehensive time estimate model by position and current duties. The model considers ongoing tasks on a daily, weekly, monthly, quarterly and annualized basis. Any one-time tasks are removed, and it does not consider any emergency related work efforts or other unanticipated issues involving Finance. It does not account for any new work efforts, projects, programs or new grants in other departments that will have an impact to Finance staff.*

**Table 3: Summary of Ongoing Work Efforts by Function**

SUMMARY OF FINANCE DEPARTMENT (ONGOING FUNCTIONS)	STAFF FTE
TOTAL DEPARTMENT STAFF AUTHORIZED	10.00
Finance Administration	2.30
Accounting Services (Financial Reporting, GL management)	1.76
Accounting Services - Accounts Payable	1.11
Payroll	1.81
Budget Management	1.51
Treasury	1.68
Business Licenses	1.89

<b>SUMMARY OF FINANCE DEPARTMENT (ONGOING FUNCTIONS)</b>	<b>STAFF FTE</b>
Purchasing	0.62
<b>TOTAL CURRENT STAFF SUBSCRIBED</b>	<b>12.68</b>
<b>PROJECTED AVAILABLE CAPACITY</b>	<b>-2.68</b>

**Table 4: Detail - Current Projects and Programs and Ongoing Work Efforts**

The following table shows the work efforts summarized above in Table 3 in greater detail.

<b>CURRENT ONGOING WORK EFFORTS, PROJECTS AND PROGRAMS</b>	<b>STAFF FTE</b>
<b>FINANCE ADMINISTRATION</b>	<b>2.30</b>
Provide management support and oversight of all finance functions, including supervision of department staff.	
Oversee staff development, including conducting performance evaluations and recommending training opportunities.	
Conduct weekly finance team meetings, other internal staff meetings as needed, and attend meetings with other local government agencies.	
Participate in weekly E-team meetings, monthly CIP meetings, and coordinate and schedule meetings with consultants, including sales and property tax meetings, audit meetings, and actuary meetings.	
Review and audit all financial transactions, including check requests, invoices, electronic transfers, wire transfer requests, budget adjustment requests, and journal entry requests.	
Oversee and manage department's budget, including development of Annual Work Program.	
Manage contracts and relationships with department consultants and serve as project manager, including oversee Finance Department's Request for Proposal process.	
Oversee and coordinate annual financial audit, street audit, and gas tax audit. Review and approve all final financial reporting documents.	
Assist with federal and state grant compliance audits, FEMA and CalOES.	
Oversee citywide financial policies and procedures, including, accounts payable, accounts receivable, budget amendments, cash handling, credit cards, donations, travel, purchasing, surplus and disposal, escheatment	

<b>CURRENT ONGOING WORK EFFORTS, PROJECTS AND PROGRAMS</b>	<b>STAFF FTE</b>
and write-offs. Assess internal controls and recommend changes to processes, as necessary.	
Review and sign-off for retention period or disposal of Finance Department's files in accordance with file retention policy.	
Keep updated with new and ongoing changes with government finance and accounting and attend conferences and trainings to ensure compliance with new GASB statements and other reporting requirements as required by state or federal law.	
Oversee and manage City's Investment Program	
Oversee and manage City's Debt Management Program.	
Oversee Cannabis Business License Program, including application process, forms, site inspections, tax collections, and ongoing monitoring and compliance.	
Oversee Short-Term Vacation Rental Program, including review of all applications and signing off on tax certificate.	
Oversee City's Master User Fees and Charges Schedule, including assisting with Development Impact Fee Schedule	
Oversee City's liabilities, including CalPERS pension and OPEB liabilities. Review all actuarial reports and manage relationship with consultants and actuaries.	
Participate in SEIU negotiations and prepare contract cost analysis.	
Provide financial updates for the Weekly Update.	
Provide administrative support to the Finance and Audit Standing Committee, including preparing agendas and packets.	
Provide final review on all Finance Department's staff reports, including monthly check registers, monthly investment transaction reports, quarterly financial reports, quarterly treasure's report, annual budget plan, comprehensive annual financial reports, and annual state controller reports.	
Review all citywide staff reports for fiscal impacts and provide support on budget recommendations.	
Participate and prepare presentation of information for Goleta's Annual LEAD program as it relates to Finance.	
Respond to public, other local agency, and vendor inquiries.	
<b>ACCOUNTING SERVICES (FINANCIAL REPORTING, GL MANAGEMENT)</b>	<b>1.76</b>
Financial software account maintenance and review.	
General ledger updates, including preparing journal entries.	
Year-end schedules, journal entries for audit and closing fiscal year, including Schedule of Expenditures of Federal Awards for Single Audit,	

<b>CURRENT ONGOING WORK EFFORTS, PROJECTS AND PROGRAMS</b>	<b>STAFF FTE</b>
revenue and expenditure accruals in accordance with GAAP, and compensated absences schedules and other liabilities.	
Coordinate and communicate with City's independent auditors. Gather data and files for auditor review and provide statements and detail overview of City processes.	
Maintain and manage capital asset schedules, including calculating depreciation expense and working with other City departments to assign useful lives to new assets.	
Reconcile reserve accounts and fund balances, budgetary and actual basis, including grant reconciliations.	
Prepare Comprehensive Annual Financial Reports and submittal to GFOA for Certificate of Achievement for Excellence in Financial Reporting Program.	
Prepare and review required State Controller Reports, including Financial Transactions Reports, Street Report and Government Compensation Reports.	
Provide financial analysis support.	
Maintain and assign project tracking account codes.	
Reconcile developer deposit account reconciliations balances and prepare report on a quarterly basis to Finance Committee.	
Manage Performance Bond Schedule, and other liabilities, including prepaid and deposits.	
Conduct internal audits, including cash audits, fee calculations, and contract rates and amounts. Provide findings and guidance.	
Provide guidance and support to all departments on all financial related procedures.	
Assist and review Successor Agency to the Redevelopment Agency for the City of Goleta annual ROPS schedule. Confirm RPTTF activity and fund balance that may exist.	
Perform timely monthly bank reconciliations.	
Monitor uncashed checks and deposit accounts with no activity and oversee escheatment process.	
Monitor aging accounts receivable and recommend write-offs according to policy.	
Reconcile other City software that contains financial information to City's financial system.	
<b>ACCOUNTING SERVICES – ACCOUNTS PAYABLE</b>	<b>1.11</b>
Receive and review invoices, including invoice routing to departments daily. Flag invoices if necessary.	

CURRENT ONGOING WORK EFFORTS, PROJECTS AND PROGRAMS	STAFF FTE
Scan and prepare invoices in DocuSign and electronically route for signature, including utility invoices and non-PO/PO invoices.	
Review incoming DocuSign envelopes from other departments for invoice accuracy.	
Export electronically signed invoices to PDFs, upload in Incode 10, data entry, and review coding.	
Travel Claim Reimbursements, in accordance with travel policy, and annual updates to form.	
City credit card transactions, including overseeing the Cal-Card program, ensuring compliance with policy.	
Assist departments with invoice issues, including revised invoices, no receipts, or liquidating purchase orders.	
Sales and use tax audit on all invoices.	
Print check register and hard checks for mailing to vendors including special check runs for emergencies.	
Citywide petty cash management.	
Provide customer service to departments and vendors.	
Oversee positive pay (check disbursement) reports and upload to bank's website every week.	
Prepare monthly check register report for Legistar.	
Monthly schedule of late invoice payments.	
Track consultant expenditures on as needed basis, such as cannabis consultant charges and related business license applications.	
Generate and mail annual 1099's to applicable vendors.	
SMIP/Green Fee Reconciliation and Payment Remittance.	
<b>PAYROLL</b>	<b>1.81</b>
Perform audit and data entry of timesheets on a bi-weekly basis, including reconciling payroll changes, deductions, and specialty pay.	
Initiate tax payments and issue quarterly and annual compensation reports.	
CalPERS bi-weekly reporting, and specialized reporting as needed.	
Provide COBRA administration support.	
Monitor payroll tax law in conjunction with Human Resources.	
Maintenance of payroll system in conjunction with Human Resources.	
Provide customer service to all City employees, departments, including time entry training and special adjustments.	
Monitor tracking only and project accounting codes.	
Employee earnings statements and annual W2's.	
Prepare payroll related journal entries.	

<b>CURRENT ONGOING WORK EFFORTS, PROJECTS AND PROGRAMS</b>	<b>STAFF FTE</b>
Tax reporting and retirement plan payments.	
Payroll processing, including assembling payroll binder and bank transfer payment.	
Manage calculations of regular rate of pay and special payroll for retro adjustments or other extraordinary items.	
Reconcile employee time tracking in MAGNET Permit Tracking System to Incode Payroll.	
<b>BUDGET MANAGEMENT</b>	<b>1.51</b>
Manage the City's budget process, including development of budget calendar, request forms, and schedules.	
Publish City's Two-Year Budget Plan under GFOA criteria and submit bi-annually for distinguished budget presentation award.	
Publish Mid-Cycle budget document.	
Manage and update Five-Year Forecast, including tax revenue and expenditure assumptions.	
Manage and update Long Range Financial Plan.	
Provide updates to City Council and departments on economic and financial conditions and policy issues affecting budget.	
Provide ongoing budgetary guidance and support to all City departments.	
Review all year-end carryover budgets and manage schedule of adjustments.	
Manage personnel budgeting, including fiscal impact analysis of personnel changes, calculating fully burdened hourly rates, and Schedule of Authorized Positions.	
Draft Quarterly Financial Reports.	
Update cost of service analysis for providing library management services and assist with preparing library budgets for Buellton and Solvang.	
Prepare ad-hoc budget reports and financial analysis at department requests.	
Update budget policies and provide ongoing support to departments.	
Manage all budget adjustment and appropriation request forms.	
Annually update City Cost Allocation Plan.	
Annually prepare and oversee special tax rolls for Library Special Tax and Street Lighting Tax.	
Calculate annual GANN appropriations limit.	
<b>TREASURY (REVENUE, CASH, INVESTMENT AND DEBT MANAGEMENT)</b>	<b>1.68</b>

<b>CURRENT ONGOING WORK EFFORTS, PROJECTS AND PROGRAMS</b>	<b>STAFF FTE</b>
Prepare monthly investment reports and quarterly treasury reports to Finance Committee and City Council.	
Reconcile investment transactions, including retrieving fair market values for reporting requirements on a monthly basis.	
Perform daily cash flow reconciliations and manage cash flow balance sheet.	
Review and assist departments with controls and procedures for cash receipting and checks.	
Audit cash registers, petty cash and change funds and provide findings.	
Monitor and track of all revenues on a cash and accrual basis.	
Operate daily cashing functions, receipting and processing.	
Centralized treasury office, including daily cashing, receipting, collecting payments and deposits from other departments.	
Coordinate courier pick up services.	
Accounts Receivable, including generating invoices for all departments, managing aging schedule and pursuing collection efforts.	
Annually review and adopt City's Investment Policy and Procedures and Debt Management Policy.	
Debt management transaction support, including Successor Agency RDA related payments.	
Prepare journal entries to reflect transfers of cash, including investments, processing payroll or receiving funds electronically.	
Close out cash collections daily, and prepare cash collections binder with backup	
Administer the collection and audit of Transient Occupancy Tax, Tourism Business Improvement District assessments.	
<b>BUSINESS LICENSES AND PERMITS</b>	<b>1.89</b>
Assist with the Business License Program, including customer support, routing, reviewing, printing, mailing, filing, and updating application forms.	
Manage the Short-Term Vacation Rental Permit Program.	
Manage the Cannabis Business License Program, including application process, scheduling, intake, reviewing, routing, site inspections and ongoing monitoring and compliance. Issue final approval.	
Review and collect all live scans needed for specialty business licenses for compliance.	
Provide final review and approval for all general business licenses and specialty licenses and collecting and remitting fees associated with tobacco licenses.	

<b>CURRENT ONGOING WORK EFFORTS, PROJECTS AND PROGRAMS</b>	<b>STAFF FTE</b>
Process business license delinquency notices and initiate collection efforts for past due accounts, including notifying Code Compliance Officers.	
Coordination with County Fire, City Code Compliance and review of other outside sources, including review of newly issued state seller permits and publications for identifying unlicensed businesses.	
<b>PURCHASING</b>	<b>0.62</b>
Assist departments with training or guidance on purchasing procedures.	
Review and approve contracts up to Purchasing Officer authority (\$10k).	
Review all purchase requisitions and backup provided, including contracts and budget, in accordance to Purchasing Ordinance.	
Work with staff and departments with manual overrides due to timing of adjustments or emergencies.	
Oversee the City's procurement process and recommend changes and forms, if necessary.	
Maintain purchase order records by electronic log and hard copy files with backup. Provide copies of files when requested.	
Surplus and disposal, including forms and review for compliance. Recommend mechanism for surplus or disposal, and coordinate with Accountant on capital assets schedule.	
Vendor management: Review and setup all new vendors in financial system, including updates to vendor information per City's vendor management policy.	
<b>TOTAL FTE SUBSCRIBED</b>	<b>12.68</b>
<b>TOTAL DEPARTMENT STAFF</b>	<b>10.00</b>
<b>CURRENT AVAILABLE CAPACITY*</b>	<b>-2.68</b>

### **Key Accomplishments and Project Milestones**

Over the past fiscal year, the Finance Department can point to several complete and near-complete initiatives. The following table summarizes the accomplishments and estimated completion date if applicable.

**Table 5: Key Accomplishments and Project Milestones, FY 2021/22**

<b>PROJECT</b>	<b>STATUS</b>
Create new fund and accounts to track CARES Act Funding and provide ongoing data reporting to the Department of Finance for compliance.	Completed July 2021

PROJECT	STATUS
Assist with CalOES Desk Compliance Assessment review on past emergency projects, draft corrective action plan and worked with departments on federal contract provisions.	Completed July 2021
Completed Full Cost Allocation Plan and Comprehensive User Fee Study and adopted updated citywide user fees that include building and safety fees	Completed August 2021
Conducted seven Cannabis compliance inspections for those operating at least a year with cannabis consultants.	Completed September 2021
Adopted annual investment Policy within first quarter of new fiscal year	Completed September 2021
Updated process on electronic invoice workflow, utilizing Teams.	Completed November 2021
Completed updated OPEB retiree health actuary report for FY 20/21.	Completed November 2021
Assisted with finalizing City Hall Solar Financing and Loan Repayment.	Completed November 2021
Assisted with review of RFPs and interviews resulting in award contract to develop updated Economic Development Strategic Plan.	Completed December 2021
Assisted with fiscal impacts and labor costing related to new MOU.	Completed December 2022
American Rescue Plan Act Funds Spending Plan Workshop and Revenue Loss Calculation.	Completed January 2022
Complete FY 20/21 Financial Audit and submit Annual Comprehensive Financial Report to GFOA. Received unmodified opinion.	Completed February 2022
Completed initial Section 115 Trust Funding Transfer for Pension and OPEB.	Completed February 2022
Updated general ledger to reflect new General Services Department and new programs as part of the City Hall Reorganization. Will continue to update.	Completed February 2022
Reviewed and evaluated fiscal impact of Goleta Community Center. Impacts will continue to be evaluated.	Completed February 2022
Prepare and submit the Final Two-Year Budget Plan for FY 21/22 & 22/23 to GFOA	Completed March 2022
Update cost of service model for library management fees with cost allocation plan data.	Completed March 2022

PROJECT	STATUS
Worked with consultants on reviewing its Cannabis Program and Cannabis Tax Rate Analysis and held a City Council Workshop	Completed March 2022
Worked with consultants on evaluating revenue enhancement options and held Revenue Enhancement Options Workshop	Completed March 2022
Hired three new Finance staff and returned staff to on-site work	Completed March 2022
User Fee and Charges Update	Completed April 2022
Assisted with TBID assessment update	Completed April 2022
Complete FY 20/21 Single Audit	In process- Anticipate completion May 2022
Issue RFP and solicit proposals for OPEB (retiree health) GASB 75 actuarial services for next three fiscal years, and award contract	In process - Anticipate completion June 2022
Prepare final Mid-Cycle Budget Update for FY 22/23 and updated General Fund 5 Year Forecast	In process - Anticipate completion June 2022

**Upcoming and Potential New Work Efforts, Projects, and Programs**

The Finance Department will continue to support the ongoing work efforts, projects, programs, and initiatives throughout FY 2022/23 as described above in addition to any new ongoing support that is required of our department derived from all other City departments. There are several ongoing work efforts that began in FY 2020/21 or FY 2021/22 and will continue into FY 2022/23. These items are arranged in chronological order according to their estimated completion date. Staff has identified the estimated FTE associated with each item.

In addition, staff has recognized new work efforts, projects and programs that are currently on Finance’s radar. These items have been marked with a “TBD” designation in the estimated completion column and are dependent upon the completion of other work efforts. Staff is seeking Council approval to add these items to the Department’s work program and will prioritize its resources to complete its current projects to free up capacity to take on new additional projects and work efforts as the fiscal year progresses.

*FTEs are based on a comprehensive time model by positions in Finance. Staff evaluated the individual tasks and the positions that would be involved in completing the tasks. The tasks marked with “N/A” are associated with ongoing annual major work efforts such as with the annual audit and annual budget. Staff included those items in the list for reference to show targeted completion dates since they are major work efforts of the department.*

The FTEs for annual audit and budget are already accounted for in the FTE count and were removed to not be double counted.

**Table 6: Upcoming and Potential New Work Efforts, Projects and Programs**

UPCOMING AND POTENTIAL NEW WORK EFFORTS, PROJECTS AND PROGRAMS STARTING IN FY 2022/23	EST. COMPLETION	STAFF FTE
<b>TOTAL DEPARTMENT STAFF</b>		<b>9.00</b>
<b>CURRENT STAFF SUBSCRIBED</b>		<b>11.90</b>
Assist with reporting compliance related to the American Rescue Plan Act (end of calendar year 2024)	Ongoing through December 2024	0.13
Phase 1 – STVR Program - Award contract for STVR ongoing monitoring and compliance, including review and analysis of the short-term vacation rental program and implement the resulting compliance process.	July 2022	0.13
Cannabis ordinance and resolution updates. Ordinance to change retail operation hours and resolution to adjust tax rates.	August 2022	0.14
Assist with potential new transaction and use tax measure draft priority spending plan, including drafting policy and procedures.	August 2022	0.17
Transition Short-Term Vacation Rental Application Process to permit tracking software system (MAGNET)	September 2022	0.10
Submit City's Investment Policy to CMTA for certification.	September 2022	0.09
Adopt Investment Policy and Funding Policy for Section 115 Trusts and draft procedures.	September 2022	0.13
Implement new GASB Statement No. 87 on accounting for Leases with auditors. Requirement is effective for fiscal years beginning after June 15, 2021. City will be reporting in FY 21/22 financial statements.	September 2022	0.08
Issue RFP for new independent auditors for a 3 year contract, including interview and award contract.	November 2022	0.19
Transient Occupancy Tax (TOT) Audit Policy and Procedures and procure contract for TOT auditing services.	November 2022	0.15

UPCOMING AND POTENTIAL NEW WORK EFFORTS, PROJECTS AND PROGRAMS STARTING IN FY 2022/23	EST. COMPLETION	STAFF FTE
Assist CMO and HR with review of defined contribution plan options (Plan 457b) to further diversify investment options for staff and ensure fiduciary duty is met. (In process of renegotiating, temporarily on hold.)	November 2022	0.09
Evaluate the business license review and issuance process and current ordinance and recommend changes or updates to the ordinance to streamline review process without compromising safeguards.	December 2022	0.11
Assist with finalizing financing options for Fire Station No. 10.	December 2022	0.19
Centralize finance forms and policies for department use.	December 2022	0.13
Evaluate reserve categories and consider recommending needs of other categories to limit ongoing financial risk, such as with true-up costs associated with sheriff contract, or specific capital replacement, building and facility maintenance.	December 2022	0.19
Evaluate fiscal and staff impacts with Goleta Community Center and prepare for transition of management January 2023. Establish policy and procedures on accounting for transactions related to facility and establish new accounts and funds.	December 2022	0.19
Evaluate and recommend debt financing options for unfunded high priority infrastructure projects. Will be dependent upon new revenue source, such as tax measure.	January 2023	0.11
Develop and implement citywide Project Accounting Policy and Procedures.	January 2023	0.13
Potential new transaction and use tax measure setup and implementation for FY 23/24.	January 2023	0.17
Transition City invoicing process to Incode 10's new Accounts Receivable module.	February 2023	0.13
Develop and maintain citywide revenue manual that documents revenue sources, data points and factors relevant to present and future levels.	February 2023	0.17
Update City's Developer Deposit Policy and Procedures and other City deposit programs, such as with parks and special events.	March 2023	0.21

<b>UPCOMING AND POTENTIAL NEW WORK EFFORTS, PROJECTS AND PROGRAMS STARTING IN FY 2022/23</b>	<b>EST. COMPLETION</b>	<b>STAFF FTE</b>
Perform fiscal analysis and develop five-year forecast model on ongoing Special Revenue Funds that are a part of the City's operating budget such as street lighting, solid waste, and library.	March 2023	0.18
Implement User Fee Study's fee recommendations, including adoption of a Cost Recovery Policy (Subsidies) and Fee Establishment Policy.	March 2023	0.10
Evaluate electronic invoice routing and approval process and implement use of software to eliminate duplicated work efforts.	April 2023	0.22
Evaluate credit card merchant services, receipting and reconciliation procedures and recommend possible process improvements to help streamline tasks while maintaining safeguards and controls.	June 2023	0.10
Prepare Two-Year Budget Plan for FY 23/24 & FY 24/25 in utilizing potential new budget software.	June 2023	N/A
<b>TOTAL</b>		<b>3.70</b>
<b>PROJECTED AVAILABLE STAFF CAPACITY*</b>		<b>-6.38</b>

*\*It should be noted that as one-time efforts get completed, or through use of new software and automated processes staff capacity may increase. Additionally, certain projects and initiatives of other departments may affect workload of Finance staff and are not captured here. A new program or project could result in increased workload.*

Table 7 below shows additional potential new work efforts; however, it should be noted that these efforts will only be pursued by staff pending additional staff capacity.

**Table 7: Potential New Work Efforts, Projects, and Programs – Pending Staff Capacity**

<b>OTHER PRIORITIES - PENDING STAFF CAPACITY</b>	<b>EST. COMPLETION</b>	<b>STAFF FTE</b>
Undergo Finance Department Assessment	TBD	0.14

OTHER PRIORITIES - PENDING STAFF CAPACITY	EST. COMPLETION	STAFF FTE
Phase 2 – STVR Program - Review and analyze STVR data and work with consultants and city staff in evaluating the overall STVR program and discuss results and findings with City Council. Receive feedback on policy direction and potential Title 5 ordinance updates from City Council	TBD	0.25
Phase 3 – STVR Program – Depending on outcome of Phase 2 and Council direction, draft ordinance and program changes for Council consideration and implement	TBD	0.21
Establish online vendor invoice system with Incode 10, including vendor accounting guide to ensure “clean invoices”	TBD	0.10
Transition vendor check payments to electronic payments via ACH	TBD	0.28
Transition from paper-based finance forms to electronic forms with Incode 10 or other software	TBD	0.13
Finalize Comprehensive Accounting Policies and Procedures Manual	TBD	0.33
Sidewalk Vending Business License in conjunction with other city departments (On Hold)	TBD	0.03
Assist with development of Capital Asset Management Policy and Procedures	TBD	0.17
Implement use of budget and performance measure software in conjunction with City Manager’s Office	TBD	0.06
Implement Finance Department Assessment recommendations	TBD	0.10
Pending Council Approval and Election Outcome, develop procedures and process for tracking and reporting on new transactions use tax	TBD	0.03
Implement additional Incode 10 modules, including Capital Assets, Inventory, and Tyler Content Manager	TBD	0.17
Evaluate deposit policy and procedures to ensure no negative accounts, so systems can collaborate fluidly with each other	TBD	0.25
Evaluate and implement inventory module with other City departments, including policy and procedures for inventory management and inventory accounting for use with Incode 10	TBD	0.19
Training on Position Budgeting module in Incode 10 and implement use of software	TBD	0.15

<b>OTHER PRIORITIES - PENDING STAFF CAPACITY</b>	<b>EST. COMPLETION</b>	<b>STAFF FTE</b>
Evaluate Incode 10 workflow approvals with Purchase Requisitions to help streamline processes	TBD	0.15
Establish on-call agreements with collection agencies for past due receivable accounts	TBD	0.10
Explore use of contracted services to conduct Franchise Fee audits	TBD	0.04
Implement independent contractor reporting as required by EDD to assist with child support collection, and ongoing reporting	TBD	0.08
Issue RFP and contract with on-call municipal advisor services to assist with bond financing and financing team (Will depend if actual debt financing is pursued and depending on complexity will affect staff time)	TBD	0.08
Training with Incode 10 to develop custom financial reporting needed to streamline information	TBD	0.13
Create training videos and guidance specific to using Incode 10	TBD	0.05
Develop and adopt an internal chart of accounts policy	TBD	0.19
<b>TOTAL</b>		<b>3.40</b>
<b>PROJECTED AVAILABLE STAFF CAPACITY</b>		<b>-9.49</b>
<b>PROJECTED AVAILABLE STAFF CAPACITY (ASSUMES WORK EFFORTS LISTED IN TABLE 6 ARE COMPLETED*)</b>		<b>-6.08</b>

*\*The -6.08 FTE projected available staff capacity assumes the work efforts listed in Table 6 has been completed. It should be noted that as efforts get completed, or through use of new software and automated processes, staff capacity may increase. Additionally, certain projects and initiatives of other departments may affect workload of Finance staff and is not captured here. This may result in new ongoing tasks or increases to workload whether derived from other departments or Finance implementing a new process that is needed.*