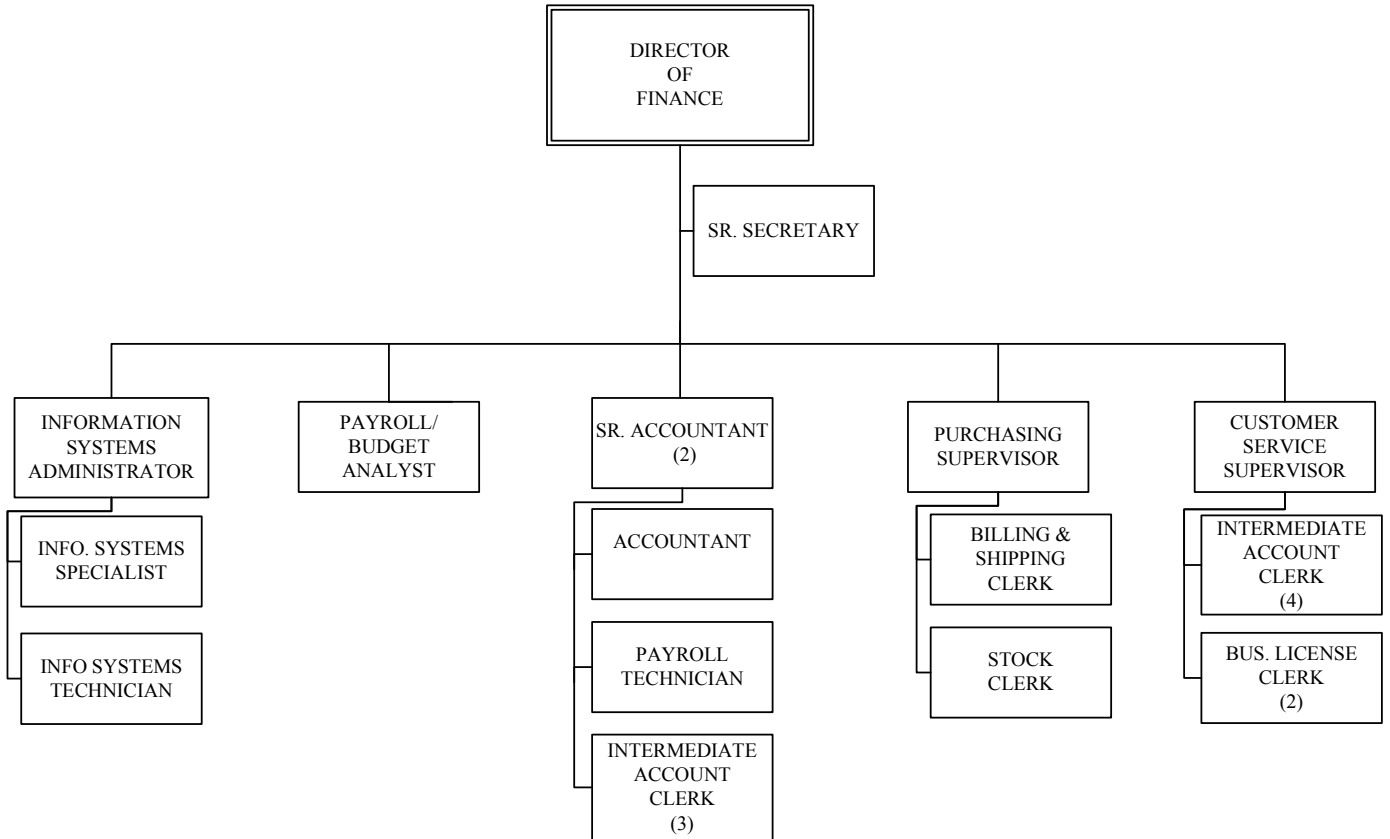


FINANCE



FINANCE

SUMMARY OF PERSONNEL

Accounting

0.90	Director of Finance
1.00	City Treasurer
1.00	Sr. Accountant
1.00	Accountant
1.00	Budget Payroll/Analyst
1.00	Sr. Secretary
1.00	Payroll Technician
<u>3.00</u>	Intermediate Account Clerk
9.90	

Business License

0.50	Customer Service Supervisor
<u>2.00</u>	Business License Clerk
2.50	

Customer Service

0.50	Customer Service Supervisor
<u>4.00</u>	Customer Service Representatives
4.50	

Purchasing

1.00	Purchasing Supervisor
1.00	Billing & Shipping Clerk
<u>1.00</u>	Stock Clerk
3.00	

Information Services

1.00	Information Systems Administrator
1.00	Information Systems Specialist
<u>1.00</u>	Information Systems Coordinator
3.00	

TOTAL PERSONNEL: 22.90

FINANCE

EXPENDITURE SUMMARY BY PROGRAM

	ACTUAL 2005-06	ACTUAL 2006-07	PROJECTED 2007-08	REQUESTED 2008-09
ACCOUNTING	900,187	992,227	1,001,339	1,017,478
BUSINESS LICENSE	168,609	191,105	196,743	200,681
PURCHASING	281,797	264,354	370,160	291,581
CUSTOMER SERVICE	568,913	419,874	475,432	481,229
INFORMATION SYSTEMS	451,822	487,751	495,828	545,923
TOTAL	\$2,371,328	\$2,355,311	\$2,539,502	\$2,536,892

EXPENDITURE SUMMARY BY CATEGORY

	ACTUAL 2005-06	ACTUAL 2006-07	PROJECTED 2007-08	REQUESTED 2008-09
SALARIES & BENEFITS	1,556,673	1,727,447	1,883,073	1,931,437
SERVICES & SUPPLIES	701,303	564,942	561,107	570,455
CAPITAL OUTLAY	113,352	62,922	95,322	35,000
TOTAL	\$2,371,328	\$2,355,311	\$2,539,502	\$2,536,892

FUNDING SOURCES

	ACTUAL 2005-06	ACTUAL 2006-07	PROJECTED 2007-08	REQUESTED 2008-09
GENERAL FUND - 10	1,919,506	1,867,560	2,043,674	1,990,969
INFORMATION SYSTEMS - 93	451,822	487,751	495,828	545,923
TOTAL	\$2,371,328	\$2,355,311	\$2,539,502	\$2,536,892

FINANCE

The Finance Department employs 24 full-time staff that is responsible for handling all aspects of the City's finances including accounting, accounts payable, accounts receivable, purchasing, payroll, investments, utility billing, business licensing and budgeting. Also included is the Information Technology division. The Finance Department is comprised of five divisions as follows:

- Administration/Accounting
- Business Licensing
- Purchasing
- Customer Service
- Information Technology

Administration/Accounting - 4410

The Administration/Accounting division provides accounting and budgeting for the City and Redevelopment Agency; prepares financial reports; invests idle funds; coordinates City grant activity and advises the City Council and City Manager on financial issues.

Business Licensing – 4420

The Business License division processes 6,800 business license renewals annually and services over 700 customers monthly. Business license taxes are based on the gross income of the business and range from a minimum of \$75 to a maximum of \$3,000 per year. The division also handles permits for yard sales, fireworks stands and special events, as well as quarterly transient occupancy tax submittals.

Purchasing - 4430

The Purchasing division manages the majority of procurements for the City. Located at the City Yard, the division processes purchase orders, coordinates bidding procedures, researches and maintains relationships with vendors, maintains warehouse inventory and coordinates the sale of surplus assets no longer needed by the City.

Customer Service – 4450

The Customer Service division administers the monthly collection of water, trash and street sweeping utility payments for approximately 15,300 residential, commercial and industrial customers throughout the City. This includes processing 8,000 payments through the mail in addition to approximately 4,000 over-the-counter payments.

Information Technology – 4460

The Information Systems division provides management, support and advisory services for the City's network and communications systems. IS staff manages the local area network with 9 servers that provide 8 critical software applications to 325 users via 214 computers and 35 networked printers. The division also provides end-user software support and hardware repair. The Information Systems Fund is funded by internal service, or "user" charges to those departments having vehicles or other equipment requiring maintenance.

FINANCE

Budget Narrative

The Finance Department's budget for fiscal year 2008-09 totals \$2,536,892, which is consistent with the previous year's budget. Increases in personnel costs were offset by decreases in capital outlay.

Prior Year's Accomplishments

- Completed office renovation for Purchasing division
- Transitioned to new auditing firm
- Implemented new retention schedule for electronic files

Goals

- Enhance the City's revenue stream and ensure a stronger financial environment
- Streamline department operations for maximum efficiency
- Provide a secure and reliable technological infrastructure for the City

Objectives

- Continue to actively invest idle funds and maximize investment earnings
- Aggressively manage accounts receivable and send delinquent accounts to collection
- Conduct more business license inspections
- Convert to a new financial software application

Performance Measures	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Average rate earned on investments	4.81%	5.20%	4.52%
Number of audit findings	4	3	1

Workload Indicators	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Average amount of \$ invested (in millions)	\$48.9	\$44.0	\$37.2
Number of A/P checks issued	7058	6923	6816
Number of Business License inspections	1450	1486	1392
Computer workstations maintained	205	204	202
Purchase Orders processed	830	802	811
Number of utility bills issued	183,600	183,600	183,600

CITY OF SOUTH GATE
EXPENDITURES
FISCAL YEAR 2009

<u>ACCOUNT DESCRIPTION</u>	ACTUAL	ACTUAL	PROJECTED	ADOPTED
<u>010-4410-410</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
FUND 010 GENERAL FUND				
DEPT 44 FINANCE				
DIV 10 ACCOUNTING				
10-11 Salaries-Full Time	452,485	573,156	594,901	599,919
10-13 Salaries Hourly	6,223	19,720	3,500	8,175
10-14 Overtime	1,198	499	162	2,500
10-17 Pay In Lieu Of Vacation	11,837	13,486	10,043	10,043
10-22 Auto Allowance	5,316	7,492	7,830	7,830
10-24 Cell Phone Allowance	1,897	2,170	2,280	2,280
10-26 Bilingual Pay	961	2,450	1,200	2,400
10-30 Retirement	90,077	105,048	111,783	112,821
10-31 Public Agency Retire Sys	5,849	5,196	5,435	5,435
10-32 Deferred Comp. Match	4,758	7,163	6,975	6,975
10-50 Group Medical Insurance	47,815	62,181	66,956	75,793
10-60 Group Life Insurance	684	1,203	1,400	1,591
10-80 Dental Insurance	2,761	3,144	3,320	3,337
10-82 Worker's Comp	2,484	2,776	2,776	2,776
10-84 Unemployment Ins	3,316	3,369	3,369	3,369
10-90 Medicare	6,557	8,179	8,974	8,818
* EMPLOYEE SERVICES	<u>644,218</u>	<u>817,232</u>	<u>830,904</u>	<u>854,062</u>
20-21 Dept. Special Supplies	6,596	6,420	8,000	6,500
20-23 Printing and Binding	8,519	9,584	7,550	7,550
20-25 Postage	3,711	3,404	2,800	2,800
20-31 Telephone	9,373	3,763	1,050	1,050
20-33 Subscriptions & Membership	953	960	975	1,000
20-36 Training and Education	4,796	1,069	1,200	1,500
20-40 Fees and Charges	15,152	7,515	5,000	5,000
20-41 Professional Services	104,844	65,606	70,000	70,000
20-56 Maintenance/Repair - Equipment.	5,000	2,653	3,826	3,826
20-62 Special Events & Meetings	30	-	-	600
20-64 Mileage Reimbursement	260	72	150	150
20-74 Info Systems Allocation	96,735	73,949	69,884	63,440
* SUPPLIES & SERVICES	<u>255,969</u>	<u>174,995</u>	<u>170,435</u>	<u>163,416</u>
** ACCOUNTING	<u>\$ 900,187</u>	<u>\$ 992,227</u>	<u>\$ 1,001,339</u>	<u>\$ 1,017,478</u>

CITY OF SOUTH GATE
EXPENDITURES
FISCAL YEAR 2009

<u>ACCOUNT DESCRIPTION</u>	ACTUAL	ACTUAL	PROJECTED	ADOPTED
<u>010-4420-410</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
FUND 010 GENERAL FUND				
DEPT 44 FINANCE				
DIV 20 BUSINESS LICENSE				
10-11 Salaries-Full Time	114,228	116,487	124,429	124,429
10-13 Salaries - Hourly	-	1,541	-	-
10-14 Overtime	285	2,103	120	150
10-17 Pay In Lieu Of Vacation	1,733	3,359	1,554	1,554
10-26 Bilingual Pay	1,062	2,262	3,000	3,000
10-30 Retirement	23,280	21,491	23,600	23,600
10-50 Group Medical Insurance	18,619	17,973	20,197	22,198
10-60 Group Life Insurance	186	291	345	390
10-80 Dental Insurance	987	756	855	855
10-82 Worker's Comp	603	593	593	593
10-84 Unemployment Ins	-	720	720	720
10-90 Medicare	1,707	1,824	1,804	1,804
* EMPLOYEE SERVICES	<u>162,690</u>	<u>169,400</u>	<u>177,217</u>	<u>179,293</u>
20-21 Dept. Special Supplies	488	1,224	500	1,500
20-23 Printing and Binding	3,212	4,244	5,000	6,500
20-25 Postage	860	2,370	2,500	2,500
20-31 Telephone	862	172	135	135
20-33 Subscriptions & Membership	50	-	60	60
20-36 Training and Education	-	-	-	200
20-56 Maintenance/Repair - Equipment.	447	1,335	500	500
20-74 Info Systems Allocation	-	12,360	10,831	9,993
* SUPPLIES & SERVICES	<u>5,919</u>	<u>21,705</u>	<u>19,526</u>	<u>21,388</u>
** BUSINESS LICENSE	<u>\$ 168,609</u>	<u>\$ 191,105</u>	<u>\$ 196,743</u>	<u>\$ 200,681</u>

CITY OF SOUTH GATE
EXPENDITURES
FISCAL YEAR 2009

<u>ACCOUNT DESCRIPTION</u>	ACTUAL	ACTUAL	PROJECTED	ADOPTED
<u>010-4430-410</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
FUND 010 GENERAL FUND				
DEPT 44 FINANCE				
DIV 30 PURCHASING				
10-11 Salaries-Full Time	168,225	157,904	185,324	188,129
10-14 Overtime	850	945	1,000	1,000
10-17 Pay In Lieu Of Vacation	959	2,590	1,934	1,934
10-21 Uniform And Tool Allowance	1,200	600	1,200	1,200
10-22 Auto Allowance	666	-	-	-
10-24 Cell Phone Allowance	177	-	-	-
10-26 Bilingual Pay	188	-	-	-
10-30 Retirement	33,369	30,234	34,873	35,399
10-31 Public Agency Retire Sys	80	-	-	-
10-32 Deferred Comp. Match	1,190	-	-	-
10-50 Group Medical Insurance	24,716	23,558	25,331	27,753
10-60 Group Life Insurance	307	338	414	468
10-80 Dental Insurance	1,284	1,224	1,269	1,269
10-82 Worker's Comp	908	4,287	4,287	4,287
10-84 Unemployment Ins	1,223	873	871	871
10-90 Medicare	2,378	2,356	2,687	2,728
* EMPLOYEE SERVICES	<u>237,720</u>	<u>224,909</u>	<u>259,190</u>	<u>265,038</u>
20-21 Dept. Special Supplies	1,771	3,250	3,000	3,000
20-23 Printing and Binding	2,384	1,512	1,000	1,000
20-25 Postage	370	239	250	350
20-31 Telephone	1,246	2,396	2,100	2,100
20-33 Subscriptions & Membership	440	646	560	560
20-36 Training and Education	1,418	140	600	1,000
20-41 Professional Services	1,650	-	-	-
20-56 Maintenance/Repair - Equipment.	5,412	2,682	3,426	3,426
20-62 Special Events & Meetings	113	20	20	100
20-64 Mileage Reimbursement	-	-	-	-
20-74 Info Systems Allocation	29,273	13,629	13,146	12,308
20-75 Vehicle Allocation	-	4,283	1,546	2,699
* SUPPLIES & SERVICES	<u>44,077</u>	<u>28,797</u>	<u>25,648</u>	<u>26,543</u>
30-31 Building improvements	-	10,648	85,322	-
* CAPITAL OUTLAY	<u>-</u>	<u>10,648</u>	<u>85,322</u>	<u>-</u>
** PURCHASING	<u>\$ 281,797</u>	<u>\$ 264,354</u>	<u>\$ 370,160</u>	<u>\$ 291,581</u>

CITY OF SOUTH GATE
EXPENDITURES
FISCAL YEAR 2009

<u>ACCOUNT DESCRIPTION</u>	ACTUAL	ACTUAL	PROJECTED	ADOPTED
<u>010-4450-410</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
FUND 010 GENERAL FUND				
DEPT 44 FINANCE				
DIV 50 CUSTOMER SERVICE				
10-11 Salaries-Full Time	154,897	192,360	220,453	220,453
10-13 Hourly	51,052	1,251	-	-
10-14 Overtime	1,051	1,631	1,700	1,800
10-16 Pay In-Lieu of Sick Leave	-	2,547	2,392	2,392
10-17 Pay In-Lieu of Vacation	2,304	105	-	-
10-22 Auto Allowance	254	9	-	-
10-24 Cell Phone Allowance	68	2	-	-
10-26 Bilingual Pay	1,337	2,988	3,000	4,200
10-30 Retirement	36,960	34,994	41,628	41,628
10-32 Deferred Comp. Match	397	21	-	-
10-50 Group Medical Insurance	24,454	38,927	46,371	50,921
10-60 Group Life Insurance	256	468	621	702
10-80 Dental Insurance	1,417	1,762	2,085	2,085
10-82 Worker's Comp	1,259	1,143	2,200	2,200
10-84 Unemployment Ins	2,256	1,387	1,387	1,387
10-90 Medicare	2,438	2,236	3,197	3,197
* EMPLOYEE SERVICES	<u>280,400</u>	<u>281,831</u>	<u>325,034</u>	<u>330,965</u>
20-21 Dept. Special Supplies	6,111	4,169	4,000	6,000
20-23 Printing and Binding	18,756	13,833	14,000	15,000
20-25 Postage	75,108	101,681	95,000	95,000
20-31 Telephone	634	810	800	800
20-36 Training and Education	510	-	-	500
20-41 Professional Services	476	250	101	-
20-46 Insurance Premiums	2,200	-	-	-
20-56 Maintenance/Repair - Equipment.	13,051	4,945	2,200	2,500
20-58 Maintenance & Repair-Special Equip	3,603	562	3,500	3,500
20-64 Mileage Reimbursement	-	-	-	100
20-74 Info Systems Allocation	168,064	11,793	30,797	26,864
* SUPPLIES & SERVICES	<u>288,513</u>	<u>138,043</u>	<u>150,398</u>	<u>150,264</u>
** CUSTOMER SERVICE	<u>\$ 568,913</u>	<u>\$ 419,874</u>	<u>\$ 475,432</u>	<u>\$ 481,229</u>

CITY OF SOUTH GATE
EXPENDITURES
FISCAL YEAR 2009

<u>ACCOUNT DESCRIPTION</u>	ACTUAL	ACTUAL	PROJECTED	ADOPTED
<u>010-4480-480</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
FUND 010 GENERAL FUND				
DEPT 44 FINANCE				
DIV 80 GENERAL DEBT				
10-30 Retirement	214,578	-	-	
20-43 Rents and Leases	280,031	285,452	292,000	300,760
20-94 Transfers Out	8,335,655	-	-	
20-86 Debt Service - Principal	419,490	395,209	414,602	417,673
20-87 Debt Service - Interest	59,300	169,039	149,646	129,310
20-89 Trustee Fees	<u>1,875</u>	<u>8,175</u>	<u>5,000</u>	<u>5,000</u>
* CAPITAL LEASES	9,310,929	857,875	861,248	852,743
21-86 Debt Service - Principal	640,000	920,000	955,000	1,000,000
21-87 Debt Service - Interest	<u>1,262,357</u>	<u>1,188,065</u>	<u>1,168,037</u>	<u>1,123,709</u>
* CERTIFICATES OF PARTICIPATION	1,902,357	2,108,065	2,123,037	2,123,709
30-10 Land Acquisition	1,425,000	-	-	
** GENERAL DEBT	<u>\$ 12,638,286</u>	<u>\$ 2,965,940</u>	<u>\$ 2,984,285</u>	<u>\$ 2,976,452</u>

CITY OF SOUTH GATE
EXPENDITURES
FISCAL YEAR 2009

<u>ACCOUNT DESCRIPTION</u>	ACTUAL	ACTUAL	PROJECTED	ADOPTED
<u>093-4460-410</u>	2005-06	2006-07	2007-08	2008-09
FUND 093 INFORMATION SYSTEMS FUND				
DEPT 44 FINANCE				
DIV 60 INFORMATION SYSTEMS				
10-11 Salaries-Full Time	145,452	159,906	201,560	201,557
10-13 Salaries Hourly	28,891	7,387	15,000	25,000
10-14 Overtime	478	4,117	500	700
10-17 Pay In Lieu Of Vacation	3,994	2,558	3,831	3,209
10-30 Retirement	32,072	29,114	37,841	37,841
10-50 Group Medical Insurance	14,604	24,786	25,331	27,753
10-60 Group Life Insurance	229	345	414	468
10-80 Dental Insurance	874	1,028	1,118	1,118
10-82 Worker's Comp	1,203	998	998	998
10-84 Unemployment Ins	1,395	1,212	1,212	1,212
10-90 Medicare	2,453	2,624	2,923	2,900
* EMPLOYEE SERVICES	<u>231,645</u>	<u>234,075</u>	<u>290,728</u>	<u>302,756</u>
20-21 Dept. Special Supplies	3,106	6,610	2,000	4,500
20-31 Telephone	1,634	1,870	1,900	2,000
20-36 Training and Education	145	460	-	4,300
20-41 Professional Services	400	1,672	1,200	2,000
20-58 Maintenance & Repair-Special Equip	96,918	182,705	180,000	183,041
20-75 Vehicle allocation	-	-	-	2,326
20-82 Depreciation/Amortization. Expense	4,622	8,085	10,000	10,000
* SUPPLIES & SERVICES	<u>106,825</u>	<u>201,402</u>	<u>195,100</u>	<u>208,167</u>
30-30 Improvements	-	-	-	-
30-51 Computer Hardware	81,505	52,274	10,000	30,000
30-52 Computer Software	31,847	-	-	5,000
* CAPITAL OUTLAY	<u>113,352</u>	<u>52,274</u>	<u>10,000</u>	<u>35,000</u>
** INFORMATION SYSTEMS	<u>\$ 451,822</u>	<u>\$ 487,751</u>	<u>\$ 495,828</u>	<u>\$ 545,923</u>

GENERAL DEBT

This section of the budget was created to account for the principal and interest payments on general City debt. Payments include:

Rents & Leases - Firestone Building Lease

In 2003 the City leased the Firestone Building to relocate the Police Department from its existing building. The plan was later aborted and the City has sub-leased the facility to the Los Angeles Unified School District at a discounted amount. The net annual lease payment for the City is \$55,748. The lease agreement expires in August, 2012.

2003 Capital Lease – Chevron Energy, \$2,500,000

The purpose of this lease was to upgrade the City’s facilities with energy-efficient improvements to the lighting and HVAC systems. Budgeted amounts include principal of \$194,360 and interest of \$77,753. A total of \$1,766,146 was outstanding as of June 30, 2008. The debt will be paid off in January, 2016.

2006 Capital Lease – South Gate Courthouse \$1,425,000

The City purchased the vacant South Gate Municipal Courthouse facility adjacent to City Hall in 2006 through a lease purchase financing. Budgeted amounts include principal of \$193,158 and interest of \$49,357. A total of \$1,065,376 was outstanding as of June 30, 2008. The lease will be paid off in 2013.

2001 Certificates of Participation \$2,645,000

Certificates of Participation were issued in 2001 to refund the outstanding amount of 1992 COPs that were issued to fund improvements to the City yard. Budgeted amounts include principal of \$275,000 and interest of \$35,308. A total of \$860,000 was outstanding as of June 30, 2008. The COPs will be paid off in June, 2011.

2002 Certificates of Participation Series A & B \$22,465,000

Certificates of Participation were issued by the City in 2002 and loaned to the Redevelopment Agency to finance additional redevelopment projects. Budgeted amounts include principal of \$725,000 and interest of \$1,123,709. A total of \$19,270,000 was outstanding as of June 30, 2008. The COPs will be paid off in September, 2024.

	ACTUAL 2005-06	ACTUAL 2006-07	PROJECTED 2007-08	ADOPTED 2008-09
GENERAL FUND DEBT	\$12,638,286	\$2,679,796	\$2,984,285	\$2,976,452

CITY OF SOUTH GATE
EXPENDITURES
FISCAL YEAR 2009

<u>ACCOUNT DESCRIPTION</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>ADOPTED</u>
<u>010-4480-480</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
FUND 010 GENERAL FUND				
DEPT 44 FINANCE				
DIV 80 GENERAL DEBT				
10-30 Retirement	214,578	-	-	
20-43 Rents and Leases	280,031	285,452	292,000	300,760
20-94 Transfers Out	8,335,655	-	-	
20-86 Debt Service - Principal	419,490	395,209	414,602	417,673
20-87 Debt Service - Interest	59,300	169,039	149,646	129,310
20-89 Trustee Fees	<u>1,875</u>	<u>8,175</u>	<u>5,000</u>	<u>5,000</u>
* CAPITAL LEASES	9,310,929	857,875	861,248	852,743
21-86 Debt Service - Principal	640,000	920,000	955,000	1,000,000
21-87 Debt Service - Interest	<u>1,262,357</u>	<u>1,188,065</u>	<u>1,168,037</u>	<u>1,123,709</u>
* CERTIFICATES OF PARTICIPATION	1,902,357	2,108,065	2,123,037	2,123,709
30-10 Land Acquisition	1,425,000	-	-	
** GENERAL DEBT	<u>\$ 12,638,286</u>	<u>\$ 2,965,940</u>	<u>\$ 2,984,285</u>	<u>\$ 2,976,452</u>