

# City Treasurer



## Department Description

The Office of the City Treasurer is responsible for the receipt and custody of all citywide revenue including banking, tax administration, collection of delinquent accounts, and accounting for these funds. The City Treasurer is also responsible for the investment of all City operating and capital improvement funds totaling \$2.13 billion in Fiscal Year 2009 and the reinvestment of debt proceeds of the City and its affiliated agencies. In addition, the City Treasurer serves as a member of the Funds Commission and trustee for the SPSP/401(k) Plans. The major programs of the Office of the City Treasurer are as follows:

### Accounting

The Accounting Program is responsible for the administration of the City's accounts receivable; collecting fees, fines, permits, taxes, and other payments; processing Transient Occupancy Tax (TOT) and Tourism Marketing District (TMD) assessment returns and remittances; balancing and reporting all daily revenue transactions; accounting for daily cash deposits of City funds in various bank accounts; maintaining records for City investments; and accounting for investments in the Cemetery Perpetuity, Los Penasquitos Canyon Preserve, Jane Cameron and G.E. Peters, Effie Sergeant and Edwin A. Benjamin Memorial Trust Funds.

### Business and Rental Unit Business Tax

The Business and Rental Unit Tax Program administers the collection of the City's Business Tax and Rental Unit Business Tax assessments and fees, compliance enforcement, collects Business Improvement District fees, and maintains the regulatory clearance review data for businesses operating within the City of San Diego.

### Investments

In compliance with the City Treasurer's Investment Policy, the Investments Program manages the City's operating, capital improvement, and project financing funds in order to safely preserve principal, provide adequate liquidity, and earn a return comparable to performance benchmarks. The Investments Division manages the reinvestment of additional bond proceeds for the City, City agencies, and Joint Power Authorities. The Division provides cash management services including maintenance of banking relationships and reviewing new banking legislation. The Division also assists in the development and implementation of new payment and collection systems for the City.

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which includes participating in the review, implementation, and monitoring of all electronic banking services, e-commerce systems, and third-party payment-processing services.

## Revenue Audit & Appeals

The Revenue Audit & Appeals Division conducts audits of hotels, lessees, and franchisees to ensure revenues due to the City are remitted timely and accurately. The Division also administers appeal hearings conducted by the City Treasurer.

## Revenue Collections

The Revenue Collections Division administers the Delinquent Accounts and Parking programs. The Delinquent Accounts Program is responsible for the administration and collection of delinquent accounts referred to the City Treasurer by other City departments and agencies. The Program also represents the City in small claims court actions on delinquent accounts. The Parking Administration section handles parking citation customer service functions, issues residential parking permits, and reviews and processes parking citation appeals. The Parking Meter Operations section collects parking meter coin and installs, maintains, and enforces City parking meters.

The Department's mission is:

*To receive, safeguard, and efficiently manage public funds while providing the highest level of customer service*

## Goals and Objectives

Goals and objectives have been reprinted here as they were adopted in the Fiscal Year 2010 budget. They will be revisited during Fiscal Year 2012.

### ***Goal 1: Safeguard all City monies through the use of strong internal controls***

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Continue to ensure safe and secure working facilities
- Maintain a secure data environment that safeguards information collected by the Department
- Effectively manage banking services to safeguard City assets
- Properly account for all City revenue
- Effectively manage City investments

### ***Goal 2: Engage in continuous improvement to effectively manage resources***

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Continuously evaluate business processes to identify areas for improvement
- Utilize technology to continue enhancing the services provided

### ***Goal 3: Stay current and in compliance with laws and regulations that pertain to treasury services***

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Ensure compliance with legal and regulatory requirements
- Provide training, educational and networking opportunities to ensure that employees are aware of changes to applicable laws and regulations
- Maintain compliance with internal and external audit reviews
- Effectively perform revenue auditing in order to maintain compliance
- Effectively administer all City taxes to ensure tax compliance

### ***Goal 4: Provide world-class customer service to both internal and external customers***

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Assist the public in understanding the services that the Department provides
- Effectively provide accurate and timely information to customers and stakeholders

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**Goal 5: Foster and promote a supportive, collaborative, and integrated work environment through a trained and skilled workforce**

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Provide necessary equipment, training, and resources to support employees
- Create an environment where employees are celebrated and recognized for outstanding performance

**Goal 6: Promote the highest ethical standards and behavior among employees**

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Offer training to management and staff on ethical standards
- Conduct management review of standards and ethical practices with staff on a regular basis

**Goal 7: Prudently invest and manage the City's cash investment portfolio pursuant to the State of California Government Code**

The Department will move toward accomplishing this goal by focusing on the following objectives.

- Fully comply with City's Investment Policy
- Preserve principal, ensure liquidity, and achieve a reasonable yield for the City's Pooled Investment Fund
- Annually update the City's Investment Policy to reflect new legislative changes and prudent investment practices

## Service Efforts and Accomplishments

### Accounting

As part of the OneSD Project Team, Accounting staff successfully implemented the City's new deposit process. As part of this process, the Accounting Program can more efficiently record over \$1.4 billion in citywide deposits.

In March 2010, the Accounting Program began administering the City's new accounts receivable process: maintaining master data, applying payments, and managing exception items. Additionally, all accounts receivable payments as well as mail-in parking payments will go through remittance processing further streamlining the City's payment processes.

The Accounting Program is implementing a new online Transient Occupancy Tax (TOT)/Tourism Marketing District (TMD) payment application allowing hotel and seasonal operators to pay via the web. This new online payment application will create efficiencies and improve customer service by providing an additional payment option. In Fiscal Year 2009, the Accounting Program processed \$142.0 million in TOT/TMD payments.

### Administration

In Fiscal Year 2009, the Office of the City Treasurer's Information Technology (IT) staff redesigned the Department's website improving customer access to Treasury data and services. In Fiscal Year 2010, the IT Manager led the OneSD Accounts Receivable (AR) Team and successfully implemented the project on time and within budget. This phase of AR created the framework for integration of all future citywide billing processes into the Enterprise Resource Planning platform.

### Business and Rental Unit Business Tax

The Business Tax Program is in the process of developing an online Business Tax application that will allow business owners to register and pay for a Business Tax Certificate online. This new application is expected to be implemented by the end of the fiscal year.

The Business Tax Program is leading an efficiency study that will make recommendations to streamline the City's business regulatory and taxation process. The overall objective of this study is to eliminate redundancy, optimize regulatory and tax revenue collection, and improve overall service to our business community.

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In Fiscal Year 2009, the Business Tax Program processed 17,606 Business Tax applications and 154,809 Business Tax renewals and answered 65,800 business tax related calls.

## Investments

In Fiscal Year 2009, the Investments Division invested approximately \$2.13 billion in Department operating and capital improvement funds, reinvested \$512.0 million in department debt proceeds, and realized \$79.1 million in interest earnings on the City's Pooled Investment Portfolio. In June 2009, the liquidity portfolio reported an earned income yield of 1.90 percent, and the core portfolio yielded 4.55 percent. In addition, the Investments Division's recommendation on the maturity structure of the Fiscal Year 2010 Tax and Revenue Anticipation Notes resulted in a cost savings for the City's General Fund.

In its role as a fiduciary charged with the prudent investment of City funds, the Investments Division continued to work to ensure that exemplary internal controls and safeguards were in place. As required by Government Code, the City Treasurer's 2009 Investment Policy was presented to and accepted by the City Council in November 2009.

In Fiscal Year 2009, the Investments webpage became available to the public providing easy access to the Investment Policy, monthly and quarterly reports, and other investment results. Bylaws for the City Treasurer's Investment Advisory Committee (IAC) were drafted for adoption at the April 2010 IAC meeting.

## Revenue Audit and Appeals

In Fiscal Year 2009, 118 revenue audits (hotels, lessees, business taxes, and franchisees) were completed resulting in deficiencies of \$1.2 million.

## Revenue Collections

The Delinquent Accounts Program maintains a net collection rate of 87 percent on delinquent receivables. Due to the Program's aggressive stance on collections and resulting success, the Program is frequently contacted by other cities for assistance in establishing delinquent account collection programs.

In Fiscal Year 2009, the Delinquent Accounts Program collected \$20.0 million in delinquent account revenue and responded to 163,068 customer calls.

Parking Administration enhanced the interactive phone system providing customers with additional automated information to answer a variety of general inquiries, to reduce wait time, and enhance overall customer service.

In addition, the Parking website (<http://www.sandiego.gov/parking>) now allows customers the option to file parking citation disputes on-line.

In Fiscal Year 2009, the Parking Administration Program processed 418,074 parking citations totaling \$20.7 million in revenue, reviewed and processed 25,295 citation appeals, and assisted 82,355 parking customers over the phone.

The Revenue Collections Division is in the process of consolidating the Delinquent Accounts and Parking Administration lobby operations. This consolidation will allow customers to conduct business at one location and is expected to be completed by the end of the fiscal year.

In Fiscal Year 2009, the Parking Meter Operations Program collected 372,272 pounds of coin totaling \$7.4 million in parking meter revenue.

## Department Summary

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
Positions	122.00	110.63	(11.37)
Personnel Expenses	\$ 9,805,326	\$ 9,738,628	\$ (66,698)
Non-Personnel Expenses	8,061,417	8,333,260	271,843
<b>Total Department Expenses</b>	<b>\$ 17,866,743</b>	<b>\$ 18,071,888</b>	<b>\$ 205,145</b>
<b>Total Department Revenue</b>	<b>\$ 26,298,217</b>	<b>\$ 25,804,395</b>	<b>\$ (493,822)</b>

## General Fund

### Department Expenditures

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
Administration	\$ 2,857,442	\$ 3,051,729	\$ 194,287
Revenue Collections	11,229,673	10,957,399	(272,274)
Treasury Operations	3,779,628	4,062,760	283,132
<b>Total</b>	<b>\$ 17,866,743</b>	<b>\$ 18,071,888</b>	<b>\$ 205,145</b>

### Department Personnel

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
Administration	19.25	18.63	(0.62)
Revenue Collections	69.00	60.00	(9.00)
Treasury Operations	33.75	32.00	(1.75)
<b>Total</b>	<b>122.00</b>	<b>110.63</b>	<b>(11.37)</b>

### Significant Budget Adjustments

	FTE	Expenditures	Revenue
<b>Adjustment to Contracts and Equipment Outlay</b> Funding allocated according to a zero-based annual review of contract and equipment outlay requirements.	0.00	\$ 1,459,220	\$ -
<b>Addition Administrative Aide II</b> Addition of 1.00 Administrative Aide II to assist with increased compliance efforts, including business employee count verification and the addition of associated revenue.	1.00	81,480	642,710
<b>Increase in Overtime Funding</b> Increase in overtime expenditures to replace hourly funding.	0.00	77,000	-
<b>Adjustment to Hourly Personnel Funding</b> Funding allocated according to a zero-based annual review of hourly funding requirements.	0.63	16,263	-
<b>Revised Revenue</b> Adjustment to reflect Fiscal Year 2011 revenue projections.	0.00	-	247,816
<b>Support for Safety and Maintenance of Visitor-Related Facilities</b> Support to reimburse the General Fund for expenditures associated with the safety and maintenance of visitor-related facilities.	0.00	-	23,644
<b>Total</b>	<b>1.63</b>	<b>\$ 1,633,963</b>	<b>\$ 914,170</b>

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## Expenditures by Category

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
<b>PERSONNEL</b>			
Salaries and Wages	\$ 6,262,462	\$ 5,691,440	\$ (571,022)
Fringe Benefits	3,542,864	4,047,188	504,324
<b>PERSONNEL SUBTOTAL</b>	<b>\$ 9,805,326</b>	<b>\$ 9,738,628</b>	<b>\$ (66,698)</b>
<b>NON-PERSONNEL</b>			
Supplies	\$ 455,335	\$ 390,685	\$ (64,650)
Contracts	1,997,403	1,877,436	(119,967)
Information Technology	2,138,987	2,601,970	462,983
Energy and Utilities	24,915	21,913	(3,002)
Other	3,437,256	3,434,506	(2,750)
Capital Expenditures	7,271	6,750	(521)
Debt	250	-	(250)
<b>NON-PERSONNEL SUBTOTAL</b>	<b>\$ 8,061,417</b>	<b>\$ 8,333,260</b>	<b>\$ 271,843</b>
<b>Total</b>	<b>\$ 17,866,743</b>	<b>\$ 18,071,888</b>	<b>\$ 205,145</b>

## Revenues by Category

	FY2010 Budget	FY2011 Adopted	FY2010-2011 Change
Licenses and Permits	\$ 23,271,861	\$ 22,570,778	\$ (701,083)
Fines, Forfeitures, and Penalties	1,835,000	2,191,000	356,000
Charges for Current Services	1,071,356	1,042,617	(28,739)
Other Revenue	120,000	-	(120,000)
<b>Total</b>	<b>\$ 26,298,217</b>	<b>\$ 25,804,395</b>	<b>\$ (493,822)</b>

## Personnel Expenses

Job Number	Job Class	Job Title / Wages	FY2010 Budget	FY2011 Adopted	Salary Range	Total
2000011	1104	Account Clerk	4.00	3.00	\$31,491 - \$37,918	\$ 35,832
20000866	1842	Accountant 2	3.00	4.00	54,059 - 65,333	243,188
20000007	1100	Accountant 3	4.00	4.00	59,363 - 71,760	205,787
20000102	1183	Accountant 4	1.00	1.00	66,768 - 88,982	80,891
20000024	1107	Administrative Aide 2	3.00	4.00	42,578 - 51,334	195,370
20001208	2256	Assistant Investment Officer	2.00	2.00	23,005 - 137,904	105,000
20000119	1218	Associate Management Analyst	2.00	2.00	54,059 - 65,333	124,688
20000266	1330	Cashier	2.00	2.00	31,491 - 37,918	73,940
20000539	1535	Clerical Assistant 2	15.00	10.00	29,931 - 36,067	350,568
20000540	1535A	Clerical Assistant 2	0.00	1.00	29,931 - 36,067	35,165
20000268	1331A	Collections Investigator 1	0.00	2.00	40,186 - 48,526	94,626
20000267	1331	Collections Investigator 1	21.00	17.00	40,186 - 48,526	797,030
20000269	1332	Collections Investigator 2	4.00	3.00	45,198 - 54,558	159,582
20000270	1333	Collections Investigator 3	5.00	4.00	49,712 - 60,070	234,272
20000287	1344	Collections Manager	1.00	1.00	66,768 - 80,891	-
20001168	2214	Deputy Director	1.00	1.00	46,966 - 172,744	133,850
20000924	1876	Executive Secretary	1.00	1.00	43,555 - 52,666	49,769
20000461	1465	Field Representative	1.00	0.00	32,323 - 38,917	-
20001172	2217	Financial Operations Manager	1.00	1.00	25,376 - 148,200	104,762

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## Personnel Expenses (Cont'd)

Job Number	Job Class	Job Title / Wages	FY2010 Budget	FY2011 Adopted	Salary Range	Total
20000290	1348	Information Systems Analyst 2	1.00	1.00	54,059 - 65,333	63,373
20000998	1926	Information Systems Analyst 4	1.00	0.00	66,768 - 80,891	-
20000377	1401	Information Systems Technician	1.00	1.00	42,578 - 51,334	50,051
20001194	2241	Investment Officer	1.00	1.00	34,694 - 207,210	135,801
90001073	2103	Management Intern - Hourly	0.00	0.63	24,274 - 29,203	15,292
20000678	1646	Parking Meter Supervisor	1.00	1.00	47,341 - 56,597	55,182
20000674	1641	Parking Meter Technician	8.00	8.00	41,330 - 49,400	387,290
20001182	2228	Principal Accountant	2.00	2.00	19,323 - 151,840	185,301
20000741	1726	Principal Clerk	1.00	1.00	43,555 - 52,666	48,211
20001222	2270	Program Manager	2.00	2.00	46,966 - 172,744	198,218
20000783	1776	Public Information Clerk	17.00	16.00	31,491 - 37,918	579,461
20000869	1844	Senior Account Clerk	5.00	4.00	36,067 - 43,514	164,775
20000864	1840	Senior Cashier	1.00	0.00	36,067 - 43,514	-
20000927	1879	Senior Clerk/Typist	4.00	4.00	36,067 - 43,514	165,789
20000015	1106	Senior Management Analyst	3.00	3.00	59,363 - 71,760	207,734
20000827	1803	Senior Parking Meter Technician	1.00	1.00	43,472 - 51,792	51,792
20000970	1917	Supervising Management Analyst	1.00	1.00	66,768 - 80,891	78,464
20001148	2190	Treasurer	1.00	1.00	31,741 - 173,971	140,649
		Bilingual - Regular				30,576
		Overtime Budgeted				109,161
<b>Salaries and Wages Subtotal</b>			<b>122.00</b>	<b>110.63</b>		<b>\$ 5,691,440</b>
		Employee Offset Savings				\$ 76,758
		Flexible Benefits				667,435
		Long-Term Disability				50,676
		Medicare				75,565
		Other Post-Employment Benefits				658,318
		Retiree Medical Trust				148
		Retirement 401 Plan				590
		Retirement ARC				1,863,343
		Retirement DROP				9,982
		Retirement Offset Contribution				138,567
		Risk Management Administration				101,896
		Supplemental Pension Savings Plan				203,845
		Unemployment Insurance				11,818
		Unused Sick Leave				4,440
		Workers' Compensation				183,807
<b>Fringe Benefits Subtotal</b>						<b>\$ 4,047,188</b>
<b>Total Personnel Expenses</b>						<b>\$ 9,738,628</b>

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## Budget by Program

	FY2011 Positions	FY2011 Expenditures	FY2011 Revenue
Business & Rental Unit Tax	19.50	\$ 1,811,891	\$ 12,365,778
Consolidated Payments Processing	5.00	486,674	–
Delinquent Accounts	30.50	2,808,473	2,100,000
Department Management	8.00	982,373	–
General Administration/Management	0.63	210,687	–
IT Non-Discretionary	0.00	2,343,435	–
Investments	4.00	1,066,137	239,617
Parking Administration	14.00	1,393,553	955,000
Parking Meter Operations	10.50	4,895,587	9,500,000
Revenue Audit and Appeals	6.00	713,167	515,000
Treasury Accounting	12.50	1,359,911	129,000
<b>Total</b>	<b>110.63</b>	<b>\$ 18,071,888</b>	<b>\$ 25,804,395</b>