

Auditor-Controller

RECOMMENDED BUDGET • FY 2026-27

RECOMMENDED BUDGET

The budget for the Auditor-Controller’s Office is recommended at \$6,205,533, which is an increase of \$495,564 (8.68%) when compared to the FY 2025-26 Adopted Budget. The General Fund provides 89% of the funding for this Department and Net County Cost is increasing by \$481,798 (9.5%) when compared to the FY 2025-26 Adopted Budget. The increase in General Fund support is primarily due to increases in the Department’s General Liability charge and in Salaries and Benefits, which include Board-approved salary increases, health premium increases, and increased CalPERS unfunded accrued liability payment.

DEPARTMENT BUDGET SUMMARY

Description	FY 2024-25 Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Service Charges	517,808	584,450	586,450	2,000
Other Fin Sources	34,180	53,824	65,590	11,766
Total Revenue	551,988	638,274	652,040	13,766
Salaries & Benefits	5,332,956	5,594,643	5,915,135	320,492
Services & Supplies	169,984	293,601	469,073	175,472
Other Charges	2,736	0	0	0
Fixed Assets	8,463	0	0	0
Intrafund Transfers	127	1,000	600	(400)
Intrafund Abatement	(141,695)	(179,275)	(179,275)	0
Total Appropriations	5,372,571	5,709,969	6,205,533	495,564
FUND 1000 GENERAL FUND TOTAL	4,820,583	5,071,695	5,553,493	481,798

MAJOR BUDGET CHANGES

Revenues

Service Charges

\$2,000 Increase in Audit and Accounting Fees due to increased administrative tasks for Mello Roos Community Financing District formations and bond sales.

Other Financial Sources

\$11,766 Increase in Operating Transfers In from the Timeshare Assessment and Overpayments special revenue funds.

Appropriations

Salaries and Benefits

\$151,788 Increase in Salaries and Benefits expenses primarily due to Board-approved compensation increases and employee step increases.

\$137,125 Increase in CalPERS employer’s contribution, primarily due to increases to the County’s unfunded accrued liability payment.

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\$76,813	Increase in Health Insurance premiums.
\$5,767	Increase in Retiree Health Program charges.
(\$11,001)	Decrease in Workers' Compensation premium charges as the Department's share of overall County claims incurred and payroll has decreased from prior years, decreasing their Workers' Compensation insurance premium expense.
(\$15,000)	Decrease in Temporary Employees due to a reduction of 25% to assist in covering the increase in compensation and insurance costs.
(\$25,000)	Decrease in Overtime due to a reduction of 25% to assist in covering the increase in compensation and insurance costs.

Services and Supplies

\$159,882	Increase in General Liability insurance premium expense as the Department's share of overall County claims incurred has increased from prior years, increasing their Liability insurance premium expense.
\$18,770	Increase in Professional and Specialized Services primarily due to contracted services for claims for State-mandated costs (SB90).
(\$5,691)	Decrease in Travel related objects to assist in covering the increase in insurance costs.
\$2,511	Increase due to adjustments across multiple objects to align the budget to actual costs.

Intrafund Transfers

(\$400)	Decrease in Intrafund Transfers due to decreased facilities maintenance charges.
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MISSION

The Auditor-Controller serves as the County's chief accounting and disbursing officer. Responsibilities of the Auditor-Controller include pre-audits and payment of claims made by the County for goods and services; property control for County government fixed assets; accounting for and issuance of payroll to County employees; maintenance of revenue and expenditure accounts for all units of County government and special districts; financial control over fund balances and property tax collections; development, implementation, and maintenance of accounting systems; technical assistance in budget preparation; preparation of the Countywide Cost Allocation Plan and other special budgetary information; preparation of claims for State-mandated costs (SB90); preparation of draft annual financial statements for the County's external auditors, review of financial reports for departments prior to their submission to the State, banking administration for all checks issued, and assistance in the development of long-range financial planning.

PROGRAM SUMMARIES

Administration

This Division trains and organizes workgroups to perform basic accounting and governmental record-keeping tasks; coordinates bookkeeping activities of and provides general supervision over the accounts of all organizations under the fiscal control of the County Board of Supervisors. This Division works with the Assessment & Community Facilities District Screening Committee and is responsible for overseeing and supporting all new Special District Formation and bond sales. This Division also manages all testing and

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maintenance of the County's Enterprise Resource Planning system (FENIX) to maintain the integrity of all security and system processes.

Property Tax

This Division calculates over 147,000 property tax liabilities, including changes/refunds, based upon assessed value generating approximately \$425 million in taxes. The Division places more than 665,000 line items of direct charges totaling almost \$41 million on the secured tax bills by working with 60 different taxing agencies with over 240 different types of direct charges. The Division calculates and distributes property tax revenues to over 80 local taxing agencies. The Division files various state-required reports and continually implements new legislation related to property taxes, redevelopment agencies, Educational Revenue Augmentation Fund (ERAF), Vehicle License Fee (VLF) Swap, etc.

Financial Reporting

This Division provides financial reporting, accounting, and auditing support services to County operating departments and independent special districts. The Auditor-Controller's staff acts as the fiscal liaison between County, state and federal funding agencies, and assists departmental managers in the design and implementation of accounting and bookkeeping procedures. This Division provides a professional review of financial and other cost reports for departments prior to their submission to the State. Staff perform an analytical review of cost-applied rates such as the fleet rates and workers' compensation rates. Staff prepare the annual Countywide Cost Plan and the annual draft financial statements for the County's external auditors. The County's fixed asset accounting is managed by this Division as well as the accounting and distribution of the State Transportation Development Act (TDA) funds to the various claimants. Staff within this Division are responsible for the daily management of Positive Pay with the County's bank to provide validation of daily checks issued. This Division prescribes accounting forms and methods of keeping the County's accounts and is responsible for the preparation and publication of the annual final budget schedules for the County. This Division prepares the State's required annual financial reports on behalf the Board-governed districts.

Payroll

Payroll accounting prepares biweekly payroll instruments and "wage/tax reports" for the County and 20 affiliated local governmental agencies; processes "gross to net" deductions for health insurance and other benefits, association dues, credit union banking, retirement, and legal attachments (garnishments); and administers the deferred compensation program for over 1,000 county employees.

Accounting

This Division reviews and processes accounts payable disbursement items, including employee travel reimbursements, contract payments and payments for product purchases; maintains ledger accounts, processes transactions, and prepares the State's required annual financial reports for 45 special districts having independent governing boards; provides computerized financial reporting for budget item detail and account summary information to all departments and agencies, using the County Treasury as their cash depository. This Division reviews and processes the daily deposits for all county departments, schools and other agencies. The County's purchase card program (PCard) is managed by the staff within this Division. This includes the issuance of purchase cards (360 cards), continuous modification of commodity types and dollar thresholds for cardholders, review of over 21,190 purchase card transactions that amount to over \$13.5 million in charges annually, reconciliation and distribution of biweekly purchase card statements and the posting of the purchase card charges to the department budgets. This Division is responsible for the records management of the Department. This Division administers 11 bond issues for Mello-Roos districts providing all accounting services, annual reports, calculation of the annual special tax levy, debt service management, and administration of all delinquencies. This Division has assumed the added responsibility from Information Technologies for the daily printing of accounts payable vendor checks which total approximately 30,000 on an annual basis. In

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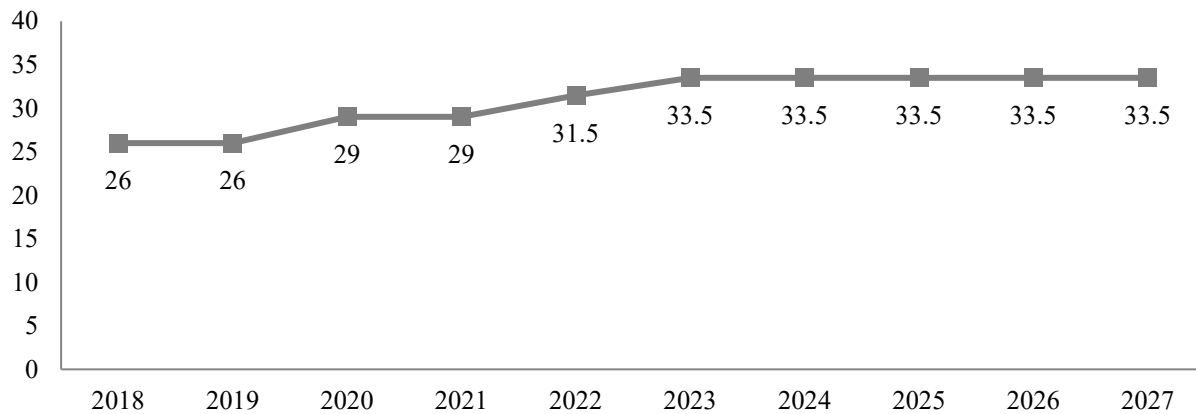
In addition, the accounting staff printed approximately 15,600 Social Service C-IV checks and Social Service general assistant checks this past year. The Division’s Enterprise Resource Planning Analyst supports and trains departmental staff, audits security, and performs all testing and troubleshooting in FENIX. Beginning in FY 2021-22, this Division also assumed all the accounting functions for the Recorder-Clerk’s office.

BUDGET SUMMARY BY PROGRAM

	Appropriations	Revenues	Net County Cost	Staffing
Administration	533,705	2,300	531,405	2.0
Property Tax	783,426	343,358	440,068	4.0
Financial Reporting	1,551,727	22,000	1,529,727	5.0
Payroll	748,696	250	748,446	5.0
Accounting	2,587,979	284,132	2,303,847	17.5
Total	6,205,533	652,040	5,553,493	33.5

STAFFING TREND

The total staffing for the Department is recommended to remain at 33.5 FTEs.



SOURCES & USES OF FUNDS

The Auditor-Controller is primarily funded with General Fund discretionary revenues, with partial cost recovery in subsequent years through the Countywide Cost Allocation Plan (reflected in the General Fund – General Revenues and Other Operations budget). Expenditures are related to staffing and costs associated with operating the office.