City of Culver City, California

City Council Agenda Item Report

Meeting Date: 03/13/06	Item Number: A-6
AGENDA ITEM: Consideration of Transferring the Revenue Division of the City Treasurer's Office to the City Controller's Office. **REVISED**	
Contact Person/Dept.: Jerry Fulwood, Chief Administrative Officer	Phone Number: (310) 253-6000
Fiscal Impact: Yes [X] No []	General Fund: Yes [X] No []
Public Hearing: [] Action Item: [x]	Attachments: [x]
Public Notification: Master Notification List (03/09/06)	
Department Approval: Jerry B. Fulwood (03/09/06)	CAO Approval: Jerry B. Fulwood (03/09/06)
City Controller Approval: Marlee Chang (03/09/06)	

That the City Council discuss the concept of transferring the Revenue Division of the City Treasurer's Office to the City Controller's Office and provide the Chief Administrative Officer with direction.

BACKGROUND:

At the February 27, 2006 City Council Meeting, Mayor Vera requested that the Chief Administrative Officer bring to the City Council a discussion item to consider transferring the revenue function of the City Treasurer's Office to the City Controller's Office. The following information is provided as background information to assist with the discussion.

DISCUSSION:

Culver City is unique in that some of its financial responsibilities and functions are under the jurisdiction of the elected City Treasurer.

Unique Organizational Structure

Culver City's current organizational structure has the City Treasurer directly responsible as a department head for those functions that are also meant to serve in an objective review capacity. There are essentially four (4) financial functions in the City: 1) budget (includes purchasing), 2) accounting (operations such as payroll and accounts payable as well as general ledger), 3) investments, and 4) revenue (includes business tax, billing and collections). The first function is in the City Controller's office and the other three are in the City Treasurer's office.

The City Charter

Of the four (4) financial functions mentioned - budget, accounting, investments, and revenue – only the revenue function is not assigned through the City Charter. The revenue function is assigned through the Municipal Code and can be directly altered by majority vote of the Council.

The Charter assigns the Treasurer duties of receiving all monies for the City, and depositing, investing and disbursing funds. The Charter also assigns the City Treasurer the duty to "maintain a general accounting system for the City government and each of its offices, departments and agencies."

Reorganization Option

The City Treasurer's Office has four divisions: Administration (investments), Treasury (revenue, collection and billing), Accounting (general ledger and audits), and Accounting Operations (accounts payable, payroll). As mentioned, the revenue function is currently assigned to the City Treasurer's Office by the Municipal Code. Therefore, the City Council may decide to move these functions into the City Controller's Division at any time by adopting an ordinance to amend the Municipal Code,

FISCAL ANALYSIS:

The fiscal impact, if any, would be dependent upon the direction provided by the City Council. Should Council direct that a change occur, the potential fiscal impact of such a change would be provided.

ATTACHMENTS

ATTACHMENTS: Pages

1. Appendix A - Current organizational chart for the Administrative Office and the City Treasurer's Office 1
2. Appendix B - City Charter and Municipal Code sections pertaining to authority and responsibilities of the Chief Administrative Officer 2

MOTION:

That the City Council: Consider the proposed reassignment of the revenue operations and direct staff as deemed appropriate.