



**Foster City Civics Academy  
Session 1 – City Council,  
City Manager, and Finance  
Departments**

*September 13, 2023*



# Foster City

## COMMUNITY PROFILE

Data collected from the US Census Bureau, DataUSA, Zillow, and the California Department of Finance



5 PUBLIC  
SCHOOLS

1 PUBLIC  
LIBRARY



1 FIRE  
STATION



1 POLICE  
STATION

24 PUBLIC  
PARKS



\$1,931,659 MEDIAN  
HOME VALUE



\$163,322 MEDIAN  
HOUSEHOLD INCOME



# What is the Council-Manager Form of Government?

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- The City Council is elected directly by the residents.
- As the legislative branch of the government, it makes final decisions on all major city matters. The Council adopts ordinances and resolutions necessary for efficient governmental operations, approves the budget, and acts as a board of appeals.
- In a Council-Manager government, an elected city council serves as the City's primary legislative body and appoints a chief executive officer called a City Manager to oversee day-to-day municipal operations.



# Municipal Code

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- Foster City is a "General Law" city, meaning that we operate by the standard governing rules that are set up by the State of California for cities in our state.
- General Law cities have a Municipal Code, which is a Codification of the General Ordinances of the City.
- The Code may be amended via ordinance adopted at a City Council meeting.



# 2023 STRATEGIC PRIORITIES

## VISION:

Create a vibrant and sustainable Foster City community through smart, inclusive, and efficient actions to preserve and enhance our quality of life for current and future generations.

## MISSION:

The mission of the City of Foster City is to deliver services, invest in quality infrastructure and implement policies that prioritize public safety, smart planning, a vibrant economy, fiscal stability, community connections, and a sustainable environment. In pursuit of this mission, we use community engagement and data to make decisions and measure progress based on economic, social, and environmental factors.

## STAFF EMPOWERMENT AND OPERATIONAL EXCELLENCE:

The staff of Foster City is committed to and takes pride in proactively providing exceptional service to our community.

## CITY COUNCIL OPERATIONS AND IMPROVED COMMUNITY ENGAGEMENT:

The City Council operates at the highest level of civil discourse, encouraging resident engagement, and full transparency.

## SMART PLANNING, DEVELOPMENT, AND THE LOCAL ECONOMY:

Create a long-term vision that protects, maintains, and enhances our community character through thoughtful planning and economic development policies.

## SUSTAINABILITY:

Focus on a multi-decade timeline with policy development that prioritizes the environment, economics, and community of Foster City.

## INNOVATION:

Welcome and support ideas and new initiatives that allow the City to experiment with solutions and recognize that accepting modest risk is required to allow for new ideas to be tried.

## PUBLIC SAFETY AND SOCIAL EQUITY:

Continue to promote diversity and inclusive policies within the City organization and seek social equity in all City policies including public safety.

## FACILITIES AND INFRASTRUCTURE:

Maintain a standard of excellence with regards to infrastructure, including streets, lagoon, levee, parks, water supply system, wastewater system, storm water collection system, and City facilities to preserve and enhance quality of life for future generations.



# City of Foster City/Estero Municipal Improvement District Organization Chart

FOSTER CITY RESIDENTS

## CITY COUNCIL



### ADVISORY COMMITTEES

Audit Committee

Citizens Sustainability Advisory Committee

Parks and Recreation Committee

Planning Commission

Traffic Review Committee

Youth Advisory Committee

City Attorney

City Manager

Assistant City Manager

Community Development Department

Parks and Recreation Department

Public Works Department

Administrative Services Department

Communications/City Clerk Department

Financial Services/City Treasurer Department

Police Department

San Mateo Consolidated Fire Department



## City/District Manager Department – Key Functions

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- Provide administrative and legislative/policy support to the City Council/EMID Board and City staff
- General oversight of all City operations
- Specific City-wide oversight in the following areas:
  - Community Relations/Services
  - Legislative Advocacy
  - Budget
  - Animal Control
  - Emergency Preparedness



# Key Programs

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- Animal Control Services/Animal Shelter
  - Contract with San Mateo County
  - [Animals and Pets | Foster City California](#)
- Minimum Wage Ordinance
  - Adopted by the City Council in May 2022
  - Current Minimum Wage is \$16.50 per hour
  - Effective January 1, 2024 and each following year, minimum wage increased based on the Regional Consumer Price Index (CPI), not-to-exceed three percent (3.0%)
  - [City of Foster City Minimum Wage Ordinance | Foster City California](#)
- Nonprofit Funding
  - Provided \$75K of funding in FY 2023-2024 per the direction of City Council to various local non-profit organizations that provide programs and services to the Foster City community
  - [Non-Profit Funding Availability/Application Process | Foster City California](#)





# Community Engagement/Good Governance

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- **City Events**
  - [Calendar | Foster City California](#)
- **City Council Meetings**
  - [Agendas and Minutes | Foster City California](#)
- **Community Annual Report**
  - [Community Annual Report | Foster City California](#)
- **Bi-Weekly Newsletter**
  - [Foster City E-Newsletter Sign-Up | Foster City California](#)
- **Mayoral Minute**
  - [Sustainability in Foster City | Mayoral Minute Episode 7 – YouTube](#)
- **Foster City at Work**
  - [Meet our Parks Maintenance Crew | Foster City at Work | Episode 1 – YouTube](#)
- **Foster City Access/ SeeClickFix**
  - [Foster City Access | Foster City California](#)



# CONNECT WITH US

 CONTACT  
**CITY HALL**  
**650.286.3200**  
OR VISIT US MONDAY-FRIDAY  
**8AM-5PM** (EXCEPT FOR MAJOR HOLIDAYS)  
**610 FOSTER CITY BLVD**

Report non-emergency issues straight to the City from your phone with the Foster City Access app:

## BY DEPARTMENT

City Managers Office	286.3220
Communications/City Clerk	286.3250
Community Development	286.3225
Financial Services	286.3204
Fire	522.7900
Human Resources	286.3205
Parks and Recreation	286.3380
Library	574.4842
Police	286.3300
Public Works	286.3270

VIEW OUR CURRENT JOB OPPORTUNITIES:  
[CALOPPS.ORG/CITY-OF-FOSTER-CITY](http://CALOPPS.ORG/CITY-OF-FOSTER-CITY)

SIGN UP FOR THE FOSTER CITY E-NEWSLETTER:  
[FOSTERCITY.ORG/FCCURRENT](http://FOSTERCITY.ORG/FCCURRENT)

 FACEBOOK  
@City of Foster City

 TWITTER  
@CityofFC

 YOUTUBE  
@City of Foster City

 LINKEDIN  
City of Foster City

 INSTAGRAM  
@CityofFC

 SIMPLICITY  
@City of Foster City

VISIT US ONLINE  
[WWW.FOSTERCITY.ORG](http://WWW.FOSTERCITY.ORG)



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# Questions or comments?



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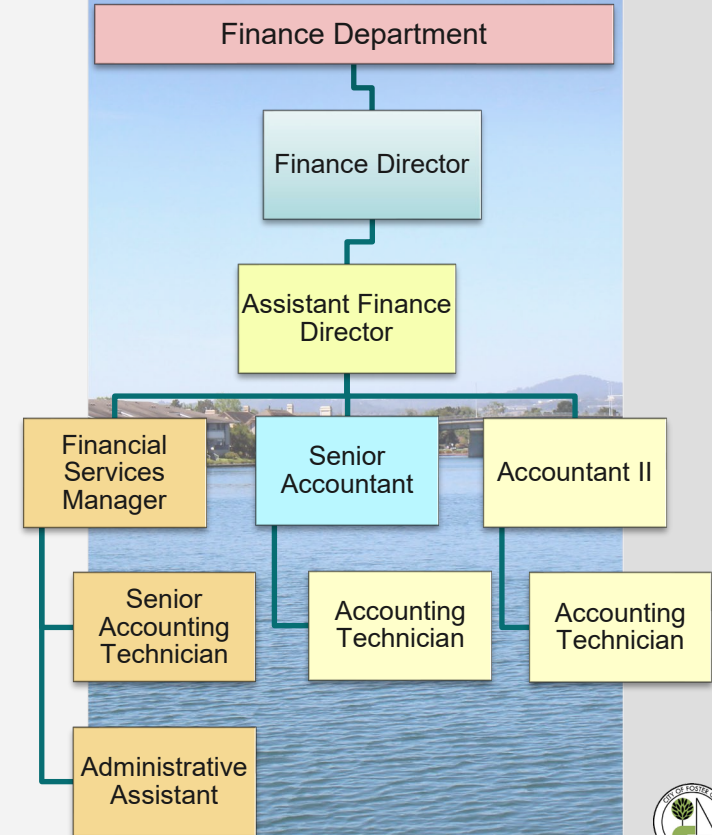
# Finance Department



# Introduction- Finance Department

The Finance Department's role in the City government is to:

- Prepare annual budget and monitor/communicate status at regular intervals
- Prepare financial reports and administer annual audit
- Provide central services support to City departments
- Provide Safeguard/Stewardship of the City's assets/resources
- Ensure timely processing of all financial obligations
- Process payroll for our employees and payments to the City's vendors
- Provide financial /fiscal analysis for the City Council and City departments.



# Commercial Enterprise (Non-Government) Accounting Jargon

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Emphasis on Profitability/Maximizing Shareholder value

- Profit and Loss (P&L) aka Income Statement
- Shareholder Equity
- Return on Investment
- Cost of Goods Sold
- Gross Profit Margin
- Earnings before interest and taxes
- Earnings per share



# Government Accounting Jargon

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## Emphasis on Accountability and Sustainability

- Fund Accounting
  - A Fund is a self-balancing set of accounts
  - Many Funds have restrictions/limitations on the use of its monies
- Revenues
- Expenditures
  - Operating
  - Capital
- Fund Balance
  - Reserves
- Appropriations



# Foster City's Fund Categories and Fund Types

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- Governmental
  - General Fund
  - Special Revenue Funds (e.g. Gas Tax, Measure M, CalOPPS, Foster City Foundation, General Plan Maintenance, Workforce Housing)
  - Capital Projects Funds
  - Debt Service Funds (general obligation bonds)
- Proprietary Funds
  - Enterprise Funds (water, wastewater)
  - Internal Service Funds (e.g. vehicle, equipment, IT, building maintenance)
- Fiduciary Funds
  - Private Purpose Trust Funds (Successor agency of Community Development Agency)
  - Custodial Funds (fees collected for SMC Fire Department)





# Introduction- Finance Department

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## Administration

- Responsible for the overall management of the City's Finances, including safeguarding its assets and providing for fiscal sustainability
- Provide leadership and day-to-day administrative oversight of the Finance Department
- Support the Audit Citizens Advisory Committee
- Prepare Annual Comprehensive Financial Report (ACFR) and support independent annual financial audit

## Budget

- Administer the development and preparation of the City's annual budget and long-term financial plan
- Monitor City's budget and report financial condition to governing board and stakeholders
- Evaluate fiscal impacts of departments' recommendations to the City Council



# Introduction- Finance Department

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## Accounting

- Record daily financial activities
- Provide budget to actual analyses
- Prepare monthly, quarterly and annual financial reports
- Ensure compliance with the Governmental accounting standards in addition to Federal, State, and local laws

## Payroll

- Process bi-weekly payroll for approximately 177 full-time employee plus part-time and seasonal employees
- Prepare Forms W-2 and submit tax withholdings to federal and state agencies
- Ensure employees are paid in accordance with memoranda of understandings with bargaining groups
- Reconcile payroll with accounting records



# Introduction- Finance Department

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## **Business License, Utility Billing and Cashiering**

- Administer Business License, Utility Billing, Accounts Receivable, and Cashiering operations
- Receive, deposit, and collect taxes, assessments, fees, and other City revenues
- Collect business license taxes from individuals and/or companies doing business in the City
- Prepare invoices for water and sewer utility services and perform corresponding collections

## **Accounts Payable/Purchasing**

- Process checks and electronic payments for goods and services approved for disbursement
- Issue purchase orders and ensure sufficient funds are available prior to issuing payments
- Ensure adherence with City's purchasing policy



# Citizen Advisory Committee

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## Audit Committee

- The Audit Committee consists of five (5) members who serve for a period of three (3) years.
- Members are appointed by the City Council from residents of the City who have knowledge of finance, accounting, law, or information technology.
- Committee advises the City Council/District Board regarding the selection of the independent auditor(s), the review of the annual audit process and financial statements, and other financial matters as requested by the City Council/District Board.
- Committee may also select specific processes/functions for auditors to review to ensure compliance with internal controls and/or best practices.



# Financial Department Operations & Accomplishments in FYE 2023

- Maintained City's credit rating at Aaa
- Earned 29<sup>th</sup> consecutive Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association (GFOA)
- Updated the City's Cost Allocation Plan and User Fee Study
- Administered the preparation of the City's FYE 2024 annual budget and 5-year financial plan.
- Issued an RFP and contracted with new auditors for City's financial reports, including its ACFR.
- Hired replacement for retired Assistant Finance Director



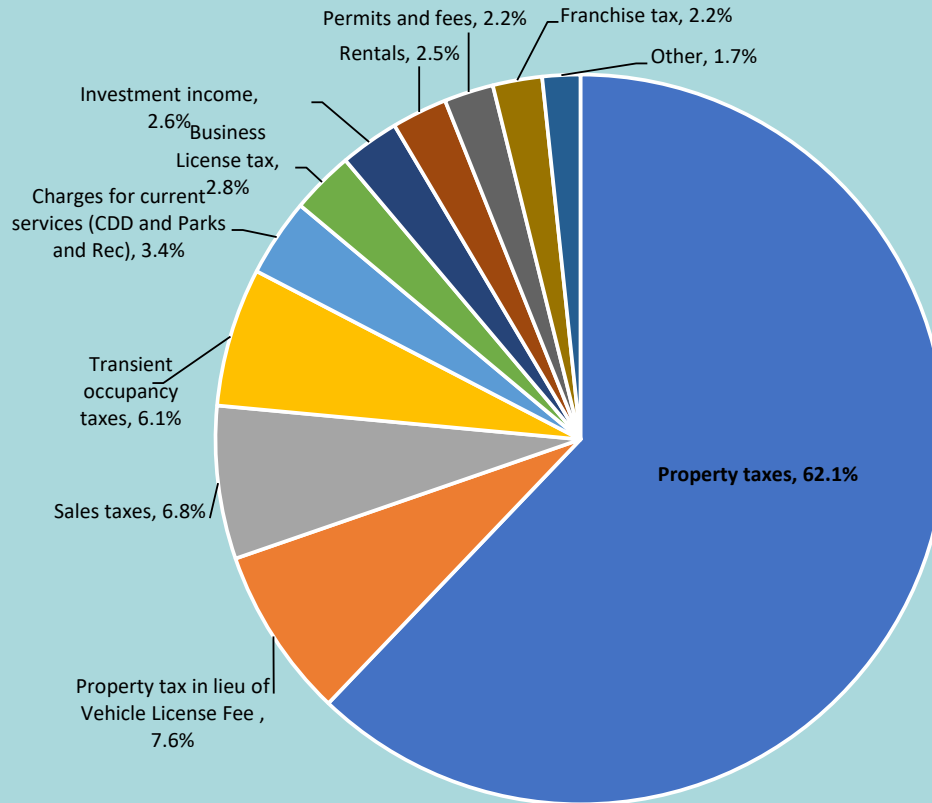
# Annual Budget (A Financial Plan, Policy, and Communications Document)

- City Council adopts an annual operating and capital budget by June 30th of each year for the following fiscal year's spending plan from its projected resources.
- The budget supports the strategic plan, goals, objectives, and priorities of the City Council as elected representative of the community
- The budget process is a multi-month endeavor from November to June.
- Operating Budget includes personnel costs, services and supplies, equipment and other resources to support day-to-day operations.
- Capital Budget includes funding for Capital Improvement Plan (major projects such as road construction, park renovations, facility upgrades, etc.)

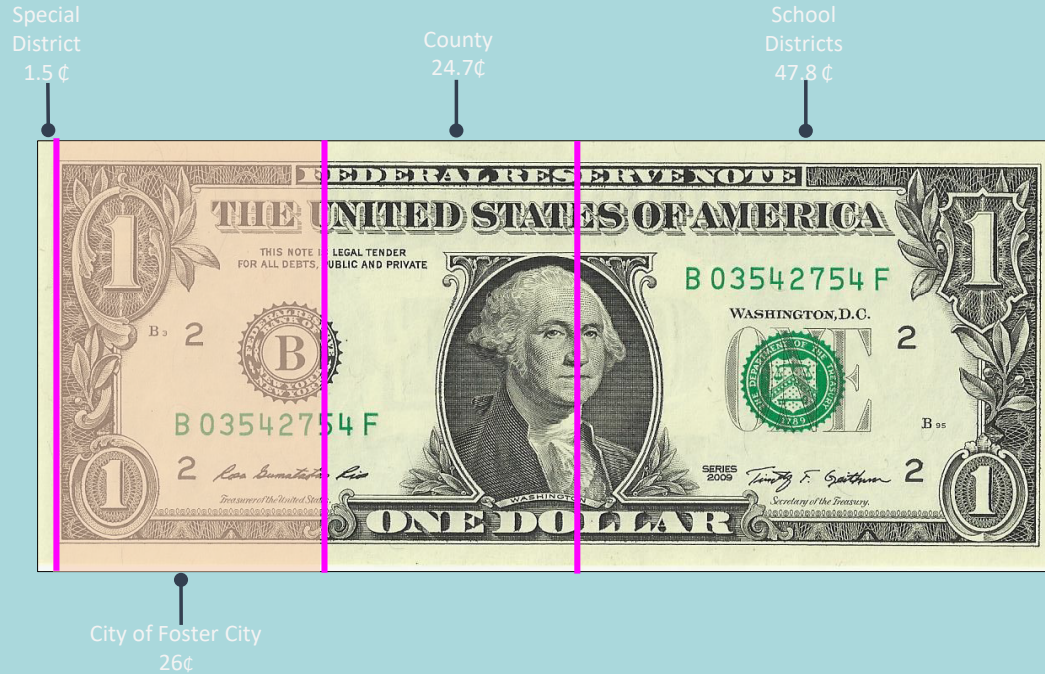


# Adopted FY 2023-24 Budget

## General Fund Revenues- \$57,946,000



# Foster City's Share in Property Tax, including in lieu Vehicle License Fee FY 2023-24 Projected \$40.39 Million

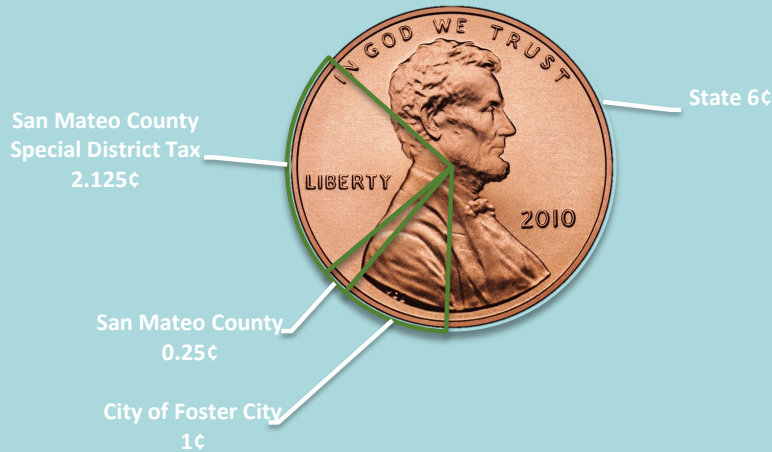




# Sales Tax Revenue

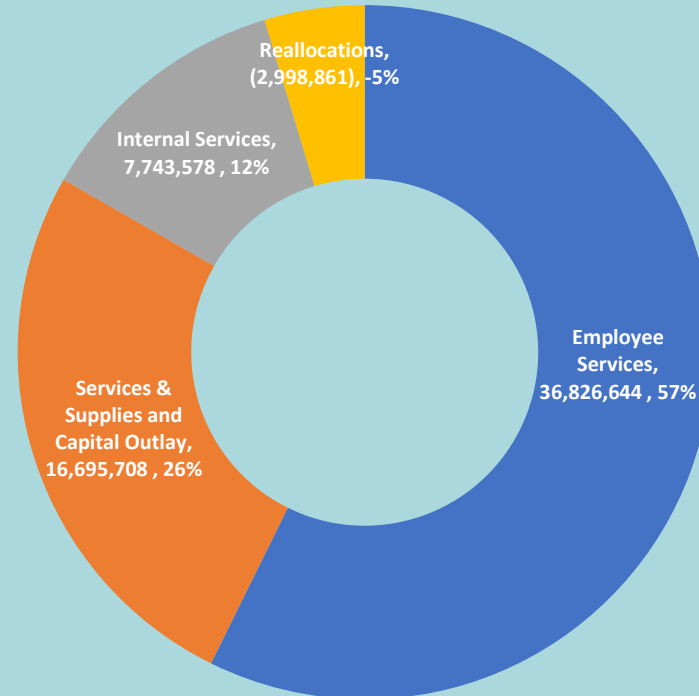
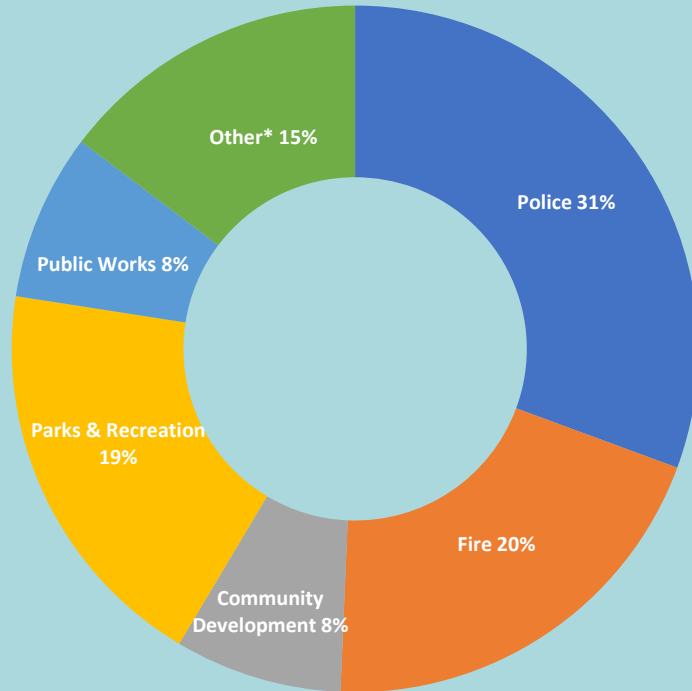
## FY 2023-24 Projected \$3.93 Million

- City receives 1%, or \$.01 out of every \$1 spent in the City of Foster City.
- If something is purchased online, that sales tax goes to a County Pool.
  - City receives payment from the County Pool based on a pro rata share of its taxable sales.
  - For example, an agency generating 8% of the county's total taxable sales receives 8% of the pool.



# FY 2023-24 Adopted Budget

## General Fund Expenditures, \$58,267,069 (Excluding \$6 Million Transfers Out to CIP Projects)



# Fiscal Sustainability

## Reserve Policies (minimum)

- General Fund (33 1/3% to 50% of annual operating expenditures)
- Capital Projects funds (\$2 million baseline)
- Enterprise Funds (25% of annual operating expenditures)

## Five Year Financial Plan/Forecast

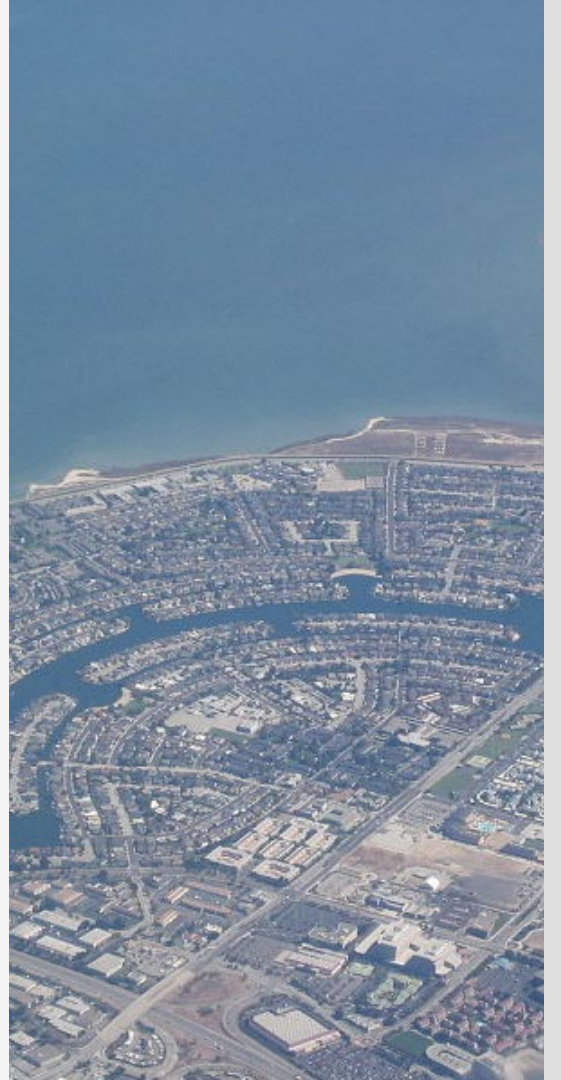
- Balanced budgets (uses of funds/expenditures do not exceed sources of funds/revenues)

## Internal Service Funds, separate “savings” accounts fully funded for:

- Vehicle Replacement
- Equipment Replacement
- Information Technology
- Building Maintenance

## Capital Projects Funds

- Pay Go funding for City and Water and Wastewater enterprises
- Debt Financing for major projects (e.g. Levee and Wastewater Treatment Plant projects)
- 5 and 15-year funding projections



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# Questions or comments?

