

Office of the City Auditor

Preliminary Fiscal Year 2023-2024
Budget Proposal



June 13, 2023
Mark S. Swann, City Auditor

Government Performance & Financial Management Committee

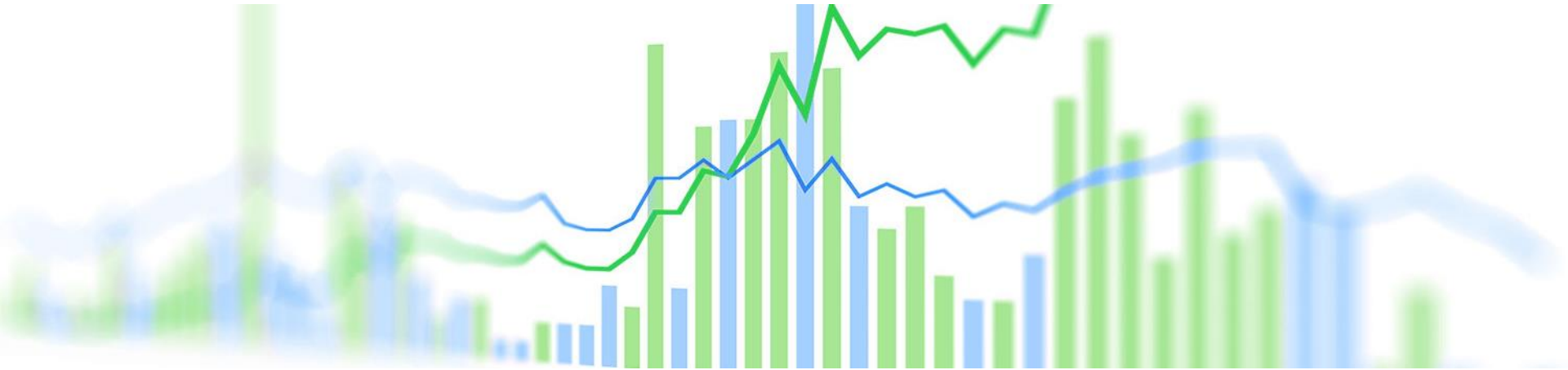


FY 2023 – 2024 Preliminary Budget Proposal

2 Percent Increase

	FY 2022 – 2023 Budget	FY 2023 – 2024 Recommended Budget	Increase / <Decrease>
Personnel Services	\$2,458,754	\$2,513,640	\$54,886
Professional Services	430,232	430,232	-0-
Contractual - Other Services	249,278	257,222	7,944
Supplies - Material	24,991	24,991	-0-
Total Expenses	\$3,163,255	\$3,226,085	\$62,830

Preliminary Budget Proposal – Notable Items



\$2,091,925

Personnel

20.5 FTEs

Impact: 16-18 Audit Engagements

\$430,232

Professional Services – External auditing/consulting services to augment staff skills.

Impact: 2-3 Audit Engagements

Preliminary Budget Proposal - Budget History

For Year Ending September 30,	Total Budget	Co-Sourcing	Percent Co-Sourcing	FTEs
2018	\$3,160,043	\$7,235	0%	26
2019	3,352,314	18,953	1%	26
2020	3,486,827	220,730	6%	24
2021	3,123,860	360,267	12%	21
2022	3,174,472	416,432	13%	21
2023	3,163,255	430,232	14%	21
2024 (Recommendation)	3,226,085	430,232	13%	20.5

Preliminary Budget Proposal – Final Adjustments Needed

➤ Decision on:

- Compensation Adjustments – Cost of Living, Merit, Bonuses
- Pension costs
- Healthcare costs
- Worker's Compensation rates
- Property, casualty, and public liability insurance
- Department of Information and Technology Services' chargebacks

Preliminary Budget Proposal – Revenue Impact

- Audits provide oversight of controls supporting operational responsibilities of revenue collections.
- Office of the City Auditor administers outsourced audit of sales/use tax compliance contract.
- Office of the City Auditor administers outsourced audit of utility franchise fees.

Preliminary Budget Proposal – City Charter

Proposition 5 (11-04-2014) Amended Chapter XI, Section 2

“The city auditor shall furnish a detailed budget estimate of the needs and requirements of the Office of the City Auditor for the coming year directly to the city council, to be approved by the city council, and then consolidated with the city manager’s annual budget estimate.”

(Amend. Of 11-08-05, Prop. No. 13; Amend. Of 11-04-14, Prop. No. 5).

Preliminary Budget Proposal – City Charter

Appendix

Office of the City Auditor's Budget Benchmark Study

2022 Population Rank	Agency		Expenses	2022 Population Estimate	Audit Resources FY2022 or FY2023				
			Governmental & Business Type		FTE	Budget	Per Audit FTE	Per Population	Percent Expenses
4	Houston	TX	\$ 4,568,000,000	2,288,250	10.0	\$ 1,507,259	\$150,726	\$ 0.66	0.033%
5	Phoenix	AZ	4,586,960,000	1,624,569	27.0	3,323,074	123,077	\$ 2.05	0.072%
7	San Antonio	TX	2,598,378,000	1,451,853	23.0	3,302,397	143,582	\$ 2.27	0.127%
8	San Diego	CA	3,431,796,000	1,381,611	22.0	4,350,115	197,733	\$ 3.15	0.127%
9	Dallas	TX	2,792,371,000	1,288,457	20.5	3,163,255	154,305	\$ 2.46	0.113%
10	Austin	TX	4,977,519,000	964,177	29.0	4,641,836	160,063	\$ 4.81	0.093%
11	Jacksonville	FL	2,119,364,000	954,614	19.0	2,618,967	137,840	\$ 2.74	0.124%
12	San Jose	CA	2,816,732,000	983,489	14.0	3,482,443	248,746	\$ 3.54	0.124%
13	Fort Worth	TX	2,084,882,000	935,508	19.0	2,337,683	123,036	\$ 2.50	0.112%
15	Charlotte	NC	2,154,500,000	879,709	11.0	1,575,074	143,189	\$ 1.79	0.073%
16	Indianapolis	IN	1,515,679,067	882,039	10.0	1,892,021	189,202	\$ 2.15	0.125%
18	Seattle	WA	4,241,488,000	733,919	10.0	2,141,681	214,168	\$ 2.92	0.050%
20	Oklahoma City	OK	1,777,783,000	687,725	8.0	1,516,654	189,582	\$ 2.21	0.085%
21	Nashville	TN	2,342,151,854	678,851	12.0	1,903,000	158,583	\$ 2.80	0.081%
	Average/Mean		3,000,543,137	1,123,912	16.8	2,696,819	166,702	\$ 2.57	0.096%
	Median		2,695,374,500	959,396	16.5	2,478,325	156,444	\$ 2.48	0.103%
9	Dallas	TX	2,792,371,000	1,288,457	20.5	3,163,255	154,305	\$ 2.46	0.113%
17	San Francisco	CA	12,827,179,000	815,201	76	26,106,129	343,502	\$ 32.02	0.204%
19	Denver	CO	4,597,696,000	711,463	80	11,641,112	145,514	\$ 16.36	0.253%

Office of the City Auditor's Six Percent Reduction Scenario (Office of Budget Target)

	FY 2023 – 2024 Recommended Budget	FY 2023 – 2024 Reduction Scenario	Increase / <Decrease>
Personnel Services	\$2,513,640	\$2,489,785	<\$23,855>
Professional Services	430,232	280,000	<150,232>
Contractual - Other Services	257,222	257,222	-0-
Supplies - Material	24,991	24,991	-0-
Total Expenses	\$3,226,085	\$3,051,998	<\$174,087>

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