



Budget Presentation to the City Council

Finance Department

City Council
May 3, 2016

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DEPARTMENT OPERATIONS

The mission of the Finance Department is to provide fiduciary control of the City's assets, perform fiscally related services, and provide accurate, timely, and useful financial information to support the delivery of municipal services to the City organization and the public.



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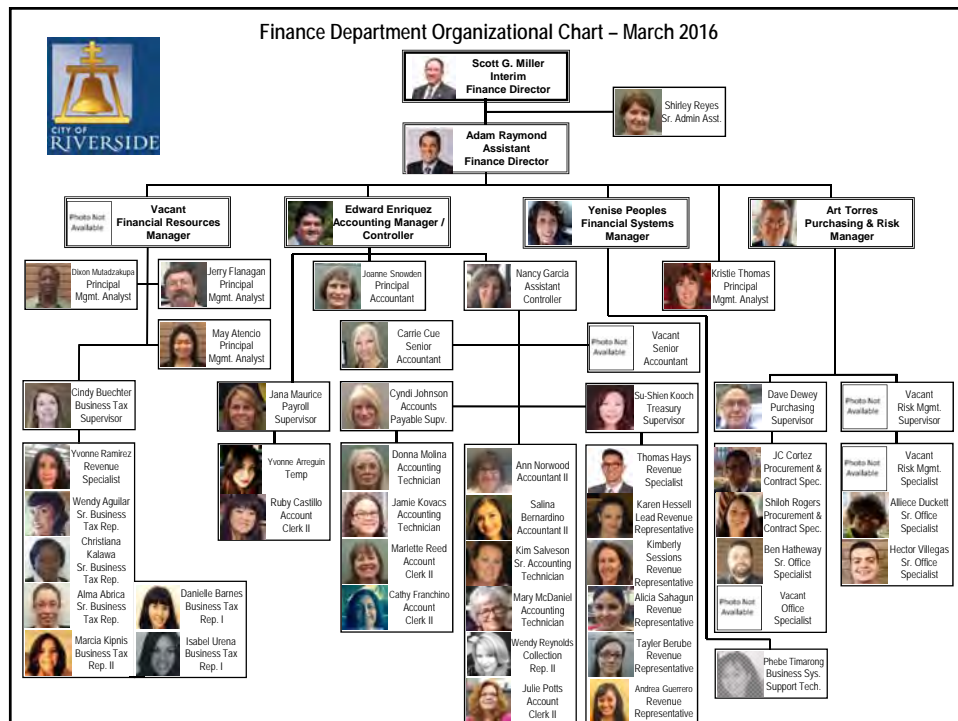
DEPARTMENT ORGANIZATION

- The Finance Department consists four divisions:
 - Administration
 - Accounting
 - Financial Resources
 - Purchasing & Risk Management



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GOALS

- Ensure the safety and security of the City's financial assets;
- Provide the financial resources necessary to support goals and operations of City departments;
- Develop sound financial strategies for business decisions;
- Prepare a written and enhanced General Fund Reserve policy;
- Provide timely and accurate financial reports;
- Actively support the local business economy; and
- Continue implementing and maintaining a new budget process in conjunction with the City's two-year budget and five-year plan.



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ACCOMPLISHMENTS

- Realized continued improvement in the Purchasing Card Rebate Program;
- Participated in the development of portion of the EngageRiverside.com portal dedicated to gaining additional citizen participation in the budget preparation process; and
- Received the Certificate of Achievement for Excellence in Financial Reporting award for the City's Comprehensive Annual Financial Report (CAFR).



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EXPENDITURES

FINANCE	FY 2013-14 Actuals		FY 2014-15 Actuals		FY 2015-16 Adopted Budget	
Division Operational Expenditures	\$	FTEs	\$	FTEs	\$	FTEs
Administration	\$ 1,258,252	5	\$ 248,596	5	\$ 1,158,644	6
Accounting	\$ 3,213,510	27	\$ 3,231,231	27	\$ 3,466,085	26
Financial Resources	\$ 1,038,038	11	\$ 1,159,151	11	\$ 1,136,201	11
Purchasing / Risk Management	\$ 1,066,262	8	\$ 1,095,588	8	\$ 1,263,875	10
Trust Funds	\$ 6,046,744		\$ 6,591,587		\$ 6,010,216	
Debt Service	\$ 92,051		\$ 97,780		\$ 91,948	
Special Districts	\$ 2,231,259		\$ 120,000		\$ 65,000	
Totals	\$ 14,946,116	51	\$ 12,543,933	51	\$ 13,191,969	53

Major Changes in FY 2015-16:

- Addition of two positions in Purchasing/Risk Management in anticipation of bringing the risk management/liability claim process in house.
- Additional increases are a result of typical salary and benefit increases.



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DEPARTMENTAL REDUCTIONS

- 4% Reduction
 - \$250,140
- Managed Savings
 - \$125,00



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4% REDUCTION

- **Administration Salary Savings (\$52,500)**
 - Lower salary and benefit cost estimates for new Finance Department management staff
 - No impacts to current operations
- **Vacant Fiscal Resources Manager (\$191,929)**
 - Oversees budget process, quarterly financial updates to the City Council, fees and charges, debt, and cost plan
 - The impact of this change will be significant. Without filling the position, the Finance Director/Treasurer and Assistant Finance Director will need to take on more responsibility, which may negatively affect accuracy and comprehensiveness of budget reports.
 - Special projects at risk



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MANAGED SAVINGS

- **Manage vacancies (\$110,000)**
 - It is anticipated that several employees may retire in FY 2016-17. These positions will be held vacant until the managed savings target is achieved.
 - This will result in service impacts (e.g. payment of bills, processing of receipts, etc.)
- **Bond Interest (\$25,000)**
 - Based on current interest rates, it's anticipated that bond interest will come in lower than budgeted
 - No impacts to current operations



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CRITICAL UNFUNDED NEEDS

Priority Level	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Highest	\$ 309,315	\$ 330,851	\$ 347,393	\$ 364,761	\$ 382,999
Grand Total	\$ 309,315	\$ 330,851	\$ 347,393	\$ 364,761	\$ 382,999

Fiscal Resources Division

- Principal Analyst and Management Analyst
 - Assigned to budget tasks, including quarterly updates to the City Council, revenue analysis, and special analytical projects.

Accounting Division

- Senior Account
 - Allow Controller and Assistant Controller to strengthen accounting internal controls and take on special projects needed throughout the City.



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QUESTIONS FROM CITY COUNCIL



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