

# **Department of Finance**



**Page Intentionally Left Blank**



## Description

The Department of Finance (DoF) provides centralized financial services to the City. DoF has four key areas of responsibilities; (1) oversight of the City's operating and capital budgets, (2) accounting and financial reporting for all City funds, (3) payroll and vendor payments, and (4) financing and management of City debt obligations, all of which are the foundation of the City's financial operation. The DoF comprises three divisions: Financial Planning, External Financial Reporting, and Debt Management & CIP.

The Financial Planning division coordinates the development of the annual budget by working with City departments to identify expenditure savings and implement Mayoral initiatives, develops the Five-Year Financial Outlook, identifies new revenue sources, and forecasts revenues. Furthermore, the division performs internal financial reporting functions for the City, monitors the City's expenditures and revenues, oversees budget transfers and adjustments, produces reports to City Council to forecast year-end results, and coordinates budget adjustments throughout the year to accommodate unforeseen budget changes. This division is also responsible for the development and monitoring of personnel expense components of the operating budgets, including analysis of salaries and fringe benefit rates, and conducts analyses to support labor negotiations.

The External Financial Reporting division prepares the Annual Comprehensive Financial Report (ACFR) which includes an accounting of all City funds and its component units, including related disclosures; implements and monitors internal controls over financial reporting, and prepares the required reporting to the Audit Committee and City Council; maintains multiple modules of the SAP system to ensure data accuracy and develops and provides citywide financial training. Furthermore, the division is responsible for the general accounting for the City. This division is also responsible for the centralized processing of all vendor payments and payroll processing for the City's approximately 13,000 employees.

The Debt Management & CIP division develops and monitors the CIP Budget, develops financing plans, and conducts issuance activity for all short- and long-term debt, which together support projects that help maintain or improve City infrastructure. Additionally, the division coordinates and monitors

# Department of Finance

citywide post-issuance administrative functions related to bond offerings, commercial paper programs, Federal and State loans, and capital leases, and regularly reviews obligations for refunding opportunities and timely refinances to lower interest costs. The division also coordinates, as needed, the City's formation procedures for its Special Financing Districts, related conduit bond issuances to fund public infrastructure, and the enrollment process for assessments and special tax levies.

***The vision is:***

To set the national standard for municipal financial management.

***The mission is:***

To provide the highest quality financial services with integrity, transparency, and accountability.

## Goals and Objectives

***Goal 1: Establish strong financial management by applying nationally recognized best practices.***

- Establish fiscally sound financial policies
- Prepare fiscally sound balanced budgets
- Promote sound long-term financial and infrastructure planning

***Goal 2: Optimize financial resources and safeguard public assets.***

- Identify and implement continuous business process improvements to reduce costs and enhance revenues

***Goal 3: Provide excellent customer service.***

- Encourage collaboration with customer departments
- Pay employees timely and accurately
- Pay vendors timely and accurately

***Goal 4: Strengthen the City's financial knowledge, skills, and abilities.***

- Develop financial competencies for Department of Finance staff
- Establish and promote financial training programs for relevant staff citywide

***Goal 5: Produce relevant, accurate and timely financial information.***

- Complete internal and external financial reports accurately and timely, including all relevant disclosures
- Maintain strong internal controls over financial reporting

## Budget Equity Impact Statement

### Equity Highlights

*Examples from the current fiscal year.*

- Worked with the Department of Race & Equity to train departments on how to view the ongoing operations included in their base budget through an equity lens so they can identify adjustments to better address disparities.

### Budget Equity Lens Summary

#### Ongoing Operations

*Is there an opportunity to adjust the department's ongoing operations to address a disparity?*

**No**

The Department of Finance took actions in Fiscal Year 2024, which carries forward to Fiscal Year 2025, to address disparities by redirecting existing budgetary resources. The Department of Finance incorporated equity into the budget process by enhancing the city's budget software (Public Budget Formulation) allowing departments to identify opportunities within their ongoing operations and budget adjustment requests to address disparities. The Department worked closely with Department of Race and Equity to develop material and provide budget equity training to departments and collaborated with the Department of Race and Equity to modify Executive Budget Review and Budget Review Committee slide-deck templates to incorporate equity-related information.

#### Budget Adjustment(s)

*Do the Budget Adjustments address a disparity?*

**No**

Budget adjustments are not anticipated to address or impact potential disparities.

# Department of Finance

## Key Performance Indicators

Performance Indicator	Definition	Baseline	FY2024 Performance	Goal
Annual Comprehensive Financial Report	Number of months after the end of the fiscal year when the Annual Comprehensive Financial Report (ACFR) is issued	6	6	6
Bonds Refinancing Opportunities	Percentage of eligible bonds monitored for refinancing opportunities to lower debt service costs	100%	100%	100%
Debt Service Payments	Percentage of debt services payments made on time	100%	100%	100%
Employee Training	Percentage of departments staff meeting development and technical training goals to maintain skilled workforce	100%	100%	100%
Budget Publications Awards Received	Number of awards received for excellence in financial reporting and budgeting	4	4	4
General Fund Revenue Projections	Percentage of variance between major general fund revenue projections versus year-end actuals	0.33%	0.22%	<2.00%
New Debt Obligations	Percentage of debt obligations that have met the City's Debt Policy guidelines	100%	100%	100%

# Department of Finance

## Department Summary

	FY2023 Actual	FY2024 Budget	FY2025 Adopted	FY2024-2025 Change
FTE Positions (Budgeted)	116.00	140.00	140.49	0.49
Personnel Expenditures	\$ 20,161,693	\$ 24,857,223	\$ 27,029,083	\$ 2,171,860
Non-Personnel Expenditures	1,626,523	2,037,164	1,787,820	(249,344)
<b>Total Department Expenditures</b>	<b>\$ 21,788,216</b>	<b>\$ 26,894,387</b>	<b>\$ 28,816,903</b>	<b>\$ 1,922,516</b>
<b>Total Department Revenue</b>	<b>\$ 2,094,632</b>	<b>\$ 2,758,962</b>	<b>\$ 1,345,466</b>	<b>\$ (1,413,496)</b>

## General Fund

### Department Expenditures

	FY2023 Actual	FY2024 Budget	FY2025 Adopted	FY2024-2025 Change
Debt Management & CIP	\$ -	\$ 2,618,693	\$ 6,230,548	\$ 3,611,855
Department of Finance	3,220,595	3,788,023	2,878,356	(909,667)
External Financial Reporting	7,875,586	8,566,564	14,136,145	5,569,581
Financial Planning	-	-	5,571,854	5,571,854
Financial Planning & CIP	4,870,133	5,409,756	-	(5,409,756)
Internal Financial Reporting	5,821,902	6,511,351	-	(6,511,351)
<b>Total</b>	<b>\$ 21,788,216</b>	<b>\$ 26,894,387</b>	<b>\$ 28,816,903</b>	<b>\$ 1,922,516</b>

### Department Personnel

	FY2023 Budget	FY2024 Budget	FY2025 Adopted	FY2024-2025 Change
Debt Management & CIP	0.00	16.00	32.00	16.00
Department of Finance	4.00	4.00	3.49	(0.51)
External Financial Reporting	47.00	48.00	75.00	27.00
Financial Planning	0.00	0.00	30.00	30.00
Financial Planning & CIP	28.00	32.00	0.00	(32.00)
Internal Financial Reporting	37.00	40.00	0.00	(40.00)
<b>Total</b>	<b>116.00</b>	<b>140.00</b>	<b>140.49</b>	<b>0.49</b>

### Significant Budget Adjustments

	FTE	Expenditures	Revenue
<b>Salary and Benefit Adjustments</b> Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.	0.00	\$ 2,397,121	\$ -
<b>Support for Emergency Medical Services (EMS) Alliance Model</b> Addition of 1.00 Finance Analyst 3 to support the accounting and reporting required by the City's EMS Alliance model.	1.00	127,846	127,385

# Department of Finance

## Significant Budget Adjustments

	FTE	Expenditures	Revenue
<b>Non-Discretionary Adjustment</b> Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	93,019	-
<b>Employ and Empower Program Support</b> Addition of 1.49 Management Interns - Hourly and associated revenue to support the Employ and Empower Program.	1.49	59,118	59,119
<b>Reduction of Print Shop Services</b> Reduction of non-personnel expenditures associated with no longer printing the budget books.	0.00	(8,800)	-
<b>Reduction of Supplies and Photocopy Services</b> Reduction of non-personnel expenditures for supplies and photocopy services associated with the department's hybrid/remote work model.	0.00	(37,743)	-
<b>Executive Approval to Fill Vacancies</b> Addition of estimated savings associated with the implementation of the Executive Approval to Fill Vacancies process.	0.00	(49,616)	-
<b>Reduction of Training</b> Reduction of one-time non-personnel expenditures associated with training.	0.00	(81,086)	-
<b>Reduction of Non-Personnel Expenditures</b> Reduction of non-personnel expenditures due to anticipated savings based on departmental historical trends.	0.00	(96,333)	-
<b>Support for Information Technology</b> Adjustment to expenditure allocations according to an annual review of information technology funding requirements.	0.00	(118,401)	-
<b>Reduction of Internal Controls Finance Analyst</b> Reduction of 1.00 Finance Analyst 2 that supports the City's Internal Control goals.	(1.00)	(151,332)	-
<b>Reduction of Financial Planning and Analysis Program Coordinator</b> Reduction of 1.00 Program Coordinator that supports the development of the Five-Year Financial Outlook, Major General Fund Revenue budget, and projection deliverables.	(1.00)	(211,277)	-
<b>Revised Charges for Current Services</b> Adjustment to reflect revised Charges for Current Services revenue projections.	0.00	-	(1,600,000)
<b>Total</b>	<b>0.49 \$</b>	<b>1,922,516 \$</b>	<b>(1,413,496)</b>



# Department of Finance

## Expenditures by Category

	FY2023 Actual	FY2024 Budget	FY2025 Adopted	FY2024-2025 Change
<b>PERSONNEL</b>				
Personnel Cost	\$ 11,832,574	\$ 15,471,396	\$ 17,355,648	\$ 1,884,252
Fringe Benefits	8,329,119	9,385,827	9,673,435	287,608
<b>PERSONNEL SUBTOTAL</b>	<b>20,161,693</b>	<b>24,857,223</b>	<b>27,029,083</b>	<b>2,171,860</b>
<b>NON-PERSONNEL</b>				
Supplies	\$ 77,631	\$ 122,723	\$ 92,420	\$ (30,303)
Contracts & Services	664,843	600,470	532,176	(68,294)
<i>External Contracts &amp; Services</i>	<i>405,294</i>	<i>293,132</i>	<i>150,951</i>	<i>(142,181)</i>
<i>Internal Contracts &amp; Services</i>	<i>259,549</i>	<i>307,338</i>	<i>381,225</i>	<i>73,887</i>
Information Technology	733,873	1,142,767	1,003,628	(139,139)
Energy and Utilities	146,361	157,304	155,696	(1,608)
Other	3,814	13,900	3,900	(10,000)
<b>NON-PERSONNEL SUBTOTAL</b>	<b>1,626,523</b>	<b>2,037,164</b>	<b>1,787,820</b>	<b>(249,344)</b>
<b>Total</b>	<b>\$ 21,788,216</b>	<b>\$ 26,894,387</b>	<b>\$ 28,816,903</b>	<b>\$ 1,922,516</b>

## Revenues by Category

	FY2023 Actual	FY2024 Budget	FY2025 Adopted	FY2024-2025 Change
Charges for Services	\$ 1,897,969	\$ 2,608,962	\$ 1,195,466	\$ (1,413,496)
Other Revenue	196,663	150,000	150,000	-
<b>Total</b>	<b>\$ 2,094,632</b>	<b>\$ 2,758,962</b>	<b>\$ 1,345,466</b>	<b>\$ (1,413,496)</b>

## Personnel Expenditures

Job Number	Job Title / Wages	FY2023 Budget	FY2024 Budget	FY2025 Adopted	Salary Range	Total
<b>FTE, Salaries, and Wages</b>						
20000010	Account Audit Clerk	2.00	2.00	2.00	\$ 49,159 - 59,122	\$ 112,760
20000024	Administrative Aide 2	7.00	7.00	7.00	63,360 - 76,360	483,467
20001140	Assistant Department Director	1.00	2.00	2.00	96,395 - 365,173	472,680
20000119	Associate Management Analyst	0.00	7.00	0.00	80,424 - 97,203	-
20001113	Chief Accountant	1.00	1.00	1.00	72,886 - 268,057	236,340
20001101	Department Director	1.00	1.00	1.00	96,395 - 365,173	259,449
20000924	Executive Assistant	1.00	1.00	1.00	63,557 - 76,906	76,906
21000576	Finance Analyst 2	32.00	32.00	37.00	85,777 - 104,304	3,221,310
21000577	Finance Analyst 3	27.00	30.00	34.00	94,428 - 114,704	3,818,658
21000578	Finance Analyst 4	9.00	11.00	11.00	117,041 - 142,233	1,552,276
20001172	Financial Operations Manager	6.00	7.00	7.00	72,886 - 268,057	1,412,838
20000293	Information Systems Analyst 3	1.00	1.00	1.00	90,015 - 108,805	108,805
90001073	Management Intern - Hourly	0.00	0.00	1.49	36,814 - 45,925	54,853
20000681	Payroll Audit Specialist 2	5.00	5.00	5.00	62,027 - 75,071	375,355
20000936	Payroll Audit Supervisor	1.00	1.00	1.00	74,962 - 90,518	90,518
20000680	Payroll Specialist 2	1.00	1.00	1.00	54,075 - 65,305	65,305
20001182	Principal Accountant	14.00	15.00	15.00	36,814 - 235,656	2,605,650
20001234	Program Coordinator	6.00	13.00	12.00	36,814 - 214,004	1,876,068
20000054	Senior Account Audit Clerk	1.00	1.00	1.00	56,238 - 67,817	67,817

# Department of Finance

## Personnel Expenditures

Job Number	Job Title / Wages	FY2023 Budget	FY2024 Budget	FY2025 Adopted	Salary Range	Total
20000015	Senior Management Analyst	0.00	2.00	0.00	88,289 - 106,773	-
	Budgeted Personnel					(135,393)
	Expenditure Savings					
	Overtime Budgeted					50,769
	Special Assignment Pay					69,883
	Termination Pay Annual					68,829
	Leave					
	Vacation Pay In Lieu					410,505
<b>FTE, Salaries, and Wages Subtotal</b>		<b>116.00</b>	<b>140.00</b>	<b>140.49</b>		<b>\$ 17,355,648</b>

	FY2023 Actual	FY2024 Budget	FY2025 Adopted	FY2024-2025 Change
<b>Fringe Benefits</b>				
Employee Offset Savings	\$ 635,314	\$ 118,782	\$ 128,672	\$ 9,890
Flexible Benefits	1,516,303	1,724,019	1,862,137	138,118
Insurance	1,502	-	-	-
Long-Term Disability	57,509	52,193	60,840	8,647
Medicare	179,867	217,441	243,833	26,392
Other Post-Employment Benefits	668,389	790,771	571,044	(219,727)
Retiree Medical Trust	15,522	22,718	26,338	3,620
Retirement 401 Plan	57,505	84,142	101,559	17,417
Retirement ADC	4,542,609	5,664,156	5,918,809	254,653
Retirement DROP	15,227	16,682	15,187	(1,495)
Risk Management Administration	162,422	178,893	191,268	12,375
Supplemental Pension Savings Plan	382,503	417,790	411,979	(5,811)
Unemployment Insurance	14,767	17,076	17,299	223
Workers' Compensation	79,680	81,164	124,470	43,306
<b>Fringe Benefits Subtotal</b>	<b>\$ 8,329,119</b>	<b>\$ 9,385,827</b>	<b>\$ 9,673,435</b>	<b>\$ 287,608</b>
<b>Total Personnel Expenditures</b>			<b>\$ 27,029,083</b>	