



FY 2020-2021 BUDGET WORKSHOP – FINANCE DEPARTMENT

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CITY OF
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CALIFORNIA

OVERVIEW OF DEPARTMENT FUNDING

Finance Department



Review of Service Areas

Finance Department

59 FTE

Administration Division

2 FTE

- Leadership and oversight
- Credit Reviews
- Bond Financing
- Agenda Review

Accounting Division

18 FTE

- Payroll
- Cash Management
- Grant Financial
- Accounts Payable
- Accounts Receivable
- Financial Reporting
- Fixed Assets

Purchasing Division

9 FTE

- Procurement Bids
- Procurement Proposals
- Central Stores – Litt Rd
- Review informal quotes
- Review all vendor agmt
- Bid openings

Customer Service Division

30 FTE

- Utility Billing
- Cashiering
- Business License
- Citation Processing
- Business Code Compliance



Department Revenue Budget by Fund – General Fund

	FY 19/20	FY 20/21	CHANGE	COMMENTS
Administration	\$34,298	\$42,366	\$8,068	<i>Increase in Direct Charge Agreement Services</i>
Accounting	\$410,814	\$513,254	\$102,440	<i>Increase in Direct Charge Agreement Services</i>
Customer Service (Parking Citation, Garbage, and Licensing)	\$2,182,295	\$2,757,925	\$575,630	<i>Increase in Garbage Billing Fee Revenue and the collection of Parking Citation Revenue</i>
Purchasing	\$112,749	\$170,833	\$58,084	<i>Increase in Direct Charge Agreement Services</i>
TOTAL	\$2,740,156	\$3,484,378	\$744,222	



Department Revenue Budget by Fund – Non-General Fund

	FY 19/20	FY 20/21	CHANGE	COMMENTS
Customer Service Cashiering	\$524,651	\$558,238	\$33,587	<i>Increase in Direct Charge Agreement Services due to allocation split</i>
Customer Service Utilities & Collection	\$1,116,235	\$1,215,312	\$99,077	<i>Increase in Direct Charge Agreement Services</i>
Purchasing Central Stores – Litt Road	\$1,276,583	\$2,852,605	\$1,576,022	<i>Full year of Stores being functionally operational</i>
TOTAL	\$2,917,469	\$4,626,155	\$1,708,686	



Department Expenditure Budget by Fund – General Fund

	FY 19/20	FY 20/21	CHANGE	COMMENTS
Administration	\$335,169	\$351,665	\$16,496	<i>Increase in salaries, benefits and Internal Service Charges (ISF)</i>
Accounting	\$2,165,993	\$2,400,666	\$234,673	<i>Increase in salaries, benefits, postage, and Internal Service Charges (ISF)</i>
Customer Service (Parking Citation, Garbage, and Licensing)	\$1,866,298	\$2,204,853	\$338,555	<i>Increase in salaries, benefits, postage, and Internal Service Charges (ISF); Transition of Parking Enforcement PW staff and operating cost</i>
Purchasing	\$791,882	\$864,465	\$72,583	<i>Increase in salaries, benefits and Internal Service Charges (ISF)</i>
TOTAL	\$5,159,342	\$5,821,649	\$662,307	



Department Expenditure Budget by Fund – Non-General Fund

	FY 19/20	FY 20/21	CHANGE	COMMENTS
Customer Service Cashiering	\$726,408	\$775,011	\$48,603	<i>Increase in salaries, benefits, ISF, and Direct Charge Agreement Services due to allocation split</i>
Customer Service Utilities & Collection	\$2,796,264	\$2,900,800	\$104,536	<i>Increase in salaries and benefits</i>
Purchasing Central Stores – Litt Road	\$1,276,583	\$2,852,605	\$1,576,022	<i>Increase in salaries and benefits; Full year of operational activity for Central Stores – Litt Rd</i>
TOTAL	\$4,799,255	\$6,528,416	\$1,729,161	



OVERVIEW OF DEPARTMENT REDUCTION STRATEGIES

Finance Department



Review of Reduction Strategies



Additional \$25,000 in new revenue from Utility funds to cover the business license compliance for Senate Bill 205



Eliminate 1.0 vacant Fin. Analyst I/II which supports grant management, Pcard & Travel audits for total savings in the amount of \$101,425.



Eliminate a majority of training and membership budget in the amount of \$23,470

em
ress Place
3,24105
Rates

Date: 06-13-14
A/R Account Number: D-09112014-02
Amount Paid: \$ _____

Inv. No.	Bill No.	Description	Debit	Credit
Balance as of 05-08-14				
419	1833	John Dyer	100.00	
		*Check		50.00
430	2673	John Dyer	650.00	
Balance Due				
Summary:				
Up to 30	31 - 60	61 - 90	91 - 120	121 and Ove
1,642.92	1,870.49	153.00	0.00	0.0

Reduce the frequency of when statements are printed and mailed for City Receivables from monthly to quarterly which will generate savings of \$9,656



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FY 20-21 DEPARTMENT OUTLOOK

Finance Department



Impacts to Department Services in FY 20-21

New Revenue Senate Bill 205

- SB 205 requires regulated municipalities to verify industries have obtained a storm water permit
 - SB 205 will mandate cities to monitor NPDES permit program compliance before a City business license can be issued or renewed
 - The City is unable to obtain any mandated reimbursement cost through the State
 - Part-time staff will support this new compliance
 - Utility funds will fund the new compliance since the purpose of this bill is to protect water quality, including the health and safety of drinking water
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Impacts to Department Services in FY 20-21

Elimination of 1 Vacant Financial Analyst (FA)

- Position has been vacant since the retirement of the prior filled Financial Analyst in April 2019
 - This has increased the risk associated with identifying any misuse of funds due to the delay in managing timely cash reconciliations, travel and procurement card audits
 - With an increase of grant projects due to Measure L and SR 132, there are concerns of not having sufficient staffing levels to process the grant reimbursements and progress reports by the defined deadlines
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Impacts to Department Services in FY 20-21

Reduction of Training and Memberships

- This reduction will prevent City staff from maintaining current and on-going legislative, accounting standards and federal/state regulated updates
 - City staff will utilize free webinars, internet and newsletters offered through federal/state agencies
 - There is significant risk with Finance updates being missed or delayed and losing out on beneficial tools gained from attending conferences and training sessions
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Impacts to Department Services in FY 20-21

Reduce Frequency of Printing and Mailing A/R Statements

- This reduction will impact the collection of outstanding receivables being collected on a timely basis and will decrease the volume of collections
 - Customers will be expected to ensure they pay their invoices once received and not receive the benefit of a reminder when they receive their monthly statement
 - Some customers setup on reoccurring billing will receive one notice annually of their monthly bills owed to the City
 - Sending customers delinquent notices and collections will be delayed
 - Promote the use of viewing statements via online portal
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