



Finance

2021 Annual Budget

Finance

The Finance Department is available to provide strategic fiscal leadership and risk mitigation support for the City, including contractual fiscal services for the Santa Cruz Public Libraries, while providing reasonable assurance that the City's financial decisions are in compliance with Federal, State, regional, and City regulations and procedures.

The Finance Department's primary objective is to support the development of fiscal strategies to ensure that sufficient fiscal resources are available to meet the City's goals and objectives. It does this primarily through timely and accurate financial reporting, development of credible and reliable forecasting, and ensuring compliance with applicable fiscal rules and regulations.

The Finance Department is organized into five functional areas: (1) Accounting and financial reporting; (2) Revenue, including auditing, debt collection; (3) Accounts Payable, Payroll, and Purchasing; (4) Budget and contractual bargaining support; and (5) Risk and Safety Management.

Some atypical services included within the Finance Department are City-wide employee safety coordination, external tax compliance identification and audit programs, advanced debt collection including court room representation, a growing risk prevention program, internal debt issuance program, external debt issuance support, employee fiscal training certification, and lead on certain internal and external communication initiatives.



ACCOMPLISHMENTS

FY 2020

Accounting

- Received the Government Finance Officers Association (GFOA) Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2019.
- Supported the Water Department with pursuing debt issuance of Green Revenue Bonds, which are earmarked for climate and environmental projects.

Accounts Payable (AP)/Payroll/Purchasing

- Successfully processed all employee payroll, vendor payments, and purchase orders without interruption as City employees transitioned in to and out of the shelter-in-place orders due to the COVID-19 pandemic.
- AP, Payroll and Purchasing staff accurately recreated all financial records after an internal server supporting the City's financial reporting software failed.

Risk and Safety Management

- Collaborated with all City Departments and the Emergency Operations Center to create and implement safety practices that mitigate the risks associated with COVID-19 in the workplace.

Revenue

- Participated in a multi-department effort to design a one-stop digital payment platform, MyCity, for the public to view their accounts and make online payments for various City fees.

Workload Indicators

GFOA award for Annual Budget and Annual Financial Report

FY19	FY18	FY17
Yes	Yes	Yes

Number of Accounts Payable electronic payments

FY19	FY18	FY17
12,916	14,180	14,147

Number of vacation rentals registered

FY19	FY18	FY17
326	271	238

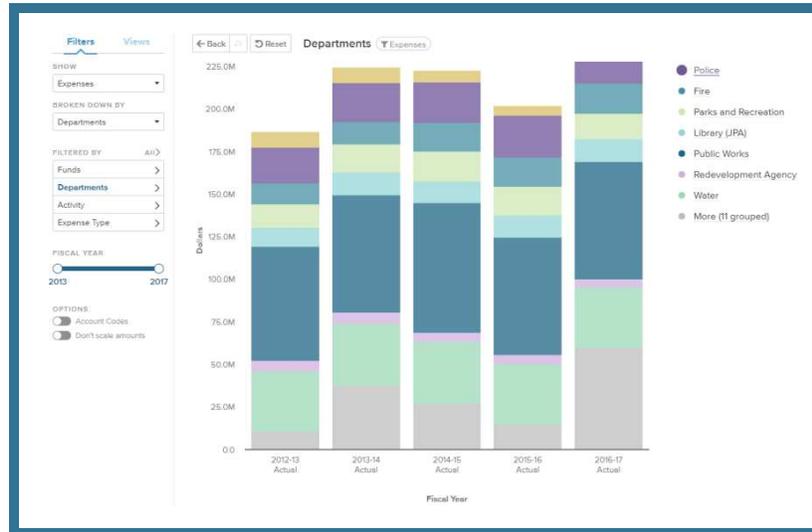


ACCOMPLISHMENTS

FY 2020

Budget

- Received the Government Finance Officers Association (GFOA) award for Distinguished Budget Presentation for the fiscal year ending June 30, 2019.
- Implemented Phase I of Advanced Budgeting for all City departments. This included developing training documents and training all City budget staff on the software and new reporting resources.
- Collaborated with the Information Technology Department to implement a financial transparency tool for public access. The City Council, residents and other City employees can access financial information online through the OpenGov portal.



GOALS

FY 2021

Accounting

- Prepare the Fiscal Year 2020 Comprehensive Annual Financial Report (CAFR) to meet the standards set by the Government Finance Officers Association (GFOA) for the Certificate of Excellence in Financial Reporting award.
- Assist the Public Works Department in conducting a refuse fee study to ensure revenues from customers and sale of diverted materials are sufficient to maintain operations.
- Collaborate with other City departments and FEMA to submit the applications for COVID-19 disaster reimbursement.
- Update the City's Cost Allocation Plan.

Accounts Payable (AP)/Payroll/Purchasing

- Perform a complete upgrade of Kronos, The City's Payroll software system.
- Update online Purchasing tutorials to give timely access across all departments for needed training tools.
- Modify the mapping of the payroll system to separate payroll-related liabilities into multiple funds.

Budget

- Complete roll-out of Advanced Budgeting for all City departments, including support and additional training for all City budget staff.
- Re-design and format the budget book to be more concise and consistent with GFOA recommended budget best practices.

Risk and Safety Management

- Increase confidence in Risk as a partner and resource by responding to all departmental requests and communications within 48 hours.
- Review and update all safety program policies and procedures, including COVID protocols.
- Create a Wildfire Smoke Protection Program.
- Sponsor safety talks related to key safety issues throughout the City.
- Implement a citywide Workplace Violence Prevention Program.
- Review the City's Illness and Injury Prevention Program.

Revenue

- Implement Phase I of the MyCity payment portal, which includes utility bills, business licenses, benefit payments, and donations.
- Implement an online filing and payment platform for Admission Taxes, Cannabis Business Taxes, and Utility Users Taxes.
- Evaluate the City's investment policy for additional diversification opportunities that are safe, community appropriate, and may provide higher yields.



Finance

DEPARTMENT SUMMARY

	Fiscal Year* 2019 Actuals	Fiscal Year 2020			Fiscal Year 2021 Adopted
		Adopted Budget	Amended* Budget	Year-End Actual	
EXPENDITURES BY CHARACTER:					
Personnel Services	3,600,241	4,174,694	4,174,694	3,393,203	3,857,896
Services, Supplies, and Other Charges	3,465,125	4,604,118	4,868,832	3,480,277	5,008,324
Capital Outlay	465	1,079,250	1,093,710	9,961	15,000
Debt Service	-	958,801	958,801	0	-
Total Expenditures	<u>7,065,831</u>	<u>10,816,863</u>	<u>11,096,037</u>	<u>6,883,442</u>	<u>8,881,220</u>
EXPENDITURES BY ACTIVITY:					
Finance	1241 3,700,071	4,312,203	4,394,804	3,375,400	3,965,410
Subtotal General Fund	3,700,071	4,312,203	4,394,804	3,375,400	3,965,410
Finance	1241 -	35,000	36,598	0	-
Subtotal Other General Funds	-	35,000	36,598	0	-
Liability Insurance	7821 3,365,761	4,457,109	4,652,083	3,508,042	4,915,810
Equipment Lease Program-Gen Fund	7861 -	637,685	637,685	0	-
Vehicle Lease Program-Gen Fund	7862 -	1,374,866	1,374,866	0	-
Subtotal Other Funds	3,365,761	6,469,660	6,664,634	3,508,042	4,915,810
Total Expenditures	<u>7,065,831</u>	<u>10,816,863</u>	<u>11,096,037</u>	<u>6,883,442</u>	<u>8,881,220</u>
RESOURCES BY FUND					
General Fund	101 1,190,171	1,230,412	1,230,412	1,231,817	1,267,324
	813 -	2,797,662	2,797,662	0	-
Liability Insurance	842 4,005,450	3,960,333	3,960,333	4,691,726	3,958,000
Total Resources	5,195,621	7,988,407	7,988,407	5,923,543	5,225,324
Net General Fund Cost	<u>(2,509,899)</u>	<u>(3,081,791)</u>	<u>(3,164,392)</u>	<u>(2,143,583)</u>	<u>(2,698,086)</u>
	FY 2019			FY 2020	FY 2021
TOTAL AUTHORIZED PERSONNEL:	32.00			32.00	30.00

*Sums may have discrepancies due to rounding

FY 2021 Finance Organization Chart

