



City Council Agenda Report

Meeting Date: 9/3/13

To: City Council

From: Administrative Services Director Chris Constantin (879-7300)

Re: Monthly Financial Reports

REPORT IN BRIEF:

The Administrative Services Director will present to the City Council Monthly Financial Reports that will in part, replace the current Monthly Financial Reports. The Monthly Financial Reports will provide a more comprehensive look at the City's finances on a monthly basis. The Reports will include budget monitoring reports and revenue reports. Information regarding capital projects and allocations will be presented and reviewed on a quarterly basis. Department directors will be on-hand to answer any questions regarding their respective budgets. The purpose for the reporting changes were to enhance transparency, to increase staff's engagement in controlling their budgets, and to provide the City Council more ability to hold staff accountable. These changes were presented to the Finance Committee on August 27, 2013.

Recommendation:

The Administrative Services Director recommends the City Council approve the new Monthly Financial Reports package that would be presented to the Finance Committee and the City Council on a monthly basis for review and discussion.

FISCAL IMPACT: N/A

BACKGROUND:

Article IX, Section 908 was added to the City's Charter in 1960, stating, "The finance officer shall submit to the council through the city manager monthly statements of receipts, disbursements and balances in such form as to show the exact financial condition of the city. At the end of each fiscal year the finance director shall submit a complete and detailed financial statement." Over the last year, the Finance Office has issued a monthly reporting package that we are now seeking to modify.

DISCUSSION:

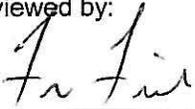
Attachment A includes monthly budget monitoring reports for all departments for the month of July, 2013. In addition to this report, Finance is currently developing an Operating Summary report that will summarize expenditures for each department by category. Finance will evaluate department directors' responses and notify Committee of significant trends and anomalies and provide recommendations as warranted.

In addition, the Monthly Financial Report will include a report showing revenue by Fund (see Attachment B). During the year, Finance will be working with departments to ensure that revenue estimates are valid and up-to-date. Please note that the Revenue report will be presented at next month's meeting.

On a quarterly basis, the Finance Committee and City Council will be presented information related to capital expenses (by project) and a review of quarterly allocations from the City's Internal Service Funds as well as allocations resulting from the City's Cost Allocation Plan.

Finally, the Quarterly Budget Supplemental will be replaced with the Budget Transfer Request/Budget Modification form (see Attachment C). The Budget Transfer Request will be forwarded to Committee and Council as indicated in Budget Policy D.1.f.

Reviewed by:



Chris Constantin, Administrative Services Director
By: Frank Fields, Accounting Manager

Approved by:



Brian S. Nakamura, City Manager

DISTRIBUTION:

City Clerk (8)

ATTACHMENTS:

Attachment A - Monthly Financial Report

Attachment B - Revenue Reports

Attachment C - Request for Budget Transfer/Supplemental Appropriation/Budget Modification Form