

Overview of Chief Financial Officer (CFO) – Finance Branch

Fiscal Year 2017 Proposed Budget

May 4, 2016

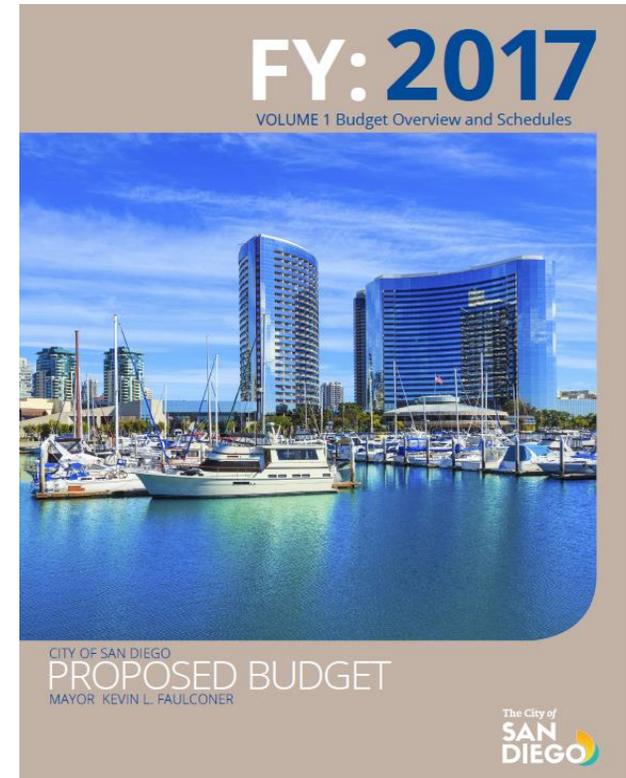
City Council Budget Review Committee Hearing

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Office of the Chief Financial Officer

- ❖ **Includes 2.00 FTE positions and total personnel expenditures of \$468,089**
 - 1.00 Chief Financial Officer
 - 1.00 Executive Secretary
- ❖ **Non-personnel expenditures of \$117,826**



Overview of Finance Branch

❖ City Comptroller

- Performs general accounting, financial reporting, payroll, accounts payable, and internal control reporting functions for the City

❖ City Treasurer

- Responsible for receipt and custody of all City revenue, banking, tax administration, parking administration, parking meter operations, collection of delinquent accounts, and accounting for these funds

❖ Financial Management

- Provides fiscal analysis
- Serves as internal fiscal consultant to other City departments
- Prepares the proposed and annual budgets in accordance with the City Charter and quarterly forecasting and monitoring of the budget
- Prepares the Five-Year Financial Outlook and fiscal analysis

Overview of Finance Branch

(continued)

❖ Performance & Analytics

- The Department supports the improvement of City operations and customer service through programs like Operational Excellence, Open Data, Performance Management, the new 311-style Customer Experience & Service Delivery Program

❖ Risk Management

- Manages the City's self-insured Worker's Compensation Program, Public Liability Program including claims against the City, insurance, and loss control measures intended to forecast and reduce the City's exposure to risks
- Administers employee health and safety programs, employee benefits contracts, employee savings plans, the Long-Term Disability Plan, and the Employee Assistance Program

❖ Debt Management

- Manages bond issuance activities for all City financings to fund cash flow needs and provide funds for capital projects, equipment, and vehicles
- Works with City departments to administer debt service payments, monitors City compliance with bond covenants, and responds to bondholder requests for information



2015 - 2016 Bond Refundings

❖ Over \$1.5 billion in refinancings will have been conducted generating aggregate savings of \$320 million across various credits

Refunding	Timing	Average Annual Debt Service Savings	Cumulative Savings
CFD #2	Closed June 2015	\$120,000 (FY2016-2034)	\$2 million
Wastewater (2015 & 16 Combined)	Closed Sept. 2015 & March 2016	\$5.3 million (FY2016-2039)	\$98 million
RDA *	Closed Jan. 2016	\$4.6 million (FY2017-2034) City Share = \$811,000	\$83 million City Share = \$15 million
Ballpark	Closing May 2016	\$2.0 million (FY2017-2032)	\$32 million
Water (expected)	Pricing May 2016	\$4.4 million (FY2017-2040)	\$105 million
CFD #4 (expected)	Pricing June 2016	\$160,000 (FY2017-2038)	\$3 million

* Savings benefit is shared by affected local taxing entities including school districts and County. City's estimated share is 17.5%.

FY 2017 Budget Highlights

❖ City Comptroller

- Addition of 1.00 Accountant IV to support the Payroll and Disbursements section
- Addition of reimbursable revenue for SAP Infrastructure Asset Management (IAM, formerly EAM) project labor

❖ City Treasurer

- Addition of 2.00 Accountant 2s and offsetting revenue for TOT/TMD compliance audits and research
- Reduction in non-personnel expenditures (NPE) from department efficiencies

FY 2017 Budget Highlights

(continued)

❖ Debt Management

- Addition of 1.00 Program Manager, 1.00 Senior Management Analyst, 1.00 Associate Management Analyst, NPE and offsetting revenue to implement and administer the Infrastructure and Utilities Loan Program
- Addition of non-personnel expenditures for legal and financial consultant services associated with the formation of the Otay Mesa Enhanced Infrastructure Financing District
- Reduction of 1.00 Associate Economist position due to a reorganization within the department
- Reduction in NPE from department efficiencies

FY 2017 Budget Highlights

(continued)

❖ Risk Management

- Addition of 1.00 Program Coordinator, 1.00 Workers' Compensation Claims Aide, 2.00 Claims Clerk and associated NPE to support state-mandated business functions in the Workers' Compensation Division
- Addition of 1.00 Program Coordinator and associated NPE for information technology support
- Addition of 1.00 Claims Representative 2 and associated NPE to support the Public Liability & Loss Recovery Division
- Transfer of the Employee Assistance Program from the Risk Management Department to the Human Resources Department

FY 2017 Budget Highlights

(continued)

❖ Performance & Analytics

- As of the Fiscal Year 2017 Budget, the Performance & Analytics Department is now part the Finance Branch
- Addition of 2.00 Program Coordinators, 1.00 Program Manager and associated NPE to support the development and deployment of the 311-style Customer Experience and Service Delivery Program
- Addition of 1.00 Program Coordinator and associated NPE to expand Open Data initiatives and analytics

CFO Finance Branch Goals for FY 2017

- ❖ Safeguard public assets through strong financial management
- ❖ Optimize financial resources through long-term fiscal planning
- ❖ Provide excellent customer service
- ❖ Strengthen the City's financial knowledge, skills, and abilities