

Finance Department

Strategic Budget Priorities Process (SBPP) Group

July 15, 2010



Finance SBPP Review
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Services Provided by Accounting Division

- Prepares the Comprehensive Annual Financial Report (CAFR) as mandated in the Nevada Revised Statutes List of Services
- The CAFR is done in conjunction with the annual Independent Audit conducted by an Independent Certified Public Accounting Firm
- Processes the bi-weekly payroll
- Maintains the accounts payable records and processes payments for services and goods received by the City
- Maintains the accounts receivable records for billings prepared through Oracle
- Coordinates any new issuances of debt with outside consultants and in the timely payment of debt service transactions using third party financial institutions



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Services Provided by Accounting Division Continued

- Maintains the General Ledger (Oracle) and facilitates the importing of summary accounting transactions from various third party software systems used by Utilities, Detention, Parks & Recreation, Public Works, Municipal Court, Business License
- Insures that all General Ledger balance sheet accounts (assets & liabilities) are reconciled periodically
- Insures that all General Ledger accounts are maintained in a manner that allows for the annual independent audit to be conducted without any material internal control deficiencies
- Responsible for investing any excess cash received daily using a third party financial institution to purchase investments in accordance with Nevada Revised Statutes
- Prepares monthly reconciliations of all Cash and Investment accounts held with outside financial institutions

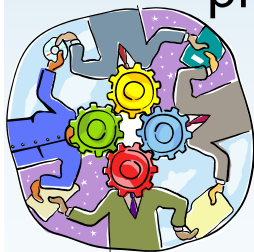


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Services Provided by Budget/CIP Division

- Responsible for the preparation and adoption of the City's annual budget as mandated in the Nevada Revised Statutes
- Coordinates the development and ongoing monitoring of the Citywide operating and capital budgets
- Prepares the City's GFOA award winning Budget Document and Capital Improvement Plan Document
- Prepares and monitors the five-year forecast for the City's major funds
- Provides financial analysis in a variety of areas including legislative impacts and labor negotiations
- Provides Citywide support for Projects & Grants assisting with the year end audits to ensure compliance
- Audits capital projects to ensure prevailing wage law compliance and prepares invoices for reimbursements from other Government agencies



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Services Provided by Business License Division

- Provides accurate and timely business license information to the general public, license applicants and existing licensees
- Assists applicants in obtaining proper business license by providing appropriate checklists and license materials
- Ensures timely processing of business license applications
- Ensures timely processing of business license renewal payments and issuance of license certificates
- Investigates complaints regarding businesses operating in the City
- Works to obtain goal of compliance by all businesses with City's business license ordinances



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Services Provided by Utilities Finance Division

- General Ledger/Budget
 - Assist Utility Department in Budget Preparation
 - Actual vs. Budget Reporting
 - Detail Review of Revenues & Expenses
 - Trend Analysis
- Projects and Grants
 - Financial Reports to Granting Agencies
 - Assist in Coding of, and setting up of projects in Oracle



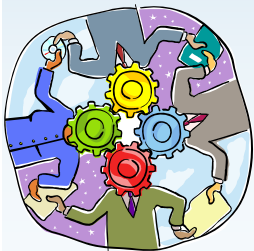
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Services Provided by Utilities Finance Division Continued

Cash Reconciliation

- Daily Reconciliation including Cashier Receipts, Automated Receipts, Web Receipts, Lockbox Receipts, Utility Billing System, City Accounting System
- Bank Correspondence
- Customer Payment Disputes
- Bank Statement Reconciliation
- Returned Payments



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Services Provided by Utilities Finance Division Continued

Payables & Other Receivables

- Invoices & Supporting Documentation
- Purchase Order
- Coding of Projects and Grants
- Health Sample Billing & Collections
- Work Order Billing & Collections
 1. Police Reports
 2. Insurance Companies
 3. Others



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Finance Department Serves:

- Internal Customers:
 - City Council and City Management
 - Department Budget Liaisons
 - Other Finance Divisions
 - Other City Departments
 - Public Works Capital Projects staff

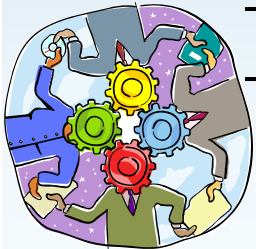


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Finance Department Serves:

- External Customers:
 - General Public
 - Nevada Department of Taxation
 - Clark County Finance Department
 - Other Governmental entities through Capital Project Reimbursements
 - BLM, CCRFCD, RTC, NDOT
 - Various State and Federal regulatory agencies
 - Library District and Parks and Recreation Advisory Boards
 - Business owners and business organizations
 - External Enforcement agencies
 - Media requesting financial information
 - Financial customers such as bond rating agencies and banks
 - Vendors with which the City does business
 - Citizens seeking Special Improvement District information

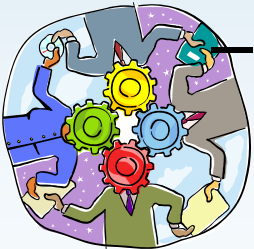


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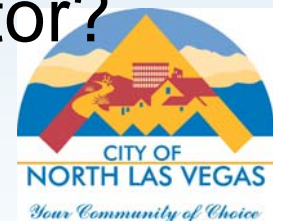


Finance Department Cuts & Impacts

- Cuts in the last twelve months:
 - Payroll staff reduced by one or 25%
 - Accounts Payable reduced by one or 25%
 - Financial Accounting group reduced by 4 or 50%
 - Budget /CIP Reduced by one or 10% and loss of administrative support
 - Business License reduced by 1 or 12%
 - Finance Director-Assistant Finance Director?



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Finance Department Cut Impacts

- Lack of data integrity including audit/ reconciliation issues
- Delays in funding reimbursements from other government agencies
- Penalties from prevailing wage law violations
- Lack of data integrity
- Inability to meet external reporting requirements
- Inability to respond to Council and City Management inquiries in a timely manner
- Additional reductions in AP could lead to late payments



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Finance Department Cut Impacts

- Departments assuming more responsibility for financial information
- Elimination of CIP and GFOA Budget Book Documents
- Reduction of the quality of the payroll service to employees potentially requiring overtime to be worked when problems arise because payroll must be done timely
- Weakened the internal controls as less time could be devoted to checking the propriety of Accounts Payable invoice information
- Additional reductions in AP could lead to late payments

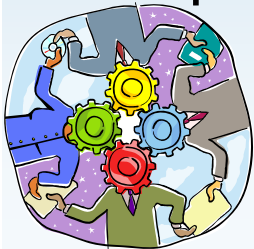


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Service Delivery Challenges

- Elimination of CIP and GFOA Budget Book Documents
 - Las Vegas does not produce a GFOA book
 - Henderson did not produce one for 2010
- Less time in the field by officers = less compliance and less business license revenue as well as increased time frames for response to complaints
- Reducing the number of Business License Specialists will impact the ability to process payments in a timely manner and proper management of the revenue collected by the division. Further, time frames to respond to inquiries and process applications will increase.



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Service Delivery Challenges

- Payroll could be outsourced, however, the quality of service would be reduced and the quality and timeliness of information would be greatly impacted and in some cases eliminated
- Accounts payable could be outsourced. However, like payroll the quality and timeliness of information would be greatly impacted
- Outsourcing may be available for the function of ensuring prevailing wage compliance



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Questions?

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Process (SBPP) Group

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