



MEMO

Date: June 20, 2011
To: Mayor & City Council
From: Mari Ripp, Clerk-Treasurer
RE: 2011 Financial Condition & Review

The City Council has asked for a mid-year Budget Review and to receive an update on the City's financial condition, a recommendation for adjustments (if needed) to the 2011 annual budget.

The Clerk Treasurer is in the process of completing the 2011 mid-year review as well as the completion of the 2011 1st quarter and 2nd quarterly reports. I am waiting for the remaining departments to submit their information for the 1st quarter to me so we can finish the reports. We anticipate having this to the Finance Committee at the 6/27 meeting and to the council for the July 5th council meeting.

The following is the current reporting schedule for the finance reports:

2011		
JAN	FEB	MAR
Open period for Dec 2010	CT Review prelim- 4th Quarter 2010 (Oct, Nov, Dec)	Final 4th Quarter 2010-Present at 3rd Monday of month at City Council meeting

APR	MAY	JUNE
1st Quarter 2011 (Jan, Feb, Mar) -- REVIEW by Finance Committee & DH's; Present to council at 4/18 or 5/2 mtg Workshop/Retreat ????	1st Qtr 2011 Report to Council Prepare 2010 Annual Report - Due 5/31	Mid-Year Financial Review & report to Finance Committee 6/27 Verify if Single Audit needed ??? >>>\$500,000 Federal Expenditures
JULY	AUG	SEPT
2nd Quarter 2011 (Apr, May, June)	Prepare Budget 2012 Call to Budget 2012	2012 Budget Workshop-Revenues
OCT	NOV	DEC
3rd Quarter 2011 (July, Aug, Sept)	2012 Budget & Public Hearing	2012 Budget
2012 Budget Workshops	Workshop	Adopt in Dec 2011

Modification to 2011 Reporting Schedule:

There are some *modifications* to the above reporting schedule. The 2010 open period ended January 25, 2011 and final December 2010 vouchers were approved February 7, 2011. In March the Preliminary 2010 closing would normally occur with the final 2010 4th quarter reports in March. However, in April, the Clerk-Treasurer Department was still meeting with the mayor and department heads and making final recommended modifications to the 2010 4th quarter reports and budget amendments. The 4th Quarter 2010 the final reports with budget amendments were submitted at the June 6, 2011 council meeting where they were approved.

Many are asking “why the delay?” There was a new reporting mandate for 2010 reports [prepared in May and reported by 5/31/2011] by the State Auditor’s Office to combine many of the funds into one General Fund and other combined funds for statistical reporting. We received this training for the changes at the March 2010 WA Municipal Clerks Association

Conference. We spent extra time preparing this change to format and reporting. Also, we have now completed installation and training of the Vision Municipal Solutions software for Financials and Payroll. However, we have received notice that our Payroll Clerk that she has moved up her retirement date to 8/31/2011, so we have escalated our payroll training for our clerk who was cross training. Other items that also were given a high priority are/were: Organizational Assessment response to information requests, Transportation Benefit District, Facility funding, Public Safety Sales Tax, Website Re-Design project, IT & Server issues and notification of vendor bankruptcy, Water/Sewer rates, Equipment bids & purchasing, Municode, E-verify, Hotel Motel “The Big Idea”, CIAW Insurance and renewal, Finance Policies, Phone System RFP prep, Fees & Business License review, 2010 Annual Report, Grant applications, City flag, etc.

In the Clerk-Treasurer Department we all have full plates and a heavy workload. We are doing the best we can with the staffing provided. So, in closing, for the June 27th Finance Committee meeting we will have the 1st quarter reports and the 201 preliminary mid-year review of revenue projections. There will also be a detail on sales tax revenues, public utility tax revenues, permits, a report on Fund 301-General Reserve and 302-Utility Reserve as well as 323-Schurman Way / Dike Road.

If you have any other questions, please call and make an appointment or come by the office to see me. Thank you.

cc: File