

City of Annapolis*Finance Director Report to the Finance Committee*

September 3, 2025

Annual Audit: Finance department is working on finalizing schedules and required steps to hard close by the end of September. UHY will be on site in October for fieldwork testing. The goal of issuance is still on track for December.

Staffing: In the process of evaluating the departmental structure to determine where the greatest areas of need are. The department currently has vacancies in the following positions: Deputy Finance Director, Accountant II, Contractual Accounting Associate (cashier), and Accounting Associate I. There will be shifting of duties within the department, along with efficiencies to elevate work load where appropriate. New positions will be posted in the coming months.

Budget: The Budget team is wrapping up final stages of the adopted budget (grant agreements, CIP project uploads, budget to actuals report.). Additionally, individual departmental meetings with Budget Analysts are underway, to facilitate a deeper understand of the department's budget and create regular tracking of expenditures and appropriation levels. This has been widely helpful and will improve the budget process for FY27, along with accuracy of reporting and budgeting by line item.

Debt: Currently preparing for the rating agency trip in anticipation of a bond sale in November. Bond Ordinance as discussed with the Finance Committee today, will be on second reader at the Council meeting on September 8th. The final bond amount will be further analyzed closer to the bond sale based on project status, amortization and market rate and cash needs.