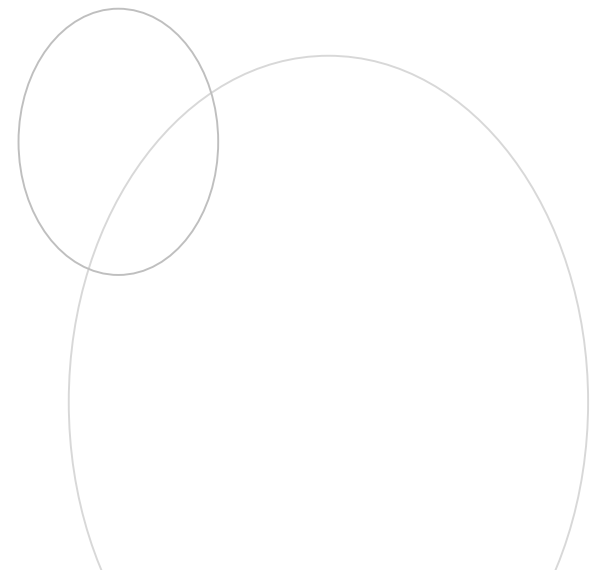




Finance Department

FY26 BUDGET REVIEW





FY25 HIGHLIGHTS – Major Trends and Events

- Leadership changes
- Contractual assistance to Cashiering and Accounts Payable
- New Budget Analyst
- Planning Shaw Street move
- ARPA Program wind down
- Class & Compensation Study implementation
- Budget process improvements
- FY24 Annual Results:
 - *Growth in General Fund Balance reserves*
 - *Revenues on target*
 - *Expenditure savings due to vacancies throughout various departments*
 - *Auditors issued clean opinions, while expressing concerns over staffing and leadership turnover*

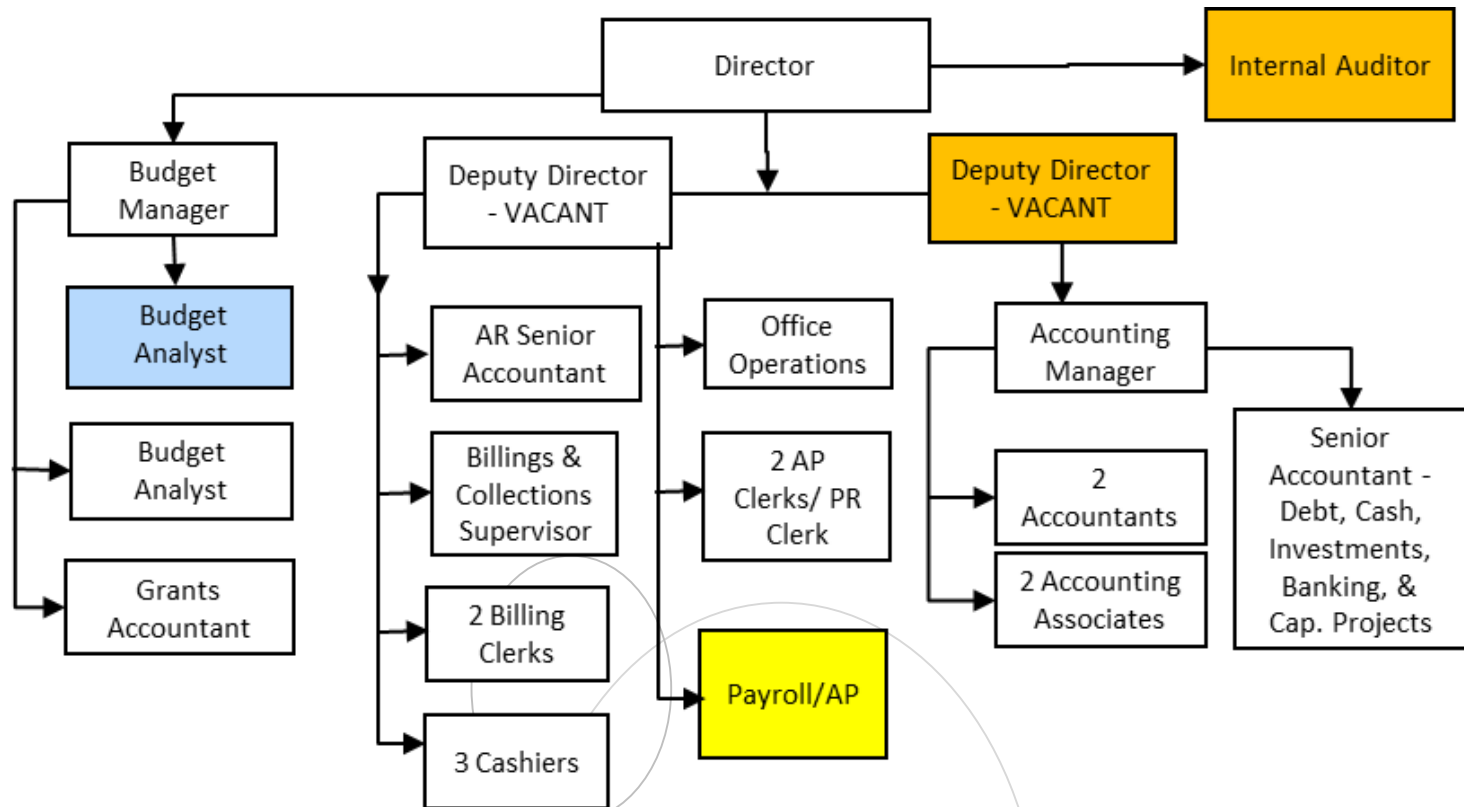


Looking Ahead to FY26: Expected Trends and Events

- New Leadership
 - Finance Director & Deputy Finance Director
- Additional Accounting position to assist with Payroll & AP
- Move to Shaw Street
- Improvements to processes:
 - Digitization of records prior to move to Shaw Street
 - Paperless processes implemented
 - IT implementation –
 - ACH transactions to assist with AP efficiencies and mitigate risk
 - NeoGov/Payroll
- Additional training for staff
 - New employees
 - Cross training for current employees
- Debt issuance for vehicles and capital improvements



THE TEAM



CITY OF
ANNAPOLIS

Funded
in
FY2025

Position
Requested
in FY2026

Future
New
Position



PERFORMANCE

Notes regarding current performance:

Performance measures listed as new for FY25/FY26 - Evaluation for actual performance is still in process. It is noted that challenges of the Finance Department are the lack of resources and the urgent need to fully execute IT implementations (ACH payments, accounting software upgrades & NeoGov), both of which impact efficiency.

How FY26 budget changes will affect performance:

Transition of leadership, along with reorganization of resources and IT implementations will create efficiencies and potentially require revision of performance measures.

Question(s) we are trying to answer:

Performance Measure	Benchmark	FY25 YTD Actual
Percent of accounts payable transactions processed within 30 days	90%	<i>In process</i>
Percent of transactions that are processed accurately the first time (no rework, void/reissue, etc.)	90%	<i>In process</i>
Variance between budgeted expenditures and revenue versus actual expenditures and revenue (actual as a percent of budget)	<5%	FY24 – <i>Revenue +1%</i> <i>Expenditures - 6%</i>
Percent of debt issued that is spent within 12 months of issue	85%	2022A - 0% at 12 Mos. 20% at 24 Mos.
Percent of grant funds spent	90%	FY24 - 61%
Percent of billings that are processed correctly the first time	90%	<i>In process</i>
Percent of current customer account balances	85%	<i>In process</i>



THANK YOU

