

CITY OF APPLETON 2016 BUDGET

FINANCE DEPARTMENT

Finance Director: Anthony D. Saucerman, CPA

Deputy Finance Director: Stephanie R. Rogers, CPA

CITY OF APPLETON 2016 BUDGET FINANCE DEPARTMENT

MISSION STATEMENT

For the benefit of all City departments, the Common Council, and the Mayor, in order to assist them in meeting program delivery objectives, assure compliance with government policies, and safeguard the assets of the City, we will provide financial management, billing, and collection services.

DISCUSSION OF SIGNIFICANT 2015 EVENTS

Completed 2014 financial audit receiving an unqualified audit opinion

Began the 2016 City budget development process

Earned a rebate of \$38,808 for the contract year ended 2/28/15 from the City's procurement card program, an increase of approximately \$2,600 from the prior year. The increase reflects continuing efforts to maximize the City's use of procurement cards

Continued to work with the IT Department on Water Utility customer billing, and with DPW on the ongoing installation and testing of new meters that will be installed in all properties over the next 2+ years

Issued \$21.3 million of Water Utility and \$5.3 million of Stormwater Utility Revenue Bonds, and \$5.8 million of General Obligation Notes for 2015 capital projects and to refund prior revenue issues. The refunding is projected to save approximately \$1.4 million in the Water Utility and \$537,000 in the Stormwater Utility over the lives of the refunded issues

Worked towards transitioning credit card receipts to a new third party provider in preparation of accepting credit card payments for a wider range of City services

Worked with the IT Department on the Enterprise Resource Planning (ERP) project. This project will replace all of the department's I-Series-based automated systems with ERP solutions. This project includes the replacement of the following Finance Department systems: general ledger, accounts payable, accounts receivable, payroll, budgeting, purchasing, property tax billing, special assessment billing, parking ticket, utility billing, and cash receipting. The department has been very involved in the RFP process meeting several times with the RFP consultants, reviewing specifications for the various systems, providing information for the RFP and reviewing RFP responses.

Primary Concentration for Remainder of Year:

Complete the 2016 City budget process culminating with the adoption of the budget by Council in November

Continue work on the ERP project with the goal of selecting an Enterprise Resource Planning (ERP) system software provider by the end of 2015

Continue to work with our contracted grants administration firm and work collaboratively with our non-profit agencies to maximize the services they provide to the community

Continue to expand credit card payment options for City services

Continue to work with the Community Development Director, City Attorney, Public Works Director, Mayor and Council in analyzing the financial aspects of development projects throughout the City

Continue to work with the Department of Public Works and the Information Technology Department to ensure customers are billed accurately and timely during the installation of the new Sensus water meters

Complete the close-out of TIF#5 including the final audit and submission of final closing documents to the State Department of Revenue

Continue to work with Outagamie County as they transition to a new property tax billing system to ensure City property tax information is accurately transmitted to and from the City's system and is in compliance with State Statutes

CITY OF APPLETON 2016 BUDGET

FINANCE DEPARTMENT

MAJOR 2016 OBJECTIVES

Maintain a sound credit rating in the financial community assuring taxpayers that the City is well managed by using prudent financial management practices and maintaining a sound fiscal condition

Accurately record financial transactions and provide centralized accounting services to City departments in order to verify their public purpose and compliance with the various sections of the ordinances and budget

Provide knowledgeable, courteous customer service to all individuals who contact the department with questions and/or concerns. Continue to coordinate changes to the customer service area on the first floor insuring adequate training and staff involvement. Proactively offer solutions to challenges that arise keeping customer service the primary focus

Continue development of electronic payment options for City services

Continue performance based budgeting incorporating continuous improvements and provide education and support for departments

Train staff and continue to focus on technology improvements that will allow the department to meet the demands of a growing City as efficiently as possible

Promote a department working environment conducive to employee productivity, growth and retention

Provide opportunities for staff to cross-train in various positions in the department

Improve communication of budget procedures, monitoring of budget to actual results for the current year and education of future implications for the City

Continue to work with our contracted grant administration firm to ensure compliance with grant covenants and single audit requirements

Develop a plan to address long-term funding issues in the CEA Replacement Fund as well as other long-term capital planning

Begin testing and implementation of new ERP system

DEPARTMENT BUDGET SUMMARY

		Actual		Budget			%
Unit	Title	2013	2014	Adopted 2015	Amended 2015	2016	Change *
Program Revenues		\$ 3,780	\$ 4,235	\$ 3,800	\$ 3,800	\$ 4,100	7.89%
Program Expenses							
11510	Administration	171,772	177,503	156,729	157,727	145,148	-7.39%
11520	Billing & Collection Svc	83,126	92,386	87,755	89,211	99,888	13.83%
11530	Support Services	620,990	491,919	620,514	625,048	602,796	-2.86%
TOTAL		\$ 875,888	\$ 761,808	\$ 864,998	\$ 871,986	\$ 847,832	-1.98%
Expenses Comprised Of:							
Personnel		739,292	653,634	734,323	741,311	719,647	-2.00%
Administrative Expense		29,466	25,876	28,205	28,205	28,705	1.77%
Supplies & Materials		8,751	6,763	12,610	12,610	9,870	-21.73%
Purchased Services		95,069	72,313	86,300	86,300	86,050	-0.29%
Utilities		1,184	1,190	1,260	1,260	1,260	0.00%
Repair & Maintenance		2,126	2,032	2,300	2,300	2,300	0.00%
Capital Expenditures		-	-	-	-	-	N/A
Full Time Equivalent Staff:							
Personnel allocated to programs		8.85	8.85	8.80	8.80	8.20	

CITY OF APPLETON 2016 BUDGET

FINANCE DEPARTMENT

Administration

Business Unit 11510

PROGRAM MISSION

We will provide training and supervision to the Finance Department in order to provide for the overall direction, coordination and support of the activities of Finance staff.

PROGRAM NARRATIVE

Link to City Strategic Plan:

Implements Key Strategies # 4: "Develop our Human Resources to meet changing needs" and # 6: "Continuously improve efficiency and effectiveness of City services".

Objectives:

- Provide cost-effective administrative management to support the activities of the Finance Department
- Provide education and training opportunities for our employees to promote personal and professional growth and development
- Initiate systematic changes by examining existing procedures and technological needs
- Provide support to department staff and ensure staff performance is evaluated accurately and fairly

Major changes in Revenue, Expenditures, or Programs:

No major changes.

PERFORMANCE INDICATORS

	Actual 2013	Actual 2014	Target 2015	Projected 2015	Target 2016
Client Benefits/Impacts					
Trained staff					
% of staff adequately trained	85%	66%	100%	100%	100%
Strategic Outcomes					
Improved program performance					
# of recommendations implemented	8	5	10	6	10
Work Process Outputs					
Training conducted					
Hours of training per employee	21	22	20	20	20
Procedures manuals updated					
% of manuals rated current	82%	67%	85%	75%	85%

CITY OF APPLETON 2016 BUDGET
FINANCE DEPARTMENT

Administration

Business Unit 11510

PROGRAM BUDGET SUMMARY

Description	Actual		Budget		
	2013	2014	Adopted 2015	Amended 2015	2016
Revenues					
4705 General Interest	\$ -	\$ 6	\$ -	\$ -	\$ -
4801 Charges for Serv.- Nontax	3,668	4,172	3,700	3,700	4,000
5010 Misc Revenue - Nontax	90	60	100	100	100
5085 Cash Short or Over	22	(3)	-	-	-
Total Revenue	<u>\$ 3,780</u>	<u>\$ 4,235</u>	<u>\$ 3,800</u>	<u>\$ 3,800</u>	<u>\$ 4,100</u>
Expenditures					
6101 Regular Salaries	\$ 123,262	\$ 136,088	\$ 110,959	\$ 111,957	\$ 100,726
6150 Fringes	32,080	29,586	31,509	31,509	29,691
6201 Training\Conferences	7,023	3,978	6,500	6,500	6,500
6206 Parking Permits	414	83	466	466	466
6301 Office Supplies	2,043	1,958	2,000	2,000	2,000
6303 Memberships & Licenses	2,854	1,880	2,300	2,300	2,700
6304 Postage\Freight	224	232	225	225	225
6305 Awards & Recognition	203	177	210	210	210
6320 Printing & Reproduction	1,363	1,792	1,300	1,300	1,370
6412 Advertising	1,122	539	-	-	-
6413 Utilities	1,184	1,190	1,260	1,260	1,260
Total Expense	<u>\$ 171,772</u>	<u>\$ 177,503</u>	<u>\$ 156,729</u>	<u>\$ 157,727</u>	<u>\$ 145,148</u>

DETAILED SUMMARY OF 2016 PROPOSED EXPENDITURES > \$15,000

None

CITY OF APPLETON 2016 BUDGET

FINANCE DEPARTMENT

Billing & Collection Services

Business Unit 11520

PROGRAM MISSION

For the benefit of all City departments and various other government entities, in order to collect all revenues authorized by policy in support of program delivery objectives, we will provide centralized billing, collection, and information services.

PROGRAM NARRATIVE

Link to City Strategic Plan:

Implements Key Strategies # 2: "Proactively pursue collaborative and cooperative agreements to meet the needs of the community" and # 6: "Continuously improve efficiency and effectiveness of City services".

Objectives:

Provide an efficient, centralized collection location for convenient payment of all City-generated billings via mail, drive through, night deposit, or walk-ins by:

- Improving cash receipting speed and accuracy with formalized procedures and improved systems
- Investigating debit, credit card and internet payment options when financially feasible

Provide a favorable impression of the City since we are a primary contact for the general public by:

- Maintaining a working knowledge of all City departments
- Updating the internal general information guide used to direct and inform customers

Provide professional and courteous service

Maintain parking ticket records and issue reminder and state suspension notices to ensure the proper amount is collected

Major changes in Revenue, Expenditures, or Programs:

No major changes.

PERFORMANCE INDICATORS

	Actual 2013	Actual 2014	Target 2015	Projected 2015	Target 2016
Client Benefits/Impacts					
Accurate, understandable statements					
Billing adjustments required	1,348	1,030	1,100	900	1,100
Strategic Outcomes					
Asset safeguarding					
Receivables/Receivables Aging					
% current	55%	63%	60%	60%	60%
Service turnoffs	39	15	20	45	20
Work Process Outputs					
Financial transaction processing					
Receipts posted:	211,572	204,650	210,000	200,000	210,000
Automated receipts, % of total	17.9%	19.0%	20.0%	20.0%	20.0%
Information response					
% staff trained in customer svc.	100%	89%	100%	98%	100%

**CITY OF APPLETON 2016 BUDGET
FINANCE DEPARTMENT**

Billing & Collection Services

Business Unit 11520

PROGRAM BUDGET SUMMARY

Description	Actual		Budget		
	2013	2014	Adopted 2015	Amended 2015	2016
Expenditures					
6101 Regular Salaries	\$ 44,807	\$ 54,095	\$ 45,382	\$ 46,838	\$ 58,567
6105 Overtime	422	217	1,000	1,000	1,000
6150 Fringes	18,550	20,271	21,271	21,271	21,019
6206 Parking Permits	1,107	1,152	1,152	1,152	1,152
6304 Postage\Freight	12,598	12,797	12,700	12,700	12,800
6320 Printing & Reproduction	5,508	3,709	5,900	5,900	5,000
6327 Miscellaneous Equipment	-	145	-	-	-
6418 Equip Repairs & Maint	134	-	300	300	300
6431 Interpreter Services	-	-	50	50	50
Total Expense	<u>\$ 83,126</u>	<u>\$ 92,386</u>	<u>\$ 87,755</u>	<u>\$ 89,211</u>	<u>\$ 99,888</u>

DETAILED SUMMARY OF 2016 PROPOSED EXPENDITURES > \$15,000

None

CITY OF APPLETON 2016 BUDGET

FINANCE DEPARTMENT

Support Services

Business Unit 11530

PROGRAM MISSION

We will provide financial services and support to all City departments in order to assist them in meeting program delivery objectives, assure compliance with government policies, and safeguard the assets of the City.

PROGRAM NARRATIVE

Link to City Strategic Plan:

Implements Key Strategies # 1: "Determine city-wide priorities and budget accordingly", # 2: "Proactively pursue collaborative and cooperative agreements to meet the needs of the community", and # 6: "Continuously improve efficiency and effectiveness of City services".

Objectives:

Serve as the collection point for all payroll data and process the City's payroll and complete related reports to ensure compliance with the City personnel policy and government regulations

Produce timely payments to employees and vendors to maintain a high level of credibility

Continue to expand the use of credit card payments to suppliers in order to maximize annual rebates and streamline the vendor payment process

Account for real and personal property taxes in a timely and efficient manner

Provide administration of the City's accounts receivable and collection functions (NSF, collection agency, special assessments)

Provide accurate service invoices for the City and produce reminder notices for delinquent accounts

Provide financial reporting and coordinate the annual City audit

Actively identify and pursue local and regional cooperative purchasing opportunities

Provide departmental assistance in evaluating the financial implications of projects

Major changes in Revenue, Expenditures, or Programs:

No major changes.

PERFORMANCE INDICATORS

	Actual 2013	Actual 2014	Target 2015	Projected 2015	Target 2016
Client Benefits/Impacts					
Accurate and timely financial statements					
% months closed within 10 work days	92%	92%	92%	67%	92%
# of items received after cutoff	11	25	10	50	10
Strategic Outcomes					
Financial integrity of programs maintained					
# of auditor's compliance issues	2	1	0	0	0
Asset/resource safeguarding					
bond rating	Aaa	Aa1	Aa1	Aa1	Aa1
Work Process Outputs					
Financial transaction processing					
Avg. # journal entries made monthly	448	415	400	350	400
Avg. # of A/P checks issued monthly	682	682	675	675	675

CITY OF APPLETON 2016 BUDGET
FINANCE DEPARTMENT

Support Services

Business Unit 11530

PROGRAM BUDGET SUMMARY

Description	Actual		Budget		
	2013	2014	Adopted 2015	Amended 2015	2016
Expenditures					
6101 Regular Salaries	\$ 387,864	\$ 305,750	\$ 376,668	\$ 381,202	\$ 373,925
6105 Overtime	651	1,984	1,500	1,500	1,500
6150 Fringes	131,657	105,641	146,034	146,034	133,219
6201 Training\Conferences	-	835	-	-	-
6206 Parking Permits	3,000	2,785	2,652	2,652	2,652
6316 Miscellaneous Supplies	99	217	575	575	500
6320 Printing & Reproduction	1,780	901	4,835	4,835	3,000
6327 Miscellaneous Equipment	-	-	-	-	-
6401 Accounting/Audit	35,741	13,273	26,700	26,700	26,000
6403 Bank Services	56,082	55,507	57,000	57,000	57,000
6412 Advertising	568	1,953	1,000	1,000	1,980
6418 Equip Repairs & Maint	1,992	2,032	2,000	2,000	2,000
6599 Other Contracts/Obligations	1,556	1,041	1,550	1,550	1,020
Total Expense	\$ 620,990	\$ 491,919	\$ 620,514	\$ 625,048	\$ 602,796

DETAILED SUMMARY OF 2016 PROPOSED EXPENDITURES > \$15,000

Accounting/Audit

Annual financial audit	\$ 25,500
Misc accounting services - grants	500
	<u>\$ 26,000</u>

Bank Services

Banking fees	\$ 16,000
Investment fees	41,000
	<u>\$ 57,000</u>