

# FINANCE DEPARTMENT

## MID-YEAR REVIEW

All figures through June 30, 2020

### Significant 2019 Events:

Worked with other City departments and developers in finalizing or amending development agreements for TIF projects.

Worked with FMD staff and contractors to complete the 1st floor remodeling project.

Completed preparation of the 2020 Budget.

Completed implementation of the ERP system HR / Payroll and cash receipting modules and began implementation of Property Tax module and new parking software, both expected to go live in 2020.

Issued \$18,660,000 of General Obligation notes.

Renewed short-term loan agreement with the Appleton Area School District.

Participated in ongoing discussions with US Venture regarding the potential location of their new headquarters in downtown Appleton.

Worked with the Economic Development and Public Works Departments in acquiring land adjacent to the municipal services building for possible future expansion.

Worked with the Facilities Management Department in providing the City's portion of funding for chiller replacement and electrical upgrades at the City Center complex.

Selected consultant to prepare Wastewater Rate Study and began work on the project.

After 19 years with Cellcom, solicited and implemented a new contract for Citywide cellular phone and data service with US Cellular, resulting in projected savings of approximately \$3,000/month plus other incentives.

### Significant 2020 Events:

Completed the 2019 annual audit with an unqualified opinion and no audit findings.

Worked with consultant to update arbitrage reports for outstanding Wastewater debt issues

Completed and filed the State annual, TIF, hotel room tax, and Public Service Commission (water utility) reports.

Continued discussions with US Venture regarding their potential downtown headquarters.

Issued \$15 million of G.O. notes, \$6.865 million of Water and \$2.965 million of Stormwater revenue bonds and \$10.85 million of Wastewater refunding bonds.

Completed RFP process to select vendor for printing and mailing services for City service invoices.

Began testing of v2019 for Munis upgrade and continued work on Property Tax module implementation and integration of cashiering module with DPW parking software.

### In response to the COVID-19 pandemic:

Finance Director continues to serve as Finance Section Chief in the City's Emergency Operations Center (EOC).

Coordinated the relocation of non-essential staff from the office setting to working at home to mitigate virus spread potential.

Continued operations at the first-floor customer service area and coordinated package/mail collection/delivery and other City Hall customer service processes normally performed on the fifth and sixth floors.

Established procedures and processes to track City-wide COVID-19 mitigation costs.

Researched, communicated and categorized various COVID-19 grant or other funding opportunities and related expense requirements.

Initiated change in business license ordinance to allow businesses an extension of time to pay outstanding obligations in order to obtain their licenses.

Worked with other City department directors to explore potential alternate care sites.

Modified utility billing system to waive late fees per PSC order due to COVID-19 health emergency.

Filed monthly lost revenue and additional expense report with the PSC.

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**Major objectives for the remainder of 2020:**

- Complete the 2021 budget
- Continue to monitor the COVID-19 virus environment and takes steps necessary to mitigate the risk and ensure staff safety to the extent possible
- Continue to explore funding opportunities and related grant requirements related to COVID-19 mitigation expenses and complete necessary funding requests
- Complete the upgrade of the Tyler Munis ERP system to the latest version, the conversion of property tax collection from the legacy system to the ERP system, and integration of the parking enforcement software with the cashiering module
- Complete the Wastewater rate study and present results to Council
- Complete transition of in-house printing/mailing of City Service invoices to third party provider

**Comments on performance measures:**

Several measures, specifically those related to staff training and updating manuals, continue to be below targets directly as a result of the transition to the new ERP software. These measures are improving as staff continue to gain fluency in the new system and we expect them to attain targeted levels soon. With respect to timely closing of accounting periods, the ERP system differs from the legacy accounting program in ways that make this no longer a valid measure and it will be replaced.

**Budget Performance Summary**

<b><u>Program</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>%</u></b>
Administration	166,681	109,870	65.90
Customer Service	93,908	31,449	33.50
Support Service	632,245	351,769	55.60
Total	892,834	493,088	55.20

The Administration and Customer Service year to date expenses reflect a change in payroll allocation with the implementation of the ERP system payroll module. The Support Services year to date expenses do not yet include the allocation of the 2019 audit fees to the other City funds. Once this allocation is performed, the Support Services expenses will be reduced to be more consistent with the 2020 Budget.

	2018	2019	2020		
<u>Program/Criteria</u>	<u>Actual</u>	<u>Actual</u>	<u>Target</u>	<u>1st Half</u>	<u>Projected Actual</u>
<b><u>Administration</u></b>					
<b><u>Client Benefits/Impacts</u></b>					
Trained staff					
% of staff adequately trained	90%	86%	100%	86%	90%
<b><u>Strategic Outcomes</u></b>					
Improved program performance					
# of recommendations implemented	3	2	5	2	4
<b><u>Work Process Outputs</u></b>					
Procedure manuals updated					
% of manuals rated current	84%	80%	95%	80%	95%
<b><u>Billing &amp; Collection Svc</u></b>					
<b><u>Client Benefits/Impacts</u></b>					
Accurate, understandable statements					
Billing adjustments required	785	725	900	305	750
<b><u>Strategic Outcomes</u></b>					
Asset safeguarding					
Receivables/Receivables Aging, % current	65%	.85%	65%	53%	65%
Service turnoffs	13	18	50	4	15
<b><u>Work Process Outputs</u></b>					
Financial transaction processing					
Receipts posted	199,726	187,674	210,000	92,882	210,000
Manual	152,320	131,338	168,000	64,257	168,000
Automated	47,406	56,336	42,000	28,625	42,000
Automated receipts, % of total	24%	30%	20%	31%	20%
Credit card payments received					
Property Tax	1,241	1,717	n/a	1,152	2,500
Parking Citations	6,586	7,497	n/a	2,117	4,500
Utility Billing	10,803	14,345	n/a	8,627	17,000
Information response					
% staff trained in customer service	90%	95%	100%	95%	100%
<b><u>Support Services</u></b>					
<b><u>Client Benefits/Impacts</u></b>					
Accurate and timely financial statements					
% months closed within 10 working days	83%	0	92%	0	0
# of items received after cutoff	30	n/a	10	n/a	n/a
<b><u>Strategic Outcomes</u></b>					
Financial integrity of programs maintained					
# of auditor's compliance issues	0	0	0	0	0
Asset/resource safeguarding					
G.O. Bond rating	Aa1	Aa1	Aa1	Aa1	Aa1
<b><u>Work Process Outputs</u></b>					
Financial transaction processing					
Avg. # journal entries made monthly	235	249	250	169	250
Avg. # of A/P checks issued monthly	508	453	550	411	450