

# FINANCE DEPARTMENT

## MID-YEAR REVIEW

All figures through June 30, 2019

### **Significant 2018 Events:**

Worked with City's financial consultant and bond counsel to develop a financing plan to enable the Redevelopment Authority to issue bonds to finance the construction of the Fox Cities Exhibition Center; the Lease Revenue Bond Issue closed on May 1, 2018

Issued \$13.840 million of G.O. notes, \$3 million of Stormwater revenue bonds and \$5.4 million of Wastewater refunding bonds

Made the final payment on the outstanding bonds for the Fox Cities Performing Arts Center and worked with the escrow agent and bond counsel to ensure all excess proceeds were distributed according to established intergovernmental agreements

Worked with City consultant to perform arbitrage calculations for all outstanding Stormwater bond issues

Completed the 2017 audit with an unqualified audit opinion on the financial statements and no audit findings, and an "end of expenditure period" audit of TIF 6

Completed the 2019 budget process

Added customer numbers to utility billing accounts for Aquahawk (on-line customer water monitoring system) set-up within privacy rules

Recruited, interviewed, and hired a new Deputy Finance Director

Trained new Customer Service Accounting Supervisor

Increased purchasing card transaction volume to achieve an annual rebate of \$83,781, an increase of 20% over 2017 and changed purchasing card provider to US Bank for a projected future rebate increase of an additional 20%

Changed the City's online surplus auction venue from eBay to GovDeals, resulting in higher revenue, lower fees and more efficient administration

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

Participated in interviews and aided in the selection of a developer for a mixed-use library facility

Worked with other City departments and developers in finalizing development agreements with Apple Tree Development and McFleshmans Brewery

ERP system implementation – completed implementation of the general ledger, accounts receivable, general cash receipting, and accounts payable modules as of November 1<sup>st</sup> and began the payroll and human resources phase

### **Significant 2019 Events:**

Worked with the Human Resource department and consultant in completing a GASB 57 OPEB report for the 2018 audit; completed the 2018 audit with an unqualified audit opinion on the financial statements and no audit findings

Began the 2020 budget process

Conducted a purchasing process for Citywide custodial supplies, resulting in no cost increase and locking in prices for an additional year

Worked with the Human Resource department in updating the City Travel Policy

Worked with other City departments and developers in finalizing the development agreements for Gabriel Lofts, Fore Development LLC, and 320 E College LLC

Worked with other City departments in developing an intermunicipal agreement to provide water and wastewater services to the Town of Clayton and on amending the agreement for water and wastewater services to the Cherryvale area of the Village of Little Chute

Worked with parking staff to switch to eTVRP, online suspensions, to be more efficient and timely with the DOT

ERP system implementation – continued work on the payroll and human resources modules, currently slated to go live as of the first payroll of September, and the tax and cashing modules, scheduled for December

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### Areas of primary concentration for the remainder of 2019:

- Complete the 2020 budget
- Complete the issuance of 2019 capital projects funding bonds
- Complete the conversion of payroll, property tax collection, and cashiering processes from the legacy system to the Tyler Munis ERP system
- Begin planning for the upgrade of the Tyler Munis system to the most recent version release
- Relocate first floor customer service staff in anticipation of the remodeling of the Appleton Street customer service area

### Comments on performance measures:

Several measures, specifically those related to staff training, updating manuals, and timely closing of accounting periods are lower for 2018 and the first half of 2019 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.

### Budget Performance Summary

<u>Program</u>	<u>Actual</u>	<u>Budget</u>	<u>%</u>
Administration	83,976	170,353	49.3
Customer Service	37,808	93,985	40.8
Support Service	<u>362,699</u>	<u>623,206</u>	<u>58.3</u>
Total	<u>484,483</u>	<u>887,544</u>	<u>54.7</u>

The Support Services year to date expenses include the full cost of the 2018 audit, pending receipt of the final breakdown of charges from the auditors required to properly allocate audit expense to various functions across the City. Allocation of the audit expense will transfer approximately \$46,000 to other cost centers as budgeted and will bring the department to within 50% of budget.

	2017	2018	2019		
<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	91%	90%	100%	81%	100%
<b><u>Strategic Outcomes</u></b>					
Improved program performance					
# of recommendations implemented	3	3	5	1	5
<b><u>Work Process Outputs</u></b>					
Training conducted					
Hours of training per employee	27	30	20	20	30
Procedure manuals updated					
% of manuals rated current	89%	84%	95%	81%	85%
<b><u>Billing &amp; Collection Svc</u></b>					
<b><u>Client Benefits/Impacts</u></b>					
Accurate, understandable statements					
Billing adjustments required	755	785	900	345	800
<b><u>Strategic Outcomes</u></b>					
Asset safeguarding					
Receivables/Receivables Aging, % current	64%	65%	65%	65%	65%
Service turnoffs	59	13	50	11	20
<b><u>Work Process Outputs</u></b>					
Financial transaction processing					
Receipts posted	205,653	199,726	210,000	97,052	200,000
Manual	163,435	152,320	168,000	69,048	150,000
Automated	42,218	47,406	42,000	28,004	50,000
Automated receipts, % of total	21%	24%	20%	29%	25%
Credit card payments received					
Property Tax	1,049	1,241	n/a	955	1,250
Parking Citations	5,823	6,586	n/a	4,091	8,000
Utility Billing	4,200	10,803	n/a	6,603	12,000
Information response					
% staff trained in customer service	100%	90%	100%	97%	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	92%	83%	92%	N/A	50%
# of items received after cutoff	36	30	10	N/A	10
<b><u>Strategic Outcomes</u></b>					
Financial integrity of programs maintained					
# of auditor's compliance issues	0	0	0	0	0
Asset/resource safeguarding					
Bond rating	Aa1	Aa1	Aa1	Aa1	Aa1
<b><u>Work Process Outputs</u></b>					
Financial transaction processing					
Avg. # journal entries made monthly	244	235	250	209	250