



# Finance Department: 2017 End of Year Report

## Top Accomplishments

- In November 2017 a new Finance Director, Mr. Rick Kisner, CPA, MBA came on board.
- During calendar year 2017 the Finance Department experienced another re-organization and relinquished supervisory responsibility of the Grants Administration Division to the Procurement Department in September. The divisions reporting to the Finance Department in the General Fund are: Finance Administration (2), Accounting (10) and in the Water Fund, Utility Billing (5) for a total of 18 employees.
  - The Finance Department once again was awarded the Government Finance Officers Association's prestigious Certificate of Achievement for Excellence in Financial Reporting for the City's Comprehensive Annual Financial Report (CAFR) Program for Fiscal Year End 2016. This is the 18th consecutive year that the City of St. Cloud has received this most notable national award.
  - The City's independent auditors Purvis, Gray & co, LLP, for all material purposes to date, completed their field work for Fiscal Year Ending 2017 and are currently finalizing the FY 2017 Audit.
  - During calendar year 2017, the Finance Department reviewed and processed 26,449 accounts payable transactions totaling more than \$90.7 million. These transactions included: checks, wires, EFTs and purchasing cards. In addition to ensure accurate recording of the City's financial information, over 213,334 summary adjusting entries were reviewed and interfaced from various applications such as Advance Utility Systems (AUS), Building, Cash Receipts, Fleet, Occupational License, Purchasing, Payroll, Planning and GMBA (the City's automated accounting system).
- The Accounting Division administered all functions to include review and reconciliation of the following transactions related to payroll, cash receipts and purchase orders:
  1. Payroll - 15,804 payroll disbursements for 666 employees during the City's 26 regular pay periods and two special bonus payrolls in the amount of \$35.2 million, including benefits.
  2. Cash Receipts – 46,246 transactions for a total of \$55.5 million.
  3. Purchase Orders – reviewed and processed 3,045 encumbrances totaling \$33.4 million.
- Investments: Made 128 purchases, sales or redemptions of individual securities and numerous transfers to and from Local Government Investment Pools. Additional cash flow of \$691,137 was provided to all city funds with the exception of pensions. The Finance Department effectively invested available City revenues that assisted in providing funding to successfully accomplish the City's initiatives and projects.
  - The Accounting Division completed and submitted in a timely manner required reports for payroll quarterly returns to corresponding outside agencies.
  - The Finance Department successfully compiled, summarized, and disseminated budget information to all City departments that enabled completion of the FY17-18 budget within established guidelines. As a result, a smooth budget transition from FY2017 to FY2018 was achieved with a minimum negative impact on overall City operations.
  - The Finance Department provided a balanced budget to City Council that preserved fund balance in accordance with City policy, gave cost of living raises to employees, and maintained current levels of services to our citizens without raising the millage rate.
- The Finance Department received verification from the Department of Revenue that the City of St. Cloud complied with all aspects of Truth in Millage (TRIM) requirements for FY 2017.
  - There were five Budget Amendments presented to the City Council during 2017 which reflected essential and required financial and operational changes to ensure effective and efficient services to citizens.
  - The Continuing Disclosure reports related to the City's publicly traded debt were submitted in March 2017 and have been declared in compliance with the SEC rule 15c2-12.
- The Finance Department maintained work flow and level of service without a Finance Director from July to November. Proper realignment of duties allowed the department to maintain segregation of duties in accordance with the City's Internal Control Policies and to perform duties in a timely and effective fashion.
- Fixed Assets completed physical inventories for 85% of the City's properties. There were 467 new assets recorded in the System Subledger. There were 611 assets declared surplus and disposed by means of auction, scrapped, donated or traded.
  - New Fixed Asset Custodians were trained and provided guidance.



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## Community Benefits

The 12 staff members of the Finance and Accounting areas, provided exceptional, professional service as evidenced by numerous awards and recognition from the FGFOA and GFOA which are outside, independent sources. This experience, along with the collective teamwork with City Council and other City Departments, has resulted in the City maintaining an “A2” bond rating (meaning very strong with a stable financial outlook) from Moody’s Investors Service. This high rating has allowed the City to save tens of thousands of dollars of interest cost savings over the life of its existing debt \$99,036,986 for fiscal year ending 2017. The City’s total debt has decreased by \$6,775,137 from \$105,812,123 for 2016.

## Finance Upcoming Goals/Projects for 2018

- Continue to pursue restructuring of the Stevens Plantation Dependent Special District (DSD) debt to extend the repayment period.
- Continue streamlining Advance Utility Systems/Customer Information Software “AUS/CIS” processes to assure prompt and accurate billing of our utility services.

## Finance Department/Utility Billing Division

### Top Accomplishments

### 2017 Utility Billing Statistics

In 2017 there were 283,418 bills processed (12,251 more than 2016, this increase is due to growth both inside and outside the City).

There were 82,919 billing exceptions processed.

Write-off payments collected were \$18,489.

Collection agency payments collected were \$12,393.

33,736 collection letters sent (new statistic).

1,892 disconnections were completed.

## Community Benefits

Invoice Cloud Ebill was implemented in February 2017 and by the end of the year we have enrolled 2,462 customers (approximately 10% of total customer base) saving on bill print vendor costs.

## Utility Billing Upcoming Goals/Projects for 2018

Migrating to a new version of CIS Infinity software, I.T., as the first step, has begun the process of moving the TOHO server to St. Cloud. Working with our vendor, AUS, to precisely match/align our reprinted bills to the Invoice Cloud Ebill’s customers see online. Billing reprint project to precisely match the Invoice Cloud PDF bill.

