

Finance Department

Mission Statement

It is the mission of the Finance Department to account for all municipal resources and to apply such resources in a manner that is most beneficial to the citizens of Rockford.

Primary Functions → There are four primary operating functions within the Finance Department.

- **Administration** → The Administration division is responsible for the management of the financial affairs of the city and the supervision of personnel operations within the Finance Department.
- **Central Services** → The Central Services division is responsible for financial planning, risk management, centralized purchasing, and mail/printing services for the City.
- **Accounting** → The purpose of the Accounting division is to provide financial reporting, payroll processing, accounts payable and receivable, fixed asset reporting, special tax collections, billing, and auditing functions.
- **Revenue** → The purpose of the Revenue Division is to collect various revenues, manage the police and fire pension funds, ensure payment to retirees is processed, and invest idle City funds.

2011 Accomplishments →

- Received the Distinguished Budget Award for the 27th consecutive year and the Certificate of Achievement for Excellence in Financial Reporting for the 31st consecutive year from the Government Finance Officers' Association.
- Implemented applicable GASB statements in order to stay in compliance with Generally Accepted Accounting Practices.
- Continued working with Public Works on the parking ticket system process improvement plan which includes installing new parking ticket software.
- Investigated and began conversion of Business Licenses to a new system platform.
- Continue cross training of Finance staff and process improvements with the Department.
- Completed 2010 Pension Fund Audit and transmit the audited information to the Actuary by April 30th.
- Completed transition to NOVATime timekeeping system for Community Development and began transition for Police.
- Implemented a system which converts accounts payable originally paid by check to electronic card payments through PNC Bank.

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- Purchased and implemented new Contract Management system to improve expenditure tracking and reporting.
- Supported the Outsourcing Subcommittee of the Mayor's Task Force on Finance and Budget in reviewing various City operations for outsourcing or process improvement potential, including coordinating and reporting on ongoing implementation progress.

2012 Goals and Objectives →

- Achieving the Distinguished Budget Presentation Award for the 28th consecutive year and the Certificate of Achievement for Excellence in Financial Reporting for the 32nd consecutive year from the Government Finance Officer's Association.
- Implement applicable GASB statements in order to stay in compliance with Generally Accepted Accounting Practices.
- Continue working with Public Works on the parking ticket system process improvement plan which includes installing new parking ticket software.
- Continue cross training of Finance staff and process improvements with the Department.
- Issue debt to finance projects as necessary.
- Install a payment kiosk that provides 24-hour payment capability for water bills and look for other ways to reroute lobby traffic during peak periods.
- Implement a single log in to access multiple billing accounts with the same owner and make one payment for all accounts.
- Complete 2011 Pension Fund Audit and transmit the audited information to the Actuary by April 30th.
- Bring the rest of Police, Fire, and Human Services Departments, and the Library on to the NOVATime timekeeping system.
- Continue implementation of the Outsourcing Subcommittee recommendations on outsourcing and process improvement.

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Budget Summary

FINANCE DEPARTMENT BUDGET SUMMARY					
APPROPRIATION	2010 <u>ACTUAL</u>	2011 <u>BUDGET</u>	2011 <u>ACTUAL</u>	2012 <u>BUDGET</u>	INCREASE (DECREASE)
PERSONNEL	\$2,583,360	\$2,489,406	\$2,461,514	\$2,579,554	\$90,148
CONTRACTUAL	1,097,760	1,048,080	963,435	1,198,485	150,405
SUPPLIES	20,341	25,869	16,945	25,869	0
OTHER	2,423,525	4,406,367	4,377,423	3,200,380	(1,205,987)
CAPITAL	0	0	0	0	0
ENCUMBRANCE	0	0	0	0	0
TOTAL	<u>\$6,124,986</u>	<u>\$7,969,722</u>	<u>\$7,819,317</u>	<u>\$7,004,288</u>	<u>(\$965,434)</u>

STAFFING REVIEW	2009	2010	2011	2012	INCREASE (DECREASE)
TOTAL	<u>34.00</u>	<u>34.00</u>	<u>32.00</u>	<u>32.00</u>	<u>0.00</u>

FUNDING SOURCE	2011 <u>AMOUNT</u>	2011 <u>PERCENTAGE</u>	2012 <u>AMOUNT</u>	2012 <u>PERCENTAGE</u>
PROPERTY TAXES				
FRINGE BENEFIT REIMBURSEMENTS	\$240,843	3.5	\$240,660	3.0
PURCHASE OF SERVICES	2,149,800	31.0	2,492,200	31.3
FROM OTHER GOVERNMENTS	250,000	3.6	250,000	3.1
GENERAL REVENUES	<u>5,329,079</u>	<u>65.5</u>	<u>4,021,428</u>	<u>65.7</u>
TOTAL	<u>\$7,969,722</u>	<u>100.0</u>	<u>\$7,004,288</u>	<u>100.0</u>

Budget Analysis

The 2012 budget of \$7,004,288 is a decrease of \$965,434 (12.1%) from the previous year. Personnel expenses increased \$90,148 due to step and longevity increases in salaries (\$8,450), rate increases for IMRF (\$7,860), and health insurance (\$71,838).

Contractual services increased by \$150,405. This is primarily due to an increase in building rent (\$158,500) and equipment rental (\$8,890). The increases are offset by a decrease in service contracts (\$6,450), risk management (\$11,610) and microcomputers (\$4,440). Supplies remained unchanged.

Other expenses decreased by \$1,205,987 mostly due to a decrease to CIP transfers (\$1,200,000).

Of the 32 staff assigned to Finance Department, 20.9 are direct reimbursements.

In 2011, the Finance Department spent \$7,819,317, or 98.1% of its budgeted allocation. In the past several years, 88% to 106% of the budget has been spent.

Capital Equipment

There are no capital items budgeted for 2012.

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Personnel Review

FINANCE DEPARTMENT				
BENEFITS AND SALARIES		2011	2012	INCREASE/ (DECREASE)
SALARY		<u>BUDGET</u>	<u>BUDGET</u>	
PERMANENT		\$1,648,651	\$1,657,101	\$8,450
SALARY ADJUSTMENT		<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SALARIES		<u>\$1,648,651</u>	<u>\$1,657,101</u>	<u>\$8,450</u>
BENEFITS				
ILLINOIS MUNICIPAL RETIREMENT		\$337,315	\$345,175	\$7,860
UNEMPLOYMENT TAX		5,760	5,760	0
WORKER'S COMPENSATION		3,790	4,638	848
HEALTH INSURANCE		468,000	531,024	63,024
RETIREE HEALTH INSURANCE		8,034	16,848	8,814
LIFE INSURANCE		2,496	2,496	0
PARKING BENEFITS		<u>15,360</u>	<u>16,512</u>	<u>1,152</u>
TOTAL BENEFITS		<u>\$840,755</u>	<u>\$922,453</u>	<u>\$81,698</u>
TOTAL COMPENSATION		<u>\$2,489,406</u>	<u>\$2,579,554</u>	<u>\$90,148</u>
POSITION TITLE	POSTION RANGE	2011 <u>EMPLOYEES</u>	2012 <u>EMPLOYEES</u>	INCREASE/ (DECREASE)
FINANCE DIRECTOR	E-14	1.00	1.00	0.00
MANAGER	E-11	3.00	3.00	0.00
FINANCIAL ANALYST	E-8	2.00	2.00	0.00
SENIOR ACCOUNTANT	E-8	3.00	3.00	0.00
ACCOUNTANT	E-7	4.00	4.00	0.00
SENIOR ADMIN. ASSISTANT	E-6	1.00	1.00	0.00
ACCOUNTING TECHNICIAN	E-5	1.00	1.00	0.00
SENIOR ACCOUNT CLERK	A-21	6.00	6.00	0.00
PURCHASING TECHNICIAN	A-23	2.00	2.00	0.00
ACCOUNT CLERK	A-19	<u>9.00</u>	<u>9.00</u>	<u>0.00</u>
TOTAL PERSONNEL		<u>32.00</u>	<u>32.00</u>	<u>0.00</u>

Performance Measures

	2009 Actual	2010 Actual	2011 Actual	2012 Projected
Purchase Orders issued	11,597	10,364	8,607	9,000
Bids/RFP's issued	211	141	134	140
Consecutive Years receiving GFOA Budget Award	25	26	27	28
Consecutive Years receiving GFOA Financial Reporting Award	30	31	32	33
Bond Issues	1	1	0	0
Investment Earnings	478,887	1,275,955	1,107,897	1,200,000