

FINANCE

Department Overview

The Finance Department provides professional oversight and consultation to City programs and services regarding financial, accounting, and budgetary practices. The Department’s focus is to ensure compliance with all relevant financial and budgetary regulations, including Oregon Budget Law and State statutes governing financial information.

In addition to financial services, the operations of the Municipal Court are under the authority of the Finance Director. Municipal Court strives to maintain public confidence in the ability of the legal judicial system to uphold the rule of law, fairly and impartially resolve legal contests in a timely manner, and to compel compliance with the laws that protect the safety and quality of life in the community.

	FY20 Actuals	FY21 Actuals	FY22 Amended	FY23 Proposed
5 PERSONNEL SERVICES	2,078,430	2,169,923	2,327,525	2,485,807
6 MATERIALS & SERVICES	1,003,414	1,089,644	2,390,001	1,523,851
7 CAPITAL OUTLAY	92,192	8,366	-	-
Grand Total	\$ 3,174,037	\$ 3,267,933	\$ 4,717,526	\$ 4,009,658

*5,6 & 7 indicated in table above are the numeric categories used in the general ledger to represent the different expense types.

Budget Summary – FY2023

Staffing

The Finance Department is made up of 19.14 FTE, an increase of 0.1 FTE over the prior year due to an increase to the FTE associated with the presiding judge position.

The Finance Department is split into two divisions, Municipal Court with eight FTE and the Finance Division with 11.14 FTE.

Department Funding

The resources necessary to support the department are either tax supported (subsidized) or internal service charges levied against the City’s enterprise and special revenue funds for services provided. The exception to this is the revenue generated through the Municipal Court and resulting from the cooperative effort of our Police Department, the City’s Prosecutor’s Office, and the Municipal Court. Additionally, the embedded analyst position is funded directly by the Street, Sewer, and Drainage Funds and an accountant position is funded directly by the Regional Sewer Fund.

Service Level Changes

There are no service level changes proposed in the FY23 Finance Department budget.

Accomplishments FY2022

- **Certificate of Achievement for Excellence in Financial Reporting** – The Government Finance Officers Association (GFOA) awarded the City the Certificate of Achievement for Excellence in

Financial Reporting for its FY20 Comprehensive Annual Financial Report. This is the fortieth consecutive year that the City has achieved this prestigious award.

- **Update to Electric Utility Payment In-Lieu of Tax (PILOT) Agreement** – In cooperation with the City Attorney’s Office and the City Manager’s Office, successfully negotiated a new PILOT agreement between the City and the Springfield Utility Board that brings the agreement in alignment with other peer City’s.
- **Reorganize and Streamline Budget Document** – Finance staff have restructured content of the Budget document to better align with budget document best practices. The goal has been to create a GFOA award-winning document that is more accessible to the general public and still provides the right amount of information and detail that is conducive to the decision-making process.
- **Municipal Court Implemented A More Efficient Failure To Appear Process** - In FY22, Court staff changed their failure to appear process so that warrants for failures to appear were signed by the Judge and issued almost immediately as opposed to the previous process that could take several weeks. This change has helped ensure timely justice in the community with a case closure rate of 83% within 90 days and 96% within 1 year.

Initiatives FY2023

- **Court Online Updates**– The Court is continuing to work on providing more accessible self-service information for the public online. Court staff are focusing on providing online access to commonly requested forms, useful links, court guidelines, and other important information. The goal will be for the public to utilize more information online and to free up staff resources to handle more complex in-person customer service needs.
- **Procurement Process Improvements** – Implement a software solution to increase the level of automation in the procurement and contracting process.
- **Court Security/Safety** – Staff will conduct an evaluation and implement courtroom security/safety options that meet the Council’s goal of providing a safe environment for court operations.
- **Utility Fund Financial Management** - In coordination with Development & Public Works, restructure an existing Finance Analyst position to better support Utility Fund financial management. Areas of focus will include long term financial planning, utility rate planning, and the evaluation of capital improvement needs relative to annual maintenance requirements.

Three Year Considerations FY2024-FY2026

- **Mental Health Impact on the Courts** – Individuals who are caught up in the justice system and struggling with mental illness generally require more time and assistance, which results in greater costs to the City. In this time of limited resources, we will need to get creative to prevent individuals from being left without options and cycling through the system repeatedly. The court is currently involved as a participant in the Lane County Mental Health Summit, the Crisis Center Steering Committee, and actively involved in the FITT team and engaging the mental health needs of our community.
- **Performance Measures and Benchmarks** – With efforts underway in the City Manager’s Office to pursue a community branding and visioning initiative that will eventually lead to a strategic

plan, Finance staff will use the strategic plan as a foundation to develop performance measures and benchmarks, which allow us to demonstrate that we are maximizing the use of City resources in the delivery of services.

- **Long Range Financial Modeling** – Improve upon the City’s long range financial modeling to better identify longer range trends and produce more accurate forecasts. Improving the accuracy of our forecasts will aide City management in maximizing the use of the City’s limited resources so as to continue delivering the level of service our citizens have come to expect.
- **PeopleSoft Upgrade** – The City’s Oracle financial reporting software has been in use since 1998 and should be scheduled for a software version upgrade to 9.2. Done as an in-house project, it will require significant Finance and IT staff resources to complete, diverting staff resources from other needed initiatives and projects.
- **Legislation Impacting Court Operations** – New legislation and upcoming changes to the criminal justice system may change the ways courts operate and the practices they use to provide justice and ensure compliance. There is a continuing shift in the criminal justice system away from monetary penalties and more focus on providing substance abuse treatment, mental health resources, and community restoration options. Changes may increase operational costs while reducing the traditional revenues courts have previously seen. In the upcoming years, the Court will be monitoring and adapting to these changes.
- **Franchising and Licensing** – Currently, resources do not exist to allow for consistent audit/financial reviews of utility license holders. With the shift of this program into the Finance Department staff will evaluate the benefit of conducting more regular reviews and how to resource such an effort.

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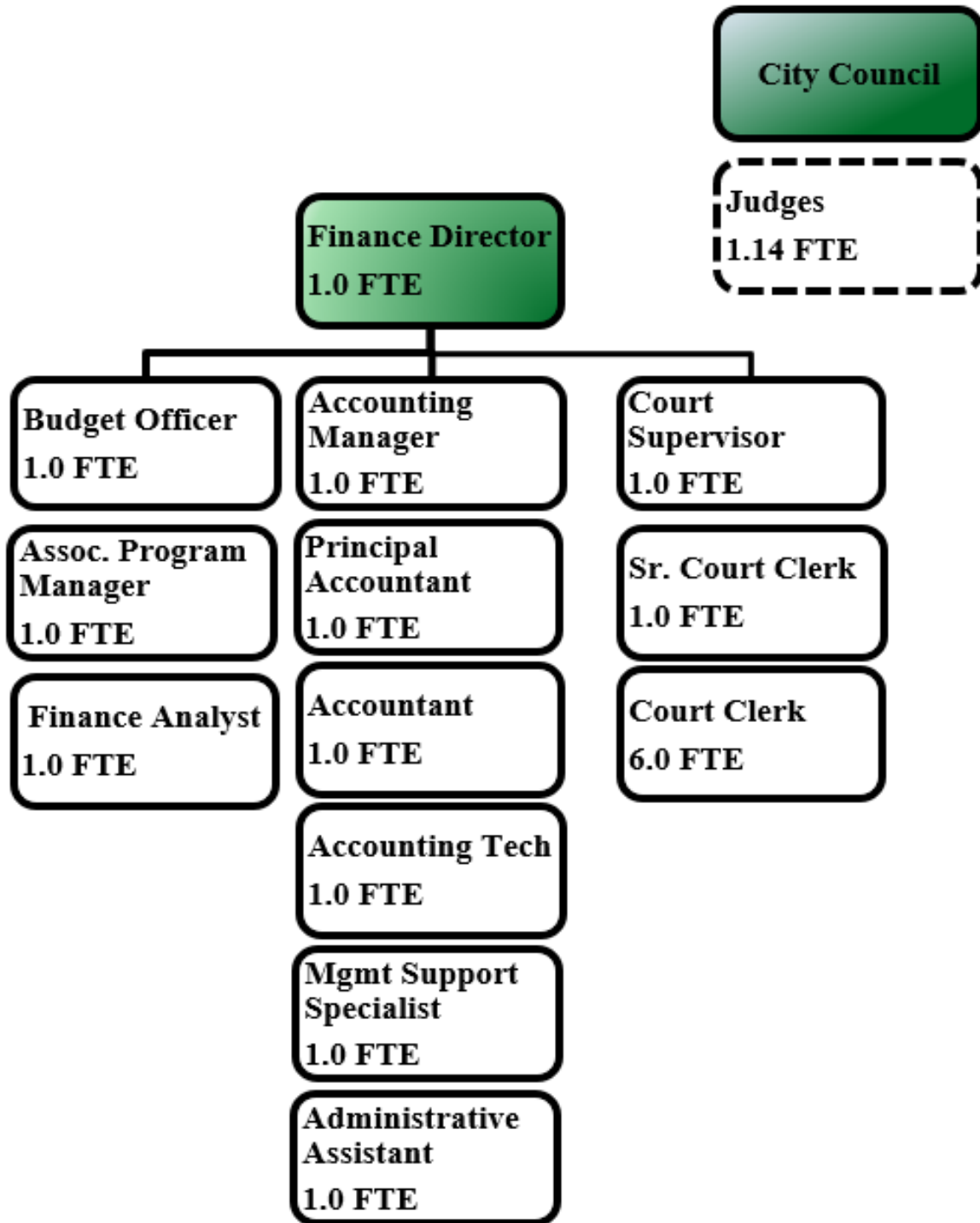
Financial Summary by Fund

	FY20 Actuals	FY21 Actuals	FY22 Amended	FY23 Proposed
100 General Fund	2,267,870	2,240,963	2,411,951	2,590,964
201 Street Fund	-	38,982	55,075	68,156
204 Special Revenue Fund	21,714	-	1,000,000	14,000
210 Community Development Fund	21,807	21,106	24,590	26,041
236 Police Local Option Levy Fund	551,338	557,995	687,452	701,355
611 Sanitary Sewer Fund	16,296	41,775	53,109	61,922
612 Regional Wastewater Fund	151,966	158,703	181,869	187,593
617 Storm Drainage Fund	16,296	41,775	53,110	61,923
629 Regional Fiber Consortium Fund	100,257	123,659	211,150	252,150
713 Vehicle & Equipment Fund	3,634	8,951	-	500
719 SDC Administration Fund	22,857	34,023	39,222	45,054
Grand Total	\$ 3,174,037	\$ 3,267,933	\$ 4,717,526	\$ 4,009,658

Financial Summary by Program

	FY20 Actuals	FY21 Actuals	FY22 Amended	FY23 Proposed
Active Programs				
1044 Stormwater Fiscal Management	16,296	17,365	26,279	19,380
1056 Regional Wastewater Administration	151,966	158,645	181,869	187,593
1059 Wastewater Fiscal Management	16,296	17,423	26,279	19,380
1200 Municipal Court Services	694,401	863,475	1,623,859	2,009,616
7000 Department Administration	2,125	762	1,000,000	224,027
7030 Accounting and Audit division	266,194	192,575	226,195	831,789
7032 Budget and Procurement	368,957	444,147	522,440	465,224
7150 Fiber Consortium	98,165	123,659	211,150	252,150
9000 Non-Program	3,634	8,951	-	500
Active Programs Total	1,618,035	1,827,002	3,818,071	4,009,658
Inactive Programs				
1012 City Prosecutor	140	140	-	-
1029 Licensing and Franchising	7,573	3,496	9,976	-
1030 Building Plan Review	50	-	-	-
1033 Electrical Inspections	159	-	-	-
7031 Annual Audit	381,590	443,133	408,278	-
7033 Procurement and Contracts	142,784	99,799	98,558	-
7034 Treasury Management	62,794	53,837	80,960	-
7035 Municipal Court Administration	340,145	248,280	301,684	-
7036 Case Management	397,813	376,791	-	-
7037 Court Accounts Receivables	119,467	110,643	-	-
7038 General Services & Cust. Support	103,487	103,357	-	-
7053 Talent Acquisition	-	1,455	-	-
Inactive Programs Total	1,556,001	1,440,931	899,455	-
Grand Total	\$ 3,174,037	\$ 3,267,933	\$ 4,717,526	\$ 4,009,658

Organizational Structure



Note: Municipal Court Judges report to the City Council and do not appear on any departmental organization chart, although the positions are funded through Finance.

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Summary of Full-Time Equivalent by Position

	FY20 FTE	FY21 FTE	FY22 FTE	FY23 FTE
Accountant	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00
Accounting Technician	2.00	1.00	1.00	1.00
Administrative Assistant	0.70	1.00	1.00	1.00
Associate Program Manager	1.00	1.00	1.00	2.00
Budget Officer	1.00	1.00	1.00	1.00
Court Clerk	6.00	6.00	6.00	6.00
Court Supervisor	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00
Finance Management Analyst	-	1.00	1.00	-
Judge	0.70	0.70	0.70	0.80
Judge Pro-Tem	0.34	0.34	0.34	0.34
Management Analyst	1.00	1.00	1.00	1.00
Management Support Specialist	2.00	2.00	2.00	2.00
Grand Total	18.74	19.04	19.04	19.14

Summary of Full-Time Equivalent by Fund

	FY20 FTE	FY21 FTE	FY22 FTE	FY23 FTE
100 General Fund	15.09	14.39	14.39	14.49
201 Street Fund	-	0.40	0.40	0.40
210 Community Development Fund	0.22	0.22	0.22	0.22
236 Police Local Option Levy Fund	2.23	2.23	2.23	2.23
612 Regional Wastewater Fund	0.88	0.88	0.88	0.88
719 SDC Administration Fund	0.13	0.23	0.23	0.23
611 Sanitary Sewer Fund	0.10	0.35	0.35	0.35
617 Storm Drainage Fund	0.10	0.35	0.35	0.35
Grand Total	18.74	19.04	19.04	19.14

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Summary of Full-Time Equivalent by Program

		FY20 FTE	FY21 FTE	FY22 FTE	FY23 FTE
Active Programs	1044 Stormwater Fiscal Mgmt and Customer Services	0.10	0.10	0.10	0.10
	1056 Regional Wastewater Administration	0.88	0.88	0.88	0.88
	1059 Wastewater Fiscal Mgmt and Customer Services	0.10	0.10	0.10	0.10
	1200 Municipal Court Services	7.83	7.83	7.63	9.14
	7000 Department Administration	-	-	-	1.00
	7030 Accounting and Audit division	2.44	1.71	1.95	5.27
	7032 Budget and Procurement	2.29	3.29	3.37	2.65
Active Programs Total		13.64	13.91	14.03	19.14
Inactive Programs	7033 Procurement and Contracts	0.99	0.99	0.67	-
	7034 Treasury Management	0.12	0.12	0.12	-
	7035 Municipal Court Administration	1.26	1.26	1.46	-
	7031 Annual Audit	2.74	2.77	2.77	-
Inactive Programs Total		5.10	5.13	5.01	-
Grand Total		18.74	19.04	19.04	19.14

Performance Measures

Measure	FY22 Target	FY22 Est. Actual	FY23 Target
1.) Court- Age of Active Pending Cases	25% < 0-90 Days Old 90% < 365 Days Old	26% < 90 Days Old 91% < 365 Days Old	25% < 0-90 Days Old 95% < 365 Days Old
Why this measure is important: Having an accurate inventory of active pending cases as well as tracking their age is important to ensure cases are brought to completion within reasonable timeframes.			
2.) Court- Time To Disposition	75% within 90 days 90% within 180 days	83% within 90 days 92% within 180 days	75% within 90 days 90% within 180 days
Why this measure is important: This measure is a fundamental management tool that assesses the length of time it takes a court to process cases. It compares a court's performance with the national guidelines for timely case processing to ensure timely justice standards are being met.			
3.) Percent variance between budgeted General Fund revenue and actual	<3.0% Variance	1.9%	<3.0% Variance
Why this measure is important: Accurate revenue estimates serve as a basis for sound financial planning, support quality decision-making and inform the development of a fiscally responsible budget.			
4.) Operating reserves in the General Fund as a percent of operating expenses	>20%	25.3%	>20%
Why this measure is important: Appropriate reserves levels provide for sufficient working capital, allow the City to accommodate emergency expenditures, and respond to unanticipated fluctuations in revenues or expenditures			
5.) Receive the Certificate of Achievement for Excellence in Financial Reporting	Receive Award	Expect to Receive	Receive Award
Why this measure is important: Provide assurance of regulatory and policy compliance to minimize and mitigate risk.			
6.) Receive unmodified opinion on the City annual audit	Receive Unmodified Opinion	Expect to Receive	Receive Unmodified Opinion
Why this measure is important: Provide assurance of regulatory and policy compliance to minimize and mitigate risk.			