

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.

| | FY21 Actuals | FY22 Actuals | FY23 Amended | FY24 Proposed |
|------------------------|---------------------|---------------------|---------------------|---------------------|
| 5 PERSONNEL SERVICES | 2,169,923 | 2,239,521 | 2,489,917 | 2,553,763 |
| 6 MATERIALS & SERVICES | 1,089,644 | 1,167,708 | 4,523,851 | 2,354,116 |
| 7 CAPITAL OUTLAY | 8,366 | - | - | - |
| Grand Total | \$ 3,267,933 | \$ 3,407,229 | \$ 7,013,768 | \$ 4,907,879 |

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

Budget Summary – FY2024

Staffing

The Finance Department is made up of 19.14 FTE. No changes are proposed to staffing in the FY24 budget.

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 FY24 Finance Department budget.

Accomplishments FY2023

- **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 FY21 Comprehensive Annual Financial Report. This is the forty-first consecutive year that the City has achieved this prestigious award.

- **Distinguished Budget Presentation Award** – Finance staff have restructured content of the Budget document to better align with budget document best practices and have received the Distinguished Budget Presentation Award from the GFOA..
- **Purchase Card Electronic Receipt Imaging** – Staff have implemented a combination of software and business process change in order to automate processing of purchase cards receipts and to allow for back-up documentation to be stored and reviewed electronically instead of in paper format.
- **Enhanced Court Online Accessibility** – The Springfield Municipal Court revamped their website to provide more accessible self-service information for the public. This includes access to commonly used forms, useful links, court guidelines, and other important information. The goal of this initiative is to free up staff resources to handle more complex in-person customer service needs.

Initiatives FY2024

- **Contracts Module Software** – Implement a software solution to increase the level of automation in the procurement and contracting process.
- **Long-Term Budget Strategies** – In coordination with the City Manager’s Office, work with the Portland State University Center for Public Service to develop strategies to address the structural imbalance in the General Fund. Staff and consultants will bring options for new revenue and expense reductions to the Council for consideration.
- **Court Security/Safety** – Staff conducted an evaluation and will be working on implementation of courtroom security/safety modifications that meet the Council’s goal of providing a safe environment for court operations. This work will be completed in early FY24.
- **Treatment Court** - The Springfield Municipal Court is working towards a treatment court pilot program that will be able to address high-risk, high-need offenders within our community who have a substance abuse or a co-occurring disorder. The goal is to reduce substance abuse, reduce recidivism, and encourage the rehabilitation of participants using community based treatment.

Three Year Considerations FY2025-FY2027

- **Long-term Fiscal Health** – The long-term fiscal health of the City is the Finance Department’s top priority. We continue to have a structural imbalance in key funds such as the General Fund, Street Fund, and Ambulance Fund. This is an issue that will be on-going. We have initiated a Budget Strategies Project as described in the Initiatives section above that will identify strategies to bring General Fund revenues in line with service costs.
- **Mental Health Impact on the Courts** – Still a major consideration in upcoming years, 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, the court needs to get creative to prevent individuals from being left without options and cycling through the system repeatedly. The court is seeking more evaluation providers, is currently working closely with Lane County to help develop the Crisis Stabilization Center, and is working with Lane County Circuit Court to more closely monitor Fitness to Proceed cases. .
- **Legislation Impacting Court Operations** – 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

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costs while reducing the traditional revenues courts have previously seen. In the upcoming years, the Court will be monitoring and adapting to these changes

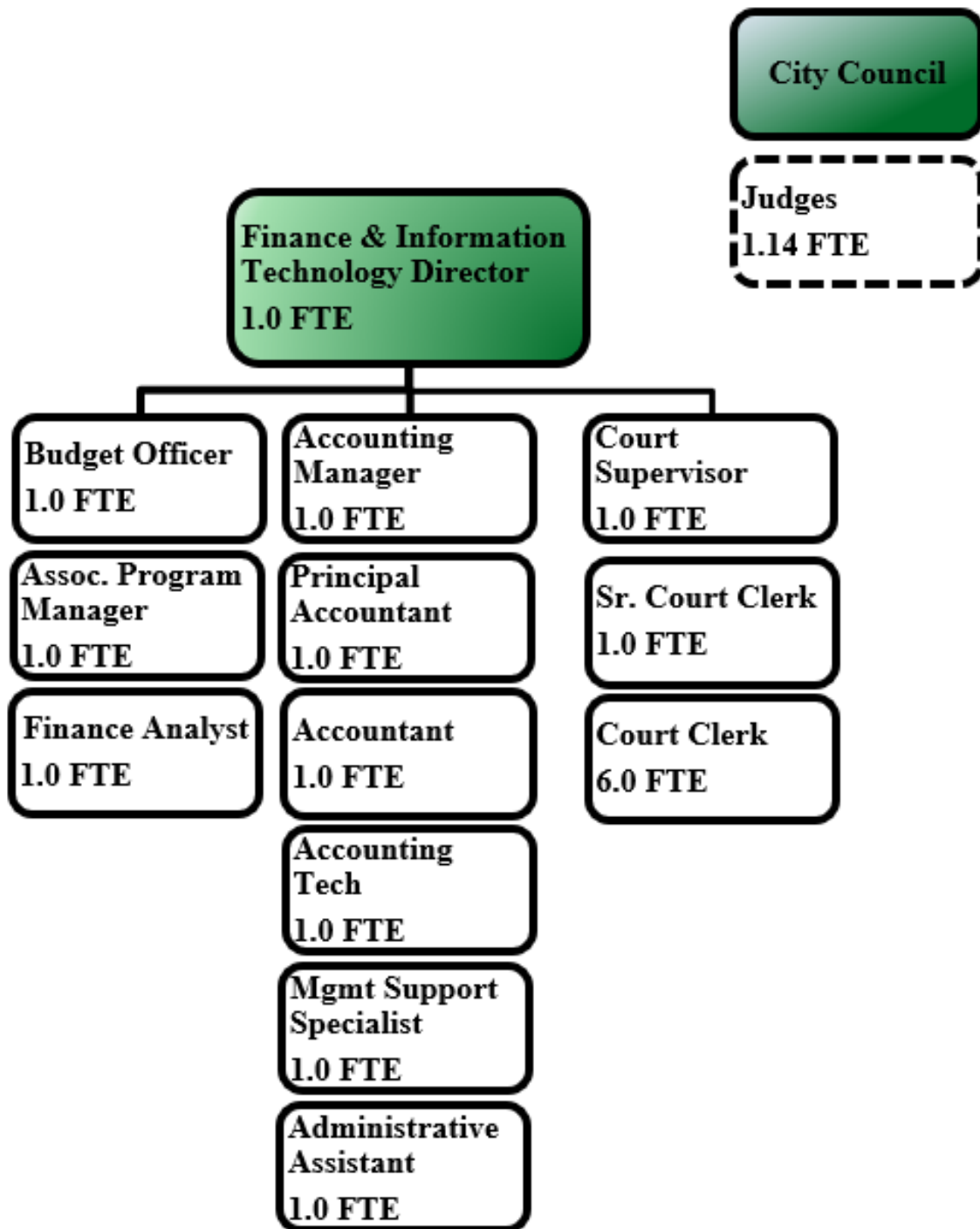
Financial Summary by Fund

| | FY21 Actuals | FY22 Actuals | FY23 Amended | FY24 Proposed |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
| 100 General Fund | 2,240,963 | 2,356,341 | 2,595,074 | 2,660,599 |
| 201 Street Fund | 38,982 | 43,127 | 68,156 | 70,456 |
| 204 Special Revenue Fund | - | - | 1,014,000 | 816,705 |
| 210 Community Development Fund | 21,106 | 23,506 | 26,041 | 27,516 |
| 236 Police Local Option Levy Fund | 557,995 | 569,255 | 701,355 | 754,400 |
| 611 Sanitary Sewer Fund | 41,775 | 44,273 | 61,922 | 62,704 |
| 612 Regional Wastewater Fund | 158,703 | 174,939 | 187,593 | 181,874 |
| 617 Storm Drainage Fund | 41,775 | 44,273 | 61,923 | 62,717 |
| 629 Regional Fiber Consortium Fund | 123,659 | 114,623 | 252,150 | 224,686 |
| 707 Insurance Fund | - | - | 2,000,000 | - |
| 713 Vehicle & Equipment Fund | 8,951 | - | 500 | - |
| 719 SDC Administration Fund | 34,023 | 36,891 | 45,054 | 46,223 |
| Grand Total | \$ 3,267,933 | \$ 3,407,229 | \$ 7,013,768 | \$ 4,907,879 |

Financial Summary by Program

| | FY21 Actuals | FY22 Actuals | FY23 Amended | FY24 Proposed |
|---|---------------------|---------------------|---------------------|---------------------|
| Active Programs | | | | |
| 1045 Stormwater Regulatory Administration | - | - | - | 18,735 |
| 1056 Regional Wastewater Administration | 158,645 | 174,804 | 187,593 | 181,874 |
| 1059 Wastewater Fiscal Management | 17,423 | 25,009 | 19,380 | 18,732 |
| 1200 Municipal Court Services | 863,475 | 1,049,908 | 2,013,726 | 2,103,817 |
| 7000 Department Administration | 762 | 2,305 | 3,224,027 | 977,064 |
| 7030 Accounting and Audit division | 192,575 | 262,263 | 831,789 | 856,163 |
| 7032 Budget and Procurement | 444,147 | 492,942 | 465,224 | 526,808 |
| 7150 Fiber Consortium | 123,659 | 114,623 | 252,150 | 224,686 |
| Active Programs Total | 1,800,686 | 2,121,853 | 6,993,888 | 4,907,879 |
| Inactive Programs | | | | |
| 1012 City Prosecutor | 140 | 140 | - | - |
| 1029 Licensing and Franchising | 3,496 | 1,726 | - | - |
| 1032 Building Field Inspections | - | 286 | - | - |
| 1044 Stormwater Fiscal Management | 17,365 | 25,009 | 19,380 | - |
| 7031 Annual Audit | 443,133 | 475,183 | - | - |
| 7033 Procurement and Contracts | 99,799 | 40,368 | - | - |
| 7034 Treasury Management | 53,837 | 27,813 | - | - |
| 7035 Municipal Court Administration | 248,280 | 215,486 | - | - |
| 7036 Case Management | 376,791 | 293,864 | - | - |
| 7037 Court Accounts Receivables | 110,643 | 106,442 | - | - |
| 7038 General Services & Cust. Support | 103,357 | 99,059 | - | - |
| 7053 Talent Acquisition | 1,455 | - | - | - |
| 9000 Non-Program | 8,951 | - | 500 | - |
| Inactive Programs Total | 1,467,247 | 1,285,376 | 19,880 | - |
| Grand Total | \$ 3,267,933 | \$ 3,407,229 | \$ 7,013,768 | \$ 4,907,879 |

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

| | FY21 | FY22 | FY23 | FY24 |
|-------------------------------|--------------|--------------|--------------|--------------|
| | FTE | FTE | FTE | FTE |
| Accountant | 1.00 | 1.00 | 1.00 | 1.00 |
| Accounting Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Accounting Technician | 1.00 | 1.00 | 1.00 | 1.00 |
| Administrative Assistant | 1.00 | 1.00 | 1.00 | 1.00 |
| Budget & Procurement Mgr | 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 |
| DPW Budget Manager | - | - | 1.00 | 1.00 |
| DPW Management Analyst | 1.00 | 1.00 | - | - |
| Finance Analyst I | 1.00 | 1.00 | 1.00 | 1.00 |
| Finance Director | 1.00 | 1.00 | 1.00 | 1.00 |
| Judge | 0.70 | 0.70 | 0.80 | 0.80 |
| Judge Pro-Tem | 0.34 | 0.34 | 0.34 | 0.34 |
| Management Support Specialist | 2.00 | 2.00 | 2.00 | 2.00 |
| MWMC Accountant | 1.00 | 1.00 | 1.00 | 1.00 |
| Grand Total | 19.04 | 19.04 | 19.14 | 19.14 |

Summary of Full-Time Equivalent by Fund

| | FY21 | FY22 | FY23 | FY24 |
|-----------------------------------|--------------|--------------|--------------|--------------|
| | FTE | FTE | FTE | FTE |
| 100 General Fund | 14.39 | 14.39 | 14.49 | 14.49 |
| 201 Street Fund | 0.40 | 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 | 0.23 | 0.23 | 0.23 | 0.23 |
| 611 Sanitary Sewer Fund | 0.35 | 0.35 | 0.35 | 0.35 |
| 617 Storm Drainage Fund | 0.35 | 0.35 | 0.35 | 0.35 |
| Grand Total | 19.04 | 19.04 | 19.14 | 19.14 |

Summary of Full-Time Equivalent by Program

| | | FY21 | FY22 | FY23 | FY24 |
|--------------------------------|---|--------------|--------------|--------------|--------------|
| | | FTE | FTE | FTE | FTE |
| Active Programs | 1045 Stormwater Regulatory Administration | - | - | - | 0.10 |
| | 1056 Regional Wastewater Administration | 0.88 | 0.88 | 0.88 | 0.88 |
| | 1059 Wastewater Fiscal Management and Customer Services | 0.10 | 0.10 | 0.10 | 0.10 |
| | 1200 Municipal Court Services | 7.83 | 7.63 | 9.14 | 9.14 |
| | 7000 Department Administration | - | - | 1.00 | 1.00 |
| | 7030 Accounting and Audit division | 1.71 | 1.95 | 5.27 | 5.27 |
| | 7032 Budget and Procurement | 3.29 | 3.37 | 2.65 | 2.65 |
| Active Programs Total | | 13.81 | 13.93 | 19.04 | 19.14 |
| Inactive Programs | 1044 Stormwater Fiscal Management and Customer Services | 0.10 | 0.10 | 0.10 | - |
| | 7033 Procurement and Contracts | 0.99 | 0.67 | - | - |
| | 7034 Treasury Management | 0.12 | 0.12 | - | - |
| | 7035 Municipal Court Administration | 1.26 | 1.46 | - | - |
| | 7031 Annual Audit - program folded to 7030 | 2.77 | 2.77 | - | - |
| Inactive Programs Total | | 5.23 | 5.11 | 0.10 | - |
| Grand Total | | 19.04 | 19.04 | 19.14 | 19.14 |

Performance Measures

| Measure | FY23 Target | FY23 Est. Actual | FY24 Target |
|---|---|---|---|
| 1.) Court- Age of Active Pending Cases | 25% < 0-90 Days Old 90% < 365 Days Old | 32% < 90 Days Old 95% < 365 Days Old | 30% < 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 | 82% within 90 days 93% 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 | 2.4% | <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% | 27% | >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. | | | |