

FINANCE

Program Description

Provide financial accounting, budgeting, and reporting services; treasury and investment management, risk management, and strategic forecasting services. Manage debt issuance and legal services. Provide full financial accounting services to Washington County Consolidated Communications Agency (WCCCA) by contract and similar services, including tax return preparation for the Tualatin Valley Fire and Rescue Volunteer Association. Administer the Pension and Volunteer LOSAP Trust Plans, Deferred Compensation Plans (457 and 401(a)), Post Employment Health Plans and the Tualatin Valley Fire and Rescue Community Assistance Trust Fund, a non-profit entity.

Special Recognition: Tualatin Valley Fire and Rescue has received prestigious awards annually since 1987 from the Government Finance Officers Association of the United States and Canada for both its annual budget document and Comprehensive Annual Financial Report (CAFR). The District was the first fire district in the nation to have ever received these distinguished awards and recognition. The District Finance department has achieved the same award for the CAFR for WCCCA.

Budget Summary

Expenditures	2002-03 Actual	2003-04 Actual	2004-05 Revised Budget	2005-06 Adopted Budget
Personnel Services	\$584,652	\$687,570	\$753,981	\$761,688
Materials and Services	237,449	265,735	390,446	372,131
Total	\$822,101	\$953,305	\$1,144,427	\$1,133,819

Personnel Summary

Position	2002-03 Actual	2003-04 Actual	2004-05 Budget	2005-06 Budget
Chief Financial Officer	1.00	1.00	1.00	1.00
Financial Operations Manager	1.00	1.00	1.00	1.00
Financial Systems Analyst	1.00	1.00	1.00	1.00
Accountant	0.00	1.00	1.00	1.00
Payroll Specialist	1.50	1.00	1.00	1.00
Accounting Specialist	2.00	2.00	2.00	2.00
Total FTE	6.50	7.00	7.00	7.00

2005-06 Significant Changes

Revenues are budgeted for \$71,180 primarily financial accounting services we provide to the local 9-1-1 center (WCCCA).

The personnel services budget reflects anticipated wage and benefit increases as well as continued local option levy funding for an accountant.

Within materials and services, account 5414 in the amount of \$70,700, is for outside payroll processing services. Also included in this portion of the budget are audit fees, public notices for local budgeting as well as property and casualty insurance costs for the entire District.

Service Measures

	2001-02 Actual	2002-03 Actual	2003-04 Actual	2004-05 Estimated	2005-06 Projected
Accounts Receivable Invoiced	1,191	1,218	1,017	805	800
Payroll Checks/Deposits Issued	13,122	13,368	13,529	13,189	13,200
Accounts Payable Checks	8,028	7,813	7,452	7,421	7,400
Accounts Payable Transactions	25,556	25,068	22,560	22,849	23,000
Cash Receipts Processed	3,988	4,696	3,898	2,802	3,000
Award for Excellence in Financial Reporting	✓	✓	✓	✓	✓
Award for Distinguished Budget	✓	✓	✓	✓	✓

Status of 2004-05 Performance Measures

- ▶ Implement GASB statement 34, for WCCCA, which completely revises our audited financial statement presentation and requirements for fixed asset accounting. (*Goal V – Pursue maximum institutional financial stability and predictability, Objective – A.*)

Status: Completed and applied for GFOA Award for Excellence in Financial Reporting.

- ▶ Assist District management of grant applications, receipt and disbursement as we enhance this function. (*Goal V – Pursue maximum institutional financial stability and predictability.*)

Status: This has greatly improved by adding a fund with various cost centers that are only for District grants. This is also the first year that the District will be undergoing a separate audit required when an agency has received over \$500,000 in grant monies.

- ▶ Continue to ensure payroll cross training and testing of procedures between finance division personnel. (*Goal VI – Enhance preparedness for catastrophic events.*)
Status: Done. For both WCCCA and the District payroll processing by the non-responsible person has been tested and will be performed on an ongoing basis. For the District, payroll processing is regularly performed as a team to ensure continued experience with this complex function.
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- ▶ Develop procedure manuals for all specialist positions to aid in cross training and backup abilities and workflow analysis. (*Goal VI – Enhance preparedness for catastrophic events.*)
Status: Ongoing. Work has been completed this past year in the accounts payable specialist position (AP), the cash receipts/general ledger/accounts receivable specialist (CR/GL/AR), and Accountant positions. These areas have been tested when these employees had surgery and were on extended vacations. Efforts in payroll, and management areas requires continued emphasis.
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- ▶ Continue to participate in PERS issues, both at the legislative level and the PERS staff level. (*Goal V – Pursue maximum institutional financial stability and predictability, Objective – C.*)
Status: Finance staff has and continues to participate at various PERS committees: i.e. Stakeholder Focus Group, Employer Task Force, Annual Earnings Crediting Advisory Committee, OPSRP Advisory Committee and the Employer Advisory Committee.
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- ▶ Continue to ensure employee financial awareness through continued delivery of financial education planning messages through a variety of mediums. (*Goal V – Pursue maximum institutional financial stability and predictability.*)
Status: Ongoing. Several programs were provided through the District studio this past year regarding financial education in regards to retirement, investments, and financial issues relating to taking care of elderly parents. Communications were also sent to keep employees updated on financial issues including PERS (retirement) issues.
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- ▶ Implement enhancement in financial accounting reporting to District managers especially in areas such as overtime utilization and management. *(Goal V – Pursue maximum institutional financial stability and predictability.)*

Status: Not completed as desired. Our ability to pull data from outsourced vendor was not supported by the software.

- ▶ Develop criteria for evaluation of new financial accounting software requirements, goals and performance objectives. *(Goal V – Pursue maximum institutional financial stability and predictability.)*

Status: Finance has evaluated alternate outsourced payroll accounting vendors over the last year to find what would better suit the needs of the District presently and going forward. That has been added in the new budget year. No progress has been made in an overall financial system replacement.

- ▶ Implement union labor contract terms and associated payroll changes effective July 1, 2004. *(Goal V – Pursue maximum institutional financial stability and predictability.)*

Status: Done. Union contract was in place by July 1, 2004. Changes in the rate and calculation of overtime were the most significant adjustments made.

- ▶ Improve timesheet record keeping process with department managers. *(Goal III – Maximize utilization of existing resources.)*

Status: Process improvements were implemented to improve the efficiency of payroll processing of timesheets through development of payroll processing calendar posted on the intranet and by recording timesheet cutoff dates on the actual timesheets. However, electronic timesheet reporting will not be implemented until a vendor change is made.

- ▶ Continue to implement ADP software for Human Resources and WCCCA.

Status: Completed.

- ▶ Identify all impediments to programming a solution to the current manual calculation of firefighter overtime pay and address with the executive staff. *(Goal III – Maximize utilization of existing resources.)*

Status: Not completed and is carried forward.

Additional 2004-05 Accomplishments

- ▶ Rewrote all financial Board policies and achieved adoption.
- ▶ Developed and published a payroll processing calendar for the District and WCCCA to determine processing cutoffs and communicated date requirements for any payroll change, timesheet or overtime turn in days. This structure has provided for employees and assisted in reducing post payroll processing overtime charges.
- ▶ Eliminated one regular 28-day payroll check processing by combining with regular payroll days providing cost savings for District taxpayers and earlier overtime payments for affected employees. (*Goal III – Maximize utilization of existing resources.*)
- ▶ After total revision of the State of Oregon purchasing laws in Chapter 279, evaluated, drafted and obtained Board approval for revised District purchasing policies prior to March 1, 2005.
- ▶ Implemented Positive Pay, an automated fraud detection tool that requires our bank to verify the validity of each check received before releasing the funds.

2005-06 Performance Measures

- ▶ Assist District management with grant applications, receipts and disbursements as we enhance this function over the next year and with successful completion of the upcoming grant audit in 2006 and a clean review. (*Goal IV – Seek efficiencies through cooperative initiatives, Objective - B. 5. e.*)
- ▶ Finish developing procedure manuals for all Finance positions to aid in cross training and backup abilities and workflow analysis. While this goal has been completed for over half of the Finance Department's positions, it needs to be completed for the rest of the positions over the next year and continue to test the procedures written to ensure regular updates are made. (*Goal VIII – Promote craftsmanship throughout the organization – Objective - A. 3.*)
- ▶ Update, adopt, and perform an annual review of key financial policies over the next year; specifically the Finance Standard Operating Guidelines (SOG) by June 2006. (*Goal V – Pursue maximum institutional financial stability and predictability, Objective - A.*)
- ▶ Continue to participate in PERS issues, both at the legislative level and the PERS staff level over the next year. (*Goal V – Pursue maximum institutional financial stability and predictability, Objective - H.*)

- ▶ Obtain actuarial updates for non-PERS pension plans for the District's 2004-05 audit. *(Goal V – Pursue maximum institutional financial stability and predictability, Objective - H.)*
- ▶ Continue receiving the Distinguished Budget Presentation Award and the Certificate of Achievement for Excellence in Financial Reporting from the GFOA for the upcoming year. *(Goal X – Maintain CFAI accreditation and industry credentials, Objective - E. 4.)*
- ▶ Continue to ensure employee's and management's financial awareness through continued delivery of financial education planning messages through a variety of mediums throughout the year. *(Goal V – Pursue maximum institutional financial stability and predictability.)*
- ▶ Move the District and WCCCA from ADP payroll to Ceridian by November 2005.
- ▶ Develop, implement, and assess strategy for demonstrating fiscal responsibility to the public. *(Goal V – Pursue maximum institutional financial stability and predictability, Objective - I.)*
- ▶ Continue work with Operations to improve and update the District's SOGs for the volunteer program in 2004 by December 2005. *(Goal IV – Seek efficiencies through cooperative initiatives, Objective - A. 2.)*
- ▶ Develop criteria for evaluation of new financial accounting software requirements, goals and performance objectives. *(Goal V – Pursue maximum institutional financial stability and predictability.)*
- ▶ Implement union labor contract terms and associated payroll changes effective July 1, 2004. *(Goal V – Pursue maximum institutional financial stability and predictability.)*
- ▶ Improve timesheet record keeping process with department managers. *(Goal III – Maximize utilization of existing resources.)*
- ▶ Identify all impediments to programming a solution to the current manual calculation of firefighter overtime pay and address with the executive staff. *(Goal III – Maximize utilization of existing resources.)*

Finance Operations

	Actual Prior FY 2003	Actual Prior FY 2004	Budget Prior FY 2005	Budget Proposed FY 2006	Budget Approved FY 2006	Budget Adopted FY 2006
10210 General Fund						
5002 Salaries & Wages Nonunion	361,582	424,635	430,525	430,779	430,779	430,779
5004 Vacation Taken Nonunion	25,440	26,346	42,579	42,367	42,367	42,367
5006 Sick Taken Nonunion	6,037	8,138				
5008 Personal Leave Taken Nonunion	1,350	2,199				
5010 Comp Taken Nonunion		611				
5015 Vacation Sold	10,040	6,460	20,471	20,369	20,369	20,369
5016 Vacation Sold at Retirement	605	473				
5017 PEHP Vac Sold at Retirement	5,997					
5021 Deferred Comp Match Nonunion	6,688	6,495	6,993	7,538	7,538	7,538
5121 Overtime Nonunion	852	1,003	5,222	5,202	5,202	5,202
5201 PERS Taxes	60,712	91,505	105,575	116,039	116,039	116,039
5203 FICA/MEDI	28,757	33,378	39,225	39,261	39,261	39,261
5206 Worker's Comp	6,387	9,872	13,524	11,034	11,034	11,034
5207 TriMet/Wilsonville Tax	2,457	2,894	3,179	3,182	3,182	3,182
5208 OR Worker's Benefit Fund Tax		67		262	262	262
5211 Medical Ins Nonunion	44,850	50,450	60,369	60,026	60,026	60,026
5221 Post Retire Ins Nonunion	1,800	2,025	2,400	2,100	2,100	2,100
5230 Dental Ins Nonunion	9,463	8,748	9,367	8,869	8,869	8,869
5240 Life/Disability Insurance	4,915	4,783	4,592	4,700	4,700	4,700
5290 Employee Tuition Reimburse			3,000	3,000	3,000	3,000
5295 Vehicle/Technology Allowance	6,720	7,490	6,960	6,960	6,960	6,960
Total Personnel Services	584,652	687,572	753,981	761,688	761,688	761,688
5300 Office Supplies	4,884	5,334	6,494	6,494	6,494	6,494
5301 Special Department Supplies	1,057	1,098	1,122	1,122	1,122	1,122
5306 Photography Supplies & Process			102	102	102	102
5330 Noncapital Furniture & Equip	1,609	1,059	1,020	1,020	1,020	1,020
5367 M&R Office Equip	1,432	1,673	3,060	3,060	3,060	3,060
5368 M&R Computer Equip & Software	16,500		12,000			
5400 Insurance Premium	148,586	174,892	205,000	205,000	205,000	205,000
5401 Insur Claims Reimb		1,000				
5412 Audit & Related Filing Fees	21,200	22,505	27,700	27,700	27,700	27,700
5414 Other Professional Services	300	15,501	70,700	70,700	70,700	70,700
5415 Printing	6,342	7,670	8,288	8,288	8,288	8,288
5417 Temporary Services	3,172	1,565	18,500	15,000	15,000	15,000
5418 Trustee/Administrative Fees	14,036	18,087	17,493	17,493	17,493	17,493
5430 Telephone	2,653	2,086	2,815			
5461 External Training	4,298	2,105	2,974	3,574	3,574	3,574
5462 Travel and Per Diem	2,097	1,783	2,570	1,970	1,970	1,970
5500 Dues & Subscrip	1,819	1,871	2,254	2,254	2,254	2,254
5570 Misc Business Exp	2,671	1,972	1,520	1,520	1,520	1,520
5572 Advertis/Public Notice	4,793	5,534	6,834	6,834	6,834	6,834
Total Materials and Services	237,449	265,735	390,446	372,131	372,131	372,131
Total General Fund	822,101	953,307	1,144,427	1,133,819	1,133,819	1,133,819

Finance Operations

	Actual Prior FY 2003	Actual Prior FY 2004	Budget Prior FY 2005	Budget Proposed FY 2006	Budget Approved FY 2006	Budget Adopted FY 2006
22210 Capital Improvement Fund						
5630 Office Equip & Furn	1,000	3,664				
Total Capital Outlay	1,000	3,664				
Total Capital Improvement Fund	1,000	3,664				
Total Finance Operations	823,101	956,971	1,144,427	1,133,819	1,133,819	1,133,819