

Program Description

The Finance Department provides financial accounting, budgeting, and reporting services; treasury and investment management; risk management; and strategic forecasting services. It manages debt issuance and legal services, and provides full financial accounting services and tax return preparation for the Tualatin Valley Fire and Rescue Volunteer Association. It also administers the Pension and Volunteer LOSAP Trust Plan payments, Deferred Compensation Plans (457 and 401(a)), Post Employment Health Plans, and the Jeffrey D. Johnson Community Assistance Trust Fund, a non-profit entity.

Special Recognition: Tualatin Valley Fire and Rescue has received prestigious awards from the Government Finance Officers Association of the United States and Canada annually since 1987, 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 has also received awards for its new submissions to the GFOA of the Popular Annual Financial Report for the years ended June 30, 2013 and 2014.

Budget Summary

Expenditures	2013-14 Actual	2014-15 Actual	2015-16 Adopted Budget	2016-17 Adopted Budget
Personnel Services	\$ 1,123,525	\$ 1,201,839	\$ 1,339,194	\$ 1,565,800
Materials & Services	429,385	417,608	545,089	524,690
Total Expenditure	\$ 1,552,910	\$ 1,619,447	\$ 1,884,283	\$ 2,090,490

Personnel Summary

Position	2013-14 Actual	2014-15 Actual	2015-16 Budget	2016-17 Budget
Controller	1.00	1.00	1.00	1.00
Financial Operations Manager	1.00	1.00	1.00	1.00
Purchasing Manager	1.00	1.00	1.00	1.00
Financial Systems Analyst	1.00	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	1.00
Payroll Manager	1.00	1.00	1.00	1.00
Accounting Specialist	2.00	2.00	2.00	2.00
Sr. Payroll/Accounting Specialist	1.00	1.00	1.00	1.00
Medical Billing Coordinator	0.00	0.00	1.00	1.00
Medical Billing Specialist	0.00	0.00	0.00	1.00
Administrative Assistant	0.50	0.50	0.00	1.00
Total Full-Time Equivalents (FTE)	9.50	9.50	10.00	12.00

2016-17 Significant Changes

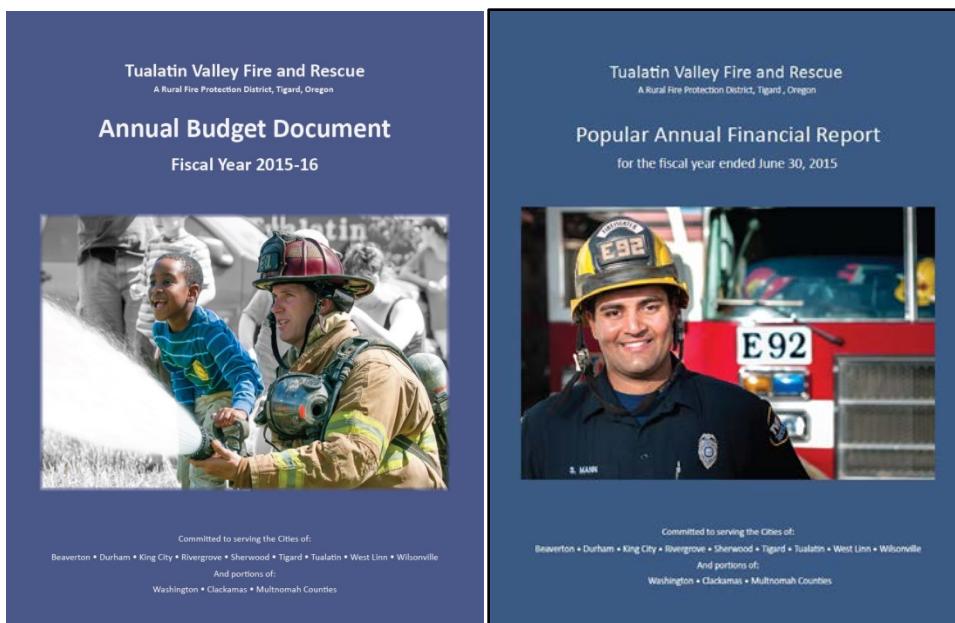
The Personnel Services budget reflects the addition of two Newberg assistants to the finance department to continue transport billing and other services and as well, the projected wages and benefits.

Within Materials and Services, supplies in accounts 5330 reflects sit/stand desk modifications. Account 5400, Insurance Premium, provides funding for District-wide property and liability coverage. Other Professional Services, account 5414, funds the costs of actuarial studies performed, Munis consultation fees of \$5,000, \$5,000 for arbitrage rebate and compliance work for outstanding bond. Trustee Administration fees reflect banking fees resulting from FDIC fees and low interest revenue available to offset banking fees, as well as third-party administration costs for the FSA and HRA benefit plans and credit card fees for the medical billing program. External Training and Travel reflects training and continuing education for the Controller and staff.

Status of 2015-16 Service Measures

- Prepare an award winning budget document, Comprehensive Annual Financial Report and Popular Annual Financial Report.

Goal(s)/Call(s) for Action:	VII/3
Service Type(s):	Essential
Measured By:	Receipt of Government Finance Officers Association Budget, Comprehensive, and Popular Annual Financial Report awards. These awards are highly regarded by rating agencies when evaluating an agency's financial stability and creditworthiness. Achieving these awards is evidence that the District's formal documents are recognized as transparent and go beyond the minimum requirements of generally accepted accounting principles.
Status or Outcome:	Met all aspects of this goal for both the CAFR and the PAFR. The award received for the Annual Budget Document exceeded the original goal as it was accompanied by three additional pieces of recognition; <i>Outstanding as a Policy Document, Special Capital Recognition, and Special Performance Measures Recognition.</i>



Status of 2015-16 Service Measures, continued

- Monitor to ensure overall expenditure growth does not exceed growth rates of primary revenue sources.

Goal(s)/Call(s) for Action: VII/A, B and 3
Service Type(s): Essential
Measured By: Maintaining the General Fund reserves that will sufficiently fund operations during the five-month dry period before property tax revenues begin to be received.
Status or Outcome: Continuous monitoring occurs to measure expenditures against revenue and expenditures against budget. Monthly financial statements are produced to communicate the results of this monitoring to the Board and to District staff. When overages occur, the Finance division reaches out to budget managers to communicate and resolve issues.

Since the replacement local option levy was approved by the voters and plans to decrease response times have escalated, the task of monitoring the financial data has taken on greater importance as an increased rate of expenditures has been experienced.

- Model unpredictable future healthcare costs to include the impacts of the Affordable Care Act (ACA) as it is implemented over the next four years.

Goal(s)/Call(s) for Action: VII/B and 1
Service Type(s): Essential
Measured By: Successful implementation of new healthcare requirements that are modeled and budgeted accurately and in the right timing to meet the requirements of the Act. This will require staying ahead of the ACA timeline and adapting to any modifications that are applied by the federal government.
Status or Outcome: All new healthcare requirements for the 2015-16 year have been implemented. Cost increases have been modeled for future healthcare requirements.

Status of 2015-16 Change Strategies

- Expand reporting mechanisms that can be easily understood and shared among employees and Budget Managers, thereby communicating the financial “health” of the District and allowing managers to effect positive financial change. This change strategy has been extended to research and make use of additional functionality in existing Munis modules.

Goal(s)/Call(s) for Action:	VI, VII/E
Budget Impact:	Resource neutral
Duration:	Year 4 of 5
Budget Description:	Not applicable
Partner(s):	Information Technology
Status or Outcome:	The Popular Annual Financial Report has become one of the easiest, most understandable methods for communicating the financial health of the District and its distribution increased in 2015-16. In addition, Centrals for Munis version 10.5 and 11.1 were launched in late 2015 for certain users. The Centrals programs are reviewed with personnel when one-on-one trainings are conducted in an effort to allow them an easy-to-use Munis feature. The Work Order Central is currently in use by the Facilities team with moderate success.

- Implement the financial side of a new labor contract during 2015-16. The payroll function must interpret and adapt the payroll system to deliver accurate and timely results that impact the workforce. The Fire Chief’s Office will rely on forecasts prepared by Finance for negotiations.

Goal(s)/Call(s) for Action:	VII/2 and 3
Budget Impact:	Resource neutral
Duration:	Year 1 of 3
Budget Description:	Salaries and benefits
Partner(s):	Fire Chief’s Office, Human Resources
Status or Outcome:	Implemented all completed items in the labor contract as required.

- Develop a medical billing system to accommodate the ambulance transport program. It is estimated that the fees we will eventually pay to a private contractor for billing services will exceed the cost of in-house billing.

Goal(s)/Call(s) for Action:	VI/1
Budget Impact:	Increase
Duration:	Year 1 of 3
Budget Description:	Salaries and benefits; costs should be recoverable
Partner(s):	EMS
Status or Outcome:	First steps are complete in the process of standing up an in-house medical billing system. The coordinator has been hired, the purchase of cloud-based software is underway, the decision to terminate billing services with an outside agency has been made, and training on awareness of new ICD-10 Codes is underway.

Next steps include implementation of software for current transport bills, and then expand to other services such as Mobile Integrated Healthcare and Ground Emergency Medical Transport as appropriate.

Additional 2015-16 Accomplishments

- Prepared financial projections in anticipation of contract for services with Washington County District #2 and Newberg Fire Department.
- Implemented new accounting standard for accounting for pension liabilities.
- Applied new Affordable Care Act requirements for IRS reporting on Forms 1095

2016 – 17 Activities Summary

	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Projected	2016-17 Estimated
Accounts receivable invoiced	854	927	792	700	900
Cash receipts processed	2,077	1,998	1,939	1,800	1,900
Payroll pays issued	10,840	11,848	11,538	11,700	12,600
Requisitions processed	8,837	9,571	10,824	11,200	11,500
P-Card requisitions processed	3,204	3,659	3,991	3,900	4,100
Approvals through workflow	5,330	5,646	6,459	7,000	7,000
Requisition notifications through workflow	13,552	14,533	16,102	16,500	17,000
Purchase orders processed	6,035	6,577	7,286	8,000	8,500
Accounts payable transactions	12,692	15,452	16,120	13,200	15,000
Accounts payable checks	5,871	5,844	5,794	5,100	5,500
A/P Electronic Fund Transfers (EFT) processed	2,090	2,383	2,496	2,600	2,800
Average length of time to approve requisitions	13:29	13:40	15:27	15:00	15:00
Award for Excellence in Financial Reporting	✓	✓	✓	✓	✓
Award for Outstanding Achievement in PAFR	-	✓	✓	✓	✓
Award for Distinguished Budget	✓	✓	✓	✓	✓

2016-17 Tactics

- Integrate Washington County District #2 and Newberg Fire into TVF&R's budget and financial operations. Financially consolidate current operations and evaluate accounting standards for government combinations.

Goal/Strategy: Goal 3 – Strategy 3.3, 3.4
Timeframe: 24 months
Partner(s): All Departments
Budget Impact: Increase required
Measured By:

- Financial transaction transition into TVF&R's budget and financial systems.
- Transition of personnel into TVF&R's payroll processes.
- Successful financial incorporation and reporting for other agencies.

- Implement additional medical billing processes and expand staff resources to accommodate Mobile Integrated Healthcare, Ground Emergency Medical Transport Supplemental Reimbursement, and Newberg Fire transport contract as appropriate.

Goal/Strategy: Goal 3 – Strategy 3.6
Timeframe: 24 months
Partner(s): EMS, Information Technology, Operations
Budget Impact: Increase required
Measured By: Collections implemented.

Finance, continued

2016-17 Tactics, continued

- Research and restructure purchasing card accounting system to streamline activities in Munis.

Goal/Strategy: Goal 3
Timeframe: 12 months
Partner(s): All Departments
Budget Impact: None
Measured By: Creating efficiency in an existing process and ease of use for all end users.

- Research and understand requirements of the Affordable Care Act for health benefit packages.

Goal/Strategy: Goal 3
Timeframe: 24 months
Partner(s): Human Resources, Fire Chief's Office
Budget Impact: None
Measured By:

- Successful forecasting and budgeting for a costly section of the ACA.
- Effective conversation with Local 1660 around the topic of the Cadillac Tax

- Achieve a clean annual financial audit, free of significant deficiencies.

Goal/Strategy: Goal 2 – Strategy – 2.8 – Tactic 2.8.2
Timeframe: 12 months
Partner(s): All Departments
Budget Impact: None
Measured By: Successful outcome of evaluation and audit of current service, controls, and performance.

- Prepare Annual Budget Document, Comprehensive Annual Financial Report, and Popular Annual Financial Report consistent with GFOA Best Practices. These awards are regarded as a strong professional standard for governments that promote professional management of governmental financial resources by identifying, developing and advancing fiscal strategies for the public benefit.

Goal/Strategy: Goal 2 – Strategy 2.8 – Tactic 2.8.1, Goal 3 – Strategy 3.10; and Organizational Vision Statement
Timeframe: 12 months
Partner(s): All departments
Budget Impact: None
Measured By: Receipt of GFOA awards.



	2013-14 Actual	2014-15 Actual	2015-16 Adopted Budget	2016-17 Proposed Budget	2016-17 Approved Budget	2016-17 Adopted Budget
10210 General Fund						
5002 Salaries & Wages Nonunion	\$ 706,156	\$ 727,013	\$ 772,001	\$ 859,769	\$ 859,769	\$ 859,769
5004 Vacation Taken Nonunion	33,838	44,392	59,165	59,520	59,520	59,520
5006 Sick Taken Nonunion	10,598	8,261	11,837	15,817	15,817	15,817
5008 Personal Leave Taken Nonunion	1,440	5,925	5,076	8,374	8,374	8,374
5010 Comp Taken Nonunion	1,262	490				
5015 Vacation Sold	6,133	5,940	20,316	20,465	20,465	20,465
5016 Vacation Sold at Retirement				9,255	9,255	9,255
5017 PEHP Vac Sold at Retirement		2,777				
5021 Deferred Comp Match Nonunion	29,217	43,139	48,753	53,640	53,640	53,640
5121 Overtime Nonunion			825	900	900	900
5201 PERS Taxes	115,547	135,457	144,799	159,430	159,430	159,430
5203 FICA/MEDI	56,190	57,673	66,988	75,012	75,012	75,012
5206 Worker's Comp	10,047	10,803	16,640	13,182	13,182	13,182
5207 TriMet/Wilsonville Tax	5,347	5,623	6,696	8,523	8,523	8,523
5208 OR Worker's Benefit Fund Tax	292	280	381	420	420	420
5211 Medical Ins Nonunion	108,183	109,837	127,806	228,952	228,952	228,952
5220 Post Retire Ins Union			5,700	3,600	3,600	3,600
5221 Post Retire Ins Nonunion	7,634	7,978	9,000	10,800	10,800	10,800
5230 Dental Ins Nonunion	14,533	15,012	14,592	16,429	16,429	16,429
5240 Life/Disability Insurance	6,836	7,115	11,859	12,427	12,427	12,427
5270 Uniform Allowance	30					
5290 Employee Tuition Reimburse	3,581	7,765	10,400	2,925	2,925	2,925
5295 Vehicle/Cell Allowance	6,660	6,360	6,360	6,360	6,360	6,360
Total Personnel Services	1,123,525	1,201,839	1,339,194	1,565,800	1,565,800	1,565,800
5300 Office Supplies	574	1,090	1,000	1,500	1,500	1,500
5301 Special Department Supplies	156	72	300	1,500	1,500	1,500
5330 Noncapital Furniture & Equip		2,431	7,500	5,750	5,750	5,750
5350 Apparatus Fuel/Lubricants	235					
5367 M&R Office Equip	3,311	3,908	300	300	300	300
5400 Insurance Premium	320,866	313,536	350,500	360,600	360,600	360,600
5412 Audit & Related Filing Fees	44,750	20,930	44,225	46,700	46,700	46,700
5414 Other Professional Services	10,919	16,349	62,650	23,500	23,500	23,500
5415 Printing	1,939	2,248	3,000	3,350	3,350	3,350
5418 Trustee/Administrative Fees	29,775	32,603	38,675	40,550	40,550	40,550
5461 External Training	5,306	3,799	10,145	11,430	11,430	11,430
5462 Travel and Per Diem	4,250	7,466	13,394	15,405	15,405	15,405
5484 Postage UPS & Shipping	90	242	200	200	200	200
5500 Dues & Subscriptions	3,088	6,618	3,000	3,405	3,405	3,405
5570 Misc Business Exp	1,922	2,749	4,950	5,350	5,350	5,350
5571 Planning Retreat Expense			500	500	500	500
5572 Advertis/Public Notice	2,203	3,567	4,750	4,650	4,650	4,650
Total Materials & Services	429,385	417,608	545,089	524,690	524,690	524,690

Finance, continued

Total General Fund	\$ 1,552,910	\$ 1,619,447	\$ 1,884,283	\$ 2,090,490	\$ 2,090,490	\$ 2,090,490
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