



CITY OF FORT LAUDERDALE

FY 2016 PRELIMINARY BUDGET

Finance Department



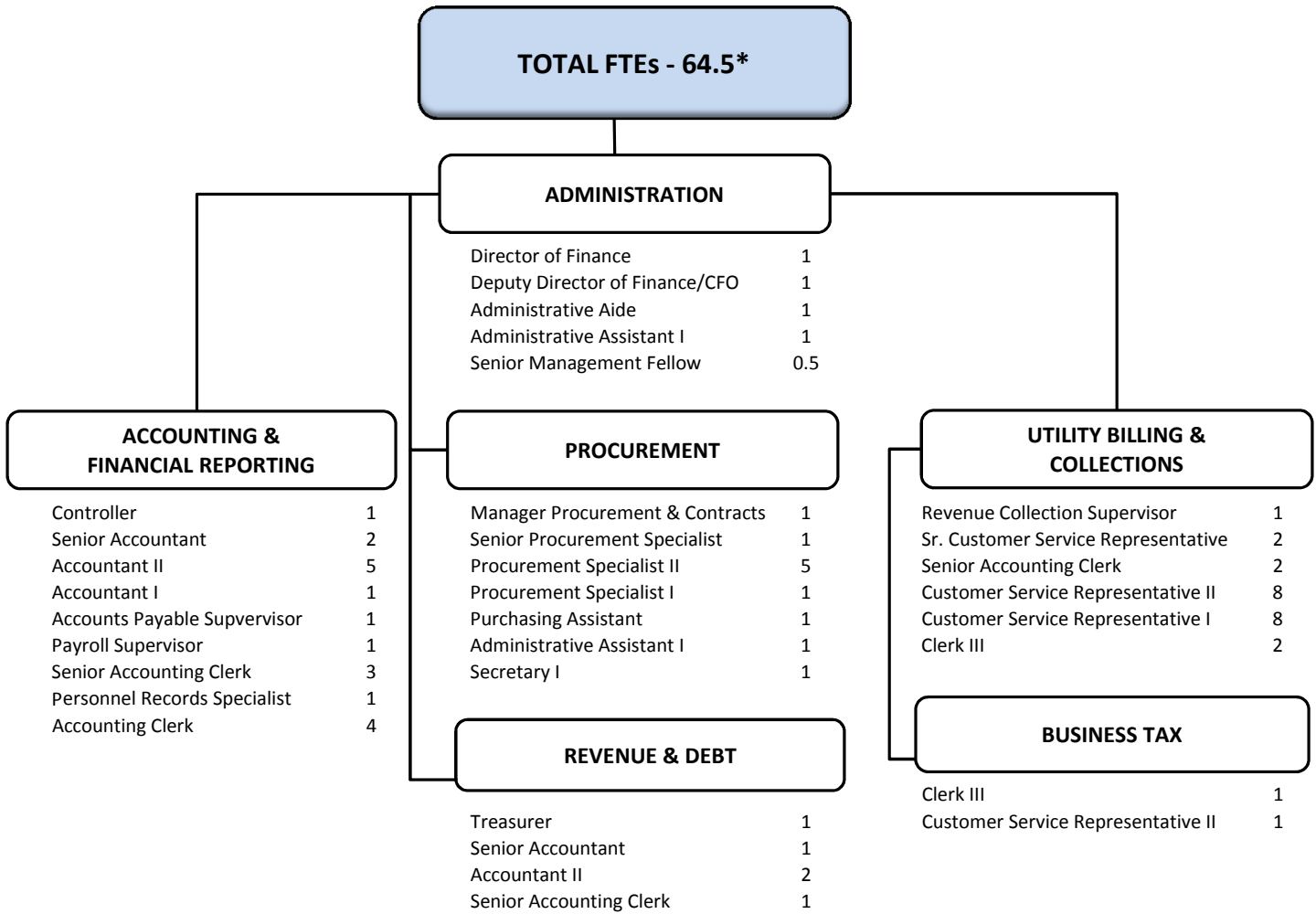
WE BUILD COMMUNITY

Finance Department

The mission of the Finance Department is to safeguard the City's assets and financial affairs, provide for the long-term financial stability, integrity, and accountability of the City's financial resources, and ensure expenditure of City funds are conducted in a manner that will instill our neighbors' trust and provide best value to the City. The department is a valuable internal financial resource to all City departments, and strives to provide excellent service to investors and other entities conducting financial and purchasing transactions in accordance with accounting and procurement standards for state and local governments. To achieve its mission, the Finance Department provides services through the functions of financial administration, utility billing and collection, accounting and financial reporting, revenue and debt, and procurement services. As an integral part of the Internal Support Platform, Finance ensures all City departments follow sound fiscal management procedures, and the fair, open, and transparent procurement of goods and services, thereby allowing the City to obtain fiscal efficiencies, while maximizing resources and lessening financial burdens.

Finance Department

FY 2015 Adopted Budget Organizational Chart



*FTE includes the removal of .2 temporary employees who were represented in FY 2014's adopted budget but are no longer included

<i>Adopted</i>		<i>Difference</i>
<i>FY 2014</i>	<i>FY 2015</i>	
58.2	64.5	6.3

Finance Department General Fund



WE BUILD COMMUNITY

Finance Department - General Fund

Departmental Financial Summary

Financial Summary - Funding Source

	FY 2014 Actual	FY 2015 Amended	FY 2015 Year-To-Date as of 03/31/2015	FY 2016 Department Requested	FY 2016 Budget Recommended	FY 2015 Amended vs. FY 2016
General Fund - 001	\$ 4,675,753	\$ 5,661,651	\$ 2,673,249	\$ 5,585,497	\$ 5,487,953	\$ (173,698)
Total Funding	\$ 4,675,753	\$ 5,661,651	\$ 2,673,249	\$ 5,585,497	\$ 5,487,953	\$ (173,698)

Financial Summary - Program Expenditures

	FY 2014 Actual	FY 2015 Amended	FY 2015 Year-To-Date as of 03/31/2015	FY 2016 Department Requested	FY 2016 Budget Recommended	FY 2015 Amended vs. FY 2016
Administration	\$ 877,996	\$ 985,972	\$ 475,860	\$ 846,045	\$ 846,245	\$ (139,727)
Accounting & Financial Reporting	1,711,387	1,934,130	1,099,971	1,737,429	1,743,562	(190,568)
Business Tax	174,752	236,547	94,627	231,257	231,393	(5,154)
Procurement	1,166,106	1,297,507	605,988	1,309,531	1,321,241	23,734
Treasury	745,511	1,207,495	396,804	1,461,235	1,345,512	138,017
Total Expenditures	\$ 4,675,753	\$ 5,661,651	\$ 2,673,249	\$ 5,585,497	\$ 5,487,953	\$ (173,698)

Financial Summary - Category Expenditures

	FY 2014 Actual	FY 2015 Amended	FY 2015 Year-To-Date as of 03/31/2015	FY 2016 Department Requested	FY 2016 Budget Recommended	FY 2015 Amended vs. FY 2016
Personal Services	\$ 3,791,650	\$ 4,370,945	\$ 2,103,860	\$ 4,194,111	\$ 4,202,262	(168,683)
Operating Expenses	884,103	1,290,706	569,389	1,391,386	1,285,691	(5,015)
Total Expenditures	\$ 4,675,753	\$ 5,661,651	\$ 2,673,249	\$ 5,585,497	\$ 5,487,953	\$ (173,698)

FY 2016 Major Variances (+/- 5%)

Personal Services

Decrease in personal services to remove a Senior Management Fellow	\$ (58,789)
Decrease in general employee pension expense	(118,233)



CITY OF FORT LAUDERDALE

FY 2016 Budget Modification Requests



INFRASTRUCTURE



PUBLIC PLACES



NEIGHBORHOOD
ENHANCEMENT



BUSINESS
DEVELOPMENT



PUBLIC SAFETY



INTERNAL SUPPORT

FY 2016 BUDGET MODIFICATION SUMMARY

Finance - 001 General Fund

Priority No.	Request Type	Title of Request	# of Pos.	Cost	Page #
1	Position - New	Consulting Services for Procurement Modernization	0.00	75,000	5
2	Position - New	Procurement Specialist II	1.00	95,000	6
3	Position - New	Contract Administrator	1.00	112,000	8
4	Position - New	Senior Customer Service Representative	1.00	79,500	10
5	Position - New	Accounting Clerk - Accounts Payable Division	1.00	24,500	12
6	Program - New	Actuarial Audits of General Employees and Police and Fire Pension Plans	0.00	50,000	14
			4.00	436,000	

Last Update: 05/19/2015
 Total Request: 75,000.00

FY 2016 BUDGET MODIFICATION FORM

Finance - 001 General Fund



Priority No: 1
Title of Request: Consulting Services for Procurement Modification
Request Type: Program - New
of New Position(s) Requested: 0.00

Basis of justification: Improvement, revenue generating, mandated, cost reduction, workload change. Please state what will be the consequence if this request is not funded?

Consulting Services from the National Institute of Government Procurement (NIGP) is requested to assist in the re-write of the City's Procurement codes and policies, review of the procurement organization, identification of efficiencies and best practices, and strategies to assist with workload and improved cycle times for procurement actions. Comprehensive procurement reform is expected to improve operations and provide City-wide value-added services.

If granted, show impact this will have on Performance Measure (Not needed for Char. 40 or 60).

<u>Without Request</u>	<u>CY 2015</u>	<u>NY 2016 With Request</u>
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Workload:

Efficiency:

Effectiveness:

Strategic Connections:

Cylinder: Internal Support
Goal: Be a leader government organization, managing resources wisely and sustainably
Objective: Achieve excellent procurement services through technological advancements, improved procedures, and outreach programs

Expenditure Amounts:	Expenditure Amt. Requested:	Index Code	SubObject	SubObject Title
	75,000	FIN080808	3199	OTHER PROF SERV
Total Expenditure:	75,000.00			

Offsetting Revenue:	Amount of Offsetting Revenue	Index Code	SubObject	SubObject Title
Total: Offsetting Revenue	0			

Net Fund Support **75,000**
 (Expenditures less Revenues)

FY 2016 BUDGET MODIFICATION FORM

Finance - 001 General Fund



Priority No: G
Title of Request: Procurement Specialist II
Request Type: Position - New
of New Position(s) Requested: 1.00

Basis of justification: Improvement, revenue generating, mandated, cost reduction, workload change. Please state what will be the consequence if this request is not funded?

Procurement Specialist II (L027- MC IV- Step A)

Last fiscal year (FY), the City's Procurement Division issued Invitation to Bids (ITBs), Request for Proposals (RFPs), and contracts totaling \$118M. In the three prior years contract spend totaled \$83M in FY 2013, \$84M in FY 2012, and \$69M in FY 2011. Total spend over this four year period has increased 71% with an increase in 1 Full Time Employee (FTEs) approved in FY 2015. Current spend for the first five months of FY 2015 is \$61M. If that level of spend remains constant for the next seven months, the Division will be on track to exceed \$140M in contract spending. Continued spending at these levels with the same number of FTEs will result in longer times to process departmental needs for goods and services, and less oversight of contractor performance.

Since FY 2011, Procurement has assumed responsibility for construction bidding and contracting. In FY 2011, Procurement conducted eight construction contracting/bidding solicitations, 18 in FY 2012, 37 in FY 2013, and 58 in FY 2014. In the first five months of the current FY 2015, Procurement has 29 solicitations completed or pending in various stages. If that level of volume continues for the next seven months, the Division would be on track to produce nearly 70 construction bids and contracts. During FY 2014, 58 solicitations were handled by three Procurement Specialists (two were part-time and are no longer with the City) and one secretary. During the current fiscal year, the construction bidding and contracting duties are being handled by two Procurement Specialist. Staff has continued to assume this additional workload with a 50% decrease in FTEs. Additionally, Procurement has assumed the issuance of all purchase orders for the Public Works/Engineering Divisions. Previously, there were two purchase order systems in use by the City; one for goods and services and one used by Engineering for issuance of engineering purchase orders (EPOs). Lastly, there are 193 active Community Investment Plan (CIP) projects in the current fiscal year that have or will require strategic procurement planning, sourcing, bidding, and contracting.

Additional justification of FTEs include requirements by legal for creation of contracts for services when utilizing piggyback contracts and proprietary purchases. Additional shift in responsibilities from operating departments to procurement based upon best practices to include, but not limited to, reference checks and notice of intent (NOI) sign-off. Lastly, Procurement has assumed the responsibility of all purchasing related Commission Agenda Memos (CAMs), which were previously the responsibility of each end using department. In calendar year 2014, Procurement completed 282 CAMs, all of which require extensive legal review.

Although one additional FTE was provided in FY 2015, there has actually been a decrease in the total FTEs with daily Procurement responsibility as a result of losing two part-time procurement specialists. This has resulted in a loss of 1.5 FTE. One of Procurement's strategic objectives and performance measures is to measure the percent of central Procurement FTEs to the total organization. Currently, Procurement has 12 FTEs, and the total full time FTEs are 2,479. This equates to 0.48%. The performance measure is benchmarked by the Florida Benchmarking Consortium (FBC). The FBC FY 2012 report average is 0.58%. Based on this benchmark, Procurement is understaffed by 17%, or 2.5 FTEs.

If granted, show impact this will have on Performance Measure (Not needed for Char. 40 or 60).

	<u>Without Request</u>	<u>CY 2015</u>	<u>NY 2016 With Request</u>
<u>Workload:</u>	Number of competitive solicitations	200	240
<u>Efficiency:</u>	Ability to meet Public Works CIP Project completion goal (FTE/bid)	35	23
<u>Effectiveness:</u>	Ratio of Procurement FTEs to total organization FTE's	.48%	.52%

Strategic Connections:

Cylinder: Internal Support
Goal: Be a leader government organization, managing resources wisely and sustainably

Objective: Achieve excellent procurement services through technological advancements, improved procedures, and outreach program

Expenditure Amounts:	Expenditure Amt. Requested:	Index Code	SubObject	SubObject Title
	69,921	FIN080808	1101	PERMANENT SALARIES
	1,440	FIN080808	1407	EXPENSE ALLOWANCES
	500	FIN080808	2119	WELLNESS INCENTIVES
	6,282	FIN080808	2299	PENSION - DEF CONT
	5,339	FIN080808	2301	SOC SEC/MEDICARE
	9,678	FIN080808	2404	HEALTH INSURANCE
	900	FIN080808	3925	OFFICE EQUIP < \$5000
	300	FIN080808	3928	OFFICE SUPPLIES
	180	FIN080808	4110	MEETINGS
	60	FIN080808	4113	MEMBERSHIPS/DUES
	400	FIN080808	4116	SCHOOLS
Total Expenditure:	95,000.00			

Offsetting Revenue:	Amount of Offsetting Revenue	Index Code	SubObject	SubObject Title
Total: Offsetting Revenue	0			
Net Fund Support (Expenditures less Revenues)	95,000			

FY 2016 BUDGET MODIFICATION FORM

Finance - 001 General Fund

Priority No: H
Title of Request: Contract Administrator
Request Type: Position - New
of New Position(s) Requested: 1.00

Basis of justification: Improvement, revenue generating, mandated, cost reduction, workload change. Please state what will be the consequence if this request is not funded?

Contract Administrator (L033-MC III-Step A)

The Contract Administrator position is being requested to advance the performance of contract administration within the Procurement Services Division. Currently, these responsibilities are shared amongst Procurement, Risk Management, City Attorney's Office, and the using departments. Although this creates a system of checks and balances, it also causes a fragmented system in which ownership of contract administration is unclear. The reliance on Procurement to administer contracts has increased in recent years for the purpose of centralizing activities such as, monitoring contractor performance, maintaining certificates of insurance, initiating contract renewals, developing and negotiating contracts, and assessing contractual risk; albeit under the review of other departments and offices such as Risk Management and the City Attorney's Office. Additionally, several contract administration activities are segmented amongst the procurement administrative staff; one handles contract routing, one handles contract renewals, and another handles contractor's certificates of insurance. Lastly, each Procurement Specialist (PS) is responsible for a portion of the City's 450 active contracts.

Although each PS is responsible for contracts, they must prioritize the issuance of competitive solicitations, and the review and approval of requisitions to meet departments' demands. In Fiscal Year 2014, 200 competitive solicitations were issued and that number is on track to increase to 240 by the end of the current FY. In Fiscal Year 2014, 5054 requisitions were reviewed and approved by the PS. Based on the Florida Benchmarking Consortium standard for Procurement Full Time Employee (FTEs), Procurement is understaffed by 17%. As a result of the PS competing priorities and heavy workloads, proper attention to the contract is lacking which presents quality control issues. Quality control issues drastically affect the routing and approval of contracts. The average time it currently takes to route and receive approval of contracts is six weeks. Much of the delay occurs within the City Attorney's Office where quality control is performed. The delay negatively affects the commencement of the project.

The addition of a Contract Administrator with sufficient contracting and legal experience, will bridge the gap between the competitive solicitation process and contract administration activities. This will result in higher quality procurements and contracts, reduced timeline in the contract execution and routing process, greater oversight over contractor performance, and increased conformance with contractual requirements.

Although one additional FTE was provided in FY 15, there has actually been a decrease in the total FTEs with daily Procurement responsibility as a result of losing two part-time procurement specialists. This has resulted in a loss of 1.5 FTE. One of Procurement's strategic objectives and performance measures is to measure the percent of central Procurement FTEs to the total organization. Currently, Procurement has 12 FTEs and the total full time FTEs are 2,479. This equates to 0.48%. The performance measure is benchmarked by the Florida Benchmarking Consortium (FBC). The FBC FY 12 report average is 0.58%. Based on this benchmark, Procurement is understaffed by 17%, or 2.5 FTEs.

If granted, show impact this will have on Performance Measure (Not needed for Char. 40 or 60).

	<u>Without Request</u>	<u>CY 2015</u>	<u>NY 2016 With Request</u>
<u>Workload:</u>	Current position solely responsible for Contract Administration	0	1
<u>Efficiency:</u>	Performance and cost analysis of contracts, 2015	84M	140M
<u>Effectiveness:</u>	Performance and cost analysis of contracts, 2015	6 weeks	2 weeks

Strategic Connections:

Cylinder: Internal Support
Goal: Be a leader government organization, managing resources wisely and sustainably
Objective: Achieve excellent procurement services through technological advancements, improved procedures, and outreach programs

Expenditure Amounts:	Expenditure Amt. Requested:	Index Code	SubObject	SubObject Title
	82,951	FIN080808	1101	PERMANENT SALARIES
	3,000	FIN080808	1401	CAR ALLOWANCES
	360	FIN080808	1413	CELLPHONE ALLOWANCE
	500	FIN080808	2119	WELLNESS INCENTIVES
	7,390	FIN080808	2299	PENSION - DEF CONT
	6,281	FIN080808	2301	SOC SEC/MEDICARE
	9,678	FIN080808	2404	HEALTH INSURANCE
	900	FIN080808	3925	OFFICE EQUIP < \$5000
	300	FIN080808	3928	OFFICE SUPPLIES
	180	FIN080808	4110	MEETINGS
	60	FIN080808	4113	MEMBERSHIPS/DUES
	400	FIN080808	4116	SCHOOLS
Total Expenditure:	112,000.00			

Offsetting Revenue:	Amount of Offsetting Revenue	Index Code	SubObject	SubObject Title
Total: Offsetting Revenue	0			

Net Fund Support 112,000
 (Expenditures less Revenues)

Last Update: 05/16/2015
 Total Request: 79,500.00

FY 2016 BUDGET MODIFICATION FORM

Finance - 001 General Fund



Priority No: 4
Title of Request: Sr. Customer Service Representative
Request Type: Position - New
of New Position(s) Requested: 1.00

Basis of justification: Improvement, revenue generating, mandated, cost reduction, workload change. Please state what will be the consequence if this request is not funded?

Revenue Generating: The position is requested in the Business Tax Division of the Finance Department. The request is made in order to increase the number of new businesses that are compliant with the City Code; thereby, increasing the revenue generated in the Division. The person in this position would be responsible for supervising the clerical staff in the Business Tax Division. In addition, the person would be responsible for identifying non-compliant businesses operating in the City of Fort Lauderdale. The identification of these businesses would be achieved by working with other agencies, such as Broward County and State of Florida, through their websites and telephone contacts. The person in this position would be required to initiate the enforcement of the non-compliant businesses. Statistics show that the number of new businesses applying for a business tax receipt in the City of Fort Lauderdale has declined by 25% from 2011-2014 (going from 2,523 to 1,833 annually). In addition, the number of delinquent accounts has increased by 17% from 2011-2014 (going from 32 to 2,679 delinquent accounts).

Workload Change: Administratively, there is a need to update ordinances that are outdated, and implementation of the new business tax module of OneSolution (the billing and payment system). There is currently a staff of two people responsible for billing, payments and application processing of currently more than 16,000 accounts. The workload requires staff to work many hours of overtime to process applications timely. **Improvement:** With the addition of this position, it would improve services to the business community through timely telephone and e-mail responses.

If granted, show impact this will have on Performance Measure (Not needed for Char. 40 or 60).

	<u>Without Request</u>	<u>CY 2015</u>	<u>NY 2016 With Request</u>
<u>Workload:</u>	The response to neighbors' inquiries are not timely	2-3 days	1-2 days
<u>Efficiency:</u>	The number of delinquent accounts increased annually	17%	10%
<u>Effectiveness:</u>	The number of new applications decreased annually	25%	10%

Strategic Connections:

Cylinder: Internal Support
Goal: Be a well-trained, innovative, and neighbor-centric workforce that builds community
Objective: Continuously improve and innovate communication and service delivery

Expenditure Amounts:	Expenditure Amt. Requested:	Index Code	SubObject	SubObject Title
	58,495	FIN090909	1101	PERMANENT SALARIES
	5,265	FIN090909	2299	PENSION - DEF CONT
	4,475	FIN090909	2301	SOC SEC/MEDICARE
	9,695	FIN090909	2404	HEALTH INSURANCE
	800	FIN090909	3907	DATA PROC SUPPLIES
	770	FIN090909	3925	OFFICE EQUIP < \$5000
Total Expenditure:	79,500.00			

Offsetting Revenue:	Amount of Offsetting Revenue	Index Code	SubObject	SubObject Title
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Total: Offsetting Revenue 0

Net Fund Support 79,500

(Expenditures less Revenues)

FY 2016 BUDGET MODIFICATION FORM

Finance - 001 General Fund

Priority No: 1
Title of Request: Accounting Clerk - Accounts Payable Division
Request Type: Position - New
of New Position(s) Requested: 1.00

Basis of justification: Improvement, revenue generating, mandated, cost reduction, workload change. Please state what will be the consequence if this request is not funded?

The Accounts Payable (A/P) division has been working with a staff that was reduced in FY 2013 (reduced from four (4) full-time Accounting Clerks to two (2) full-time Accounting Clerks and one (1) temporary part-time Accounting Clerk). This has been accomplished while expanding from one payment method to four payment methods and processing approximately 42,000 invoices annually. The loss of two full-time employees (FTE's) has resulted in a heavier workload for the remaining FTE's, as tasks have been reassigned to compensate for the shortage. This has resulted in a decrease in efficiency as each FTE is not able to fully process their daily workload, resulting in a lag in the time it takes to distribute invoices for approval and process payments. Daily workload duties also include opening mail, distributing invoices to the responsible department(s), reconciling vendor statements and researching discrepancies, processing other miscellaneous payments such as refunds/reimbursements and filing. In addition, staff reduction has resulted in a notable service impact on the division's internal and external customers. There has also been an increase in errors due to the shortcuts taken to compensate for the heavier workload. An employee in this position works under the direction of the Accounts Payable Supervisor by using independent judgment, acquired skills and job knowledge to perform tasks; however, the A/P Supervisor has stepped into performing this role. This allows no time for actual supervising or creative thinking in order to suggest useful improvements. Due to the degree of finality once a payment has been issued by this division, a great burden has been placed on Accounts Payable. This position is necessary to ensure timely processing of invoices/payments, correct procedures have been followed, and the appropriate approvals have been obtained before issuing a payment on behalf of the City.

If granted, show impact this will have on Performance Measure (Not needed for Char. 40 or 60).

	<u>Without Request</u>	<u>CY 2015</u>	<u>NY 2016 With Request</u>
<u>Workload:</u> Daily workload not processed timely		50%	99%
<u>Efficiency:</u> Payments not processed timely		30%	99%
<u>Effectiveness:</u> Accuracy & timeliness of payments		60%	99%

Strategic Connections:

Cylinder: Internal Support
Goal: Be a leader government organization, managing resources wisely and sustainably
Objective: Ensure sound fiscal management

Expenditure Amounts:	Expenditure Amt. Requested:	Index Code	SubObject	SubObject Title
	33,577	FIN020101	1101	PERMANENT SALARIES
	(24,320)	FIN020101	1104	TEMPORARY SALARIES
	3,008	FIN020101	2299	PENSION - DEF CONT
	2,557	FIN020101	2301	SOC SEC/MEDICARE
	9,678	FIN020101	2404	HEALTH INSURANCE
Total Expenditure:	24,500.00			

Offsetting Revenue:	Amount of Offsetting Revenue	Index Code	SubObject	SubObject Title
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Total: Offsetting Revenue 0

Net Fund Support 24,500

(Expenditures less Revenues)

FY 2016 BUDGET MODIFICATION FORM

Finance - 001 General Fund



Priority No: 1
Title of Request: Actuarial Audits of General Employees and Police and Fire Pension Plans
Request Type: Program - New
of New Position(s) Requested: 0.00

Basis of justification: Improvement, revenue generating, mandated, cost reduction, workload change. Please state what will be the consequence if this request is not funded?

It is recommended by the Government Finance Officers Association (GFOA) that public pension plan fiduciaries provide for actuarial audits to be performed at least once every five years, and when a red flag appears, such as computed contribution rates change without adequate explanation. An actuarial audit involves engaging services of an outside actuary (reviewing actuary) to scrutinize the work of the plans consulting actuary.

In an effort to ensure sound fiscal management, the Finance Department's recommendation is to perform an actuarial audit and review of the Police and Firefighters' and the General Employees' Retirement System Plans. These reports will provide opinions on the appropriateness of the methods and assumptions used to determine the value of benefits provided by the public safety pension plans. These opinions are intended to be used by the City for understanding the future costs of benefits for purposes of future collective bargaining, pension reform, and budget impact.

If granted, show impact this will have on Performance Measure (Not needed for Char. 40 or 60).

	<u>Without Request</u>		<u>CY 2015</u>	<u>NY 2016 With Request</u>
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Workload:

Efficiency:

Effectiveness:

Strategic Connections:

Cylinder: Internal Support
Goal: Be a leader government organization, managing resources wisely and sustainably
Objective: Ensure sound fiscal management

Expenditure Amounts:	Expenditure Amt. Requested:	Index Code	SubObject	SubObject Title
	50,000	FIN020101	3199	OTHER PROF SERV
Total Expenditure:	50,000.00			

Offsetting Revenue:	Amount of Offsetting Revenue	Index Code	SubObject	SubObject Title
Total: Offsetting Revenue	0			

Net Fund Support **50,000**
 (Expenditures less Revenues)

Descriptions & Line Items by Division



INFRASTRUCTURE



PUBLIC PLACES



NEIGHBORHOOD
ENHANCEMENT



BUSINESS
DEVELOPMENT



PUBLIC SAFETY



INTERNAL SUPPORT

Finance Department

Administration

Division Description

The Administration Division safeguards the City's assets, executes its financial affairs, and provides for the long-term financial stability, integrity, and accountability of resources. This is achieved through sharing information as well as promoting and adopting sound fiscal and operational practices. In addition, the division oversees the City's investment portfolio, which is currently estimated at \$500 million.

FY 2015 Major Accomplishments

- Successfully recruited and retained highly qualified and experienced Treasurer to create and implement sound fiscal policies and ensure highest and best valued use of City funds.
- Successfully transitioned Payroll from Human Resources to Finance in an effort to centralize payroll functions under the Finance Department.
- Completed the Business Tax move to the first floor of City Hall and created an electronic routing system to reduce customer travel time between departments in order to receive a business tax.

FY 2016 Major Projects & Initiatives

- Procure and advance implementation of an Enterprise Resource Planning (ERP) system.
- Transition merchant services to a new service provider requiring changes to current operating procedures, including the new chip technology requirements effective 10/1/15.
- Conduct Deferred Compensation Plan (457) Audit to ensure that retirement plans are aligned with regulatory best practices.
- Conduct Actuarial Audits to monitor the quality of actuarial services performed on behalf of the pension plans.

Finance Department

Administration, continued



STRATEGIC OBJECTIVES AND PERFORMANCE MEASURES

-Ensure sound fiscal management (IS 12-1)

Department Objective	Performance Measures	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Projection	FY 2016 Target
Increase governmental financial accountability (IS 12-1)	Bond ratings evaluation by National Bond Rating Agency: General Obligation ¹	AA	AA	AA	AA	AA
	Bond ratings evaluation by National Bond Rating Agency: Revenue ¹	AA+	AA+	AA+	AA+	AA+
Ensure sound fiscal management (IS 12-1)	General Fund cash and investments as a percentage of current liabilities	261.91%	260.12% ²	287.14%	261.01%	280.74% ³
	Fiscal integrity policies implemented/updated	*	5	11	11	13

* This is a newly identified performance measure. Prior year data was not available.

¹Standard and Poor's Bond Rating Agency

² FY 2014 estimated percentage has been changed to reflect the actual percentage (the prior printing was based on an estimate).

³This measure is benchmarked by the Florida Auditor General. The FY 2013 reported average is 280.74% for municipalities with population >150,000. FY 2015 percentage is an estimate; the actual percentage will not be available until after external audit completion in March 2016.

Finance Department Expenses by Division

Administration Division - Expense

	FY 2014 Actual	FY 2015 Amended	FY 2015 Year-To-Date as of 03/31/2015	FY 2016 Department Requested	FY 2016 Budget Recommended	FY 2015 Amended vs. FY 2016	3 Year Average vs. FY 2016	Basis of Projected Expense
1101 Permanent Salaries	369,991	447,064	190,057	410,604	410,604	(36,460)	48,694	
1110 Sick Conv To Cash	3,583	-	-	-	-	-	(3,481)	
1113 Vac Mgmt Conv	8,528	8,450	7,606	-	-	(8,450)	(7,053)	
1119 Payroll Accrual	3,246	-	-	-	-	-	4,555	
1201 Longevity Pay	5,131	3,374	5,843	2,471	2,471	(903)	(4,788)	
1401 Car Allowances	9,360	9,360	3,900	9,360	9,360	-	(390)	
1407 Expense Allowances	-	720	320	960	960	240	960	
1413 Cellphone Allowance	2,640	2,640	1,100	2,640	2,640	-	(67)	
1604 Direct Labor Credits	(1,904)	-	-	-	-	-	1,904	
1707 Sick Termination Pay	2,802	-	-	-	-	-	(6,565)	
1710 Vacation Term Pay	12,810	-	-	-	-	-	(16,920)	
1801 Core Adjustments	-	-	-	(58,789)	(58,789)	(58,789)	(58,789)	Remove Senior Mgmt Fellow Position
2119 Wellness Incentives	-	1,875	500	-	-	(1,875)	(500)	
2204 Pension - General Emp	50,469	56,516	56,516	44,090	44,090	(12,426)	10,007	
2299 Pension - Def Cont	18,152	35,328	7,449	18,163	18,163	(17,165)	(14,379)	
2301 Soc Sec/Medicare	25,380	28,359	12,286	27,872	27,872	(487)	2,749	
2307 Year End Fica Accr	164	-	-	-	-	-	260	
2404 Health Insurance	27,446	39,364	19,399	37,692	37,692	(1,672)	10,946	
2410 Workers' Comp	6,913	12,241	6,120	12,241	12,241	-	6,617	
Personal Services	544,710	645,291	311,095	507,304	507,304	(137,987)	(26,425)	
3216 Costs/Fees/Permits	40	40	-	-	-	(40)	(40)	
3299 Other Services	-	-	85	-	-	-	-	
3231 Food Services	-	-	-	-	200	200	200	Advisory Board Meeting
3404 Components/Parts	45	-	-	-	-	-	(45)	
3428 Bldg Rep & Maint	310	-	-	-	-	-	(310)	
3628 Telephone/Cable Tv	233	-	-	-	-	-	(233)	
3904 Books & Manuals	-	300	-	300	300	-	300	
3925 Office Equip < \$5000	2,211	-	-	-	-	-	(1,507)	
3928 Office Supplies	2,753	2,000	899	-	-	(2,000)	(1,912)	
3931 Periodicals & Mag	335	750	179	750	750	-	548	Travel subscription services to provide travel & TSA updates \$90, Wall Street subscription \$365, unannounced periodicals & magazines \$275.
3999 Other Supplies	-	-	90	-	-	-	(12)	
4101 Certification Train	236	4,100	30	4,100	4,100	-	3,864	CY15: CPPO - Finance Director - \$500, CGFO - Finance & Deputy Directors - \$1,500 x 2 = \$3,000 NY16: CGFO - Finance & Deputy Directors - \$1,500 x 1 = \$1,500, CPPO - Finance Director - \$500, FAPPO Finance Director - \$1,500 Certified Treasury Professional (CTP) Deputy Director - \$495
4104 Conferences	3,104	7,300	1,057	7,300	7,300	-	4,884	CY15: FGFOA - Deputy Director - \$225, National Institute of Governmental Purchasing Conference (NIGP) - Deputy Director - \$3,000, FAPPO Finance Director - \$1,500, NY16: National Institute of Governmental Purchasing Conference (NIGP) - Finance Director - \$3,000; FGFOA - Deputy Director - \$1,000; GFOA - Finance & Deputy Directors - \$1,500 x 2 = \$3,000
4110 Meetings	50	400	85	400	400	-	360	Lunch & Dinner meetings - Finance & Deputy Directors
4113 Memberships/Dues	2,480	2,815	225	2,815	2,815	-	608	CIPFA-GFOA - \$2,000, Finance & Deputy Directors: GFOA \$420, FGFOA \$70, SFGFOA \$50, Finance Director: SE FL Chapter of NIGP \$25
4355 Servchg-Print Shop	63	100	676	200	200	100	153	Print Shop
4407 Emp Proceedings	4,995	2,546	1,273	2,546	2,546	-	(1,058)	Insurance Premium Allocation per Risk Mgmt division
4410 General Liability	19,527	29,538	14,769	29,538	29,538	-	12,494	Insurance Premium Allocation per Risk Mgmt division
4431 Pub Officials Liab	3,638	3,545	1,773	3,545	3,545	-	999	Insurance Premium Allocation per Risk Mgmt division
9237 Transfer to Special Obligation	293,265	287,247	143,624	287,247	287,247	-	(6,018)	
Operating Expenses	333,286	340,681	164,765	338,741	338,941	(1,740)	8,696	
DIVISION TOTAL	877,996	985,972	475,860	846,045	846,245	(139,727)	(17,729)	

Finance Department

Accounting and Financial Reporting

Division Description

The Accounting and Financial Reporting Division ensures that financial transactions are properly recorded in accordance with Generally Accepted Accounting Principles (GAAP) and the Governmental Accounting Standards Board (GASB). The division is responsible for providing departments and the public with timely financial information to assure accuracy, accountability, and transparency. The division processes payroll in-house bi-weekly for employees, monthly retirement payments for retirees, and weekly vendor payments. The division monitors and performs reconciliations of federal, state, and local grants. It is responsible for monitoring capital and non-capital project expenditures along with maintaining fixed assets records. The division reconciles bank and trust accounts. Using a variety of reporting mechanisms, financial data is generated for a number of audiences. The City Manager's Office's monthly financial reports, quarterly payroll tax reports for the federal government, the State of Florida Annual Financial Report, the Annual Single Audit Report, the Popular Annual Financial Report (PAFR) and the Comprehensive Annual Financial Report (CAFR) are developed by the division.

FY 2015 Major Accomplishments

- Completed the Comprehensive Annual Financial Report (CAFR) which resulted in the City receiving its 37th consecutive annual Government Financial Officers Association (GFOA) Certificate of Achievement Award.
- Received the City's second Popular Annual Financial Report (PAFR) Award in conjunction with the CAFR Award.
- Implemented payments for non-payroll related transactions such as travel advances, employee reimbursements and Other Post-Employment Benefits (OPEB) payments, which supports the City's Green Our Routine initiative and decreased printing costs.

FY 2016 Major Projects & Initiatives

- Implement of electronic W-2 forms.
- Implement timekeeping training and certification.
- Conduct departmental petty cash audits.
- Conduct monthly P-card transactions audits.
- Implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions."

Finance Department

Accounting and Financial Reporting, continued



STRATEGIC OBJECTIVES AND PERFORMANCE MEASURES

-Ensure sound fiscal management (IS 12-1)

Department Objective	Performance Measures	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Projection	FY 2016 Target
Ensure accurate and prompt financial reporting (IS 12-1)	Total number of open audit findings (financial)	3	3	0	2 ¹	1
	Number of accounts payable checks issued	22,428	19,237	12,500	12,500 ²	11,250
	Previous month closed by the sixth working day of the following month ³	58.3%	91.7%	92%	75%	92% ³
	Monthly financial data submitted to the City Manager's Office by the 15 th each month	*	*	83%	92%	92%
	Percentage of total payments that are electronic	2.5%	13.6%	*	39.9%	45.5%

* This is a newly identified performance measure. Prior year data was not available.

¹ FY 2015 number of open audit findings is an estimate; the actual number will not be available until external audit completion in March 2016.

² For FY 2015, additional payments made for non-payroll transactions via electronic vendor payment process for travel advances, employee reimbursements and OPEB, therefore the number of A/P checks issued further decreased as compared to last fiscal year.

³ Given that September's closing is always delayed due to the year-end closeout process, 92% (or 11 months) is the maximum of on-time closings the department can achieve.

Finance Department Expenses by Division

Accounting & Financial Reporting Division - Expense

	FY 2014 Actual	FY 2015 Amended	FY 2015 Year-To-Date as of 03/31/2015	FY 2016 Department Requested	FY 2016 Budget Recommended	FY 2015 Amended vs. FY 2016	3 Year Average vs. FY 2016	Basis of Projected Expense
1101 Permanent Salaries	1,066,569	1,209,745	511,266	1,203,902	1,203,902	(5,843)	140,653	
1104 Temporary Salaries	-	24,320	-	24,320	24,320	-	24,320	
1107 Part Time Salaries	2,812	-	9,129	-	-	-	(21,881)	
1110 Sick Conv To Cash	3,866	3,900	4,086	-	-	(3,900)	(2,814)	
1113 Vac Mgmt Conv	9,145	9,200	8,475	-	-	(9,200)	(7,512)	
1119 Payroll Accrual	8,121	-	-	-	-	-	15,109	
1201 Longevity Pay	14,038	14,549	15,062	13,121	13,121	(1,428)	(12,575)	
1316 Upgrade Pay	145	-	249	-	-	-	(381)	
1401 Car Allowances	7,750	9,000	3,750	9,000	9,000	-	1,417	
1407 Expense Allowances	9,720	10,080	3,640	10,080	10,080	-	787	
1413 Cellphone Allowance	500	360	180	-	-	(360)	(633)	
1501 Overtime 1.5X Pay	315	300	752	300	300	-	(3)	A/P fiscal year end invoice payment processing
1707 Sick Termination Pay	-	-	509	-	-	-	(15,316)	
1710 Vacation Term Pay	-	-	2,189	-	-	-	(21,267)	
1801 Core Adjustments	-	-	-	(161,680)	(156,547)	(156,547)	(156,547)	Reorganization Move 2 Accountant II and 1 Senior Accountant to Treasury. Move 1 Senior Accountant to Accounting & Financial Reporting
2119 Wellness Incentives	4,000	4,500	500	4,000	4,000	(500)	167	
2204 Pension - General Emp	186,781	195,023	195,023	164,414	164,414	(30,609)	(37,171)	
2299 Pension - Def Cont	34,376	44,692	21,790	54,145	54,145	9,453	22,218	
2301 Soc Sec/Medicare	79,104	95,184	39,651	94,560	94,560	(624)	10,361	
2304 Supplemental Fica	-	1,861	-	-	-	(1,861)	-	
2307 Year End Fica Accr	580	-	-	-	-	-	1,177	
2404 Health Insurance	142,217	158,848	71,989	161,020	161,020	2,172	19,211	
Personal Services	1,570,038	1,781,562	888,241	1,577,182	1,582,315	(199,247)	(46,273)	
3101 Acct & Auditing	86,194	95,639	200,297	97,047	97,047	1,408	(11,286)	External audit fees - Crowe Horwath
3199 Other Prof Serv	8,750	15,000	-	15,000	17,500	2,500	8,151	CY15: OPEB \$10,000; NY16: 457 audit, \$7,500, GERS \$5,000, P&F \$5,000 GASB 67 rollforward & 68 implementation
3210 Clerical Services	-	2,000	-	2,000	2,000	-	(787)	Temporary Help
3216 Costs/Fees/Permits	131	3,000	32	3,000	1,500	(1,500)	1,143	CY15: GFOA Cert of Achievement \$1,095, PAFR Certificate of Achievement - \$225 NY16: GFOA Cert of Achievement \$1,095; PAFR Certificate of Achievement \$225
3299 Other Services	8,000	6,000	-	10,000	10,000	4,000	2,000	CY15: Paperless Pay Corp. electronic payroll advice system - \$6,000 NY16: Paperless Pay Corp. electronic payroll advice system - \$6,000, Paperless Pay Corp. electronic W-2 forms - \$4,000
3304 Office Equip Rent	1,908	2,779	1,564	2,600	2,600	(179)	120	CY15: Konica Bizhub 423 Copier lease (12 months) Central Acctg \$1,284 + copies \$900; Toshiba 16S cost per copy program Payroll \$350 NY16: Konica Minolta Copier Lease - \$1,970, Toshiba Business Solutions cost per copy - \$350
3404 Components/Parts	-	-	68	-	-	-	(281)	
3407 Equip Rep & Maint	93	-	-	-	-	-	(258)	
3428 Bldg Rep & Maint	-	-	844	-	1,000	1,000	716	CY15: Comdesign - \$811
3516 Printing Serv - Ext	-	1,000	-	1,000	-	(1,000)	(4,730)	
3613 Special Delivery	15	-	-	-	-	-	(25)	
3904 Books & Manuals	430	150	-	250	250	100	(380)	GAAFR bundle - \$239
3907 Data Proc Supplies	899	-	-	-	-	-	(1,147)	
3925 Office Equip < \$5000	1,341	-	211	-	-	-	(1,938)	CY15: Dell monitor
3928 Office Supplies	9,896	10,000	6,537	12,000	12,000	2,000	(4,196)	Office supplies Accounting & Financial and Admin
3999 Other Supplies	1,186	1,000	(131)	1,000	1,000	-	146	Fixed asset tags
4101 Certification Train	1,395	500	625	850	850	350	203	CY15: School of Gov't Finance - \$625, NY16: School of Gov't Finance: FGFOA Review & Exam (Nov) Winston & Sheffield - \$75 X 2 X 2 = \$300, FGFOA Exam (Nov) Garcia \$45 X 4 = \$180, FGFOA Exam (Mar) - Winston & Sheffield \$45 X 2 X 2 = \$180, CFGO Exam (Mar) Garcia \$45 x 4 = \$180
4104 Conferences	7,655	4,500	420	4,500	4,500	-	1,276	CY15: FGFOA - Controller & Accountants - \$225 x 6 = \$1,350, Women's Conference - \$149 x 3 = \$447, GFOA Conference - \$1,500 NY16: FGFOA \$1,000 X 3 = \$3,000, Accounting for Pensions & OPEB \$370 x 4 = \$1,480

Finance Department Expenses by Division

Accounting & Financial Reporting Division - Expense (Continued)

	FY 2014 Actual	FY 2015 Amended	FY 2015 Year-To-Date as of 03/31/2015	FY 2016 Department Requested	FY 2016 Budget Recommended	FY 2015 Amended vs. FY 2016	3 Year Average vs. FY 2016	Basis of Projected Expense
4110 Meetings	1,744	500	-	500	500	-	(311)	Dinner Meetings
4113 Memberships/Dues	2,851	2,000	150	2,000	2,000	-	(1,215)	CY15: AGA Controller \$90, GFOA Controller \$210, GFOA Acct II - \$150, FGFOA Controller & Accountants \$35 x 6 = \$210, SFGFOA Controller & Accountants \$25 x 6 = \$150, AAPA A/P Sup \$220, APA - Payroll Sup \$254, AICPA - Controller & Sr Accountant \$575 NY16: AGA Controller \$90, GFOA Controller - \$210, GFOA Acct II - \$150, FGFOA Controller & Accountants \$35 x 6 = \$210, SFGFOA Controller & Accountants \$25 x 6 = \$150, AAPA A/P Sup \$220, APA Payroll Sup \$254, AICPA Controller & Sr Accountant \$575
4116 Schools	1,055	3,500	-	3,500	3,500	-	2,445	ERP Readiness & System Selection - \$580 x 3 = \$1,740, Financial Policies - \$580 x 3 = \$1,740
4355 Servchg-Print Shop	7,805	5,000	1,113	5,000	5,000	-	(787)	CAFR & PAFR printing
Operating Expenses	141,349	152,568	211,730	160,247	161,247	8,679	(14,506)	
DIVISION TOTAL	1,711,387	1,934,130	1,099,971	1,737,429	1,743,562	(190,568)	(60,779)	

Finance Department Expenses by Division

Business Tax Division - Expense

	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2015	3 Year	Basis of Projected Expense
	Actual	Amended	Year-To-Date as of 03/31/2015	Department Requested	Budget Recommended	Amended vs. FY 2016	Average vs. FY 2016	
1101 Permanent Salaries	90,900	92,359	44,572	49,221	49,221	(43,138)	(18,627)	Core Adjustment Cust Svc Rep
1119 Payroll Accrual	702	-	-	-	-	-	(702)	
1501 Overtime 1.5X Pay	7,525	5,000	5,020	6,000	6,000	1,000	326	Staff OT - Business license renewals
1601 Direct Labor Charges	316	-	-	-	-	-	(668)	
1801 Core Adjustments	-	-	-	58,671	59,807	59,807	59,807	Customer Svc Rep II did not project
2204 Pension - General Emp	22,819	24,889	24,889	13,150	13,150	(11,739)	(9,669)	
2301 Soc Sec/Medicare	6,900	7,065	3,513	3,766	3,766	(3,299)	(1,337)	
2307 Year End Fica Accr	59	-	-	-	-	-	(59)	
2404 Health Insurance	15,720	15,720	7,890	8,101	8,101	(7,619)	(3,689)	
Personal Services	144,940	145,033	85,884	138,909	140,045	(4,988)	25,381	
3107 Data Proc Serv	-	3,000	-	-	-	(3,000)	-	
3113 Fin & Bank Serv	16,175	12,500	4,094	12,500	12,500	-	1,745	Bill2Pay lockbox services
3216 Costs/Fees/Permits	1,218	-	1,218	-	-	-	(1,218)	
3299 Other Services	-	59,714	431	59,714	59,714	-	59,714	Budget modification for collection agency fees (collection agency on hold)
3407 Equip Rep & Maint	-	600	-	600	-	(600)	-	
3428 Bldg Rep & Maint	599	-	431	-	600	600	1	Fax and copier repair
3616 Postage	-	5,000	-	7,734	7,734	2,734	7,734	16,000 letters @ \$0.381 = \$6,096, 4,500 delinquent letters @ \$0.381 = \$1,638 = \$7,734
3925 Office Equip < \$5000	421	500	-	500	500	-	79	CY15: Fax, phone, copier in one NY16: headsets
3928 Office Supplies	1,622	3,000	873	3,000	2,000	(1,000)	1,081	Office supplies
4101 Certification Train	365	-	-	-	-	-	(365)	
4104 Conferences	587	1,500	381	1,500	1,500	-	913	CY15: FABTO conference B. Patterson - hotel/food \$200, travel \$550 NY16: FABTO conference B. Patterson & P Brooks - conference \$200, hotel, food, travel \$1,300
4113 Memberships/Dues	183	200	90	200	200	-	17	FABTO memberships B. Patterson, N. Martin, P. Brooks
4116 Schools	-	500	-	500	500	-	500	Excel training for Business Tax staff
4355 Servchg-Print Shop	7,814	5,000	1,224	6,100	6,100	1,100	40	Printing, folding and inserting renewals \$5,000, delinquent notices \$1,100
5604 Writeoff A/R & Other	827	-	-	-	-	-	(827)	
Operating Expenses	29,812	91,514	8,743	92,348	91,348	(166)	69,413	
DIVISION TOTAL	174,752	236,547	94,627	231,257	231,393	(5,154)	94,793	

Finance Department

Procurement Services

Division Description

The Procurement Services Division assists all City departments with the purchase of goods and services. Per Sec. 2-171 – 2-191, in the City’s Code of Ordinances, it is necessary that commodities and contractual services of suitable standards and in sufficient quantities be available as needed and that such items be purchased at the best prices available, consistent with City standards of service and quality.

FY 2015 Major Accomplishments

- Increased usage on the City’s Purchasing Card (P-Card) from \$30,222,510 to \$34,000,000 (12% increase) for FY 2015, which decreases vendor transactional costs and provides increased rebates revenues to the City .
- P-Card usage resulted in the City’s net rebate revenues increase from \$330,762 for FY 2014 to \$600,000 for FY 2015.
- Received the 11th annual National Procurement Institute’s Achievement of Excellence in Procurement Award.
- Implemented electronic construction bidding that provides automation and efficiencies for both bidders and the City, as well as supports sustainable procurement practices.

FY 2016 Major Projects & Initiatives

- Implement an internal procurement training program to increase efficiencies and prevent complications.
- Revise the City’s Procurement Code.
- Conduct vendor survey to quantify the competitiveness, fairness, and straightforwardness of the solicitation process.
- Develop a policy for sustainable product purchasing.
- Implement spend analysis citywide to achieve procurement efficiencies.
- Explore third party reverse auction service providers and re-examine the use of reverse auctioning for purchase of certain goods and services. In a reverse auction, sellers compete to obtain business from buyers and prices typically decrease as the sellers undercut each other.

Finance Department

Procurement Services, continued



STRATEGIC OBJECTIVES AND PERFORMANCE MEASURES

- Achieve excellent procurement services through technological advancements, improved procedures and outreach programs (IS 12-2)

Department Objective	Performance Measures	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Projection	FY 2016 Target
Increase usage of the City's Purchasing (P)-cards (IS 12-2)	Net P-card rebates	\$388,793 ¹	\$330,762 ²	\$425,000	\$600,000 ³	\$450,000
	P-card purchase dollar amount (includes E-payable payments) ⁴	\$24,636,387 ⁵	\$30,222,510 ⁶	\$30,000,000	\$34,000,000	\$38,000,000
	P-card volume as a percentage of all goods and services	22.93% ⁷	20.37% ⁸	26%	20%	25%
Achieve excellent procurement services (IS 12-2)	Number of solicitations issued	189	200	210	230	245
	Percent central purchasing division FTEs of total organization FTEs	.36%	.40%	.37%	.48%	.56%
	Percent increase in departmental informal electronic quotes	*	*	10%	0%	10%

*This is a newly identified performance measure. Prior year data was not available.

¹P-card rebates for calendar year 2013 has been adjusted from \$393,078 to \$388,793 to reflect the CPS P-card rebates received net of FPL processing fees for January 2013 through December 2013.

²Net P-card rebates reporting period changed from calendar year to fiscal year for 2014. Therefore, P-card rebates were adjusted to reflect the net rebates for nine months from January 2014 through September 2014. Net P-card rebates for October 2013 to December 2013 were reported for calendar year 2013. See footnote 1.

³Net P-card rebates is an estimated amount due to the SunTrust rebates for FY 2015 will be received in October 2015, after the FY 2016 budget book is finalized.

⁴ Additional vendors accepted the P-Card for City purchases; also City made additional invoice payments via E-payables vs. generating/issuing checks, and the A/P credit card. As a result, the City's total dollar amount increased by approximately \$4,000,000 for FY 2015.

⁵ P-card purchase dollar amounts have been corrected from \$23,666,504 to \$24,636,387.

⁶ P-card purchase dollar amounts have been corrected from \$29,620,866 to \$30,222,510.

⁷P-card volume percentage of all goods and services has been adjusted from 28.57% to 22.93% due to P-card purchases not reflected in the total purchases amount. See footnote 5.

⁸P-card volume percentage of all goods and services has been adjusted from 25.20% to 20.37% due to P-card purchases not reflected in the total purchases amount. See footnote 6.

Finance Department Expenses by Division

Procurement Division - Expense

	FY 2014	FY 2015	FY 2015	FY 2016	FY 2016	FY 2015	3 Year	Basis of Projected Expense
	Actual	Amended	Year-To-Date as of 03/31/2015	Department Requested	Budget Recommended	Amended vs. FY 2016	Average vs. FY 2016	
1101 Permanent Salaries	724,407	832,985	292,323	937,210	937,210	104,225	168,985	Temporary Position Projected see core adjustment
1107 Part Time Salaries	7,755	24,320	-	-	-	(24,320)	(5,404)	
1113 Vac Mgmt Conv	5,123	-	3,412	-	-	-	(6,811)	
1116 Comp Absences	2,027	-	(2,027)	-	-	-	(2,027)	
1119 Payroll Accrual	4,711	-	-	-	-	-	14,940	
1201 Longevity Pay	22,980	14,106	12,474	15,348	15,348	1,242	(5,114)	
1204 Longevity Accr	705	-	(705)	-	-	-	(705)	
1401 Car Allowances	4,750	6,000	2,250	9,000	9,000	3,000	1,970	
1407 Expense Allowances	7,840	9,120	2,600	9,120	9,120	-	1,200	
1413 Cellphone Allowance	640	840	150	360	360	(480)	(840)	
1707 Sick Termination Pay	8,530	-	13	-	-	-	(5,272)	
1710 Vacation Term Pay	14,013	-	4,035	-	-	-	(7,152)	
1801 Core Adjustments	-	-	-	(84,079)	(82,849)	(82,849)	(82,849)	Remove temporary position from projection MX001 Procurement Spec II, Reclass of Procurement Specialist I to Mgr Contracts & Procurement, Reclass of Secretary I to Procurement Specialist I
2119 Wellness Incentives	1,500	4,500	500	1,500	1,500	(3,000)	(333)	
2204 Pension - General Emp	185,057	195,967	195,967	130,985	130,985	(64,982)	(82,212)	
2299 Pension - Def Cont	1,499	10,878	2,737	32,521	32,521	21,643	21,750	
2301 Soc Sec/Medicare	57,824	65,279	23,324	74,285	74,285	9,006	14,434	
2307 Year End Fica Accr	406	-	(61)	-	-	-	1,120	
2404 Health Insurance	70,827	92,889	34,755	111,086	111,086	18,197	34,215	
Personal Services	1,120,593	1,256,884	571,747	1,237,336	1,238,566	(18,318)	57,360	
3199 Other Prof Serv	170	-	-	-	-	-	(170)	
3201 Ad/Marketing	120	-	-	-	-	-	(120)	
3216 Costs/Fees/Permits	450	450	78	700	700	250	165	CY15: AEP Award entry fee \$678 NY16: AEP Award entry fee \$600, Parking/Notary fees \$100
3299 Other Services	34,020	23,158	23,153	42,310	57,310	34,152	25,628	CY15: Spikes Cavell Spend Analysis \$18,000, BidSync \$23,153 NY16: Spikes Cavell Spend Analysis \$18,000, BidSync \$24,310, Contract Routing & Management Software (Laserfiche) \$15,000
3304 Office Equip Rent	1,731	1,950	1,044	3,500	2,300	350	463	CY15: Toshiba E456 copier \$2,100 NY16: Toshiba E456 copier \$2,300
3407 Equip Rep & Maint	-	80	-	-	-	(80)	(80)	
3613 Special Delivery	-	100	-	100	-	(100)	(69)	Fed Ex
3907 Data Proc Supplies	289	-	74	-	-	-	(233)	
3925 Office Equip < \$5000	542	900	1,466	1,000	1,000	100	217	CY15: Monitor D. Santucci \$200, Monitor T. Hugie \$210, Furniture R. Ewell \$1,273 NY16: Office equipment \$1,000
3928 Office Supplies	4,411	4,600	4,616	7,500	5,000	400	1,231	Office supplies
3931 Periodicals & Mag	-	-	-	520	-	-	(276)	Thompson Info Services/Federal Grants Mgmt handbook
3999 Other Supplies	191	-	-	-	-	-	(104)	
4101 Certification Train	-	750	-	200	-	(750)	-	
4104 Conferences	-	2,500	-	5,000	5,000	2,500	2,841	CY15: NIGP Forum D. Santucci \$3,000 (Aug 2015), FAPPO Conference D. Santucci \$1,500 (May 2015) NY16: NIGP Forum D. Santucci \$3,000 (Aug 2015), FAPPO Conference D. Santucci \$1,500
4110 Meetings	-	1,180	790	1,000	1,000	(180)	563	NIGP/Purchasing meetings/webinars
4113 Memberships/Dues	735	1,055	517	645	645	(410)	(281)	CY15: NIGP National \$240, SE NIGP \$225, Periscope Holdings \$227
4116 Schools	2,805	1,400	2,365	8,720	8,720	7,320	7,267	CY15: NIGP/Purchasing classes/seminars/webinars for R. McKenney \$645, B. Sageman \$1,075, M. Lewis \$645 NY16 NIGP/Purchasing classes/seminars/webinars for R. McKenney \$1,350, M. Lewis \$3,500, B. Sageman \$1,340, A. Diaz \$400, R. Ewell \$500, G. Joseph \$1,630
4355 Servchg-Print Shop	51	2,500	138	1,000	1,000	(1,500)	697	Business cards, public records requests
Operating Expenses	45,223	40,623	34,241	72,195	82,675	42,052	29,483	
DIVISION TOTAL	1,166,106	1,297,507	605,988	1,309,531	1,321,241	23,734	86,553	

Finance Department

Treasury

Division Description

The Treasury Division manages the City's estimated \$500 million investment portfolio, which includes \$140 million in cash equity. The division also oversees the debt management and revenue tracking functions. The division facilitates the City's debt issuances and assists in obtaining credit ratings. It works with external advisors, investment managers, bond counsel, and financial advisors to ensure compliance with securities regulations. The division is also responsible for recording and reporting revenue properly, accurately, and timely in the City's accounting system. Reporting mechanisms include the quarterly Investment Report to the City Commission and annual Bondholders Report.

FY 2015 Major Accomplishments

- Received the Investment Policy Certification Award from the Association of Public Treasurers of the United States and Canada.
- Created and implemented an Investment Policy for the Other Post-Employment Benefits (OPEB) Trust.
- Issued Water and Sewer Revenue Refunding Bonds, Series 2014 to refund a portion of the Water and Sewer Revenue Bonds, Series 2006 and Series 2008. The transaction resulted in a net present value savings of \$11.5 million to the City.
- Engaged an investment advisor to oversee investment of the OPEB Trust's assets.
- Transacted a \$7.62 million bank loan for the Community Redevelopment Agency to finance the North Loop extension of the WAVE Streetcar Project.

FY 2016 Major Projects & Initiatives

- Review Treasury Division processes to streamline operations and eliminate duplication of services.
- Conduct an in depth review of the Fuel Hedge Program to determine if the City is receiving the full benefit of the program.
- Evaluate the investment advisor to determine if the City is receiving full value for its cost.
- Create and implement a citywide cash management policy to ensure that the City maintains adequate levels of cash to meet operational requirements and to obtain maximum yields on short-term investments of pooled, idle cash.
- Create a comprehensive debt management policy to establish guidelines and a framework for the issuance and management of the City's debt.

Finance Department

Treasury, continued



STRATEGIC OBJECTIVES AND PERFORMANCE MEASURES

-Ensure sound fiscal management (IS 12-1)

Department Objective	Performance Measures	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Projection	FY 2016 Target
Maximize the City investment portfolio and reduce debt interest (IS 12-1)	Compliance with investment policy and guidelines	100%	100%	100%	100%	100%
	Average rate of return earned from City investments	0.25% ¹	0.68%	0.88%	.88%	1.10%
	Compliance with bond covenant requirements	100%	100%	100%	100%	100%
	Percentage of quarterly investment reports submitted to the City Commission within 60 days after quarter end	*	*	100%	100%	100%
	General government debt service as a percentage of total governmental expenditures ⁴	7.29%	10.48% ²	9.23% ³	10.36%	10.06%

**This is a newly identified performance measure. Prior year data was not available.*

¹ Percentage corrected based on Investment Report for FY 2014.

² FY 2014 results were updated with the actual percentage received after March 2015 audit completion.

³ 10.36% is an estimated percentage for FY 2015. The actual percentage will not be available until external audit completion in March 2016.

⁴ This measure is benchmarked by the Florida Auditor General. The FY 2013 reported average is 10.63% for municipalities with population >150,000.

Finance Department Expenses by Division

Treasury Division - Expense

	FY 2014 Actual	FY 2015 Amended	FY 2015 Year-To-Date as of 03/31/2015	FY 2016 Department Requested	FY 2016 Budget Recommended	FY 2015 Amended vs. FY 2016	3 Year Average vs. FY 2016	Basis of Projected Expense
1101 Permanent Salaries	287,876	386,328	153,142	397,777	397,777	11,449	145,909	
1113 Vac Mgmt Conv	811	-	1,072	-	-	-	(1,634)	
1116 Comp Absences	-	-	(3,925)	-	-	-	-	
1119 Payroll Accrual	2,225	-	-	-	-	-	6,304	
1201 Longevity Pay	550	550	550	1,100	1,100	550	(68)	
1401 Car Allowances	3,000	6,000	1,500	6,000	6,000	-	2,500	
1407 Expense Allowances	2,880	2,880	1,400	2,880	2,880	-	947	
1413 Cellphone Allowance	360	360	150	360	360	-	7	
1501 Overtime 1.5X Pay	241	-	492	-	-	-	(1,119)	
1801 Core Adjustments	-	-	-	176,272	176,924	176,924	176,924	Reorganization Move 2 Accountant II and 1 Senior Accountant to Treasury. Move 1 Senior Accountant to Accounting & Financial Reporting, higher salary Treasurer
2119 Wellness Incentives	2,000	2,000	500	2,000	2,000	-	750	
2204 Pension - General Emp	55,940	61,569	61,569	63,092	63,092	1,523	4,250	
2299 Pension - Def Cont	5,444	14,257	3,681	14,646	14,646	389	7,663	
2301 Soc Sec/Medicare	21,840	30,302	11,557	31,220	31,220	918	11,561	
2307 Year End Fica Accr	170	-	(249)	-	-	-	482	
2404 Health Insurance	28,031	37,929	15,452	38,033	38,033	104	11,044	
Personal Services	411,368	542,175	246,892	733,380	734,032	191,857	356,215	
3113 Fin & Bank Serv	22,453	185,317	11,080	271,300	165,000	(20,317)	136,806	CY15: Third-party custodial services \$25,000 banking Supplies \$15,000, banking fees \$210,000; NY16: Third-party custodial services \$25,000, banking supplies \$15,000, banking fees \$125,000
3116 Invest Mgmt Serv	316,024	436,350	124,455	415,000	415,000	(21,350)	196,829	CY15: Investment Advisor \$92,000 Investment Managers \$323,000; OPEB Trust \$9,000 NY16: Investment Advisor \$92,000 Investment Managers \$323,000
3199 Other Prof Serv	25,648	23,440	9,064	29,000	19,000	(4,440)	(14,057)	CY15: Financial Advisor \$19,000 NY16: Financial Advisor \$19,000
3216 Costs/Fees/Permits	163	-	10	-	-	-	(235)	
3401 Computer Maint	-	7,458	-	-	-	(7,458)	-	
3407 Equip Rep & Maint	-	200	-	-	-	(200)	-	
3613 Special Delivery	6	75	-	75	-	(75)	(25)	Fed Ex
3616 Postage	1,370	1,600	528	1,600	1,600	-	158	Postage Meter - Pitney Bowes (AR) (Estimate per IT)
3904 Books & Manuals	-	300	57	300	300	-	300	
3907 Data Proc Supplies	289	-	564	-	-	-	(351)	
3925 Office Equip < \$5000	671	-	2,137	-	-	-	(671)	
3928 Office Supplies	1,857	2,500	827	2,500	2,500	-	569	Office supplies
4101 Certification Train	512	2,700	885	2,700	2,700	-	1,954	
4104 Conferences	907	4,000	-	4,000	4,000	-	3,132	
4110 Meetings	65	180	-	180	180	-	115	SFGFOA Dinner Meetings - \$30 x 2 meetings x 3 Accounting Staff = \$180
4113 Memberships/Dues	180	600	280	600	600	-	415	FGFOA - Accounting Staff \$35 x 3 = \$105; SFGFOA - Accounting Staff \$25 x 3 = \$75; Membership for Association of Public Treasurers of United States & Canada - \$380
4355 Servchg-Print Shop	-	600	25	600	600	-	425	Annual Bondholders Report - \$600
5604 Writeoff A/R & Other	(36,002)	-	-	-	-	-	36,002	
Operating Expenses	334,144	665,320	149,912	727,855	611,480	(53,840)	342,666	
DIVISION TOTAL	745,511	1,207,495	396,804	1,461,235	1,345,512	138,017	698,881	

Finance Department Water & Sewer Fund



WE BUILD COMMUNITY



CITY OF FORT LAUDERDALE

FY 2016 Budget Modification Requests



INFRASTRUCTURE



PUBLIC PLACES



NEIGHBORHOOD
ENHANCEMENT



BUSINESS
DEVELOPMENT



PUBLIC SAFETY



INTERNAL SUPPORT

FY 2016 BUDGET MODIFICATION SUMMARY

Finance - 450 Water & Sewer Fund

Priority No.	Request Type	Title of Request	# of Pos.	Cost	Page #
1	Position - New	Administrative Aide	1.00	67,000	38
2	Position - New	Customer Service Representative	1.00	50,000	39
			1.00	67,000	

FY 2016 BUDGET MODIFICATION FORM

Finance - 450 Water and Sewer Operations



Priority No: 1
Title of Request: Administrative Aide
Request Type: Position - New
of New Position(s) Requested: 1.00

Basis of justification: Improvement, revenue generating, mandated, cost reduction, workload change. Please state what will be the consequence if this request is not funded?

Improvement: With the addition of new services such as the new queuing system in the lobby of the utility billing office, the telephone system total calls and the abandoned call rate, the forthcoming kiosk in the drive-thru, and others, the ability to provide viable statistical data and reporting has increased. The addition of this position would provide the ability to identify new strategic goals as needed, and the demand for new projects to improve neighbor services. Additionally, the person in this position would be responsible for managing the cashier staff who has direct contact with our neighbors. Managing includes creating and maintaining procedures and programs that are beneficial to our neighbors, and creates a pleasurable City experience.

Workload change: With the addition of customer self-service Phase I) on the website, the neighbors have the ability to request services via the web. This request requires responses from our office via telephone or e-mail. This new service has increased the workload by 30%. Phase II of the customer self-service begins in April, and will increase the workload even more. This position would be responsible for providing responses and resolution to the neighbors in a timely manner. The person in this position will work directly with the Revenue Collection Supervisor, and participate in budget development and controls in the Utility Billing and Collection Division.

If granted, show impact this will have on Performance Measure (Not needed for Char. 40 or 60).

	<u>Without Request</u>	<u>CY 2015</u>	<u>NY 2016 With Request</u>
<u>Workload:</u>	E-mailed requests are not completed timely	30%	10%
<u>Efficiency:</u>	Neighbor complex issues are not resolved timely	3-5 days	1-2 days
<u>Effectiveness:</u>	Inability to identify new goals and projects to improve services	4	6

Strategic Connections:

Cylinder: Internal Support
Goal: Be a well-trained, innovative, and neighbor-centric workforce that builds community
Objective: Continuously improve and innovate communication and service delivery

Expenditure Amounts:	Expenditure Amt. Requested:	Index Code	SubObject	SubObject Title
	48,000	FIN100101	1101	PERMANENT SALARIES
	4,200	FIN100101	2299	PENSION - DEF CONT
	3,600	FIN100101	2301	SOC SEC/MEDICARE
	9,700	FIN100101	2404	HEALTH INSURANCE
	800	FIN100101	3907	DATA PROC SUPPLIES
	700	FIN100101	3925	OFFICE EQUIP < \$5000
Total Expenditure:	67,000.00			

Offsetting Revenue:	Amount of Offsetting Revenue	Index Code	SubObject	SubObject Title
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Total: Offsetting Revenue 0

Net Fund Support 67,000

(Expenditures less Revenues)

Last Update: 05/19/2015
 Total Request: 50,000.00

FY 2016 BUDGET MODIFICATION FORM

Finance - 450 Water and Sewer Operations



Priority No: 2
Title of Request: Customer Service Representative I
Request Type: Position - New
of New Position(s) Requested: 1.00

Basis of justification: Improvement, revenue generating, mandated, cost reduction, workload change. Please state what will be the consequence if this request is not funded?

Workload change-The position is requested in the Utility Billing and Collections Division of the Finance Department. The request is made in order to decrease the abandon call rate in the division. When we are fully staffed, we have 5 full time telephone representatives, who are only able to handle 79% of the calls presented on a daily basis, which is 16% per representative. The Sr. Representatives are helping with this workload, when they could pursue delinquent revenue in the lien and collections area . Improvement-With the addition of another person, we are able to increase the number of calls handled by the Rep I's to 95%,and decrease the neighbor's wait time on the telephone. We will be able to offer better service to each individual neighbor. It will improve the neighbor service process and better distribute the workload among the Representatives. This position will be fully funded from the Water, Sewer, Sanitation and Stormwater funds.

If granted, show impact this will have on Performance Measure (Not needed for Char. 40 or 60).

	<u>Without Request</u>	<u>CY 2015</u>	<u>NY 2016 With Request</u>
<u>Workload:</u>	Only 64% of the telephone calls are handled	79%	95%
<u>Efficiency:</u>	Maximum number of calls abandoned per day	120	80
<u>Effectiveness:</u>	Uncollected delinquencies	35%	25%

Strategic Connections:

Cylinder: Internal Support
Goal: Be a well-trained, innovative, and neighbor-centric workforce that builds community
Objective: Continuously improve and innovate communication and service delivery

Expenditure Amounts:	Expenditure Amt. Requested:	Index Code	SubObject	SubObject Title
	33,517	FIN040201	1101	PERMANENT SALARIES
	3,020	FIN040201	2299	PENSION - DEF CONT
	2,567	FIN040201	2301	SOC SEC/MEDICARE
	8,101	FIN040201	2404	HEALTH INSURANCE
	800	FIN040201	3907	DATA PROC SUPPLIES
	1,995	FIN040201	3925	OFFICE EQUIP < \$5000
Total Expenditure:	50,000.00			

Offsetting Revenue:	Amount of Offsetting Revenue	Index Code	SubObject	SubObject Title
Total: Offsetting Revenue	0			

Net Fund Support **50,000**

(Expenditures less Revenues)

Descriptions & Line Items by Division



INFRASTRUCTURE



PUBLIC PLACES



NEIGHBORHOOD
ENHANCEMENT



BUSINESS
DEVELOPMENT



PUBLIC SAFETY



INTERNAL SUPPORT

Finance Department

Utility Billing and Collection

Division Description

The Utility Billing and Collection Division is responsible for the accurate and timely billing and collection of utility bills, special assessments, and miscellaneous account receivables on a monthly basis, as well as the annual billing and collection of the business tax renewable forms. Additional responsibilities include lien searches and applying liens to delinquent utility accounts. The division also provides the accurate posting of the City's cash collection and the timely upload to the City's Financial Accounting Management Information System (FAMIS). Utility Billing and Collection strives to deliver excellent customer support to neighbors paying for utility services and business taxes.

FY 2015 Major Accomplishments

- Decreased the percentage of uncollectible utility bills from 4% to 3%.
- Continued the "Save a Tree" campaign which allows customers to sign up for Automated Clearing House (ACH) and E-billing, thus decreasing the number of bills to be mailed and increasing the number of payments received before the due dates.
- Increased customer use of payment methods via ACH (direct draft), IVR (pay by phone) and City's website which provides multiple payment options for customers to pay their bills, which results in more timely receipt of revenues by the City.
- Implemented customer self-service online utility billing service – Phase 1 which allows neighbors to sign up for e-billing and update account information.
- Implemented an electronic queuing system for servicing our neighbors more efficiently in the Utility Billing and Collections lobby. Allows neighbors come in, sign in and receive a number and are seated until their number is called; eliminated long waiting lines.

FY 2016 Major Projects & Initiatives

- Implementation of Self Service Programs - Phase 2 (starts in FY 2016) to allow neighbors to submit online requests for leak and pool adjustments.
- Implement citywide, automated payment kiosks.

Finance Department

Utility Billing and Collection, continued



STRATEGIC OBJECTIVES AND PERFORMANCE MEASURES

-Ensure sound fiscal management (IS 12-1)

Department Objective	Performance Measures	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2015 Projection	FY 2016 Target
Increase utility billing revenue collection (IS 12-1)	Percentage of uncollectible utility bills	4.16%	4.00%	3.90%	3.0% ¹	2.0%
Increase customer service and user friendly payment options (IS 12-1)	Number of methods for communicating payment options offered to our customers	7	8	8	9	10
	Number of utility customers that use Automated Clearing House (ACH), Web pay, and IVR (pay by phone)	15,324	17,519	18,000	19,014	20,000
	Total number of customer service calls	*	85,432	83,000	83,700	81,000
	Percentage of abandoned calls ²	*	23.5%	20%	22%	18%

* This is a newly identified performance measure. Prior year data was not available.

¹ The collection percentage exceeded the target due to additional collection efforts performed before delinquent accounts are sent to the collection agency.

² This measure is benchmarked by the International Finance Corporation (IFC). The global metric is 5 - 8% for abandoned call rate.

³ This measure is benchmarked by the International Finance Corporation (IFC). The global metric is 28 seconds for average speed to answer.

Finance Department Expenses by Division

Utility Billing & Collection Division - Expenses

	FY 2015						Basis of Projected Expense
	FY 2014 Actual	FY 2015 Amended	Year-To-Date as of 03/31/2015	FY 2016 Department Requested	FY 2016 Budget Recommended	FY 2015 Amended vs. FY 2016	
1101 Permanent Salaries	965,436	1,017,845	472,172	1,063,263	1,063,263	45,418	
1116 Comp Absences	286	-	-	-	-	-	
1119 Payroll Accrual	7,765	-	-	-	-	-	
1201 Longevity Pay	25,753	29,053	29,237	28,503	28,503	(550)	
1316 Upgrade Pay	73	-	-	-	-	-	
1407 Expense Allowances	960	960	400	960	960	-	
1501 Overtime 1.5X Pay	10,199	10,000	11,339	10,000	10,000	-	Utility billing staff
1604 Direct Labor Credits	(316)	-	-	-	-	-	
1707 Sick Termination Pay	-	-	236	-	-	-	
1710 Vacation Term Pay	-	-	152	-	-	-	
1801 Core Adjustments	-	-	-	-	11,825	11,825	Teamster Cola Increase
2104 Mileage Reimburse	17	-	-	-	-	-	
2119 Wellness Incentives	500	500	-	500	500	-	
2204 Pension - General Emp	198,555	207,162	207,162	201,809	201,809	(5,353)	
2299 Pension - Def Cont	19,795	22,176	11,122	30,277	30,277	8,101	
2301 Soc Sec/Medicare	72,745	80,160	37,365	83,592	83,592	3,432	
2307 Year End Fica Accr	585	-	-	-	-	-	
2404 Health Insurance	116,563	121,844	58,181	131,345	131,345	9,501	
2410 Workers' Comp	4,245	3,854	1,927	3,854	3,854	-	
Personal Services Subtotal	1,423,163	1,493,554	829,294	1,554,103	1,565,928	72,374	
3107 Data Proc Serv	14,028	30,507	8,133	29,132	29,132	(1,375)	CY15: Melissa Data \$4,500, NCOA \$882, Cayenta Modifications and Upgrades \$185/hr X 125 hrs = \$23,125, NemoQ \$2,000 NY16: Melissa Data \$4,500, NCOA \$882, Cayenta Modifications and Upgrades \$190/hr X 125 hrs = \$23,750
3113 Fin & Bank Serv	41,412	51,660	15,672	54,240	54,240	2,580	CY15: BILL2PAY lockbox services \$4,305 X 12 months = \$51,660 NY16: Bill2Pay lockbox services \$4,520 x 12 months = \$54,240
3216 Costs/Fees/Permits	15,138	50,000	6,988	50,000	30,000	(20,000)	Lien/Release Fees \$3,000 X \$10 = \$30,000 house sales have increased and liens being paid
3249 Security Services	11,357	11,732	4,914	12,318	12,318	586	CY: Keystone Security \$2,580, Brinks \$7,980, Stanley Security \$1,172 NY: Micro-Systems Security \$2,709, Brinks \$8,379, Stanley Security \$1,230
3299 Other Services	5,536	15,640	17,715	17,150	17,150	1,510	CY15: Collection Agency Fees \$12,240, Alert Works pre-paid minutes \$3,400 NY16: Collection Agency Fees \$13,000, NCSPlus (\$10/account) Alert Works pre-paid minutes \$3,400 Comcast Cable \$62.49 x \$12 = \$750
3304 Office Equip Rent	1,355	2,300	689	2,300	2,300	-	Toshiba Copier
3401 Computer Maint	96,540	124,419	57,598	126,096	126,096	1,677	CY15: TeleWorks \$22,120, Cognos\$21,505, Oracle \$15,750, Cayenta \$50,000, AlertWorks \$8,112, Nemo-Q \$1,761 NY16: TeleWorks \$22,120, Cognos \$21,505, Oracle \$15,750, Cayenta \$52,151, AlertWorks \$8,112, Nemo-Q \$1,458, Kiosk maintenance \$5,000
3404 Components/Parts	28	-	356	500	500	500	CY15: Components and parts for NemoQ and TV relocation NY16: New workstations
3407 Equip Rep & Maint	621	1,500	621	1,500	1,500	-	Equipment repair (fax, copier, phones, and money counter)
3616 Postage	270,020	294,000	104,890	294,000	270,000	(24,000)	Postage \$20,000 x 12 = \$240,000 Arrowmail SVC \$2,000 X 12 = \$24,000, Postal Permits \$2,500 X 12 = \$30,000
3907 Data Proc Supplies	63	-	-	-	-	-	
3925 Office Equip < \$5000	6,547	9,919	3,488	5,000	5,000	(4,919)	CY15: Laser printers \$623 X 3=\$1,869, Desk scanners \$200 X 4 = \$800, 42 TV \$600; NY16: 7 chairs-200x7=\$1400, 2 work stations-2x1300=\$2600, cubicle dividers =\$1000

Finance Department Expenses by Division

Utility Billing & Collection Division - Expenses (Continued)

	FY 2015						Basis of Projected Expense
	FY 2014 Actual	FY 2015 Amended	Year-To-Date as of 03/31/2015	FY 2016 Department Requested	FY 2016 Budget Recommended	FY 2015 Amended vs. FY 2016	
3928 Office Supplies	30,419	40,000	11,282	50,247	30,500	(9,500)	CY15: Window envelopes #10 \$12,540, #10 regular envelopes \$14,333, pre-printed return envelopes \$7,718, toner \$2,426, office supplies \$13,230 NY16: Window envelopes #10 \$12,540, #10 regular envelopes \$14,333, pre-printed return envelopes \$7,718, toner \$2,426, office supplies \$13,230
3999 Other Supplies	-	1,000	1,243	1,000	1,000	-	CY15: Pitney Bowes money counter, and the desktop scanner for check deposits lobby and bathroom in office NY16: Pitney Bowes money counter, and the desktop scanner for check deposits
4104 Conferences	1,450	6,000	826	6,000	6,000	-	CY15: Harris conference in California (Nov) 2 employees (travel, hotel and food-\$6,000) NY16: Harris conference in Atlanta (Oct) 2 employees (travel, hotel and food-\$2,000) AWWA conference Charlotte (customer service) (March) 2 employees travel, hotel and food \$2,000
4113 Memberships/Dues	-	115	-	115	115	-	Notary fee for Sr. customer Service Rep. Bridget Patterson
4116 Schools	-	1,000	803	1,000	1,000	-	Excel training for Customer Service Rep. II's
4213 Retiree Health Bene	1,200	2,000	1,200	2,000	2,000	-	
4343 Servchg-Info Sys	-	363,382	181,691	363,382	363,382	-	Information Technology Allocation
4355 Servchg-Print Shop	40,072	44,460	22,202	44,460	44,460	-	Printing \$2,750 X 12 = \$33,000, Fold and insert \$955 X 12 = \$11,460
4404 Fidelity Bonds	5,246	5,145	2,573	5,145	5,145	-	
4407 Emp Proceedings	3,633	694	347	694	694	-	
4410 General Liability	14,201	17,563	8,781	17,563	17,563	-	
5604 Writeoff A/R & Other	2,061	-	-	-	-	-	
9237 Tr To Special Obligation Bonds	176,999	173,367	86,684	173,367	173,367	-	
Operating Subtotal	737,925	1,246,403	538,695	1,257,209	1,193,462	(52,941)	
6404 Computer Equipment	-	45,974	-	-	-	(45,974)	CY: Kiosk for drive-thru services \$18,500, Nemo-Q \$18,171
6599 Construction	-	9,000	-	-	-	(9,000)	CY15: Drive-thru construction for kiosk
Capital Outlay Subtotal	-	54,974	-	-	-	(54,974)	
DIVISION TOTAL	2,161,087	2,794,931	1,367,989	2,811,312	2,759,390	(35,541)	

FY 2016

Business Plan



INFRASTRUCTURE



PUBLIC PLACES



NEIGHBORHOOD
ENHANCEMENT



BUSINESS
DEVELOPMENT



PUBLIC SAFETY



INTERNAL SUPPORT

City of Fort Lauderdale Finance Department

BUSINESS PLAN

Fiscal Year 2016

(10/1/15 through 9/30/16)

Date: March 24, 2015

Approved by:



Kirk Buffington, Department Director



Stanley Hawthorne, Assistant City Manager



WE BUILD COMMUNITY

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1. DEPARTMENT DESCRIPTION

The unified mission for the City of Fort Lauderdale is “We Build Community.”

The mission of the Finance Department is to safeguard the City’s assets and financial affairs, provide for the long-term financial stability, integrity, and accountability of the City’s financial resources, and ensure expenditure of City funds are conducted in a manner that will instill our neighbors’ trust and provide best value to the City. The department is a valuable internal financial resource to all City departments, and strives to provide excellent service to investors and other entities conducting financial and purchasing transactions in accordance with accounting and procurement standards for state and local governments. To achieve its mission, the Finance Department provides services through the functions of financial administration, utility billing and collection, accounting and financial reporting, revenue and debt, and procurement services. As an integral part of the Internal Support Platform, Finance ensures all City departments follow sound fiscal management procedures, and the fair, open, and transparent procurement of goods and services, thereby allowing the City to obtain fiscal efficiencies, while maximizing resources and lessening financial burdens.

2. STRATEGIC CONNECTIONS

The Department's efforts align with the following City of Fort Lauderdale Vision Plan Directions and Strategic Plan Goals:

Fast Forward Fort Lauderdale: Our City, Our Vision 2035

1. We Are Community
2. We Are Prosperous
3. We Are United

Press Play Fort Lauderdale: Our City, Our Strategic Plan 2018

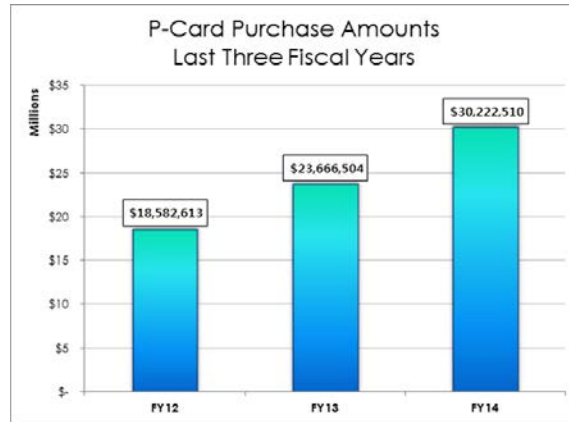
1. Be a well-trained, innovative, and neighbor-centric workforce that builds community (IS-11).
2. Be a leading government organization, managing resources wisely and sustainably (IS-12).

3. MAJOR ACCOMPLISHMENTS

- Successfully recruited and retained highly qualified and experienced Treasurer to create and implement sound fiscal policies and ensure highest and best valued use of City funds.
- Received the Investment Policy Certification Award from the Association of Public Treasurers of the United States and Canada.
- Created and implemented a citywide accounts receivable allowance and write-off policy.
- Created and implemented an Investment Policy for the Other Post-Employment Benefits (OPEB) Trust.
- Issued Water and Sewer Revenue Refunding Bonds, Series 2014 to refund a portion of the Water and Sewer Revenue Bonds, Series 2006 and Series 2008. The transaction resulted in a net present value savings of \$11,520,607 to the City.
- Engaged an investment manager and advisor to oversee investment of the OPEB Trust's assets.
- Transacted a \$7.62 million bank loan for the Community Redevelopment Agency to finance the North Loop extension of the WAVE Streetcar Project.
- Implemented electronic construction bidding that provides automation and efficiencies for both bidders and the City, as well as supports sustainable procurement practices.
- Implemented electronic payments for non-payroll related transactions such as travel advances, employee reimbursements and Other Post-Employment Benefits payments.
 - Supports the City's Green Our Routine initiative and decreased printing costs.
- Received the City's first Popular Annual Financial Report (PAFR) Award in conjunction with the Comprehensive Annual Financial Report Award (IS 12-1.6).
 - Provides a financial report that is easily understandable by the general public and other interested parties without a background in public finance; reader friendly.
- Implemented Electronic Paystubs to reduce the City's annual paper and printing costs from approximately \$10,000 to \$6,000 (40%) for FY2015.
- Implemented an Accounts Payable credit card which increases the P-card rebate.
- Successfully transitioned Payroll from Human Resources to Finance in an effort to centralize payroll functions under the Finance Department.
- Completed the single audit in conjunction with the annual audit for FY 2014 (ongoing)
 - Allows the City to mitigate future findings by implementing corrective actions.
- Conducted two successful online auctions of surplus property in which the total revenues to the City amounted in \$336,144.80.
- Administered over 450 contracts for various services and commodities for the City.
 - Represents efficient expenditure of City dollars in excess of \$148 million.

3. MAJOR ACCOMPLISHMENTS (Continued)

- Increased usage on the City's Purchasing Card (P-Card) from \$23,666,504 to \$30,222,510 (28%) in FY 2014 (IS 12-2.2)



- Rebates provide increased revenues to the City, and decreases transactional cost of paying vendors.
- Received the National Procurement Institute's 18th Annual Achievement of Excellence in Procurement Award (IS 12-2.3).
 - Awards provide State and national recognition to the City.
- Continued the "Save a Tree" campaign (ongoing).
 - Allows customers to sign up for Automated Clearing House (ACH) and E-billing, thus decreasing the number of bills to be mailed and increasing the number of payments received before the due dates.
- Increased customer use of payment methods via ACH (direct draft), IVR (pay by phone) and City's website (ongoing).
 - Provides multiple payment options for customers to pay their bills, which provide more timely receipt of revenues by the City.
- Implemented customer self-service online utility billing service – Phase 1 (FY 2015, ongoing).
 - Allows neighbors to sign up for e-billing and update account information.
- Implemented an electronic queuing system for servicing our neighbors more efficiently in the Utility Billing and Collections lobby (FY 2015, ongoing).
 - Neighbors come in, sign in and receive a number and are seated until their number is called. No more lines.
- Completed the Business Tax move to the first floor of City Hall and created an electronic routing system where customers are not traveling between departments in order to receive a business tax (FY 2015).

4. MAJOR CHALLENGES

- Procure and advance implementation of an Enterprise Resource Planning (ERP) system.
 - The procurement process is extensive and consumes staff resources because it includes detailed and lengthy evaluations of each ERP system.
 - The implementation of an ERP system will provide a significant disruption to the daily operations of all departments effected and Finance is one of the major users of the system. Additional staff will be needed to assist with daily workload while current staff work/train on new ERP system.
- Succession Planning
 - The Finance Department is comprised of 64.5 full-time employees for FY 2015. Thirty-two (50%) employees are currently eligible for retirement.
- Transition merchant services to a new service provider requiring changes to current operating procedures, including the new chip technology requirements effective 10/1/15.
- Implementation of Self Service Programs - Phase 2 (starts in FY 2015) to allow neighbors to submit online requests for leak and pool adjustments.
 - Insufficient staff resources to work through the transition of the automation process.
- Automation of services relating to lien searches.
 - Required subsystems' upgrades to ensure correct data is provided for the lien search.
- Integration of Construction Contract Management into the Procurement division.
 - Recently the responsibility of procuring CIP projects has been placed with Procurement. One additional buyer has been allotted within the Division to assume this responsibility. The 5-year CIP plan contains over 370 individual projects and the current staffing level will be insufficient to support this workload (request for FY 2016).
- Management of Contractor Insurance Certificates.
 - Management of this function is currently done manually and is time consuming.
- Adequate staffing in Procurement division in order to sufficiently support the procurement requirements of the City's departments and the increasing demands of the CIP program (request for FY 2016).
- Staff Turnover
 - Of the 12 full time employees in the Procurement Services Division, 6 (50%) are new to their positions. Onboarding, reassignment of job duties, and training while maintaining a high level of customer service and internal support will be a challenge.
- Adequate staffing in the Accounts Payable division in order to ensure prompt processing of invoices and efficient service to our neighbors (request for FY 2016).

4. MAJOR CHALLENGES (Continued)

- Implement citywide, automated payment kiosks (FY 2015).
 - Procuring a vendor that can integrate with several City subsystems.
- Adequate staffing in Business Tax division in order to provide timely service to our business owners and process much needed administrative paperwork (request for FY 2016).
- Adequate staffing in Utility Billing and Collections Division in order to increase services to our neighbors and fellow community builders (request for FY 2016).
- Implement neighbor survey in the lobby of Utility Billing and Collections (FY 2015).
 - Finding a suitable surveying application to ensure neighbor participation.

5. CURRENT STRATEGIC INITIATIVES

Internal Support Cylinder of Excellence

- Be a leading government organization, managing resources wisely and sustainably (IS-12).
 - Develop Financial Policies including Financial Integrity Principles and Policies in collaboration with the Budget/Grants and CIP division (IS 12-1 FY 2014 CAAP, ongoing).
 - Create and implement a citywide cash management policy.
 - Develop an investment interest allocation formula to equitably distribute earnings across funds that contribute to the investment pool.
 - Create a comprehensive debt management policy to establish guidelines and a framework for the issuance and management of the City's debt.
 - Continue to grow the use of purchasing cards (P-cards) with vendors to streamline payments and maximize City rebates (IS 12-2.1).
 - P-Card transition to weekly payment to increase rebates.
 - Routinely examine and improve procurement and payment processes (IS 12-2.2, ongoing).
 - Maintain the National Purchasing Institute Award of Excellence in Procurement (IS 12-2.3, ongoing).
 - Develop a policy for sustainable product purchasing (IS 12-2.4).
 - Implement spend analysis citywide to achieve procurement efficiencies (IS 12-2.5).
 - Continue to expand and monitor local supplier spending (IS 12-2.6).
 - Expand use of departmental informal electronic quoting (IS 12-2.7).
 - Develop a General Fund financial risk assessment model in collaboration with Budget/Grants and CIP division to determine the minimum levels of fund balance for General Fund. (IS 12-1.4).
 - Procure and advance implementation of Enterprise Resource Planning (ERP) system (IS 12.1.7).
 - Staff members in ERP Evaluation and Selection Committee.
 - Managing six Technical User Groups (TUGs) and actively participating in an additional four TUGs.

6. FY 2016 NEW PROJECTS AND ISSUES

Internal Support Cylinder of Excellence

- Strategic Plan Goal: Be a well-trained, innovative, and neighbor-centric workforce that builds community (IS-11).
 - Allow neighbors to pay any bill at various City locations.
 - Timekeeping training and certification.
 - Implement an internal procurement training program to increase efficiencies and prevent complications.
 - Review Treasury Division processes to streamline operations and eliminate duplication of services.
- Strategic Plan Goal: Be a leading government organization, managing resources wisely and sustainably (IS-12).
 - Comprehensive Annual Financial Report (CAFR) Award (ongoing).
 - Procurement Award (ongoing).
 - Popular Annual Financial Report (PAFR) Award (ongoing).
 - Implement electronic W-2 forms.
 - Conduct an in depth review of the Fuel Hedge Program to determine if the City is receiving the full benefit of the program.
 - Monitor the investment managers and advisor to determine if the City is receiving full value for its cost.
 - Conduct departmental petty cash audits.
 - Revise and update the City's Procurement Code (starts in FY 2015).
 - Conduct vendor survey to quantify the competitiveness, fairness, and straightforwardness of the solicitation process.
 - Audit P-card transactions on a monthly basis.
 - Implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" – replace requirements of GASB Statements No. 27 and No. 50.
 - Conduct Deferred Compensation Plan (457) Audit to ensure that retirement plans are aligned with regulatory best practices.
 - Conduct Actuarial Audits to monitor the quality of actuarial services performed on behalf of the pension plans. GFOA recommends that this be performed at least once every 5 years (request for FY 2016).

7. DEPARTMENT ENVIRONMENTAL SCAN

- *Changes in the economic environment*
 - According to the Congressional Budget Office (CBO) in 'The Budget and Economic Outlook: 2015 to 2025', January 2015, real Gross Domestic Product (GDP) is expected to increase by 2.9% during 2016. The increase is expected to be driven largely by consumer spending, business investment and residential investment. The City should benefit from increases in these spending categories since they comprise much of the City's sources of revenue.
 - The CBO expects the Federal Reserve's monetary policy to gradually result in higher interest rates, but not for several years. This will continue to have a negative impact on the City's investment portfolio. Most of the City's debt has already been refunded to take advantage of the low rates.
 - Inflation is projected to remain low meaning that prices for goods and services should remain stable in the near term.

- *Changes in the business environment*
 - Enterprise Resource Planning (ERP) system
 - Additional staff needed to assist with daily workload while current staff work/train on new ERP system.
 - GASB Statement No. 68 implementation for FY 2015
 - GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" – replaces requirements of GASB Statements No. 27 and No. 50.
 - State of Florida Audit Requirement and Selection
 - The State of Florida bills assigned to the government financial oversight. HB 1063 – 218.39 Audit Selection Procedures recommends that the contract period, including renewals may not exceed two (2) years.
 - Succession Planning
 - The Finance Department is comprised of 64.5 full-time employees for FY 2015. Thirty-two (50%) employees are currently eligible for retirement.
 - Reverse auctions – The Procurement Division has explored 3rd party reverse auction service providers and will re-explore the use of reverse auctioning for purchase of certain goods and services. Government agencies have achieved substantial savings using a 3rd party as opposed to attempting to run the reverse auction in house. A reverse auction is a type of auction in which the roles of buyer and seller are reversed. In an ordinary auction (also known as a forward auction), buyers compete to obtain a good or service by offering increasingly higher prices. In a reverse auction, the sellers compete to obtain business from the buyer and prices will typically decrease as the sellers undercut each other.

7. DEPARTMENT ENVIRONMENTAL SCAN (Continued)

- VISA and MasterCard shift of credit card transaction liability as it relates to fraud
 - Starting in October of 2015, VISA and MasterCard intend to shift liability for card present (Point of Sale (POS)) transactions to the utility. Once this takes effect, utilities, which have not made the investment in chip-enabled technology, may be held financially liable for card-present fraud that could have been prevented with the use of a chip-enabled POS system. EMV (Europay, MasterCard, and VISA) cards contain a chip in addition to the traditional magnetic strips that are used to transmit card data. Unlike standard magnetic cards, EMV cards create a unique transaction code every time they are used. Each code can only be used once, which makes fraud more difficult and less likely to occur. Each City department is required to have this in place as of the beginning of FY 2016.

- *Neighbor Survey Results*
 - The City's 2014 Neighbor Survey reported that of the 45% of respondents that had contacted the Utility Billing Office 81% rated their experience with contacting the as excellent or good. Only 11% of respondents indicated they were not satisfied with the experience. This resulted in a 5% increase in satisfaction from the 2013 survey. Additionally, there was a 4% decrease in dissatisfaction over the last year.

- *Performance Highlights and Trends*
 - The City increased staffing in the utility billing Call Center to reduce the abandoned call rate from 26% to 20%. This resulted in increased neighbor satisfaction.
 - The City empowers its customers with self-service options to increase efficiency and reduce operational costs. The number of utility customers (approximately 58,000 total) that use the City's three easy pay options: Automated Clearing House (ACH), Web Pay (online) and Integrated Voice Recognition (IVR) (pay by phone) averaged 17,518 (30.2%) per month
 - The City offers eight methods for communicating payment options to its customers to provide a greater level of customer service while reducing operational costs:
 - Payment options are printed on back of customers utility bills
 - Customers are informed of payment options via call-ins
 - Customers are informed of payment options via walk-ins and drive-thru
 - Payment options are listed via the City's web-site
 - Payment options are recorded via IVR on delinquent dial outs
 - Save A Tree Campaign allows customers to sign up for ACH or E-bill

7. DEPARTMENT ENVIRONMENTAL SCAN (Continued)

- City Hall has a laptop in the lobby that enables customers to pay online.
- Accept American Express and Discover as forms of payment. Neighbors were notified via City website and signage.
- 99% of employees/retirees participated in payroll direct deposit, which reduced the City's payroll transactional costs and provided a higher level of transactional security.
- The total number of open audit findings has not increased for FY 2014 (IS 12-1.5).
 - Audits assure compliance with federal and state grant regulations, reduces audit costs and contributes to a favorable rating from credit rating companies.
- The City maintained 100% compliance with audits and reports, and bond covenants.
- 100% of the City's debt payments were made and recorded on time, which keeps the City in good credit standing and avoids incurring interest expense for late payments.
- P-card purchase dollar amount increased from \$23,666,504 to \$30,222,510 (28% increase from FY 2013) (IS 12-2.2).
- P-card rebates for the 2014 calendar year totaled \$450,338 (14% increase from the 2013 calendar year). Rebates provide increased revenues to the City and decreases transactional costs of paying vendors (IS 12-2.3).
- The City's bond rating on their General Obligation bonds by a National Bond Rating Agency, Standard & Poor's was AA. Bond ratings provide a financial indicator to potential investors (IS 12-1.2).
- The City's bond rating on their Revenue bonds by a National Bond Rating Agency, Standard & Poor's was AA+. Bond ratings provide a financial indicator to potential investors (IS 12-1.3).
- The City's bond rating on their Taxable Special Obligation bonds by a National Bond Rating Agency, Standard & Poor's was AA-. Bond ratings provide a financial indicator to potential investors (IS 12-1.3).
- The City earned an average rate of return of 0.68% across all cash funds. The rate of return on the managed investments was 1.10%.

8. TWO TO FIVE-YEAR OUTLOOK

1. Potential Governmental Accounting Standards Board (GASB) Changes

- Postemployment Benefits Accounting and Financial Reporting:

- Other Postemployment Benefits Accounting and Financial Reporting

- The Board will consider the possibility of improvements to the existing standards of accounting and financial reporting for other postemployment benefits (OPEB) by local governmental employers of OPEB plans. One objective of this project is to improve the accountability and transparency of financial reporting in regard to the financial effects of employers' commitments and actions related to OPEB. This objective would include improving the information provided to help financial report users assess the degree to which inter-period equity has been achieved. The other objective of this project is to improve the usefulness of information for decisions or judgments of relevance to the various users of the general purpose external financial reports of governmental employers and OPEB plans.

- Tax Abatement Disclosures:

- The objective of this project is to determine what disclosure guidance for governments that have granted tax abatements, if any, is essential to financial statement users. The project will not consider guidance for programs that reduce the tax liabilities of broad classes of taxpayers, such as senior citizens or veterans, and which are not the product of individual agreements with each taxpayer. The project also will not consider issues related to recognition. Deliberations will begin in the first third of 2014.

2. Economic Outlook

- The CBO's long term projections are unremarkable. GDP increases are in the 2.0 to 2.2 percent range; inflation is steady at 2.0 percent. Likewise, nominal gains in interest rates are estimated on three-month Treasury bills at 3.4% from 2019 to 2025. Interest rates on ten-year Treasury notes rise from 4.1 percent in 2018 to 4.4 percent in 2019 and remain steady at 4.6 percent from 2020 to 2025.

3. Succession Planning

- The Finance Department is comprised of 64.5 full-time employees for FY 2015. Thirty-two (50%) employees are currently eligible for retirement.

4. Employee Training

- With 50% of the procurement staff being new to their current positions, professional training and achievement of certification will be crucial to the continuance of an exemplary procurement operation.

8. TWO TO FIVE-YEAR OUTLOOK (Continued)

5. GASB Upcoming Project

- Asset Retirement Obligations
- Blending Requirements for Certain Business-Type Activities
- Conceptual Framework—Measurement and Recognition (Recognition portion of project on hold)
- Economic Condition Reporting: Financial Projections (On Hold Pending Resolution of GASB Scope)
- External Investment Pools
- Fair Value Measurement
- Fiduciary Responsibilities
- GAAP Hierarchy
- Leases

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